

**CITY OF LAKEWOOD, OHIO**

**SINGLE AUDIT REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2009**

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





Mary Taylor, CPA  
Auditor of State

City Council  
City of Lakewood  
12650 Detroit Avenue  
Lakewood, Ohio 44107

We have reviewed the *Independent Auditor's Report* of the City of Lakewood, Cuyahoga County, prepared by James G. Zupka, CPA, Inc., for the audit period January 1, 2009 through December 31, 2009. 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 Lakewood is responsible for compliance with these laws and regulations.

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

September 22, 2010

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**CITY OF LAKEWOOD, OHIO  
SINGLE AUDIT REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2009**

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

*Certified Public Accountants*

*5240 East 98<sup>th</sup> Street*

*Garfield Hts., Ohio 44125*

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Ohio Society of Certified Public Accountants

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

To the Members of City Council and  
Members of the Audit Committee  
City of Lakewood, 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 Lakewood, Cuyahoga County, Ohio, as of and for the year ended December 31, 2009, which collectively comprise the City of Lakewood, Ohio's basic financial statements and have issued our report thereon dated June 4, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City of Lakewood, Ohio's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Lakewood, Ohio's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Lakewood, Ohio's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. Therefore, we cannot assure that we have identified all deficiencies, significant deficiencies, or material weaknesses. However, as described in the accompanying Schedule of Findings, we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider **Finding 2009-001** described in the accompanying Schedule of Findings to be a material weakness.

**Compliance and Other Matters**

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

We noted certain matters that we reported to management of the City of Lakewood, Ohio, in a separate letter dated June 4, 2010.

The City of Lakewood, Ohio's response to the finding identified in our audit is described in the accompanying Schedule of Findings. We did not audit the City's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, members of City Council, members of the Audit Committee, others within the entity, 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 Accountant

June 4, 2010

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

*Certified Public Accountants*

*5240 East 98<sup>th</sup> Street*

*Garfield Hts., Ohio 44125*

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

To the Members of City Council and  
Members of the Audit Committee  
City of Lakewood, Ohio

**Compliance**

We have audited the compliance of the City of Lakewood, Cuyahoga County, 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, 2009. The City of Lakewood, Ohio's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings. 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 Lakewood, Ohio's management. Our responsibility is to express an opinion on the City of Lakewood, Ohio's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Lakewood, 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 of the City of Lakewood, Ohio's compliance with those requirements.

In our opinion, the City of Lakewood, 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, 2009.

### **Internal Control Over Compliance**

The management of the City of Lakewood, Ohio, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City of Lakewood, Ohio's internal control over compliance with the 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 internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Lakewood, Ohio's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

### **Schedule of Expenditures of Federal Awards**

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Lakewood, Ohio, as of and for the year ended December 31, 2009, and have issued our report thereon dated June 4, 2010, which contained unqualified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

This report is intended solely for the information and use of management, members of City Council, members of the Audit Committee, others within the entity, 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

June 4, 2010

**CITY OF LAKEWOOD, OHIO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Number	Program or Award Amount	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<b>U. S. Department of Agriculture</b>							
<i>Passed through the Western Reserve Area Agency on Aging</i>							
Nutrition Program for the Elderly	10.570	n/a	\$ 40,695	\$ 0	\$ 40,695	\$ 0	\$ 40,695
<b>Total U.S. Department of Agriculture</b>			<u>40,695</u>	<u>0</u>	<u>40,695</u>	<u>0</u>	<u>40,695</u>
<b>U.S. Department of Housing and Urban Development</b>							
<i>Direct Programs</i>							
Homelessness Prevention and Rapid Re-Housing Program Grant	14.257	S-09-MY-0007	902,439	0	0	81,533	0
<b>Total CFDA #14.257</b>			<u>902,439</u>	<u>0</u>	<u>0</u>	<u>81,533</u>	<u>0</u>
Emergency Shelter Grant	14.231	S-08-MC-39-007	96,602	30,942	0	30,942	0
Emergency Shelter Grant	14.231	S-09-MC-39-007	96,745	21,857	0	63,661	0
<b>Total CFDA #14.231</b>			<u>193,347</u>	<u>52,799</u>	<u>0</u>	<u>94,603</u>	<u>0</u>
<i>Total Direct Programs</i>			<u>1,095,786</u>	<u>52,799</u>	<u>0</u>	<u>176,136</u>	<u>0</u>
<i>Passed through Cuyahoga County Housing Consortium</i>							
Community Development Block Grant	14.218	B-08-MC-39-007	2,172,899	* 1,398,966	0	* 1,398,966	0
Community Development Block Grant	14.218	B-09-MC-39-007	2,214,511	1,545,507	0	1,557,290	0
<b>Total CFDA #14.218</b>			<u>4,387,410</u>	<u>2,944,473</u>	<u>0</u>	<u>2,956,256</u>	<u>0</u>
HOME Investment Partnerships Program Grant	14.239	CE-04-0354-01	283,109	424,570	0	376,962	0
<b>Total CFDA #14.239</b>			<u>283,109</u>	<u>424,570</u>	<u>0</u>	<u>376,962</u>	<u>0</u>
<i>Total Passed Through Cuyahoga County Housing Consortium</i>			<u>4,670,519</u>	<u>3,369,043</u>	<u>0</u>	<u>3,333,218</u>	<u>0</u>
<i>Passed through Ohio Department of Development</i>							
Neighborhood Stabilizational Program Grant	14.228	AZ-08282-01	1,072,216	35,603	0	66,659	0
<b>Total CFDA #14.228</b>			<u>1,072,216</u>	<u>35,603</u>	<u>0</u>	<u>66,659</u>	<u>0</u>
<b>Total U.S. Department of Housing and Urban Development</b>			<u>6,838,521</u>	<u>3,457,445</u>	<u>0</u>	<u>3,576,013</u>	<u>0</u>
<b>Federal Emergency Management Agency</b>							
<i>Direct Program</i>							
Federal Emergency Management Agency Equipment Grant	97.036	EMW-2007-PG-06234	63,440	63,440	0	63,440	0
<b>Total CFDA #97.036</b>			<u>63,440</u>	<u>63,440</u>	<u>0</u>	<u>63,440</u>	<u>0</u>
<b>Total Federal Emergency Management Agency</b>			<u>63,440</u>	<u>63,440</u>	<u>0</u>	<u>63,440</u>	<u>0</u>
<b>U.S. Department of Health and Human Services</b>							
<i>Passed through the Western Reserve Area Agency on Aging</i>							
Special Programs for the Aging - Title III	93.044	n/a	134,434	151,170	0	151,170	0
<b>Total CFDA #93.044</b>			<u>134,434</u>	<u>151,170</u>	<u>0</u>	<u>151,170</u>	<u>0</u>
Medical Assistance Program (Passport Services)	93.778	n/a	52,708	52,708	0	52,708	0
<b>Total CFDA #93.778</b>			<u>52,708</u>	<u>52,708</u>	<u>0</u>	<u>52,708</u>	<u>0</u>
<b>Total U.S. Department of Health and Human Services</b>			<u>187,142</u>	<u>203,878</u>	<u>0</u>	<u>203,878</u>	<u>0</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 7,129,798</u>	<u>\$ 3,724,763</u>	<u>\$ 40,695</u>	<u>\$ 3,843,331</u>	<u>\$ 40,695</u>

\* Includes Program income of \$270,782.

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

**CITY OF LAKEWOOD, OHIO**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

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**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Expenditures of Federal Awards of the City of Lakewood, Ohio summarizes the activity of the City's federal award programs. The Schedule has been prepared on the cash basis of accounting.

**NOTE 2: SUBRECIPIENTS**

The City passes through certain federal assistance received from the U.S. Department of Housing and Urban Development (HUD) to other governments or not-for-profit agencies (subrecipients). As described above in Note 1, the City records expenditures of federal monies to subrecipients when paid in cash.

The subrecipient agencies have certain compliance responsibilities related to administering these federal programs. Under OMB Circular A-133, the city is responsible for monitoring subrecipients to help assure that federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements, and that performance goals are achieved.

**NOTE 3: MATCHING REQUIREMENTS**

Certain federal programs require that the City contribute non-federal funds (matching funds) to support federally funded programs. The City has complied with the matching requirements. The expenditures of non-federal matching funds is not included on the Schedule.

**NOTE 4: U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND HOME PROGRAM GRANTS**

The City has established a revolving loan program to provide low-interest loans to persons from low to moderate income households to rehabilitate their homes. The U.S. Department of Housing and Urban Development (HUD) grants monies for these loans directly to the City. The initial loan of these monies is recorded as a disbursement on the accompanying Schedule. Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as disbursements on this Schedule. These loans are collateralized by mortgages on the property. At December 31, 2009, the gross amount of loans outstanding under this program is \$2,046,687. The Emergency Shelter Grant is directly received by the City. HUD's HOME Program grant is passed through the Cuyahoga County Housing Authority Consortium.

**NOTE 5: U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES AND SPECIAL PROGRAMS FOR THE AGING**

The U.S. Department of Health and Human Services grants are passed through the Western Reserve Area Agency on Aging.

**CITY OF LAKEWOOD, OHIO**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**  
**(CONTINUED)**

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NOTE 6: **FOOD DISTRIBUTION**

Non-monetary assistance, such as meals received from the Western Reserve Agency on Aging, is reported in the Schedule at the value of \$2.88 per meal served. Of the value of an individual meal served, the U.S. Department of Agriculture allocates \$1.00 per meal and the U.S. Department of Health and Human Services allocates \$2.88 per meal. For the year ended December 31, 2009, the City served 28,008 and 24,843 meals through the City's Office on Aging congregate meal program and home delivered meal program; therefore, the U.S. Department of Agriculture allocation was \$40,695 and the U.S. Department of Health and Human Services allocation was \$80,663.

**CITY OF LAKEWOOD, OHIO  
SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133 & .505  
DECEMBER 31, 2009**

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

2009(i)	Type of Financial Statement Opinion	Unqualified
2009(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	Yes
2009(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2009(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2009(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2009(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
2009(v)	Type of Major Programs' Compliance Opinions	Unqualified
2009(vi)	Are there any reportable findings under .510?	No
2009(vii)	Major Programs (list):  Community Development Block Grant - CFDA #14.218 HOME Investment Partnerships Program Grant - CFDA #14.239	
2009(viii)	Dollar Threshold: A/B Programs	Type A: \$300,000 Type B: All Others
2009(ix)	Low Risk Auditee?	Yes

**CITY OF LAKEWOOD, OHIO  
SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133 & .505  
DECEMBER 31, 2009  
(CONTINUED)**

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

**Finding 2009-001 - Material Weakness - Restatements of Prior Period Balances**

Statement of Condition/Criteria

Financial reporting is the responsibility of the City's Finance Department and is essential to ensure the information provided to the readers of the financial statements is complete and accurate.

In the prior fiscal year, the City incorrectly recorded cash and cash equivalents, accrued wages, interfund payable and intergovernmental payable for the governmental funds; cash and cash equivalents, accrued interest receivable, accounts payable and claims payable for internal service funds; and cash and cash equivalents for business-type activities. The City also incorrectly reported budgetary fund equity for police and fire pension, CDBG, debt service, TIF Capital Improvement and Sewer Funds.

Cause/Effect

The changes in financial presentation resulted in a prior period adjustment to the various funds as noted above.

Recommendation

We recommend that the City implement controls and procedures related to financial reporting that enables management to identify, prevent, detect and correct potential misstatements in the financial statements and footnotes.

Client Response

The City has implemented additional controls and procedures related to financial reporting that will enable management to identify, prevent, detect and correct potential misstatements in the financial statements and footnotes.

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

None.

**CITY OF LAKEWOOD, OHIO  
STATUS OF PRIOR FINDINGS AND RECOMMENDATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

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<u>Number</u>	<u>Finding Summary</u>	<u>Fully Corrected?</u>
2008-1	Failure to Obtain SAS-70 Tier II Report for the contracting of Worker's Compensation billing processing.	Yes

Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

# **CITY OF LAKEWOOD, OHIO**

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED  
DECEMBER 31, 2009



VISIT OUR WEBSITE AT: [www.onelakewood.com](http://www.onelakewood.com)

# City of Lakewood, Ohio



## Comprehensive Annual Financial Report For the Year Ended December 31, 2009

Issued by:

City of Lakewood  
Department of Finance

Jennifer R. Pae, Finance Director  
Keith D. Schuster, CPA, Assistant Finance Director  
John Hribar, Accounting Manager

# City of Lakewood, Ohio

Comprehensive Annual Financial Report

For the Year Ended December 31, 2009

## CAFR Cover

In 2009, this Old House Magazine named Lakewood as the “*Best Place in the Midwest to Buy an Old House,*” and Business Week Magazine named the City as the “*Best Place to Raise your Kids.*”

**City of Lakewood, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2009*  
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Jennifer R. Pae  
Director of Finance

June 4, 2010

Dear Members of Council,  
and the Citizens of the City of Lakewood:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Lakewood (the "City") for the year ended December 31, 2009.

This report enables the City to comply with Ohio Administrative Code Section 117-2-03(B), which requires reporting on a GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38 which requires the cities reporting on a GAAP basis to file unaudited General Purpose External Financial Statements with the Auditor of State within 150 days of year end.

The City, and more specifically the Department of Finance, assumes responsibility for the accuracy, completeness, and reliability of presentation based upon a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The independent public accounting firm of James G. Zupka, C.P.A., Inc., has issued an unqualified ("clean") opinion on the City of Lakewood's financial statements for the year ended December 31, 2009. The Independent Auditor's Report is located at the front of the financial section of this report.

The Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report, and provides a narrative introduction, overview, and analysis of the Basic Financial Statements. The MD&A complements this letter of transmittal, which should be read in conjunction.

### **City of Lakewood's Profile**

The City, located in northeast Ohio on the shores of Lake Erie and five miles west of downtown Cleveland, is primarily a residential community covering 5.66 square miles. The City's population according to the 2000 Federal Census was 56,646. The City enjoys close proximity to major cultural, educational and medical facilities in Northeast Ohio, as well as ease of access to many interstate highways and Cleveland Hopkins International Airport, which makes it a desirable location for residents and commercial enterprise.

The City was incorporated in 1911. The City operates and is governed by the laws of the State of Ohio and its own charter that provides for a mayor-council form of government. The City's chief executive and administrative officer is the Mayor, who is elected to a four-year term and serves in a full-time capacity. Legislative authority is vested in a seven member council, which consists of three at-large and four ward representatives. Council members are elected to four-year terms. All members of Council serve in a part-time capacity. The Lakewood Municipal Court provides judicial services for the City.

Established by charter, the municipal government consists of six departments. A director, who is appointed by and reports directly to the Mayor, heads each department. All directors work closely with the Mayor to provide quality services to the citizens the City.

The **Department of Public Works** is responsible for the administrative control and supervision of eight divisions -- Parks and Public Property, Streets and Forestry, Fleet Management, Water and Wastewater Collection, Wastewater Treatment, Refuse and Recycling, Engineering, and Winterhurst Ice Rink.

The **Department of Public Safety** consists of the Division of Police, the Division of Fire and the Division of Housing and Building. The Mayor serves as the ex-officio Director of Public Safety and appoints the chiefs of the Divisions of Police and Fire, and the Division of Housing and Building Assistant Public Safety Director. The chiefs have exclusive control of assignment of duties and stationing of all other officers and employees of their respective divisions.

The **Law Department**, under the direction of the City's Law Director, functions as the attorney for the City and its officials by providing legal advice to the Mayor, City Council and all departments. The Law Department represents the City in all court proceedings and before any administrative body. The Law Department prepares legislation, contracts, and all legal documents to ensure all business of the City is conducted in a proper and legal manner.

The **Finance Department** performs the following administrative functions: financial reporting, general accounting, including accounts receivable and accounts payable, payroll, purchasing, cash management, risk management, income tax collection, utility billing, vital statistics, and computer information services.

The **Department of Planning and Development** coordinates long-range planning, zoning, and economic development for the City as well as administers the federal Community Development Block Grant Funds awarded to the City by the U.S. Department of Housing and Urban Development. The department works directly with the Lakewood Planning Commission, the Board of Zoning Appeals, the Board of Building Standards/Architectural Board of Review and Sign Review Board, the Lakewood Heritage Advisory Board, and the Citizens Advisory Committee.

The **Department of Human Services** provides a continuum of responsive programs and services that enhance and promote the health and well being of individuals, families, and the community. The department is comprised of the Aging, Youth, and Early Childhood divisions.

### **Local Economy**

The City has fared well compared to its peer cities despite a challenging national and regional economy. The City's population density, cost of living and access to regional resources buttress the local economy.

### **Employment**

The City's 2009 unemployment rate was 7.9 percent (Euclid and Parma, comparatively sized cities in the region, had unemployment rates of 9.8 percent and 9.5 percent respectively). Throughout the year, all Cuyahoga County communities experienced unemployment rate increases of about one-third. Trends suggest that unemployment rates will continue to increase through 2010. The City benefitted from new retail and office assets that yielded job retention in 2009, with carry-over into 2010. The City's largest employers did not announce significant job growth or loss, but the City's and region's employers are not immune from national job loss trends. Since most of the City's homeowners work outside the City, the regional economy has the largest impact on household income.

## **Retail**

Retail occupancy increased in the City in 2009 for the second year in a row, in stark contrast to regional and national trends. The City's population density and lower rents provided a value option for retail growth, especially restaurants. We expect that retail occupancy will continue to trend upward in 2010.

The City will shift emphasizing retail occupancy to office expansion, growth and retention, advancing a strategy to occupy vacant retail storefronts first, building modern office assets second and filling newly renovated sites that cater to small and growing businesses.

## **Commercial Office**

The City's commercial office sector experienced major renovations and new construction in 2009. Lakewood Center North, the City's largest office building, remained at or near capacity for the duration of the year, though whole-floor vacancies are expected in 2010. The Detroit-Warren Building upgraded their offices and successfully recruited tenants to fill all spaces and, at the time of writing, has limited vacancy.

The INA and Bailey Buildings will provide an attractive newly renovated office asset to assist office retention and attraction efforts via a multi-million dollar renovation that began in 2009.

The United States Department of the Interior announced in early 2009 a new \$5.0 million commercial office project to be completed by May 2010, which will be fully occupied by the Social Security Field Office.

## **Industrial**

The City pursued leads to market vacant industrial property within a region that is saturated with vacant industrial sites. The former Lake Erie Screw site, renamed the Templar Automotive Industrial Complex, continues to be a small industrial business attractor, surpassing 80 percent occupancy and is the site for new niche manufacturing uses. Hinkley Lighting, which announced that it has been tempted to relocate with property and income tax abatement incentives to the far west suburbs, has slowed its plans to move its offices, but did relocate its warehouse operations in 2009. Hinkley Lighting will retain office operations in the City for years to come, while it markets its Class-A warehouse space.

## **Residential**

In 2009 and forward through 2010, the City emphasized aggressive enforcement of building standards and incentives to acquire and/or rehabilitate vacant or foreclosed homes. In 2009, residential occupancy (not necessarily population) increased City-wide. Concurrently, the City has acquired properties to eliminate non-productive properties for rehabilitation, new construction (and sometimes land-banking) to return those properties to productivity.

Foreclosures remained a nationwide problem in 2009. The City has nearly 17,000 residential structures (single family, two family and multi-family structures), and had 406 foreclosure filings in 2009. Roughly half of all filings resulted in an actual foreclosure. Investment properties represent two-thirds of foreclosure activity in Lakewood, giving promise to the relative stability of owner-occupied doubles and single family homes. Encouraged by federal and local incentives, first time homebuyers have seen a flurry of activity in the second half of 2009, with carry-over momentum into 2010. In 2009, the estimated property value declined in the City, but held value compared to the region and state.

National housing trends continue to stall previously announced large scale residential development, such as Rockport Square and the Cliffs.

### **Major Initiatives**

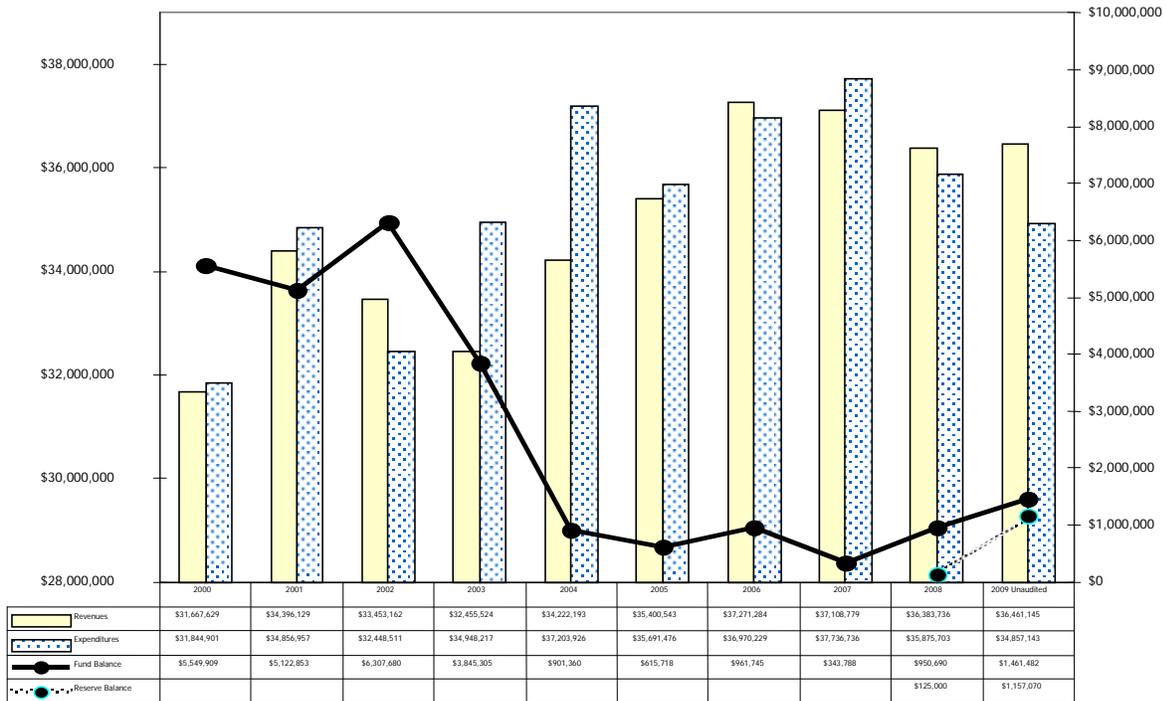
The City’s Administration, in partnership with City Council and the overall community, has identified the following challenges facing Lakewood and has worked to developed strategies to address:

- **Fiscal Strength and Flexibility**
- **Excellence Promotion and Accountability**
- **Public Safety and Visibility**
- **Housing and Business Improvement and Attraction**
- **Quality of Life and Sense of Place**

### **Fiscal Strength and Flexibility**

The following graph demonstrates that from 2000 to 2005 and 2007 the City spent more General Fund expenditures than revenues received, meaning that fund balance was needed to make up the difference. This caused the funds in reserve to decline from a high of \$6.3 million at the end of 2002 to a low of less than \$350,000 at the end of 2007. During 2008 and 2009 the City’s revenues exceeded expenditures.

**General Fund Revenues vs. Expenditures with Fund Balance  
2000 - 2009 Actual Year-End**



In November 2007, the City’s Department of Finance projected over a \$4.5 million 2008 General Fund operating deficit. The projection assumed that the City would continue to provide services at the same level it had over the past several years without any growth in programs or staffing levels. This projection was confirmed by the State Auditor’s Office. During that time City Council and the Administration passed a resolution that the 2008 appropriation ordinance would be structurally balanced in that budgeted expenditures would not exceed projected revenues.

The City set about reducing expenses while preserving services and building up fund reserves. The decreased expenditures were achieved primarily through the reduction of nearly 195 full and part-time positions throughout all City divisions beginning in 2008, as well as by scaling back benefits and salary increases for non-union employees and as negotiated with three of the City's seven collective bargaining units. Between 2007 and 2009, overtime paid was reduced by 42 percent and health insurance costs were nearly 8 percent lower. The City's fleet was also reduced by over 130 vehicles and equipment during this time. Many smaller measures were also taken towards establishing financial strength. One such measure was in 2009, when the number of printers were reduced and consolidated, and a strict monitoring of office supply purchases was implemented. This resulted in a 40 percent savings or a difference of over \$30,000 between 2007 and 2009.

Cumulatively, the strategies to resolve the City's fiscal challenges have resulted in structurally balanced budgets passed by City Council in 2008 and 2009, thus resulting in the largest year-end fund balance in six years, and a first instance of consecutive structurally balanced budgets in a generation.

The City was also a beneficiary of various grants totaling over \$9.25 million in 2009, primarily through the American Recovery and Reinvestment Act (ARRA). This is more than 2.5 times greater than the amount of federal funds received in 2008. ARRA grant funds received were for neighborhood reinvestment and homelessness prevention.

### **Excellence Promotion and Accountability**

During 2009, the City's Division of Human Resources developed and implemented a City-wide performance appraisal program for all City employees for the first time in decades. A merit bonus program was also developed for non-bargaining unit employees based on the results of their appraisals.

Not only are all City employees required to read and sign off on their understanding of Ohio Ethics Laws and practices, beginning in 2009, the City now requires all vendors doing business with the City to sign off on an Ethics Statement in order to receive payment.

The Department of Finance undertook a complete inventory of the City's capital assets during 2009 in which all assets were tagged and cataloged within the City's financial system. This had not been done in a comprehensive manner since 2002.

Beginning in January 2008, a group of dedicated and talented community volunteers who are technology professionals volunteered their time to assess the City's technology strengths and weaknesses, and helped to develop a strategy to improve and integrate information systems. During 2009, the City moved from running on an out-dated Novell platform to Microsoft thus making network changes and updates more seamless and less labor-intensive through centralized software management.

The City also improved how it communicates with the community during 2009. Mayor Edward FitzGerald conducted eight Listening to Lakewood (L2L) Meetings. The Mayor walked different neighborhoods in the City for a two-week period with members of his Administration talking with residents to find out what questions and concerns they have about the City. At the end of the two weeks, he held a neighborhood meeting with a question and answer session along with a Power Point presentation addressing the challenges our City faces and what City Hall is doing to make improvements.

The City also increased its social media outreach by implementing a periodic e-mail newsletter that reached over 3,200 e-mail recipients in 2009, as well as set up a Facebook page, implemented Twitter updates and a City blog. The City's website ([www.onelakewood.com](http://www.onelakewood.com)) also experienced updates that included a Report-A-Problem link, video content and an event calendar.

## Public Safety and Visibility

During a period of fiscal challenges, the City has been committed to improving the community's safety through increasing police strength, which grew by over 10 percent to over 100 uniformed officers since 2007 through the hiring of four full-time neighborhood police officers and up to ten part-time officers. There is now a neighborhood satellite police office in each of the City's four wards.

The efforts of the City's public safety initiatives have resulted in an approximately 18 percent reduction in criminal complaints over the past two years. Crimes such as arson, auto theft, gun offenses and robberies have seen a significant reduction during this time.

## Housing and Business Improvement and Attraction

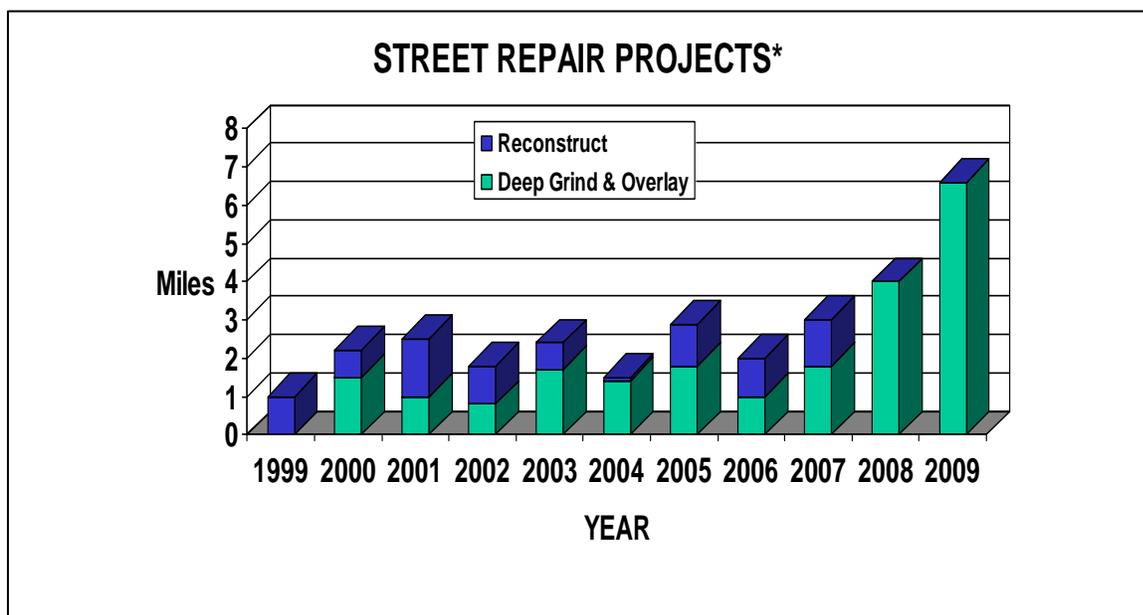
The Housing Initiative that was introduced in 2008 began to be implemented during the past year. The Building and Housing Department researched new software that will streamline processes and will allow the inspectors to better monitor citations and permits.

The focus in 2009 was on enforcement and gaining compliance from repeat offenders by improving nuisance ordinances, and making landlords more accountable. Through the ARRA grants awarded to the City, substandard structures were acquired and either demolished or rehabilitated.

The City also partnered with First Federal of Lakewood Bank during 2009 to provide home improvement loans to residents. The City continued to be active in the Low Interest Loan program through the Community Development Block Grant Program, as well as down payment assistance to first time home buyers through the HOME program.

## Quality of Life and Sense of Place

The largest capital investment during 2009 was street projects. The City resurfaced over 7.5 miles of streets which is more than triple the average resurfaced in recent years. This was accomplished through Federal Stimulus monies, debt financing, and good timing when the City went out to bid the projects early in the year.



\*Projects do not include improvements administered by ODOT or Cuyahoga County Engineer

The City implemented a successful sidewalk repair program in which residents paid for half of the construction costs and the City paid the other half on recently repaired streets that resulted in over 17,500 square feet of sidewalk replaced.

The Department of Planning and Development has continued the Parks Master Planning process and held a number of community meetings during 2009.

Mandatory recycling was implemented in July 2009. Recycling tonnage collected by the City has increased by nearly 20 percent since 2007, which saves the City approximately 26,000 cubic yards of landfill space each year.

In 2009, the City launched a prescription drug card program that is available to all residents and offers up to a 20 percent discount on certain medications, which resulted in approximately 1,000 purchases during the year.

Finally, in partnership with the City, the LiveWell Lakewood Initiative sponsored events throughout the course of the year to promote healthy diet and lifestyle with over 1,000 participating residents.

### **Long-Term Financial Planning**

According to Article VIII, Section 3 of the City of Lakewood Second Amended Charter, the Director of Finance shall annually prepare and submit to the Mayor and Council a recommended five-year financial plan for the City's operating and capital needs. The Director's recommended financial plan shall be prepared after consultation with the Mayor and the heads of other City departments affected thereby, and such recommended financial plan shall be advisory only and need not be followed in the adoption of the City's tax budget, annual, temporary or supplemental appropriation measures or ordinances, resolutions or other actions concerning capital programs or permanent improvements.

The City also utilizes long-term planning for the future of capital projects. A five-year capital plan is updated annually, which lists all capital projects by year, as well as the expected funding sources. The funding sources are reconciled to estimated balances and revenues to ensure that the proper resources will be available for the project when a contract is signed.

### **Recognition, Awards and Acknowledgements**

**Recognition:** In 2009, this Old House Magazine named Lakewood as the "*Best Place in the Midwest to Buy an Old House,*" and Business Week Magazine named the City as the "*Best Place to Raise your Kids.*"

**Awards:** The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Lakewood for its Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2008. This was the 27<sup>th</sup> consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. The Finance Department believes the current CAFR continues to meet the Certificate of Achievement Program's requirements, and is submitting it to the GFOA for determination of eligibility for another certificate.

**Acknowledgements:** This Comprehensive Annual Financial Report was prepared by the Finance Department with the dedicated services of its entire staff, as well as with support of numerous departments throughout the City. In addition, we would like to thank the members of City Council for their continuing support toward the preparation of this report.

On behalf of the City, we want to personally thank our auditors from the firm of James G. Zupka, CPA, Inc., and the Auditor of State, Mary Taylor, CPA and her Local Government Services staff for their involvement and support in putting together the GASB 34 statements. We would also like to thank the auditor's staff for their efforts and professional conduct throughout the audit engagement.

Respectfully submitted,



Edward FitzGerald  
Mayor



Jennifer R. Pae  
Director of Finance

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Lakewood  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2008

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 LAKEWOOD, OHIO  
2009 Elected Officials

Mayor.....Edward FitzGerald  
Municipal Court Judge.....Patrick Carroll  
City Council At Large.....Nickie J. Antonio  
City Council At Large.....Michael Dever, Council President  
City Council At Large.....Brian Powers

City Council by Wards:

Ward 1..... Kevin M. Butler  
Ward 2..... Thomas Bullock  
Ward 3..... Michael Summers  
Ward 4..... Mary Louise Madigan

CITY OF LAKEWOOD, OHIO  
2009 Appointed Officials

**Office of Council**

Clerk of Council..... Mary Hagan

**Municipal Court**

Clerk of Court ..... Terri O’Neill  
Magistrates..... Thomas Wagner and Ralph Skonce

**Department of Law**

Director of Law ..... Nora Hurley

**Department of Finance**

Director of Finance ..... Jennifer R. Pae

**Department of Public Works**

Director of Public Works ..... Joseph Beno

**Department of Public Safety**

Chief of Fire ..... Lawrence Mroz  
Chief of Police ..... Timothy Malley

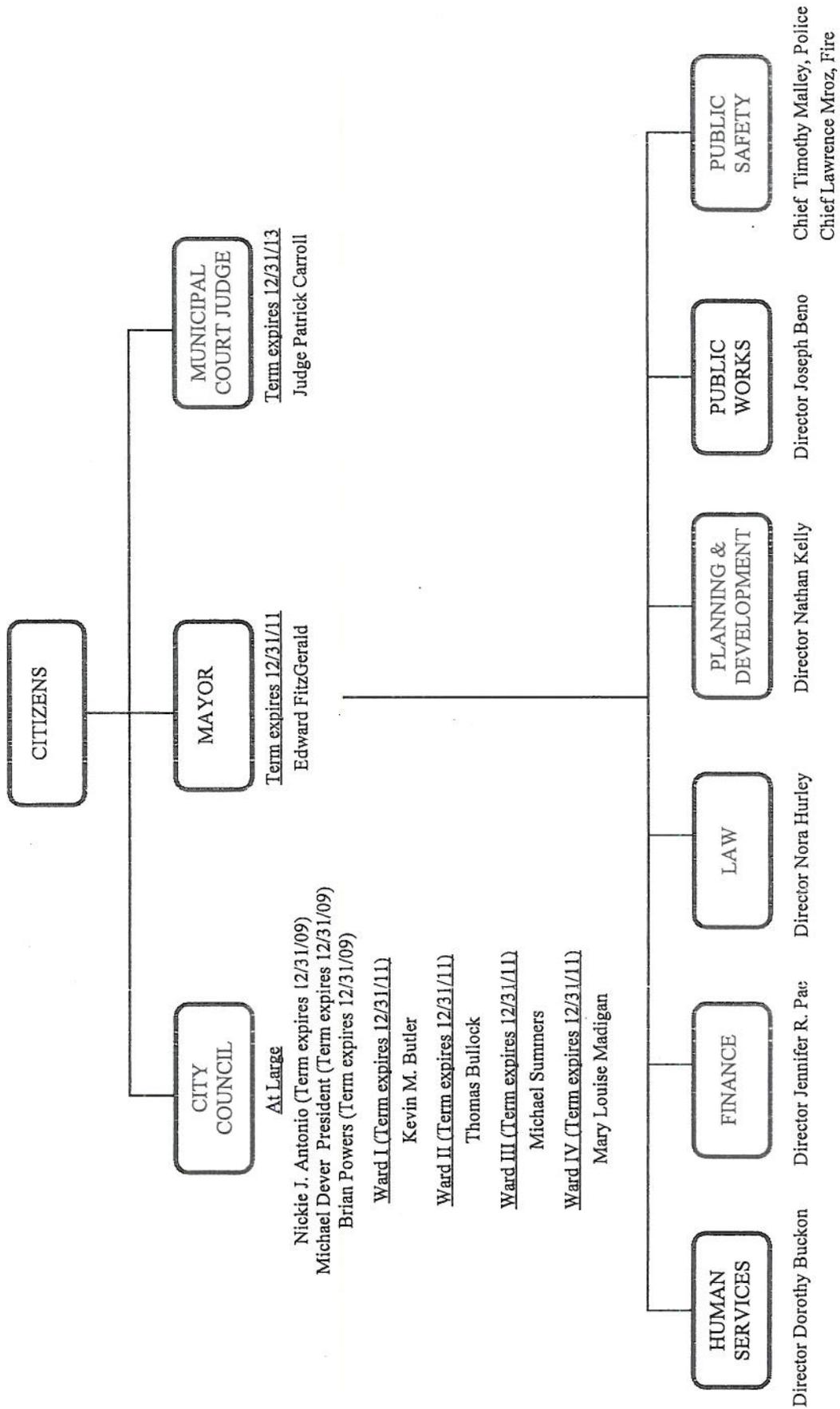
**Department of Human Services**

Director of Human Services..... Dorothy Buckon

**Department of Planning and Community Development**

Director of Planning and Development ..... Nathan Kelly

CITY OF LAKEWOOD, OHIO  
 Organizational Chart  
 as of December 31, 2009



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

*Certified Public Accountants  
5240 East 98<sup>th</sup> Street  
Garfield Hts., Ohio 44125*

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Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT**

To the Members of City Council and  
Members of the Audit Committee  
City of Lakewood, Ohio

The Honorable Mary Taylor  
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 Lakewood, Ohio, as of and for the year ended December 31, 2009, 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 of Lakewood, Ohio's management. Our responsibility is to express opinions on these financial statements based on our audit.

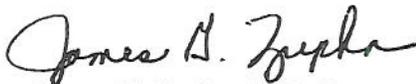
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and 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 the 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 Lakewood, Ohio, as of December 31, 2009, and the respective changes in financial position, and cash flows, where applicable, thereof, and the respective budgetary comparison for the General Fund and major Special Revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 4, 2010, on our consideration of the City of Lakewood, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 15 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Lakewood, Ohio's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



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

June 4, 2010

**City of Lakewood, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2009*  
*Unaudited*

The discussion and analysis of the City of Lakewood's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2009. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

**Financial Highlights**

Key financial highlights for 2009 are as follows:

- The assets of the City exceeded its liabilities at the close of 2009 by \$91,570,989 (net assets). Of this amount, \$18,430,534 (unrestricted net assets) may be used to meet the City's ongoing obligations to its citizens and creditors.
- Total Net Assets increased \$6,572,757, or approximately 7.73 percent from 2008.
- Total Assets of the City decreased \$1,228,972, which represents a less than one percent decrease from 2008.
- Total Capital Assets increased \$3,744,401, or 2.59 percent over 2008.
- Total outstanding Long-Term liabilities were \$93,918,542. This was a \$5,314,894 decrease from the balance at the end of 2008.
- At the close of the current year, the City's governmental funds reported combined ending fund balances of \$12,801,286, a decrease of \$1,294,204 in comparison to the prior year.

**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 are comprised of 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 businesses. The Statement of Net Assets and Statement of Activities provides information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail.

For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other non-major funds represented in total, in one column.

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 serve as useful indicators of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net assets changed during the 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 cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes, and earned, but unused vacation leave).

The governmental activities of the City include general government, security of persons and property, public health services, transportation, community environment, basic utility services, and leisure time activities. The City's business-type activities include Water, Sewer, Parking Facilities, and Winterhurst Ice Rink. The City also has hospitalization, workers' compensation, and general liability insurance internal service funds.

The government-wide financial statements can be found starting on page 17 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 City funds 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 funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information is 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 financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Lakewood maintains thirty-seven individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures - and changes in fund balances - for the General Fund, Police and Fire Pension Fund, Community Development Block Grant Fund, and Debt Service Fund; all of which are considered to be major funds. Data from the other thirty-three non-major governmental funds are combined into a single fund, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for each of its governmental funds. A budgetary comparison schedule (non-GAAP basis) has been provided for each major and non-major fund to demonstrate budgetary compliance.

**Proprietary Funds.** The City maintains seven 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 Water, Sewer (which includes the Wastewater Treatment Plant), Parking Facilities and Winterhurst Ice Rink. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its hospitalization, workers' compensation, and general liability insurance. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

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 Water and Sewer funds, both of which are considered to be major funds of the City. Data from the other two non-major proprietary funds are combined into a single fund, aggregated presentation. Individual fund data for each of these non-major proprietary funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 27-30 of this report.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page 31 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is essential for 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 32-72 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain other information that the City believes readers will find useful. After the notes to the financial statements, the combining statements referred to earlier in connection with non-major governmental and proprietary funds are presented, as well as individual detailed budgetary comparisons for non-major funds. This information can be found on pages 73-156 of the report.

### **Government-Wide Financial Analysis**

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question "How did we do financially during 2009?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by the private sector. The basis of this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

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

- Assets
- Liabilities
- Net Assets (Assets minus Liabilities)
- Program Revenues and Expenses
- General Revenues
- Net Assets Beginning of Year and Year End

## The City of Lakewood as a Whole

Recall that the Statement of Net Assets looks at the City as a whole. The following provides a summary of the City's net assets for 2009 compared to 2008.

*Table 1 Net Assets*

	Governmental Activities		Business-Type Activities		Total	
	2009	2008 Restated	2009	2008 Restated	2009	2008 Restated
<b>Assets</b>						
Current and Other Assets	\$39,511,691	\$41,637,756	\$15,225,138	\$18,072,446	\$54,736,829	\$59,710,202
Capital Assets, Net	66,869,546	63,636,609	81,709,123	81,197,659	148,578,669	144,834,268
<i>Total Assets</i>	<u>106,381,237</u>	<u>105,274,365</u>	<u>96,934,261</u>	<u>99,270,105</u>	<u>203,315,498</u>	<u>204,544,470</u>
<b>Liabilities</b>						
Current Liabilities	14,896,007	17,260,144	2,929,960	3,052,658	17,825,967	20,312,802
Long Term Liabilities						
Due within One Year	6,893,276	6,786,175	3,061,150	2,934,753	9,954,426	9,720,928
Due in More than one Year	44,866,763	46,983,947	39,097,353	42,528,561	83,964,116	89,512,508
<i>Total Liabilities</i>	<u>66,656,046</u>	<u>71,030,266</u>	<u>45,088,463</u>	<u>48,515,972</u>	<u>111,744,509</u>	<u>119,546,238</u>
<b>Net Assets</b>						
Invested in Capital Assets, Net of Related Debt	23,844,800	19,375,518	41,472,420	41,695,569	65,317,220	61,071,087
Restricted for:						
Capital Projects	1,656,877	3,187,407	0	0	1,656,877	3,187,407
Debt Service	406,866	679,404	249,284	1,194,934	656,150	1,874,338
Replacement and Improvement	0	0	193,550	195,417	193,550	195,417
Other Purposes	5,316,658	4,237,737	0	0	5,316,658	4,237,737
Unrestricted	8,499,990	6,764,033	9,930,544	7,668,213	18,430,534	14,432,246
<i>Total Net Assets</i>	<u>\$39,725,191</u>	<u>\$34,244,099</u>	<u>\$51,845,798</u>	<u>\$50,754,133</u>	<u>\$91,570,989</u>	<u>\$84,998,232</u>

As noted earlier, net assets serve over time as a useful indicator of a government's financial position. Assets exceeded liabilities by \$91,570,989 at the close of 2009.

The largest portion of the City's net assets (71 percent) reflects investments in capital assets (e.g. land, buildings, infrastructure, machinery and equipment), less any related debt to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, 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 resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Total assets decreased by \$1,228,972 from 2008 to 2009, while the City's total liabilities also decreased by \$7,801,729. Total net assets increased \$6,572,757 with governmental net assets comprising \$5,481,092 and business-type activities comprising \$1,091,665 of that amount.

In order to further understand what makes up the changes in net assets for the current year, the following table gives readers further details regarding the results of activities for 2009 compared to 2008.

*Table 2 Changes in Net Assets*

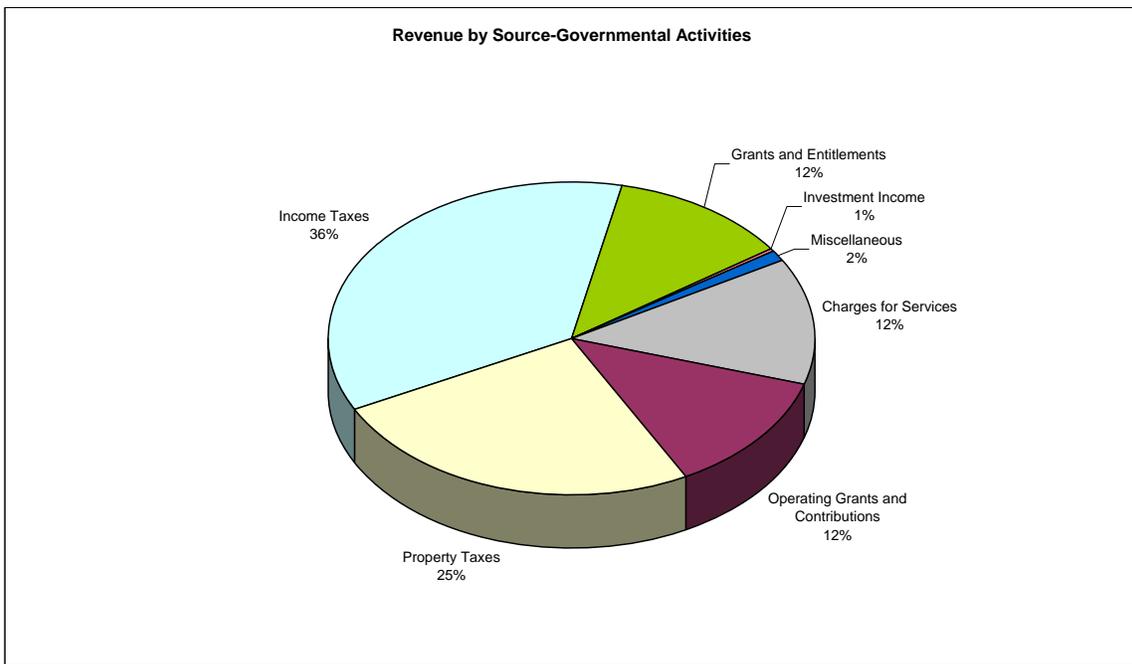
	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
<b>Revenues</b>						
Program Revenues:						
Charges for Services	\$6,987,726	\$6,955,467	\$15,778,104	\$17,005,804	\$22,765,830	\$23,961,271
Operating Grants and Contributions	6,807,213	6,431,246	688,371	227,808	7,495,584	6,659,054
Capital Grants and Contributions	0	0	0	2,000,000	0	2,000,000
Total Program Revenues	<u>13,794,939</u>	<u>13,386,713</u>	<u>16,466,475</u>	<u>19,233,612</u>	<u>30,261,414</u>	<u>32,620,325</u>
General Revenues:						
Property Taxes	13,187,939	13,275,148	1,712,714	1,724,040	14,900,653	14,999,188
Payment in Lieu of Taxes	308,520	340,341	0	0	308,520	340,341
Income Taxes	19,314,348	19,348,017	0	0	19,314,348	19,348,017
Grants and Entitlements	6,345,651	5,668,748	0	0	6,345,651	5,668,748
Investment Income	214,275	533,257	58,952	237,593	273,227	770,850
Miscellaneous	606,457	550,472	533,806	51,808	1,140,263	602,280
Total General Revenues	<u>39,977,190</u>	<u>39,715,983</u>	<u>2,305,472</u>	<u>2,013,441</u>	<u>42,282,662</u>	<u>41,729,424</u>
Total Revenues	<u>53,772,129</u>	<u>53,102,696</u>	<u>18,771,947</u>	<u>21,247,053</u>	<u>72,544,076</u>	<u>74,349,749</u>
<b>Expenses</b>						
General Government	7,675,451	7,620,762	0	0	7,675,451	7,620,762
Security of Persons and Property						
Police	12,754,885	12,371,712	0	0	12,754,885	12,371,712
Fire	10,131,056	10,289,314	0	0	10,131,056	10,289,314
Public Health Services	2,505,999	3,280,667	0	0	2,505,999	3,280,667
Transportation	2,866,754	2,969,914	0	0	2,866,754	2,969,914
Community Environment	6,474,889	5,622,461	0	0	6,474,889	5,622,461
Basic Utility Services	3,998,734	4,700,773	0	0	3,998,734	4,700,773
Leisure Time Activities	1,839,517	2,020,450	0	0	1,839,517	2,020,450
Interest and Fiscal Charges	2,127,913	2,064,970	0	0	2,127,913	2,064,970
Water	0	0	9,038,465	9,289,887	9,038,465	9,289,887
Sewer	0	0	5,751,453	6,585,346	5,751,453	6,585,346
Parking Facilities	0	0	253,274	305,295	253,274	305,295
Winterhurst Ice Rink	0	0	552,929	740,804	552,929	740,804
Total Expenses	<u>50,375,198</u>	<u>50,941,023</u>	<u>15,596,121</u>	<u>16,921,332</u>	<u>65,971,319</u>	<u>67,862,355</u>
Increase in Net Assets before Transfers	3,396,931	2,161,673	3,175,826	4,325,721	6,572,757	6,487,394
Transfers	2,084,161	534,752	(2,084,161)	(534,752)	0	0
Restatement	0	1,447,962	0	2,928,075	0	4,376,037
Increase in Net Assets	<u>5,481,092</u>	<u>4,144,387</u>	<u>1,091,665</u>	<u>6,719,044</u>	<u>6,572,757</u>	<u>10,863,431</u>
Net Assets Beginning of Year, as Restated	<u>34,244,099</u>	<u>30,099,712</u>	<u>50,754,133</u>	<u>44,035,089</u>	<u>84,998,232</u>	<u>74,134,801</u>
Net Assets End of Year	<u>\$39,725,191</u>	<u>\$34,244,099</u>	<u>\$51,845,798</u>	<u>\$50,754,133</u>	<u>\$91,570,989</u>	<u>\$84,998,232</u>

## Governmental Activities

Several types of revenues fund the City's governmental activities, with the City income tax being the biggest contributor. The income tax rate was 1.5 percent in 2009. Both residents and non-residents who work inside the City are subject to the income tax.

However, residents of the City are granted a credit for income taxes paid to other municipalities to a maximum of one-half of one percent of income earned outside the City. The income tax revenue for 2009 was \$19,314,348. Of the \$53,772,129 in total governmental revenues, income tax accounts for 36 percent of that total. Property taxes and payment in lieu of taxes of \$13,496,459 account for 25 percent of total revenues. Operating grants and contributions, and general revenues from grants and entitlements account for 24 percent of total revenues, and charges for services, investment income and other revenue make up the remaining 15 percent.

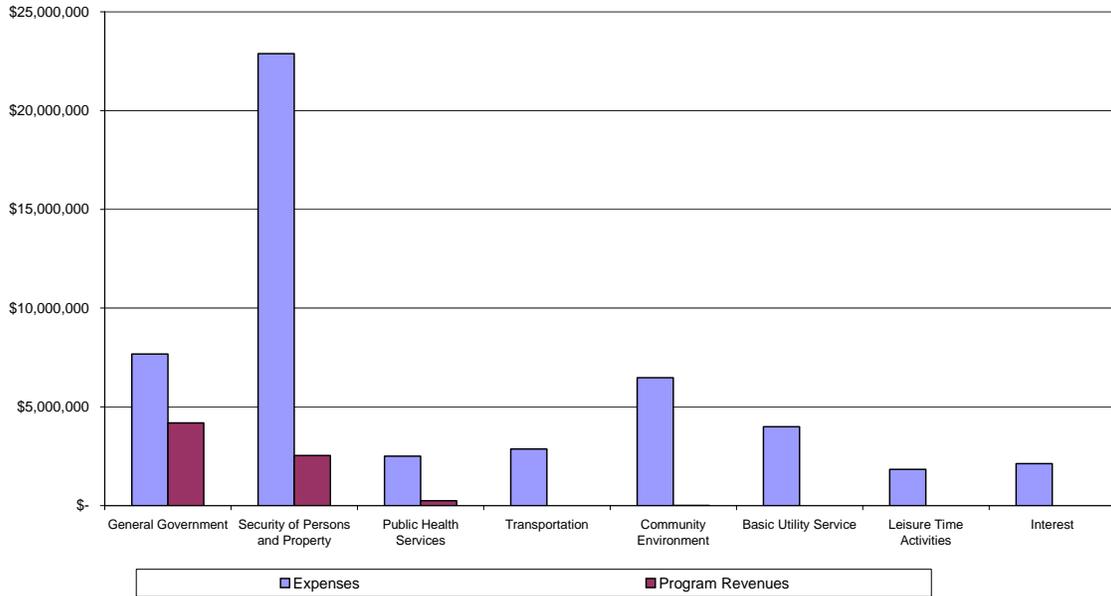
General revenues from grants and entitlements, such as local government funds, are also revenue generators. The City monitors its sources of revenues very closely for fluctuations, especially income tax.



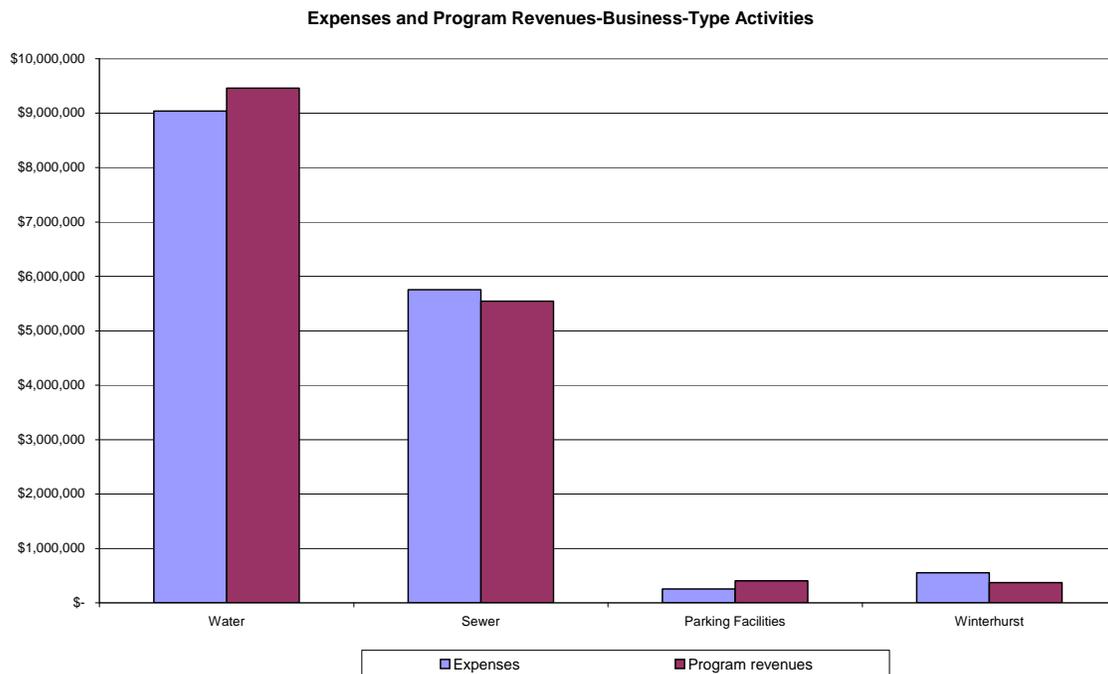
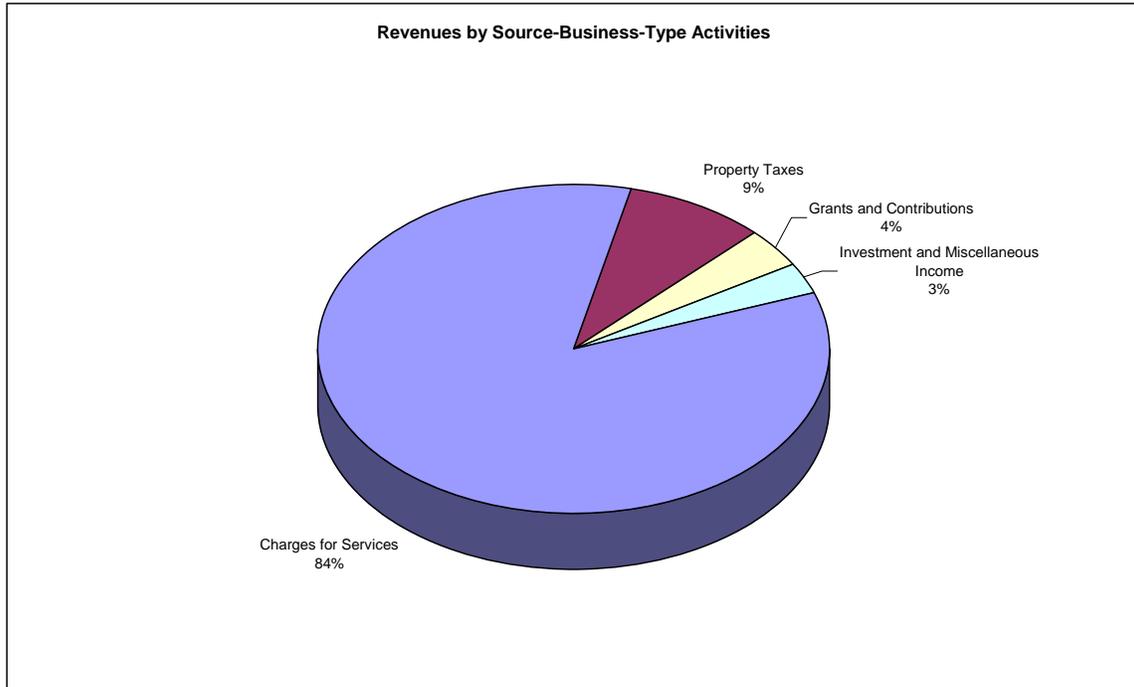
During the year the City realized a change in several revenue sources. The City realized a slight decrease in income tax revenues due to a decrease in employees working within City limits which was offset by the collection of \$567,000 during the City's amnesty program. Investment income decreased due to lower interest rates available for investment purposes. Governmental charges for services decreased \$107,289 due to decreased collections from EMS transport fees. Governmental operating grants and contributions increased \$375,967 due to increased collections of grants and entitlements, which was due to monies received from the American Recovery and Reinvestment Act (ARRA) that were not received during 2008.

Total Expenses of governmental activities for 2009 were \$50,375,198. The largest program function for the City relates to security of persons and property, which includes the police and fire departments. Security of Persons and Property accounted for program expenses of \$22,885,941, which is 45 percent of the program expenses for governmental activities. General Government is the next largest program expense at 15 percent, followed by Community Environment expenses of 13 percent.

Expenses and Program Revenues-Governmental Activities



**Business-Type activities.** Business-type activities increased the City's net assets by \$1,091,665. The increase is due primarily to increased charges for services and capital grants and contributions. Total expenses of business-type activities were \$15,596,121, with the Water Department comprising 58 percent of that amount followed by the Sewer Department at 37 percent.



## **Financial Analysis of the Government's Funds**

As noted earlier, the City of Lakewood uses fund accounting to ensure and demonstrate compliance with finance-related legal 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 serves as a useful measure of a government's net resource available for spending at the end of the fiscal year. Information about the City's governmental funds begins on page 20. These funds are accounted for using the modified accrual basis of accounting.

As of December 31, 2009, the City's governmental funds reported combined ending fund balances of \$12,801,286. Of that amount, \$9,349,780 constitutes unreserved fund balances, which are 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 loans and to liquidate contracts and purchases of the prior period.

The General Fund had total revenues of \$35,929,201, and expenditures of \$38,714,432 leaving a change in fund balance after other financing sources and uses of (\$701,080).

The General Fund is the chief operating fund of the City. At the end of the current year, the unreserved fund balance of the General Fund was \$3,642,880, while the total fund balance reached \$4,799,764. As a measure of the General Fund's liquidity, it is useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents approximately nine percent of total General Fund expenditures, while total fund balance represents twelve percent of that same amount.

The Police and Fire Pension Fund had total revenues of \$3,250,792 and expenditures of \$2,177,143 with a net change in fund balance after other financing sources and uses of \$645,284.

The Community Development Block Grant Fund had total revenues of \$2,789,562 and expenditures of \$2,919,684 with a net change in fund balance of (\$130,122).

The Debt Service Fund had total revenues of \$3,757,301, expenditures of \$4,588,811, and a positive fund balance after other financing sources and uses of \$1,115,686. The Debt Service Fund pays for the principal and interest payments on the City's general long-term debt. The unreserved fund balance was \$1,115,686 to be used for future debt. Unreserved fund balance represents approximately twenty four percent of total expenditures.

## Proprietary Funds

The City's Proprietary Funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net assets of all proprietary funds at the end of the year amounted to \$9,930,544. 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 City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund. During the course of 2009, the City amended its General Fund budget on various occasions. All recommendations for budget changes come to the Finance Committee of City Council for review before going to the whole Council for Ordinance enactment on the change. The Finance Director has been authorized to allocate appropriations to the department and object level within each fund. The General Fund supports many of our major activities such as the Police, Fire and Refuse Departments, as well as most legislative and executive activities. The General Fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

For the General Fund, original budgeted revenues were \$37,071,550. The final budgeted revenues were \$36,762,844. Actual revenues were \$36,461,145. The main differences between budgeted and actual revenues are property taxes, income tax revenues, charges for services and intergovernmental revenue. Due to economic factors during the year, property tax revenue and investment interest decreased in 2009. Original General Fund budgeted expenditures were \$35,621,721, and the final amended budget was \$36,447,913. Actual General Fund expenditures were \$34,857,143 or \$1,590,770 less than budgeted due to operating expenditures less than originally estimated in all programs of the General Fund. The City's ending unencumbered cash balance in the General Fund of \$1,456,918 was \$1,289,941 above the final budgeted amount of \$166,977.

## Capital Assets and Debt Administration

Table 3 Capital Assets (net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$6,139,702	\$6,139,702	\$78,150	\$78,150	\$6,217,852	\$6,217,852
Construction in Progress	1,192,033	1,616,217	176,255	303,384	1,368,288	1,919,601
Land Improvements	2,658,014	2,811,815	1,512,048	1,555,892	4,170,062	4,367,707
Buildings and Improvements	9,794,548	8,908,367	12,307,536	12,536,239	22,102,084	21,444,606
Machinery, Furniture and Equipment	1,987,345	1,967,202	3,565,589	3,142,402	5,552,934	5,109,604
Vehicles	7,425,702	6,444,467	1,227,062	1,364,209	8,652,764	7,808,676
Infrastructure:						
Roads	32,793,370	30,886,151	0	0	32,793,370	30,886,151
Traffic Signals	1,857,572	1,907,188	0	0	1,857,572	1,907,188
Sidewalks	2,063,476	1,992,543	0	0	2,063,476	1,992,543
Curbing	957,784	962,957	0	0	957,784	962,957
Water Lines	0	0	38,646,943	38,153,960	38,646,943	38,153,960
Sewer Lines	0	0	24,195,540	24,063,420	24,195,540	24,063,420
Total Capital Assets	<u>\$66,869,546</u>	<u>\$63,636,609</u>	<u>\$81,709,123</u>	<u>\$81,197,656</u>	<u>\$148,578,669</u>	<u>\$144,834,265</u>

## Capital Assets

The City of Lakewood's Investment in Capital Assets for its governmental and business type activities as of December 31, 2009, amounts to \$148,578,669 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, machinery furniture and equipment, vehicles, roads, traffic signals, sidewalks, curbing, water lines, and sewer lines. The total increase in the City's capital assets for the current fiscal year was \$3,744,404 (a \$3,232,937 increase for governmental activities and a \$511,467 increase for business-type activities). The most significant increase in capital assets came in the construction of replacement water lines and sewer lines in the business-type activities and construction of roadways in the governmental activities.

See Note 9 of the Basic Financial Statements for additional information on the City's capital assets.

## Long Term Obligations

As of December 31, 2009, the City had \$93,918,542 in bonds, notes, loans, capital leases, claims payable and compensated absences outstanding. Of this amount, \$6,893,276 is due within one year.

General Obligation Notes represent unvoted general obligation bond anticipation notes payable from ad valorem property taxes.

*Table 4 Long Term Liabilities*

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
General Obligation Notes	\$7,771,000	\$7,771,000	\$0	\$494,380	\$7,771,000	\$8,265,380
General Obligation Bonds	30,278,657	33,476,781	10,268,175	11,315,719	40,546,832	44,792,500
Revenue Bonds	0	0	25,865,737	27,055,258	25,865,737	27,055,258
OPWC Loans	277,200	308,000	4,134,183	4,481,897	4,411,383	4,789,897
OWDA Loans	0	0	107,651	135,576	107,651	135,576
Capital Leases	6,445,401	5,143,660	1,382,897	1,535,792	7,828,298	6,679,452
Claims Payable	1,095,360	1,101,332	0	0	1,095,360	1,101,332
Compensated Absences	5,892,421	5,969,349	399,860	444,692	6,292,281	6,414,041
Total	<u>\$51,760,039</u>	<u>\$53,770,122</u>	<u>\$42,158,503</u>	<u>\$45,463,314</u>	<u>\$93,918,542</u>	<u>\$99,233,436</u>

The General Obligation Bonds outstanding are comprised of unvoted general obligation bonds of the City payable from ad valorem property taxes and special assessment general obligation bonds.

Revenue Bonds outstanding are payable from the revenues derived from the Water and Sewer Funds.

The Ohio Public Works Commission Loans are paid semi-annually from the Water, Sewer and Bond Retirement Funds.

The Ohio Water Development Authority Loan is paid semi-annually from the Sewer Fund.

The City's overall legal debt margin was \$64,651,168 at December 31, 2009.

See Note 11 of the Basic Financial Statements for additional information on the City's debt.

### **Current Financial Related Activities**

The City's elected and appointed officials have made it a priority to submit and pass a "structurally" balanced General Fund budget in both 2008 and 2009. This reverses the decades-long trend of using the year-end fund balance to make up the projected expenditures versus revenue gap. This has been done by reducing expenditures namely through the reduction of nearly 195 full and part-time positions throughout all City divisions beginning in 2008, as well as through scaling back benefits and salary increases for non-union employees and as negotiated with three of the City's seven collective bargaining units.

In 2009, the City launched the first phase of a new initiative to collect delinquent income taxes. This first phase, a one-time income tax amnesty program, was implemented to ensure that every taxpayer is aware of and contributing to the funding of City services (police, fire, street maintenance, waste collection, etc). Many took advantage of this opportunity to "wipe the slate clean" and from July 21, 2009 until September 30, 2009, the City collected \$567,000 in delinquent tax dollars and processed 2,200 delinquent tax returns.

The City has committed itself to financial excellence, which is proven with the Aa3 bond rating by Moody's Investor Service, as well as being a recipient of the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting for the past 27 years.

### **Contacting the City's Finance Department**

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City's finances and show 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, Jennifer R. Pae, 12650 Detroit Ave., Lakewood, Ohio 44107, telephone (216) 529-6092, e-mail [jennifer.pae@lakewoodoh.net](mailto:jennifer.pae@lakewoodoh.net), or visit the City's website at [www.onelakewood.com](http://www.onelakewood.com).

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# **Basic Financial Statements**

**City of Lakewood, Ohio**

*Statement of Net Assets*

December 31, 2009

	Governmental Activities	Business - Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$10,217,011	\$6,033,415	\$16,250,426
Cash and Cash Equivalents in Segregated Accounts	360,219	0	360,219
Cash and Cash Equivalents with Fiscal Agents	57,881	28,517	86,398
Cash and Cash Equivalents Held by Trustee	0	3,597,030	3,597,030
Accrued Interest Receivable	15,097	4,498	19,595
Accounts Receivable	659,188	2,754,472	3,413,660
Allowance for Doubtful Accounts	0	(58,573)	(58,573)
Intergovernmental Receivable	4,159,247	111,273	4,270,520
Materials and Supplies Inventory	532,913	529,417	1,062,330
Prepaid Items	231,708	0	231,708
Income Taxes Receivable	8,224,617	0	8,224,617
Property Taxes Receivable	12,207,440	1,585,381	13,792,821
Loans Receivable	2,046,687	0	2,046,687
Special Assessments Receivable	61,478	0	61,478
Internal Balances	58,561	(58,561)	0
Deferred Charges	679,644	698,269	1,377,913
Nondepreciable Capital Assets	7,331,735	254,405	7,586,140
Depreciable Capital Assets, Net	59,537,811	81,454,718	140,992,529
<i>Total Assets</i>	<u>106,381,237</u>	<u>96,934,261</u>	<u>203,315,498</u>
<b>Liabilities</b>			
Accounts Payable	751,573	764,348	1,515,921
Retainage Payable	89,611	28,517	118,128
Accrued Wages and Benefits	946,814	95,489	1,042,303
Intergovernmental Payable	1,183,237	83,755	1,266,992
Matured Compensated Absences	17,498	0	17,498
Deferred Revenue	11,593,050	1,813,216	13,406,266
Accrued Interest Payable	314,224	144,635	458,859
Long-Term Liabilities:			
Due Within One Year	6,893,276	3,061,150	9,954,426
Due in More than One Year	44,866,763	39,097,353	83,964,116
<i>Total Liabilities</i>	<u>66,656,046</u>	<u>45,088,463</u>	<u>111,744,509</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	23,844,800	41,472,420	65,317,220
Restricted for:			
Capital Projects	1,656,877	0	1,656,877
Debt Service	406,866	249,284	656,150
Replacement and Improvement	0	193,550	193,550
Street and Highway	1,140,323	0	1,140,323
Community Development	1,877,463	0	1,877,463
Indigent Drivers Alcohol Treatment	140,184	0	140,184
Other Purposes	2,158,688	0	2,158,688
Unrestricted	8,499,990	9,930,544	18,430,534
<i>Total Net Assets</i>	<u>\$39,725,191</u>	<u>\$51,845,798</u>	<u>\$91,570,989</u>

See accompanying notes to the basic financial statements

**City of Lakewood, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2009

	Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions
<b>Governmental Activities</b>			
General Government	\$7,675,451	\$4,187,825	\$495,082
Security of Persons and Property			
Police	12,754,885	245,685	449,920
Fire	10,131,056	2,291,431	52,013
Public Health Services	2,505,999	251,665	270,604
Transportation	2,866,754	0	1,118,195
Community Environment	6,474,889	11,120	4,421,399
Basic Utility Services	3,998,734	0	0
Leisure Time Activities	1,839,517	0	0
Interest and Fiscal Charges	2,127,913	0	0
<i>Total Governmental Activities</i>	<u>50,375,198</u>	<u>6,987,726</u>	<u>6,807,213</u>
<b>Business-Type Activities</b>			
Water	9,038,465	9,456,618	416,013
Sewer	5,751,453	5,545,675	272,358
Parking Facilities	253,274	404,180	0
Winterhurst Ice Rink	552,929	371,631	0
<i>Total Business-Type Activities</i>	<u>15,596,121</u>	<u>15,778,104</u>	<u>688,371</u>
<i>Totals</i>	<u>65,971,319</u>	<u>22,765,830</u>	<u>7,495,584</u>

**General Revenues**

Property and Other Local Taxes Levied for:

    General Purposes

    Police and Fire Pension

    Debt Purposes

Payment in Lieu of Taxes

Municipal Income Taxes Levied for:

    General Purposes

Grants and Entitlements not Restricted to

    Specific Programs

Investment Earnings

Miscellaneous

*Total General Revenues*

Transfers

*Total General Revenues and Transfers*

Change in Net Assets

*Net Assets Beginning of Year-Restated (See Note 3)*

*Net Assets End of Year*

See accompanying notes to the basic financial statements

Net (Expense) Revenue and  
Changes in Net Assets

Governmental Activities	Business-Type Activities	Total
(\$2,992,544)	\$0	(\$2,992,544)
(12,059,280)	0	(12,059,280)
(7,787,612)	0	(7,787,612)
(1,983,730)	0	(1,983,730)
(1,748,559)	0	(1,748,559)
(2,042,370)	0	(2,042,370)
(3,998,734)	0	(3,998,734)
(1,839,517)	0	(1,839,517)
(2,127,913)	0	(2,127,913)
(36,580,259)	0	(36,580,259)
0	834,166	834,166
0	66,580	66,580
0	150,906	150,906
0	(181,298)	(181,298)
0	870,354	870,354
(36,580,259)	870,354	(35,709,905)
7,404,532	1,712,714	9,117,246
2,810,315	0	2,810,315
2,973,092	0	2,973,092
308,520	0	308,520
19,314,348	0	19,314,348
6,345,651	0	6,345,651
214,275	58,952	273,227
606,457	533,806	1,140,263
39,977,190	2,305,472	42,282,662
2,084,161	(2,084,161)	0
42,061,351	221,311	42,282,662
5,481,092	1,091,665	6,572,757
34,244,099	50,754,133	84,998,232
\$39,725,191	\$51,845,798	\$91,570,989

**City of Lakewood, Ohio**

*Balance Sheet*

*Governmental Funds*

12/31/2009

	General Fund	Police and Fire Pension Fund	Community Development Block Grant Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$2,159,158	\$1,894,590	\$0	\$1,109,624	\$3,441,672	\$8,605,044
Cash and Cash Equivalents:						
In Segregated Accounts	215,637	0	5,921	0	138,661	360,219
With Fiscal Agents	57,881	0	0	0	0	57,881
Accrued Interest Receivable	12,788	0	0	2,237	72	15,097
Accounts Receivable	336,957	0	0	0	322,231	659,188
Intergovernmental Receivable	2,506,142	182,000	56,353	193,000	1,221,752	4,159,247
Materials and Supplies Inventory	415,173	0	0	0	117,740	532,913
Prepaid Items	229,937	0	1,771	0	0	231,708
Income Taxes Receivable	8,224,617	0	0	0	0	8,224,617
Property Taxes Receivable	6,856,774	2,600,028	0	2,750,638	0	12,207,440
Loans Receivable	0	0	2,046,687	0	0	2,046,687
Special Assessments Receivable	0	0	0	41,634	19,844	61,478
Interfund Receivable	497,830	0	0	0	10,783	508,613
<i>Total Assets</i>	<u>\$21,512,894</u>	<u>\$4,676,618</u>	<u>\$2,110,732</u>	<u>\$4,097,133</u>	<u>\$5,272,755</u>	<u>\$37,670,132</u>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities</b>						
Accounts Payable	\$378,828	\$0	\$7,967	\$0	\$299,504	\$686,299
Retainage Payable	0	0	5,921	0	83,690	89,611
Accrued Wages and Benefits	817,115	0	15,513	0	114,186	946,814
Matured Compensated Absences Payable	17,498	0	0	0	0	17,498
Intergovernmental Payable	401,027	617,773	12,289	0	96,131	1,127,220
Accrued Interest Payable	0	0	0	37,809	30,187	67,996
Deferred Revenue	14,718,456	2,782,028	0	2,943,638	528,597	20,972,719
Interfund Payable	380,206	0	109,179	0	471,304	960,689
<i>Total Liabilities</i>	<u>16,713,130</u>	<u>3,399,801</u>	<u>150,869</u>	<u>2,981,447</u>	<u>1,623,599</u>	<u>24,868,846</u>
<b>Fund Balances</b>						
Reserved for Encumbrances	1,156,884	0	334	0	247,601	1,404,819
Reserved for Loans Receivable	0	0	2,046,687	0	0	2,046,687
Undesignated, Reported In (Deficit):						
General Fund	3,642,880	0	0	0	0	3,642,880
Special Revenue Funds	0	1,276,817	(87,158)	0	1,767,456	2,957,115
Debt Service Funds	0	0	0	1,115,686	166,942	1,282,628
Capital Projects Funds	0	0	0	0	1,467,157	1,467,157
<i>Total Fund Balances</i>	<u>4,799,764</u>	<u>1,276,817</u>	<u>1,959,863</u>	<u>1,115,686</u>	<u>3,649,156</u>	<u>12,801,286</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$21,512,894</u>	<u>\$4,676,618</u>	<u>\$2,110,732</u>	<u>\$4,097,133</u>	<u>\$5,272,755</u>	<u>\$37,670,132</u>

See accompanying notes to the basic financial statements

**City of Lakewood, Ohio**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 December 31, 2009*

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**Total Governmental Fund Balances** \$12,801,286

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

Capital assets used in governmental activities are not financial resources and therefore  
 are not reported in the funds: 66,869,546

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

Property Taxes	617,384	
Municipal Income Taxes	6,126,468	
Intergovernmental	2,635,817	
Total	<u>9,379,669</u>	9,379,669

Three internal service funds are used by management to charge the cost of insurance to  
 individual funds. The assets and liabilities of the internal service funds are included in  
 governmental activities in the statement of net assets. 905,953

In the statement of activities, interest is accrued on the outstanding bonds, where as  
 in governmental funds, an interest expenditure is reported when due. (246,228)

Bond Issuance costs will be amortized over the life of the bonds on  
 the statement of activities. 679,644

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

Notes Payable	(7,771,000)	
General Obligation Bonds	(29,978,442)	
Unamortized Bond Premium	(300,215)	
OPWC Loans	(277,200)	
Capital Lease Payable	(6,445,401)	
Compensated Absences Payable	(5,892,421)	
Total	<u>(50,664,679)</u>	(50,664,679)

*Net Assets of Governmental Activities* \$39,725,191

See accompanying notes to the basic financial statements

**City of Lakewood, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balance*  
*Governmental Funds*  
*For the Year Ended December 31, 2009*

	General Fund	Police and Fire Pension Fund	Community Development Block Grant Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Property Taxes	\$7,411,316	\$2,810,315	\$0	\$2,973,092	\$0	\$13,194,723
Payment in Lieu of Taxes	0	0	0	0	308,520	308,520
Municipal Income Taxes	18,355,581	0	0	0	0	18,355,581
Charges for Services	1,044,730	0	0	0	2,554,216	3,598,946
Licenses, Permits and Fees	1,771,241	0	0	0	52,013	1,823,254
Fines and Forfeitures	1,347,212	0	0	0	245,685	1,592,897
Intergovernmental	5,659,440	440,477	2,789,562	494,582	3,813,593	13,197,654
Contributions and Donations	0	0	0	0	118,471	118,471
Special Assessments	0	0	0	24,642	0	24,642
Interest	172,410	0	0	36,810	5,055	214,275
Miscellaneous	167,271	0	0	228,175	211,011	606,457
<i>Total Revenues</i>	<u>35,929,201</u>	<u>3,250,792</u>	<u>2,789,562</u>	<u>3,757,301</u>	<u>7,308,564</u>	<u>53,035,420</u>
<b>Expenditures</b>						
Current:						
General Government	7,652,953	0	0	45,802	176,632	7,875,387
Security of Persons and Property:						
Police	10,941,616	1,089,132	0	0	189,291	12,220,039
Fire	6,863,522	1,088,011	0	0	1,710,877	9,662,410
Public Health Services	480,688	0	0	0	1,947,810	2,428,498
Transportation	0	0	0	0	1,704,157	1,704,157
Community Environment	2,137,091	0	2,919,684	0	1,194,030	6,250,805
Basic Utility Services	3,699,636	0	0	0	0	3,699,636
Leisure Time Activities	1,509,287	0	0	0	4,367	1,513,654
Capital Outlay	4,350,339	0	0	0	2,491,728	6,842,067
Debt Service:						
Principal Retirement	873,418	0	0	3,024,072	190,000	4,087,490
Interest and Fiscal Charges	205,882	0	0	1,518,937	360,982	2,085,801
<i>Total Expenditures</i>	<u>38,714,432</u>	<u>2,177,143</u>	<u>2,919,684</u>	<u>4,588,811</u>	<u>9,969,874</u>	<u>58,369,944</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,785,231)</u>	<u>1,073,649</u>	<u>(130,122)</u>	<u>(831,510)</u>	<u>(2,661,310)</u>	<u>(5,334,524)</u>
<b>Other Financing Sources (Uses)</b>						
Bond Anticipation Notes Issued	0	0	0	4,321,000	3,450,000	7,771,000
Inception of Capital Lease	2,175,159	0	0	0	0	2,175,159
Transfers In	1,079,300	0	0	7,428,365	5,053,882	13,561,547
Transfers Out	(1,170,308)	(428,365)	0	(5,767,719)	(4,329,994)	(11,696,386)
Current Refunding	0	0	0	(4,321,000)	(3,450,000)	(7,771,000)
<i>Total Other Financing Sources (Uses)</i>	<u>2,084,151</u>	<u>(428,365)</u>	<u>0</u>	<u>1,660,646</u>	<u>723,888</u>	<u>4,040,320</u>
<i>Net Change in Fund Balances</i>	<u>(701,080)</u>	<u>645,284</u>	<u>(130,122)</u>	<u>829,136</u>	<u>(1,937,422)</u>	<u>(1,294,204)</u>
<i>Fund Balances Beginning of Year-Restated (See Note 3)</i>	<u>5,500,844</u>	<u>631,533</u>	<u>2,089,985</u>	<u>286,550</u>	<u>5,586,578</u>	<u>14,095,490</u>
<i>Fund Balance End of Year</i>	<u>\$4,799,764</u>	<u>\$1,276,817</u>	<u>\$1,959,863</u>	<u>\$1,115,686</u>	<u>\$3,649,156</u>	<u>\$12,801,286</u>

See accompanying notes to the basic financial statements

**City of Lakewood, 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, 2009*

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**Net Change in Fund Balances - Total Government Funds** (\$1,294,204)

*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	5,452,875	
Current Year Depreciation	(2,178,761)	
Total	3,274,114	3,274,114

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. (41,177)

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

Property Taxes	(6,784)	
Income Taxes	958,767	
Intergovernmental	(215,274)	
Total	736,709	736,709

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Bond and Note Principal	10,985,072	
Capital Lease	873,418	
Total	11,858,490	11,858,490

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

Accrued Interest	(5,605)	
Amortization of Bond Premium	31,076	
Amortization of Bond Issuance Costs	(51,359)	
Amortization of Loss on Refunding	(16,224)	
Total	(42,112)	(42,112)

Other financing sources in governmental funds that increase long-term liabilities in the statement of net assets are not reported as revenues in statement of activities.

Inception of Capital Lease	(2,175,159)	
Notes Issued	(7,771,000)	
Compensated Absences	76,928	
Total	(9,869,231)	(9,869,231)

The internal service fund used by management to charge the costs of insurance to individual funds is not reported in entity-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities. 858,503

*Change in Net Assets of Governmental Activities* \$5,481,092

See accompanying notes to the basic financial statements

**City of Lakewood, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2009*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Property Taxes	\$7,001,622	\$7,001,622	\$7,411,316	\$409,694
Municipal Income Taxes	18,653,525	18,653,525	18,523,000	(130,525)
Charges for Services	1,564,765	1,564,765	1,112,479	(452,286)
Licenses, Permits and Fees	1,818,092	1,818,092	1,771,241	(46,851)
Fines and Forfeitures	1,520,250	1,520,250	1,335,193	(185,057)
Intergovernmental	5,795,290	5,795,290	6,014,502	219,212
Interest	285,000	285,000	186,761	(98,239)
Miscellaneous	433,006	124,300	106,653	(17,647)
<i>Total Revenues</i>	<u>37,071,550</u>	<u>36,762,844</u>	<u>36,461,145</u>	<u>(301,699)</u>
<b>Expenditures</b>				
<b>Current:</b>				
General Government	8,481,922	9,467,337	8,820,086	647,251
Security of Persons and Property	18,120,764	18,147,483	17,833,714	313,769
Public Health Services	806,209	806,209	611,848	194,361
Community Environment	2,500,591	2,405,127	2,301,860	103,267
Basic Utility Services	4,066,269	3,995,582	3,757,419	238,163
Leisure Time Activities	1,645,966	1,626,175	1,532,216	93,959
<i>Total Expenditures</i>	<u>35,621,721</u>	<u>36,447,913</u>	<u>34,857,143</u>	<u>1,590,770</u>
<i>Excess of Revenues</i>				
<i>Over Expenditures</i>	<u>1,449,829</u>	<u>314,931</u>	<u>1,604,002</u>	<u>1,289,071</u>
<b>Other Financing Uses</b>				
Advances Out	0	(43,000)	(43,000)	0
Transfers Out	(1,369,564)	(1,171,178)	(1,170,308)	870
<i>Total Other Financing Uses</i>	<u>(1,369,564)</u>	<u>(1,214,178)</u>	<u>(1,213,308)</u>	<u>870</u>
<i>Net Change in Fund Balance</i>	80,265	(899,247)	390,694	1,289,941
<i>Fund Balance Beginning of Year</i>	950,574	950,574	950,574	0
<i>Prior Year Encumbrances Appropriated</i>	115,650	115,650	115,650	0
<i>Fund Balance End of Year</i>	<u>\$1,146,489</u>	<u>\$166,977</u>	<u>\$1,456,918</u>	<u>\$1,289,941</u>

See accompanying notes to the basic financial statements

**City of Lakewood, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Police and Fire Pension Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property Taxes	\$2,643,806	\$2,643,806	\$2,810,315	\$166,509
Intergovernmental	435,508	435,508	440,477	4,969
<i>Total Revenues</i>	<u>3,079,314</u>	<u>3,079,314</u>	<u>3,250,792</u>	<u>171,478</u>
<b>Expenditures</b>				
<b>Current:</b>				
Security of Persons and Property	<u>2,660,170</u>	<u>2,703,170</u>	<u>2,637,784</u>	<u>65,386</u>
Excess of Revenues Over Expenditures	419,144	376,144	613,008	236,864
<b>Other Financing Uses</b>				
Transfers Out	<u>(428,365)</u>	<u>(428,365)</u>	<u>(428,365)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(9,221)	(52,221)	184,643	236,864
<i>Fund Balance Beginning of Year, as Restated</i>	<u>1,709,947</u>	<u>1,709,947</u>	<u>1,709,947</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,700,726</u></u>	<u><u>\$1,657,726</u></u>	<u><u>\$1,894,590</u></u>	<u><u>\$236,864</u></u>

See accompanying notes to the basic financial statements

**City of Lakewood, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Community Development Block Grant Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$4,213,609	\$4,573,609	\$2,944,473	(\$1,629,136)
<b>Expenditures</b>				
<b>Current:</b>				
Community Environment	3,630,007	4,476,069	2,974,871	1,501,198
<i>Excess of Revenues Over (Under)</i>				
<i>Expenditures</i>	583,602	97,540	(30,398)	(127,938)
<b>Other Financing Uses</b>				
Advances Out	(500,001)	0	0	0
<i>Net Change in Fund Balance</i>	83,601	97,540	(30,398)	(127,938)
<i>Fund Balance (Deficit) Beginning of Year, as Restated</i>	(71,887)	(71,887)	(71,887)	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$11,714</u>	<u>\$25,653</u>	<u>(\$102,285)</u>	<u>(\$127,938)</u>

See accompanying notes to the basic financial statements

**City of Lakewood, Ohio**  
*Statement of Fund Net Assets*  
*Proprietary Funds*  
*December 31, 2009*

	Business Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Non Major Funds	Total	
<b>Assets</b>					
<b>Current Assets</b>					
Equity in Pooled Cash and					
Cash Equivalents	\$3,559,462	\$2,323,914	\$150,039	\$6,033,415	\$1,611,967
Cash and Cash Equivalents with Fiscal Agents	22,644	5,873	0	28,517	0
Accrued Interest Receivable	4,498	0	0	4,498	0
Accounts Receivable	1,716,337	964,969	73,166	2,754,472	0
Less: Allowance for Doubtful Accounts	(36,291)	(22,282)	0	(58,573)	0
Interfund Receivable	0	0	0	0	510,637
Intergovernmental Receivable	0	111,273	0	111,273	0
Materials and Supplies Inventory	22,540	353,876	153,001	529,417	0
Property Tax Receivable	0	1,585,381	0	1,585,381	0
<i>Total Current Assets</i>	<u>5,289,190</u>	<u>5,323,004</u>	<u>376,206</u>	<u>10,988,400</u>	<u>2,122,604</u>
<b>Long-Term Assets</b>					
Restricted Assets:					
Cash Equivalents Held by Trustee	1,529,706	2,067,324	0	3,597,030	0
Deferred Bond Issuance Costs	257,190	431,357	9,722	698,269	0
Nondepreciable Capital Assets	0	177,265	77,140	254,405	0
Depreciable Capital Assets, Net	40,226,497	35,698,733	5,529,488	81,454,718	0
Total Noncurrent Assets	<u>42,013,393</u>	<u>38,374,679</u>	<u>5,616,350</u>	<u>86,004,422</u>	<u>0</u>
<i>Total Assets</i>	<u>47,302,583</u>	<u>43,697,683</u>	<u>5,992,556</u>	<u>96,992,822</u>	<u>2,122,604</u>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Accounts Payable	560,300	106,100	97,948	764,348	65,274
Retainage Payable	22,644	5,873	0	28,517	0
Accrued Wages and Benefits	24,214	66,703	4,572	95,489	0
Intergovernmental Payable	24,430	51,747	7,578	83,755	56,017
Interfund Payable	17,597	38,677	2,287	58,561	0
Deferred Revenue	244,971	1,568,245	0	1,813,216	0
Claims Payable	0	0	0	0	640,490
Accrued Interest Payable	47,072	83,745	13,818	144,635	0
Compensated Absence Payable	42,182	60,150	9,970	112,302	0
Bonds Payable	919,125	1,367,896	126,242	2,413,263	0
Capital Leases Payable	3,476	46,690	108,568	158,734	0
OPWC Loans Payable	313,228	34,485	0	347,713	0
OWDA Loans Payable	0	29,138	0	29,138	0
<i>Total Current Liabilities</i>	<u>2,219,239</u>	<u>3,459,449</u>	<u>370,983</u>	<u>6,049,671</u>	<u>761,781</u>
<b>Long-Term Liabilities</b>					
Compensated Absence Payable	77,840	199,760	9,958	287,558	0
Bonds Payable	11,873,722	20,510,570	1,336,357	33,720,649	0
Claims Payable-Net of Current Portion	0	0	0	0	454,870
Capital Leases Payable	33,385	218,478	972,300	1,224,163	0
OPWC Loans Payable	3,415,675	370,795	0	3,786,470	0
OWDA Loans Payable	0	78,513	0	78,513	0
Total Long Term Liabilities	<u>15,400,622</u>	<u>21,378,116</u>	<u>2,318,615</u>	<u>39,097,353</u>	<u>454,870</u>
Total Liabilities	<u>17,619,861</u>	<u>24,837,565</u>	<u>2,689,598</u>	<u>45,147,024</u>	<u>1,216,651</u>
<b>Net Assets</b>					
Invested in Capital Assets, Net of Related Debt	23,835,712	13,599,460	4,037,248	41,472,420	0
Restricted for Debt Service	65,875	183,265	144	249,284	0
Restricted for Replacement and Improvement	193,550	0	0	193,550	0
Unrestricted (Deficit)	5,587,585	5,077,393	(734,434)	9,930,544	905,953
<i>Total Net Assets</i>	<u>\$29,682,722</u>	<u>\$18,860,118</u>	<u>\$3,302,958</u>	<u>\$51,845,798</u>	<u>\$905,953</u>

See accompanying notes to the basic financial statements

**City of Lakewood, Ohio**  
*Statement of Revenues, Expenses and Changes in Fund Net Assets*  
*Proprietary Funds*  
*For the Year Ended December 31, 2009*

	Business Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Non Major Funds	Total	
<b>Operating Revenues</b>					
Charges for Services	\$9,456,618	\$5,545,675	\$775,811	\$15,778,104	\$5,478,578
Miscellaneous	458,139	0	75,667	533,806	696,596
<i>Total Operating Revenues</i>	<u>9,914,757</u>	<u>5,545,675</u>	<u>851,478</u>	<u>16,311,910</u>	<u>6,175,174</u>
<b>Operating Expenses</b>					
Personal Services	1,138,212	2,704,271	187,719	4,030,202	0
Contractual Services	74,848	393,443	1,100	469,391	85,152
Materials and Supplies	170,489	162,748	13,325	346,562	0
Utilities	6,429,066	412,270	342,632	7,183,968	0
Depreciation	556,957	412,560	103,592	1,073,109	0
Workers' Compensation Premium	0	0	0	0	15,167
Claims	0	0	0	0	5,435,360
Miscellaneous	0	591,506	29,272	620,778	0
<i>Total Operating Expenses</i>	<u>8,369,572</u>	<u>4,676,798</u>	<u>677,640</u>	<u>13,724,010</u>	<u>5,535,679</u>
<i>Operating Income</i>	<u>1,545,185</u>	<u>868,877</u>	<u>173,838</u>	<u>2,587,900</u>	<u>639,495</u>
<b>Non Operating Revenues (Expenses)</b>					
Interest	55,013	3,939	0	58,952	8
Intergovernmental	416,013	272,358	0	688,371	0
Interest and Fiscal Charges	(668,893)	(1,074,655)	(128,563)	(1,872,111)	0
Property Taxes	0	1,712,714	0	1,712,714	0
<i>Total Non Operating Revenues (Expenses)</i>	<u>(197,867)</u>	<u>914,356</u>	<u>(128,563)</u>	<u>587,926</u>	<u>8</u>
<i>Net Income before Transfers</i>	1,347,318	1,783,233	45,275	3,175,826	639,503
Transfers In	84,029	420,857	310,953	815,839	219,000
Transfers Out	(500,000)	(2,400,000)	0	(2,900,000)	0
<i>Change in Net Assets</i>	931,347	(195,910)	356,228	1,091,665	858,503
<i>Net Assets Beginning of Year - Restated (See Note 3)</i>	<u>28,751,375</u>	<u>19,056,028</u>	<u>2,946,730</u>	<u>50,754,133</u>	<u>47,450</u>
<i>Net Assets End of Year</i>	<u>\$29,682,722</u>	<u>\$18,860,118</u>	<u>\$3,302,958</u>	<u>\$51,845,798</u>	<u>\$905,953</u>

See accompanying notes to the basic financial statements

**City of Lakewood, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2009

	Business Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Non Major Funds	Total	
<b>Increase (Decrease) in Cash and Cash Equivalents</b>					
<b>Cash Flows from Operating Activities</b>					
Cash Received from Customers	\$9,612,304	\$5,572,013	\$702,645	\$15,886,962	\$0
Cash Received from Transactions with Other Funds	0	0	0	0	5,504,774
Cash Received from Other Operating Sources	458,139	0	75,667	533,806	696,596
Cash Payments to Suppliers for Goods and Services	(310,228)	(1,013,507)	(358,521)	(1,682,256)	(77,038)
Cash Payments for Claims	0	0	0	0	(5,441,332)
Cash Payments for Premium	0	0	0	0	(86,337)
Cash Payments for Employee Services and Benefits	(1,164,014)	(2,749,614)	(341,535)	(4,255,163)	0
Cash Payments for Other Operating Expenses	(6,624,882)	(591,506)	(98,312)	(7,314,700)	0
<i>Net Cash Provided By (Used for) Operating Activities</i>	<u>1,971,319</u>	<u>1,217,386</u>	<u>(20,056)</u>	<u>3,168,649</u>	<u>596,663</u>
<b>Cash Flows from Noncapital Financing Activities</b>					
Intergovernmental Revenue	416,013	268,585	0	684,598	0
Property Taxes	0	1,713,595	0	1,713,595	0
Transfers In	84,029	420,857	310,953	815,839	219,000
Transfers Out	(500,000)	(2,400,000)	0	(2,900,000)	0
<i>Net Cash Provided by Non- Capital Financing Activities</i>	<u>42</u>	<u>3,037</u>	<u>310,953</u>	<u>314,032</u>	<u>219,000</u>
<b>Cash Flows from Capital and Related Financing Activities</b>					
Acquisition of Capital Assets	(844,141)	(572,767)	(49,034)	(1,465,942)	0
Principal paid on Bonds	(868,232)	(1,306,153)	(122,344)	(2,296,729)	0
Principal paid on OPWC	(313,229)	(34,485)	0	(347,714)	0
Principal paid on OWDA	0	(27,925)	0	(27,925)	0
Principal paid on Notes	(82,280)	(412,100)	0	(494,380)	0
Principal paid on Leases	(3,329)	(45,551)	(104,015)	(152,895)	0
Interest paid on Bonds	(608,689)	(1,001,398)	(74,313)	(1,684,400)	0
Interest paid on OWDA	0	(5,533)	0	(5,533)	0
Interest paid on Notes	(1,750)	(8,757)	0	(10,507)	0
Interest paid on Leases	(1,211)	(13,831)	(45,858)	(60,900)	0
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(2,722,861)</u>	<u>(3,428,500)</u>	<u>(395,564)</u>	<u>(6,546,925)</u>	<u>0</u>
<b>Cash Flows from Investing Activities</b>					
Interest	57,462	3,939	0	61,401	8
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(694,038)	(2,204,138)	(104,667)	(3,002,843)	815,671
<i>Cash and Cash Equivalents Beginning of Year-as Restated</i>	<u>5,805,850</u>	<u>6,601,249</u>	<u>254,706</u>	<u>12,661,805</u>	<u>796,296</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$5,111,812</u></u>	<u><u>\$4,397,111</u></u>	<u><u>\$150,039</u></u>	<u><u>\$9,658,962</u></u>	<u><u>\$1,611,967</u></u>

(continued)

**City of Lakewood, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds (continued)*  
*For the Year Ended December 31, 2009*

	<u>Business Type Activities - Enterprise Funds</u>			<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Non Major Funds</u>		
<b>Reconciliation of Operating Income to Net Cash Provided by (Used for) Operating Activities</b>					
<i>Operating Income</i>	\$1,545,185	\$868,877	\$173,838	\$2,587,900	\$639,495
Adjustments:					
Depreciation	556,957	412,560	103,592	1,073,109	0
Increase (Decrease) in Allowance for Doubtful Accounts	1,410	3,500	0	4,910	0
(Increase) Decrease in Assets:					
Accounts Receivable	(50,910)	(10,957)	(73,166)	(135,033)	0
Interfund Receivable	0	0	0	0	26,196
Materials and Supplies Inventory	35,590	(60,006)	(60,738)	(85,154)	0
Prepaid Items	4,630	0	0	4,630	0
Increase (Decrease) in Liabilities:					
Accounts Payable	(91,148)	37,033	(725)	(54,840)	8,114
Accrued Wages	(3,203)	2,640	(991)	(1,554)	0
Compensated Absences	(5,352)	(5,235)	(34,243)	(44,830)	0
Interfund Payable	(4,703)	(4,593)	(120,043)	(129,339)	0
Intergovernmental Payable	(17,137)	(26,433)	(7,580)	(51,150)	(71,170)
Claims Payable	0	0	0	0	(5,972)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$1,971,319</u>	<u>\$1,217,386</u>	<u>(\$20,056)</u>	<u>\$3,168,649</u>	<u>\$596,663</u>

See accompanying notes to the basic financial statements

**City of Lakewood, Ohio**  
*Statement of Fiduciary Assets and Liabilities*  
*Agency Fund*  
*December 31, 2009*

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**Assets**

Equity in Pooled Cash and Cash

Equivalents

\$1,268,635

**Liabilities**

Deposits Held and Due to Others

\$1,268,635

See accompanying notes to the basic financial statements

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

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**Note 1 - Description of the City and Reporting Entity**

The City of Lakewood (the "City") was incorporated and chartered in 1911. The City operates under an elected Mayor/Council administrative/legislative form of government and provides the following services as authorized by its charter: public safety (police and fire protection), sanitation, planning and zoning, public improvements, culture and recreation, municipal court and general administration services. In addition, the City owns and operates several business-type activities including a water system, a local sewer system, an ice rink facility and parking facilities.

***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 are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the City.

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 the 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 authorizes the issuance of debt or levying of taxes, or determining the budget. The City has no component units.

The City is associated with the West Shore Council of Governments, a jointly governed organization. Additional information is included in Note 17.

The following entities are excluded from the accompanying financial statements: Lakewood City School District, Lakewood Public Library and Lakewood Hospital Association.

**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 after November 30, 1989, to its governmental and business-type activities and to its proprietary funds unless those pronouncements conflict with or contradict GASB pronouncements. The City has elected not to apply FASB Statements and interpretations issued after November 30, 1989, to its business-type activities and enterprise funds. The most 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 Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

***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 activity of the internal service funds is eliminated to avoid “doubling up” revenues and expenses. 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 the 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. The internal service funds are presented in a single column on the face of the proprietary fund statements. 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. The City reports three categories of funds: governmental, proprietary and fiduciary.

***Governmental Fund:*** Governmental Funds are those through which most governmental functions typically 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 a 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 Lakewood and/or general laws of Ohio.

***Police and Fire Pension Fund:*** The Police and Fire Pension Fund accounts for the revenue from property taxes levied for the partial payments of the current and accrued liability for police and firemen disability and pension.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

***Community Development Block Grant Fund:*** The Community Development Block Grant Fund accounts for the revenues received from the federal government and expenditures as prescribed under the Community Development Block Grant program.

***Debt Service Fund:*** The Debt Service Fund accounts for the accumulation of resources for, and payment of, principal and interest on general long-term obligations.

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.

***Enterprise Funds:*** Enterprise Funds may be used to account for any activity for which a fee is charged to external users for goods or services. The City has two major Enterprise Funds.

***Water Fund:*** The Water Fund accounts for the provision of water distribution to the residential and commercial users of the City.

***Sewer Fund:*** The Sewer Fund accounts for the sanitary sewer services to the residential and commercial users of the City.

***Internal Service Funds:*** Internal Service Funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis. The City's three internal service funds account for funds reserved to finance potential losses on property and liability cases, workers' compensation costs, and a self insurance program for employee hospitalization and medical benefits.

***Fiduciary Funds:*** Fiduciary Fund reporting focuses on net assets and changes in net assets. For the City, the Fiduciary Funds are comprised of only the Agency Fund. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's Agency Fund accounts for deposits.

***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 (i.e. revenues) and decreases (i.e. 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 are generally included on the balance sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statement 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 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 Non-exchange 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 that 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.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements, shared revenues 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 7). Revenue from grants, entitlements and donations is recognized in the year that 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, where the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange 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), interest, fines and forfeitures, grants and fees.

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

Property taxes for which there is an enforceable legal claim as of December 31, 2009, but were levied to finance year 2010 operations, have been recorded as deferred revenue. Special assessments not received within the available period, and grants and entitlements received before eligibility requirements are met are also recorded as deferred revenue.

On the 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 where the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

***E. Budgetary Process***

All funds, except agency funds, are legally required to be budgeted and appropriated. 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 at the level of control selected by Council. The legal level of budgetary control has been established by Council at personal services and other object level within each department and fund. Budgetary modifications may only be made by ordinance of the City Council at the legal level of control.

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 and final budgeted amounts on the budgetary statements reflect the amounts on the final amended official certificate of estimated resources in effect at the time original and final appropriations were adopted.

The appropriations 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 on the budgetary statements reflect the first appropriations ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year.

***F. 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."

Cash held for the City by a bank for the payment of debt principal and interest as they come due and to purchase capital assets from a capital lease is included on the financial statements as "cash and cash equivalents with fiscal agents".

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

The City utilizes a trustee to hold monies set aside for replacement and improvement, debt service and unspent bond proceeds under the provisions of the bond indenture. The balances in these accounts are presented on the statement of fund net assets as, "cash and cash equivalents held by trustee."

The City also has segregated bank accounts for monies held separate from the City's central bank account. These interest bearing depository accounts are presented as "cash and cash equivalents in segregated accounts" since they are not required to be deposited into the City treasury.

During 2009, investments were limited to non-negotiable Certificates of Deposit and State Treasury Asset Reserve of Ohio (STAROhio). Non-negotiable certificates of deposit are reported at cost. Investments are reported at fair value, which is based on quoted market price or current share.

STAROhio is an investment pool managed by the State Treasurer's Office, which allow governments within the State to pool their funds for investment purposes. STAROhio is not registered with the Securities and Exchange Commission 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, 2009.

Interest earnings are allocated to City funds according to State statutes, City Charter, grant requirements or debt related restrictions. Interest revenue is distributed to the general fund, federal forfeiture fund, debt service fund, water fund and sewer fund. Interest revenue credited to the general fund during 2009 amounted to \$172,410 that includes \$164,894 assigned from other City funds.

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

***G. Restricted Assets***

Amounts held by trustees that are legally restricted for replacement and improvement, debt service and unspent bond proceeds per the applicable bond covenants are reported as restricted assets.

***H. Inventory***

Inventories are presented at cost on a first-in, first-out basis and are expended/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, 2009 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported the year in which services are consumed.

***J. Capital Assets***

General capital assets are capital assets that are associated with, and primarily arise from governmental activities, generally resulting from expenditures in the governmental funds. These 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 enterprise funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

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

All reported 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 replacements. Depreciation for governmental and business-type capital assets is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land	N/A
Land Improvements	25 years
Buildings and Improvements	75 years
Furniture and Equipment	10 - 20 years
Vehicles	15 years
Infrastructure	40 - 100 years

The City's infrastructure consists of roads, traffic signals, sidewalks, curbing, water lines and sewer lines, and includes infrastructure acquired prior to December 31, 1980.

***K. Interfund Balances***

On the fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables". 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 City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

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 the City has identified as probable of receiving payment in the future (those employees who will be eligible to receive termination payments in the next ten years). The amount is based on accumulated sick leave and employees' wage rates at year end, taking into consideration any limits specified in the City's termination policy.

The entire compensated absences liability is reported on the government-wide financial statements.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employees who have accumulated unpaid leave are paid. For proprietary funds, the entire amount of compensated absences is reported as a fund liability.

***M. Accrued Liabilities and Long-Term Obligations***

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. 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, compensated absences, 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 do not represent expendable resources and, therefore, are not available for appropriation or expenditure. Fund balance reserves have been established for encumbrances and loans receivable.

***O. 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 such as water, wastewater treatment, parking, ice rink and self insurance programs. Operating expenses are necessary costs incurred to provide the service for the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as nonoperating.

***P. Contributions of Capital***

Contributions of capital in the governmental activities and proprietary fund financial statements arise from outside contributions of capital assets, or from grants or outside contributions of resources restricted to capital acquisition and construction.

***Q. Interfund Activity***

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Internal allocations of overhead expenses from one function to another or within the same function are eliminated in the Statement of Activities. Interfund payments for service provided and used are not eliminated. Transfers between governmental activities are eliminated on the government-wide financial statements.

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

***R. 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 adopted by the City, 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 of which both restricted and unrestricted net assets are available. Net assets restricted for other purposes include litter control, community festival, and an emergency shelter program.

***S. Bond Issuance Costs***

On the government-wide financial statements, bond issuance costs are deferred and amortized over the term of the applicable bonds using the effective interest method. Within the governmental fund statements, bond issuance costs are expended when incurred. Bond issuance costs are generally paid from bond proceeds.

As permitted by State Statute, The City paid bond issuance costs from the bond proceeds and therefore does not consider that portion of the debt to be capital-related debt. That portion of the debt was offset against the unamortized bond issuance costs which were included in the determination of unrestricted net assets. Reporting both within the same element of net assets prevents one classification from being overstated while another is understated by the same amount.

***T. Bond Premium***

On the government-wide financial statement, bond premiums are deferred and amortized over the term of the bonds using the straight line method since the results are not significantly different from the effective interest method. Bond premiums are presented as an increase of the face amount of the bonds payable. On the governmental fund statements, bond premiums are received in the year the bonds are issued.

***U. Gain/Loss on Refunding***

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt (the gain/loss on refunding) is being amortized as a component of interest expense. This deferred amount is amortized over the life of the old debt or the life of the new debt, whichever is shorter, using the effective interest method.

***V. 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 are either unusual in nature or infrequent in occurrence.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

*W. 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 vary from those estimates.

**Note 3 – Changes in Accounting Principles and Restatement of Prior Year Fund Equity**

*A. Changes in Accounting Principles*

For 2009, the City of Lakewood has implemented Governmental Accounting Standard Board (GASB) Statement No. 52, “Land and Other Real Estate Held as Investments by Endowments”, Statement No. 53, “Accounting and Financial Reporting for Derivative Instruments”, Statement No. 55, “The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments”, Statement No. 56, “Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards”, Statement No. 57, “OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans”, and Statement No. 58, “Accounting and Financial Reporting for Chapter 9 Bankruptcies”.

GASB Statement No. 52 establishes consistent standards for the reporting of land and other real estate held as investments by essentially similar entities. It requires endowments to report their land and other real estate investments at fair value. Governments are also required to report the changes in fair value as investment income and to disclose the methods and significant assumptions employed to determine fair value. The implementation of this statement did not result in any change in the City’s financial statements.

GASB Statement No. 53 addresses the recognition, measurement and disclosure of information regarding derivative instruments entered into by state and local governments. It requires governments to measure derivative instruments, with the exception of synthetic guaranteed investment contracts that are fully benefit responsive, at fair value in their economic resources measurement focus financial statements. The implementation of this statement did not result in any change in the City’s financial statements.

GASB Statement No. 55 incorporates the hierarchy of generally accepted accounting principles (GAAP) for state and local governments into the GASB authoritative literature. The GAAP hierarchy consists of the sources of accounting principles used in the preparation of financial statements of state and local governmental entities that are presented in conformity with GAAP, and the framework for selecting those principles. The implementation of this statement did not result in any change in the City’s financial statements.

GASB Statement No. 56 incorporates accounting and financial reporting guidance previously only contained in the American Institute of Certified Public Accountants’ and auditing literature into the GASB’s accounting and financial reporting literature for state and local governments. The statement’s guidance addresses related party transactions, going concern considerations, and subsequent events from the AICPA literature. The implementation of this statement did not result in any change in the City’s financial statements.

GASB Statement No. 57 addresses issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in the agent multiple-employer

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2009

**Note 3 – Changes in Accounting Principles and Restatement of Prior Year Fund Equity (Continued)**

other postemployment benefit (OPEB) plans (that is, agent employers). The requirements in this statement will allow more agent employers to use the alternative measurement method to produce actuarially based information for purposes of financial reporting and clarify that OPEB measures reported by agent multiple-employer OPEB plans and their participating employers should be determined at the same minimum frequency and as of a common date to improve the consistency of reporting with regard to funded status and funding progress information. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 58 provides accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. The requirements in this Statement will provide more consistent recognition, measurement, display and disclosure guidance for governments that file for Chapter 9 bankruptcy. The implementation of this statement did not result in any change in the City's financial statements.

***B. Restatement of Prior Year's Net Assets/Fund Balances***

In the prior fiscal year, the City incorrectly recorded cash and cash equivalents, accrued wages, interfund payable and intergovernmental payable for the governmental funds and cash and cash equivalents, accrued interest receivable, accounts payable and claims payable for business-type activities. The restatement had the following effect on fund balances and net assets of the major and nonmajor funds of the City as they were previously reported.

	General Fund	Police and Fire Pension Fund	Community Development Block Grant Fund	Debt Service Fund
Fund Balance, January 1, 2009	\$5,277,606	\$631,533	\$2,089,985	\$286,550
Equity in Pooled Cash and Cash Equivalents	223,238	0	0	0
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	0	0	0	0
Interfund Payable	0	0	0	0
Restated Fund Balance, January 1, 2009	<u>\$5,500,844</u>	<u>\$631,533</u>	<u>\$2,089,985</u>	<u>\$286,550</u>

	Other Governmental Funds	Total Governmental Funds
Fund Balance, January 1, 2009	\$4,014,568	\$12,300,242
Equity in Pooled Cash and Cash Equivalents	1,535,524	1,758,762
Accrued Wages and Benefits	7,424	7,424
Intergovernmental Payable	1,109	1,109
Interfund Payable	27,953	27,953
Restated Fund Balance, January 1, 2009	<u>\$5,586,578</u>	<u>\$14,095,490</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2009

**Note 3 – Changes in Accounting Principles and Restatement of Prior Year Fund Equity  
(Continued)**

	Water Fund	Sewer Fund	Non-Major Funds	Total Business-Type Activities
Net Assets, January 1, 2009	\$28,481,474	\$16,590,160	\$2,754,424	\$47,826,058
Equity in Pooled Cash and Cash Equivalents	269,901	2,465,868	192,306	2,928,075
Restated Net Assets, January 1, 2009	<u>\$28,751,375</u>	<u>\$19,056,028</u>	<u>\$2,946,730</u>	<u>\$50,754,133</u>

	Internal Service Funds	Entity Wide Governmental Activities
Net Assets, January 1, 2009	\$ 394,736	\$ 32,796,137
Equity in Pooled Cash and Cash Equivalents	(129)	1,758,633
Accrued Wages and Benefits	0	7,424
Intergovernmental Payable	0	1,109
Interfund Payable	0	27,953
Accrued Interest Receivable	(2,123)	(2,123)
Accounts Payable	57,160	57,160
Claims Payable	(402,194)	(402,194)
Restated Net Assets, January 1, 2009	<u>\$ 47,450</u>	<u>\$ 34,244,099</u>

***C. Restatement of Budgetary Fund Equity***

In the prior fiscal year, the City incorrectly reported fund equity for five budgetary funds. The restated fund equity for the funds are shown below:

	Police and Fire Pension Fund	Community Development Block Grant Fund	Debt Service Fund	TIF Capital Improvement Fund	Sewer Fund
Fund Equity, January 1, 2009	\$1,123,252	(96,142)	\$922,417	\$229,994	\$8,013,628
Prior Period Restatement	586,695	24,255	(364,230)	15,370	(1,489,423)
Restated Fund Equity, January 1, 2009	<u>\$1,709,947</u>	<u>(\$71,887)</u>	<u>\$558,187</u>	<u>\$245,364</u>	<u>\$6,524,205</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

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**Note 4 - Legal Compliance and Accountability**

**A. Legal Compliance**

Contrary to Section 5705.10 Ohio Revised Code, the City had the following negative cash balances:

<u>Fund</u>	<u>Negative Cash Balance</u>
CDBG	(\$102,285)
Emergency Shelter	(37,353)
HOME Investment Program	(160,169)
Neighborhood Stabilization	(31,056)
Energy Efficiency Block Grant	(37,768)
Homeless Prevention	(81,533)
Juvenile Diversion	(5,000)

**B. Accountability**

The fund balances at December 31, 2009 included the following individual fund deficits:

<b>Special Revenue Funds</b>	
HOME Investment Program	\$146,169
Juvenile Diversion	803
<b>Internal Service Fund</b>	
Workers' Compensation	541,333

The deficits are primarily due to adjustments for accrued liabilities. The general fund is liable for any deficit in other funds and provides operating transfers when cash is required, rather than when accruals occur.

**Note 5 - Budgetary Basis of Accounting**

While the City is reporting their financial position, results of operations, and changes in fund balance/retained earnings on the basis of generally accepted accounting principles (GAAP basis), 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 Balances - Budget (Non-GAAP Basis) and Actual presented for the General and major Special Revenue Funds, 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 fair value (GAAP) rather than cost (budget).
5. Advances in and advances out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

**Note 5 - Budgetary Basis of Accounting (Continued)**

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

	General Fund	Police and Fire Pension Fund	Community Development Block Grant Fund
GAAP Basis	(\$701,080)	\$645,284	(\$130,122)
Net Adjustment for Revenue Accruals	(3,793,671)	0	154,911
Beginning Change in Fair Value of Investments	(8,144)	0	0
Net Adjustment for Expenditure Accruals	6,093,659	(460,641)	(54,853)
Advances Out	(43,000)	0	0
Adjustments for Encumbrances	(1,157,070)	0	(334)
Budget Basis	<u>\$390,694</u>	<u>\$184,643</u>	<u>(\$30,398)</u>

**Note 6 - Deposits and Investments**

The City is a charter City and has adopted an investment policy through City Ordinance. The City has elected to follow the provisions of State statute. State statutes classify monies held by the City into three categories.

Active deposits are public deposits determined to be necessary to meet current demands upon the City treasury. Active 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 City 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.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

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**Note 6 - Deposits and Investments (Continued)**

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but will be needed before the end of the current period of designation for 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 held by the City 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 payment of principal and 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, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, 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 securities listed above;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in (1) or;
6. The State Treasurer's investment pool (STAROhio);
7. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
8. Certain bankers acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 25 percent of the interim monies available for the investment at any one time.

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 the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, to which there is no default of principal, interest, or coupons;
3. 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.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

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**Note 6 - Deposits and Investments (Continued)**

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

**Deposits**

**Custodial Credit Risk:** Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in possession of an outside party. At year end, \$6,874,687 of the City's bank balance of \$8,256,566 was uninsured and uncollateralized. Although the securities were held by the pledging financial institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

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

**Investments**

Investments are reported at fair value. As of December 31, 2009, the City had the following investments:

	Fair Value	Maturity
STAROhio	\$6,686,880	61.2 Days Average

**Interest Rate Risk:** As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and that the City's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity. To date, no investments have been purchased with a life greater than five years.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

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**Note 6 - Deposits and Investments (Continued)**

**Credit Risk:** STAROhio carries a rating of AAAM by Standard & Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The City has no investment policy that addresses credit risk.

**Note 7 - Receivables**

Receivables at December 31, 2009, consisted primarily of interest, accounts (billings for user charged services), intergovernmental receivables arising from grants, entitlements and shared revenues, municipal income taxes, property taxes, loans (Community Development Block Grant monies loaned to local businesses), special assessments and interfunds. All receivables, except property taxes, special assessments and loans, are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. All receivables, except utility accounts receivable, are deemed collectible in full. Utility accounts receivable may be certified and collected as a special assessment, subject to foreclosure for nonpayment.

Allowance for doubtful accounts has been recorded at \$36,291 in the Water Fund and \$22,282 in the Sewer Fund.

Loans receivable to be collected in more than one-year amount to \$2,046,687 in the Community Development Block Grant Fund.

Special assessments expected to be collected in more than one-year amount to \$44,989 in the debt service fund. The amount of delinquent special assessments outstanding at December 31, 2009 was \$29,943.

**A. 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 2009 for real and public utility property taxes represents collections of 2008 taxes. Property tax payments received during 2009 for tangible personal property (other than public utility property) are for 2009 taxes.

2009 real property taxes are levied after October 1, 2009 on the assessed value as of January 1, 2009, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2009 real property taxes are collected in and intended to finance 2010 operations.

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 can be established.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

**Note 7 – Receivables (Continued)**

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. 2009 public utility property taxes which became a lien December 31, 2008, are levied after October 1, 2009, and are collected in 2010 with real property taxes.

Tangible personal property tax revenues received during 2009 (other than public utility property tax) represent the collection of 2009 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. Tangible personal property taxes received from telephone companies in 2009 were levied after October 1, 2008, on the value as of December 31, 2008. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

The full tax rate for all City operations for the year ended December 31, 2009, was \$17.40 per \$1,000 of assessed value. The assessed values of real property, public utility tangible property, and tangible personal property upon which 2009 property tax collections were based, are as follows:

Category	Assessed Value
Real Estate	
Residential and Agricultural	\$779,592,560
Commercial/Industrial/Public Utility	179,148,740
Tangible Personal Property	
Public Utility	10,241,580
General	3,507,600
Total Assessed Value	\$972,490,480

The Cuyahoga County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Lakewood. The County Auditor periodically remits to the City its portion of the taxes. Property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies, which are measurable as of December 31, 2009, and for which there is an enforceable legal claim. In the governmental funds, the entire receivable has been offset by deferred revenue since current taxes were not levied to finance 2009 operations, and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on the modified accrual basis the revenue is deferred.

**B. Income Tax**

The City levies a municipal income tax at a rate of 1.50 percent. The City's income tax is levied upon the net income of corporations and other business entities and on wages, salaries, and other personal service compensation earned by residents of the City and non-residents working within the City. Residents of the City are granted credit for income taxes paid to other municipalities to a maximum of one-half of one percent of income earned outside the City. Employers within the City are required to withhold income.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

**Note 7 – Receivables (Continued)**

tax on employee compensation and remit the tax to the City at least quarterly. Corporations and other self-employed individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually with the City.

**C. Intergovernmental Receivables**

A summary of the principal items of intergovernmental receivables follows:

	Amounts
<b>Governmental Activities</b>	
Local Government	\$1,858,596
Gasoline Tax	664,889
Permissive Motor Vehicle License Tax	22,737
Liquor Permit/Cigarette Taxes	14,803
County Grant Reimbursements	4,800
Federal Grant Reimbursements	460,327
Motor Vehicle License Registration	125,352
Homestead and Rollback	856,000
Estate Tax	151,743
<i>Total Governmental Activities</i>	4,159,247
 <b>Business-Type Activities</b>	
Homestead and Rollback	111,273
<i>Total</i>	\$4,270,520

**Note 8 - Contingencies**

**A. Grants**

The City received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements, and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City.

**B. Litigation**

Several claims and lawsuits are pending against the City. The amount of the liability, if any, cannot be reasonably estimated at this time. However, in the opinion of management, any such claims and lawsuits will not have a material adverse effect on the overall financial position of the City at December 31, 2009.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2009

**Note 9 - Capital Assets**

Capital asset activity for the year ended December 31, 2009, was as follows:

	Balance 12/31/08	Additions	Deletions	Balance 12/31/09
<b>Governmental Activities</b>				
<i>Capital Assets, not being Depreciated:</i>				
Land	\$6,139,702	\$0	\$0	\$6,139,702
Construction in Progress	1,616,217	3,534,060	(3,958,244)	1,192,033
<i>Total Capital Assets, not being Depreciated</i>	<u>7,755,919</u>	<u>3,534,060</u>	<u>(3,958,244)</u>	<u>7,331,735</u>
<i>Capital Assets, being Depreciated:</i>				
Land Improvements	4,774,190	0	0	4,774,190
Buildings and Improvements	13,831,345	1,090,049	0	14,921,394
Furniture and Equipment	4,113,271	212,689	(187,743)	4,138,217
Vehicles	11,529,148	1,711,801	(95,101)	13,145,848
Infrastructure				
Roads	39,987,110	2,705,607	0	42,692,717
Traffic Signals	3,960,094	49,191	0	4,009,285
Sidewalks	2,978,239	99,382	0	3,077,621
Curbing	1,425,964	8,340	0	1,434,304
<i>Total Capital Assets, being Depreciated</i>	<u>82,599,361</u>	<u>5,877,059</u>	<u>(282,844)</u>	<u>88,193,576</u>
Less Accumulated Depreciation:				
Land Improvements	(1,962,375)	(153,801)	0	(2,116,176)
Buildings and Improvements	(4,922,978)	(203,868)	0	(5,126,846)
Furniture and Equipment	(2,146,069)	(183,159)	178,356	(2,150,872)
Vehicles	(5,084,681)	(698,776)	63,311	(5,720,146)
Infrastructure				
Roads	(9,100,959)	(798,388)	0	(9,899,347)
Traffic Signals	(2,052,906)	(98,807)	0	(2,151,713)
Sidewalks	(985,696)	(28,449)	0	(1,014,145)
Curbing	(463,007)	(13,513)	0	(476,520)
Total Accumulated Depreciation	<u>(26,718,671)</u>	<u>(2,178,761)</u>	<u>241,667</u>	<u>(28,655,765)</u>
Total Capital Assets being Depreciated, Net	<u>55,880,690</u>	<u>3,698,298</u>	<u>(41,177)</u>	<u>59,537,811</u>
Governmental Activities Capital Assets, Net	<u>\$63,636,609</u>	<u>\$7,232,358</u>	<u>(\$3,999,421)</u>	<u>\$66,869,546</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2009

**Note 9 - Capital Assets (Continued)**

	Balance 12/31/08	Additions	Deletions	Balance 12/31/09
<b>Business-Type Activities</b>				
<i>Capital Assets, not being Depreciated:</i>				
Land	\$78,150	\$0	\$0	\$78,150
Construction in Progress	303,384	1,169,187	(1,296,316)	176,255
<i>Total Capital Assets, not being Depreciated</i>	<u>381,534</u>	<u>1,169,187</u>	<u>(1,296,316)</u>	<u>254,405</u>
<i>Capital Assets, being Depreciated:</i>				
Land Improvements	2,025,447	0	0	2,025,447
Buildings and Improvements	17,725,007	0	0	17,725,007
Furniture and Equipment	7,681,956	651,725	0	8,333,681
Vehicles	2,256,489	0	0	2,256,489
Infrastructure:				
Water Lines	50,511,097	995,168	0	51,506,265
Sewer Lines	30,098,261	64,812	0	30,163,073
<i>Total Capital Assets, being Depreciated</i>	<u>110,298,257</u>	<u>1,711,705</u>	<u>0</u>	<u>112,009,962</u>
Less Accumulated Depreciation:				
Land Improvements	(469,555)	(43,844)	0	(513,399)
Buildings and Improvements	(5,188,768)	(228,703)	0	(5,417,471)
Furniture and Equipment	(4,539,554)	(228,538)	0	(4,768,092)
Vehicles	(892,280)	(137,147)	0	(1,029,427)
Infrastructure				
Water Lines	(12,357,137)	(502,185)	0	(12,859,322)
Sewer Lines	(6,034,841)	67,308	0	(5,967,533)
<i>Total Accumulated Depreciation</i>	<u>(29,482,135)</u>	<u>(1,073,109)</u>	<u>0</u>	<u>(30,555,244)</u>
Total Capital Assets, being Depreciated, Net	<u>80,816,122</u>	<u>638,596</u>	<u>0</u>	<u>81,454,718</u>
Business-Type Activities Assets, Net	<u>\$81,197,656</u>	<u>\$1,807,783</u>	<u>(\$1,296,316)</u>	<u>\$81,709,123</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

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**Note 9 - Capital Assets (Continued)**

Depreciation expense was charged to governmental functions as follows:

General Government	\$172,528
Security of Persons and Property-Police	121,663
Security of Persons and Property-Fire	239,183
Transportation	1,085,141
Community Environment	13,121
Basic Utility Services	229,046
Public Health Services	38,599
Leisure Time Activities	<u>279,480</u>
Total Depreciation Expense	<u><u>\$2,178,761</u></u>

Depreciation expense was charged to the Enterprise Funds as follows:

Water Fund	\$556,957
Sewer Fund	412,560
Parking Facilities Fund	13,637
Winterhurst Ice Rink Fund	<u>89,955</u>
Total Depreciation Expense	<u><u>\$1,073,109</u></u>

**Note 10 – Conduit Debt Obligations**

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

In 1983 and 1989, the City issued Hospital Improvement Revenue Bonds for the purpose of providing funds to pay the cost of Lakewood Hospital Facility improvements. In 1989, the City also issued Hospital Improvement Refunding Bonds to advance refund the Hospital Improvement Bonds, Series 1983. On November 13, 2003, the City issued \$27,570,000 Hospital Revenue Bonds, Series 2003 to advance refund the 1989 Series. As of December 31, 2009, the aggregate principal amount of conduit debt obligation outstanding for Lakewood Hospital was \$17,725,000.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2009

**Note 10 – Conduit Debt Obligations (Continued)**

On October 23, 2000, the City issued Educational Facilities Revenue Bonds for the purpose of providing funds to pay costs of acquiring and constructing additional facilities for St. Edward High School. The aggregate principal amount of conduit debt obligations for St. Edward High School was \$10,800,000. As of December 31, 2009, the aggregate principal amount of conduit debt obligation outstanding for St. Edward High School was \$9,795,000. These bonds do not constitute a debt or pledge of the full faith and credit of the City and, therefore, are not reported in the financial statements.

**Note 11- Long-Term Obligations**

The original issue date, interest rate, original issuance amount and maturity date for each of the City's long-term obligations follows:

	<u>Original Issue Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>
<b><i>Governmental Activities</i></b>				
<b><i>Notes</i></b>				
Various Purpose	2008	2.15%	\$7,771,000	April 16, 2009
Various Purpose	2009	3.00%	7,771,000	April 15, 2010
<b><i>General Obligation Bonds</i></b>				
Various Purpose	1998	3.60-5.125%	3,596,700	December 1, 2017
Various Purpose Refunding-1992	1998	3.60-5.125%	9,060,000	December 1, 2012
Various Purpose	2003	3.55-5.00%	5,219,000	December 1, 2023
Various Purpose Refunding-1995	2005	3.00-5.00%	7,335,000	December 1, 2025
Various Purpose	2005	3.00-5.00%	6,095,637	December 1, 2025
Various Purpose	2001	3.45-5.875%	8,085,000	December 1, 2021
Various Purpose Refunding-2005	2007	4.00-5.25%	10,520,000	December 1, 2026
<b><i>Tax Increment Financing</i></b>				
Rockport Square Development	2004	4.40-5.95%	4,265,000	July 1, 2024
Vedda Printing	2005	3.00-5.00%	400,000	December 1, 2025
<b><i>OPWC Loan</i></b>				
Forest and Clifton Road	1999	0%	616,000	December 1, 2019
<b><i>Business-Type Activities</i></b>				
<b><i>Notes</i></b>				
<b><i>Water</i></b>				
Water Main Improvements	2008	2.15%	82,280	April 16, 2009
<b><i>Sewer</i></b>				
Various Purpose	2008	2.15%	412,100	April 16, 2009

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2009

**Note 11- Long-Term Obligations (Continued)**

	Original Issue Date	Interest Rate	Original Issue Amount	Date of Maturity
<b>Revenue Bonds</b>				
<i>Water</i>				
Water Main Improvements	1995	4.40-6.60%	\$2,850,000	December 1, 2020
Water System Refunding	2002	2.00-3.65%	4,025,000	December 1, 2011
Water Main Improvements	2005	3.00-5.00%	609,829	December 1, 2025
Water Main Improvements	2006	4.00-4.50%	10,285,000	December 1, 2031
<i>Sewer</i>				
Sewer Construction	2006	4.00-4.50%	14,320,000	December 1, 2031
<b>General Obligation Bonds</b>				
<i>Sewer</i>				
Sewer Construction Refunding	1998	3.60-5.125%	5,695,000	December 1, 2011
Sewer Construction Refunding	2003	3.55-5.00%	3,481,000	December 1, 2023
Sewer Construction	2005	3.00-5.00%	3,811,430	December 1, 2025
Sewer Construction	2005	3.00-5.00%	2,145,000	December 1, 2025
<i>Winterhurst</i>				
Winterhurst Recreational Facility	1998	3.60-5.125%	1,292,200	December 1, 2017
Winterhurst Recreational Facility	2005	3.00-5.00%	203,276	December 1, 2025
<i>Parking</i>				
Meter Replacement	2007	4.00-5.25%	355,000	December 1, 2026
<b>OPWC Loans</b>				
<i>Water</i>				
Water Main Replacements	1999	0%	1,248,464	December 1, 2019
Water Main Replacements	2001	0%	1,944,012	December 1, 2021
Water Main Replacements	2003	0%	994,614	July 1, 2023
Water Main Replacements	2003	0%	1,592,840	July 1, 2023
Belle Avenue Improvements	2003	0%	484,637	December 1, 2023
<i>Sewer</i>				
West Clifton Storm Sewer Rehab.	2000	0%	115,101	December 1, 2020
Edgewater Drive-Sewer Separation	2002	0%	604,258	December 1, 2022
<b>OWDA Loan</b>				
<i>Sewer</i>				
Lakewood Avenue	2002	4.30%	445,810	July 1, 2013

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2009

**Note 11 - Long-Term Obligations (Continued)**

	Balance December 31, 2008	Additions	Deletions	Balance December 31, 2009	Amount Due in One Year
<i>Governmental Activities</i>					
<b>Notes Payable</b>					
Various Purpose-2008	\$7,771,000	\$0	\$7,771,000	\$0	\$0
Various Purpose-2009	0	7,771,000	0	7,771,000	0
<i>Total Notes Payable</i>	<u>7,771,000</u>	<u>7,771,000</u>	<u>7,771,000</u>	<u>7,771,000</u>	<u>0</u>
<b>General Obligation Bonds</b>					
Various Purpose-1998	1,993,900	0	180,400	1,813,500	191,800
Various Purpose Refunding-1998	2,790,000	0	685,000	2,105,000	695,000
Various Purpose-2003	4,166,795	0	237,276	3,929,519	247,012
Various Purpose Refunding-2005	4,760,000	0	665,000	4,095,000	685,000
Unamortized Premium	108,016	0	16,833	91,183	0
Unamortized loss	(594,299)	0	(4,566)	(589,733)	0
Various Purpose-2005	4,455,503	0	580,596	3,874,907	602,926
Unamortized Premium	59,510	0	3,625	55,885	0
Various Purpose-2001	1,240,000	0	390,000	850,000	410,000
Various Purpose Refunding-2007	10,040,000	0	255,000	9,785,000	255,000
Unamortized loss	(326,409)	0	(11,658)	(314,751)	0
Unamortized Premium	52,066	0	3,021	49,045	0
Rockport Square Development-2004	4,265,000	0	175,000	4,090,000	175,000
Unamortized Premium	111,091	0	7,560	103,531	0
Vedda Printing-2005	355,000	0	15,000	340,000	15,000
Unamortized Premium	608	0	37	571	0
<i>Total General Obligation Bonds</i>	<u>33,476,781</u>	<u>0</u>	<u>3,198,124</u>	<u>30,278,657</u>	<u>3,276,738</u>
<b>OPWC Loan</b>					
Forest and Clifton Road-1999	308,000	0	30,800	277,200	30,800
Claims Payable	1,101,332	5,435,360	5,441,332	1,095,360	640,490
Compensated Absences Payable	5,969,349	2,139,671	2,216,599	5,892,421	2,122,173
Capital Lease Payable	5,143,660	2,175,159	873,418	6,445,401	823,075
<i>Total Governmental Activities</i>	<u>\$53,770,122</u>	<u>\$17,521,190</u>	<u>\$19,531,273</u>	<u>\$51,760,039</u>	<u>\$6,893,276</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2009

**Note 11 - Long-Term Obligations (Continued)**

	Balance December 31, 2008	Additions	Deletions	Balance December 31, 2009	Amount Due in One Year
<i>Business-Type Activities</i>					
<b>Notes</b>					
<i>Water</i>					
Water Main Improvements-2008	\$82,280	\$0	\$82,280	\$0	\$0
<i>Sewer</i>					
Various Purpose-2008	412,100	0	412,100	0	0
<i>Total Notes Payable</i>	<u>494,380</u>	<u>0</u>	<u>494,380</u>	<u>0</u>	<u>0</u>
<b>Revenue Bonds</b>					
<i>Water</i>					
Water Main Improvements-1995	2,075,000	0	120,000	1,955,000	130,000
Water System Refunding-2002	1,465,000	0	465,000	1,000,000	490,000
Deferred Amount of Refunding	(88,740)	0	(29,580)	(59,160)	0
Water Main Improvements-2005	544,603	0	23,232	521,371	24,125
Unamortized Premium	466	0	29	437	0
Water Main Improvements-2006	9,725,000	0	260,000	9,465,000	275,000
Unamortized Discount	(113,198)	0	(5,031)	(108,167)	0
Unamortized Premium	19,219	0	853	18,366	0
<i>Sewer</i>					
Sewer Construction-2006	13,540,000	0	360,000	13,180,000	375,000
Unamortized Discount	(157,866)	0	(7,016)	(150,850)	0
Unamortized Premium	45,774	0	2,034	43,740	0
<i>Total Revenue Bonds</i>	<u>27,055,258</u>	<u>0</u>	<u>1,189,521</u>	<u>25,865,737</u>	<u>1,294,125</u>
<b>General Obligation Bonds</b>					
<i>Sewer</i>					
Sewer Construction Refunding-1998	1,435,000	0	180,000	1,255,000	190,000
Deferred Amount of Refunding	(108,247)	0	(1,461)	(106,786)	0
Unamortized Premium	33,088	0	5,156	27,932	0
Sewer Construction Refunding-2003	1,515,000	0	480,000	1,035,000	505,000
Deferred Amount of Refunding	(115,685)	0	(28,922)	(86,763)	0
Sewer Construction-2005	2,963,205	0	117,724	2,845,481	122,989
Unamortized Premium	56,528	0	3,936	52,592	0
Sewer Construction-2005	3,948,361	0	168,429	3,779,932	174,907
Unamortized Premium	3,395	0	207	3,188	0
<i>Winterhurst</i>					
Recreational Facility-1998	1,076,200	0	94,600	981,600	98,200
Recreational Facility-2005	181,534	0	7,744	173,790	8,042
Unamortized Premium	154	0	10	144	0
<i>Parking</i>					
Meter Replacement-2007	325,000	0	20,000	305,000	20,000
Unamortized Premium	2,186	0	121	2,065	0
<i>Total General Obligation Bonds</i>	<u>\$11,315,719</u>	<u>\$0</u>	<u>\$1,047,544</u>	<u>\$10,268,175</u>	<u>\$1,119,138</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2009

**Note 11 - Long-Term Obligations (Continued)**

	Balance December 31, 2008	Additions	Deletions	Balance December 31, 2009	Amount Due in One Year
<b>OPWC Loans</b>					
<i>Water Fund</i>					
Water Main Replacements-1999	\$624,226	\$0	\$62,423	\$561,803	\$62,423
Water Main Replacements-2001	1,166,407	0	97,201	1,069,206	97,201
Water Main Replacements-2003	721,095	0	49,731	671,364	49,730
Water Main Replacements-2003	1,154,810	0	79,642	1,075,168	79,642
Belle Avenue Improvements-2003	375,594	0	24,232	351,362	24,232
<i>Sewer</i>					
West Clifton Storm Sewer Rehabilitation-2000	46,997	0	4,272	42,725	4,272
Edgewater Drive-Sewer Separation-2002	392,768	0	30,213	362,555	30,213
<b>Total OPWC Loans</b>	<b>4,481,897</b>	<b>0</b>	<b>347,714</b>	<b>4,134,183</b>	<b>347,713</b>
<b>OWDA Loan</b>					
<i>Sewer</i>					
Lakewood Avenue-2002	135,576	0	27,925	107,651	29,138
Compensated Absences Payable	444,692	112,302	157,134	399,860	112,302
Capital Lease Payable	1,535,792	0	152,895	1,382,897	158,734
<b>Total Business-Type Activities</b>	<b>\$45,463,314</b>	<b>\$112,302</b>	<b>\$3,417,113</b>	<b>\$42,158,503</b>	<b>\$3,061,150</b>

**Governmental Activities**

**General Obligation Bonds** For governmental activities, general obligation bonds will be retired from the General Obligation and TIF Bond Retirement Debt Service Funds using general property tax and payments in lieu of taxes revenue.

**Refunding Bonds** On March 1, 1998, the City issued \$9,060,000 in general obligation bonds to advance refund \$8,170,000 of outstanding 1992 various purpose general obligation bonds. The net proceeds of \$8,960,000 (after payment of issuance costs) were used to purchase direct obligations of the U.S. government. Those securities were deposited in an irrevocable trust with an escrow agent. The securities and fixed earnings from the securities are sufficient to provide for all future debt service payments on the 1992 bonds. As a result, the 1992 bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements. As of December 31, 2009, \$2,105,000 of the defeased debt remained outstanding.

On May 26, 2005, the City issued \$7,335,000 in general obligation refunding bonds at interest rates varying from 3.00 percent to 5.00 percent. Proceeds were used to refund \$6,735,000 of the outstanding 1995 various purpose general obligation bonds.

The bonds were sold at a premium of \$219,898. Proceeds were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded bonds. As a result, \$6,735,000 of these bonds were considered defeased and the liability for the refunded bonds has been removed from the basic financial statements. As of December 31, 2009, \$4,095,000 of the defeased debt remained outstanding.

The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$765,265. This difference, being reported as a deferral in the accompanying financial statements, is being charged to operations through the year 2015 using the straight-line method.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

**Note 11 - Long-Term Obligations (Continued)**

On May 30, 2007, the City issued \$10,875,000 in general obligation bonds \$10,520,000 of which were related to governmental activities, to refund notes and a portion of the 2005 various purpose general obligation bonds in order to take advantage of lower interest rates. The bonds were issued for twenty years, with final maturity at December 1, 2026. The bonds will be retired from the debt service fund. The proceeds were used to refund a portion of the 2005 various purpose and bond anticipation notes.

The bonds were sold at a premium of \$57,987. Net proceeds of \$4,844,725 were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded portion of the various bonds. As a result, \$4,495,000 of these bonds is considered defeased and the liability for the refunded portion of these bonds has been removed from the City's financial statements.

The City decreased its total debt service payments by \$191,785 as a result of the advance refunding. The City also incurred an economic gain (difference between the present values of the old and new debt service payments) of \$145,726.

An analysis of the refunding issue follows:

	Various Purpose Bonds
Non-Refunded Portion Outstanding at December 31, 2008	\$1,240,000
Principle Payment on Non-Refunded Portion	(390,000)
Non-Refunded Portion Outstanding at December 31, 2009	\$ 850,000

On August 1, 2004 the City issued \$4,265,000 in general obligation bonds for the Rockport Square development project. These bonds will be paid through tax increment financing where the payments in lieu of taxes (PILOTS) generated will pay the debt service payments.

On May 26, 2005 the City issued \$400,000 in General Obligation Bonds for the Vedda Printing Development project. These bonds will be paid through tax increment financing where the payments in lieu of taxes (PILOTS) generated will pay the debt service payments. The OPWC loans are paid semi annually from the general obligation bond retirement debt service fund. The loans are interest free and will be paid from general property tax revenue.

**Other Long-Term Obligations** Compensated absences will be paid from the General Fund, Streets and Highway, Community Development Block Grant, Office on Aging, and Lakewood Hospital Special Revenue Funds, and the Water, Sewer, Parking Facilities, and Winterhurst Ice Rink Enterprise Funds.

***Business-Type Activities***

The revenue bonds, general obligation bonds, OPWC loans and the OWDA loans reported in the Enterprise Funds will be paid from revenues derived by the City from water, sewer and ice rink user charges. The OPWC and OWDA loans reported in the enterprise funds are not general obligation and are not backed by the full faith and credit of the City.

In 1995, the City issued \$2,850,000 in Water Main Improvement Revenue Bonds with interest rates varying from 4.40 percent to 6.60 percent. Proceeds were used to improve the City's water mains. The revenue bonds included serial bonds. Restricted assets for debt service relating to the water main improvement revenue bonds held with a trustee at December 31, 2009 were \$121,771. At December 31, 2009 \$1,955,000 of the debt remained outstanding.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

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**Note 11 - Long-Term Obligations (Continued)**

On December 12, 2002, the City issued \$4,025,000 in Water Revenue Refunding Bonds to advance refund and defease the series 1991 Water Revenue Bonds of \$2,845,000 and pay a portion (\$880,000) of the Series 2002 Bond Anticipation Notes. The net proceeds were used to purchase direct obligations of the U.S. government. Those securities were deposited in an irrevocable trust with an escrow agent.

The securities and fixed earnings from the securities are sufficient to provide for all future debt service payments on the Series 1991 Water Revenue Bonds and respective portion of the Series 2002 Bond Anticipation Notes. As a result, the 1991 Water Revenue Bonds and the respective portion of the Series 2002 Bond Anticipation Notes are considered to be defeased. As of December 31, 2009, \$1,000,000 of the defeased debt remained outstanding. The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt. This difference, reported in the accompanying financial statement as a deduction from due in more than one year, is being charged to operations through the year 2011, using the straight-line method. The unamortized balance of the deferral totaled \$59,160 at December 31, 2009. The bonds maturing on or after July 1, 2001 are subject to redemption at the sole option of the City, either in whole on any date, or in part on any interest payment date on or after July 1, 2001, in multiples of \$5,000, at 100 percent of the redemption price plus accrued interest as of July 1, 2004 and thereafter. Restricted assets relating to the Refunding Water Revenue Bonds held with trustee at December 31, 2009, were \$195,455 for replacement and improvement and \$261,450 for debt service.

In 2006, the City issued \$10,285,000 in Water Main Improvement Revenue Bonds with interest rates varying from 4.00 percent to 4.50 percent to improve the City's water mains. The Revenue Bonds included Serial Bonds. Issuance included a premium of \$21,352 and discount of \$124,937. Restricted assets relating to the Water Main Improvement Revenue Bonds held with trustee at December 31, 2009, were \$951,030, \$612,369 of unspent bond proceeds and \$338,660 restricted for debt service.

In 2006, the City issued \$14,320,000 in Sewer and Wastewater Improvement Revenue Bonds with interest rates varying from 4.00 percent to 4.50 percent to improve the City's sewer mains. The Revenue Bonds included Serial Bonds. Issuance included a premium of \$50,527 and discount of \$174,240. Restricted assets relating to the Sewer Main Improvement Revenue Bonds held with trustee at December 31, 2009, were \$2,067,324, of which \$1,597,103 were unspent bond proceeds and \$470,221 restricted for debt service.

On March 1, 1998, the City issued \$5,695,000 in General Obligation Bonds to advance refund \$5,195,000 of outstanding 1992 Sanitary Sewer System General Obligation Bonds. The net proceeds of \$5,631,000 (after payment of issuance costs) were used to purchase direct obligations of the U.S. government. Those securities were deposited in an irrevocable trust with an escrow agent. The securities and fixed earning from the securities are sufficient to provide for all future debt service payment on the 1992 bonds. As a result these bonds are considered to be defeased, and the liability for those bonds has been removed from the Sewer and Wastewater Fund. As of December 31, 2009, \$1,035,000 of the defeased debt remained outstanding.

The 1998 advance refunding of the 1992 Sanitary Sewer System General Obligation Bonds resulted in a difference between the reacquisition price and the net carrying amount of the old debt. The unamortized balance of the deferral totaled \$86,763 at December 31, 2009. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2011 using the straight-line method.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

**Note 11 - Long-Term Obligations (Continued)**

On May 26, 2005, the City issued \$1,945,000 in Sewer Construction Refunding Bonds at interest rates varying from 3.00 percent to 5.00 percent. Proceeds were used to refund \$2,040,000 of the outstanding 1995 various purpose general obligation bonds.

The City has pledged future revenues to repay revenue bonds and OPWC loans in the water fund. The debt is payable solely from net revenues and is payable through 2031. Annual principal and interest payments on the bonds and loans are expected to require less than 60 percent of net revenues and less than 16 percent of total revenues. The total principal and interest remaining to be paid on the bonds and loans is \$23,090,681. Principal and interest paid for the current year were \$1,790,150, total net revenues were \$2,573,168 and total revenues were \$10,385,783.

The City has pledged future revenues to repay the revenue bonds, OWDA and OPWC loans in the sewer fund. The debt is payable solely from net revenues and is payable through 2031. Annual principal and interest payments on the debt is expected to require less than 4.00 percent of net revenues and less than 1.00 percent of total revenues. The total principal and interest remaining to be paid on the debt is \$21,269,775. Principal and interest paid for the current year were \$1,008,806, total net revenues were \$1,557,734 and total revenues were \$5,821,972.

The City's overall legal debt margin was \$64,651,168 at December 31, 2009.

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2009, are as follows:

	<b>Governmental Activities</b>					
	General Obligation Bonds		OPWC Loans		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$3,276,738	\$1,367,298	\$30,800	\$0	\$3,307,538	\$1,367,298
2011	3,005,211	1,228,516	30,800	0	3,036,011	1,228,516
2012	3,074,963	1,086,172	30,800	0	3,105,763	1,086,172
2013	2,441,922	958,968	30,800	0	2,472,722	958,968
2014	2,501,625	872,578	30,800	0	2,532,425	872,578
2015-2019	9,325,196	2,815,992	123,200	0	9,448,396	2,815,992
2020-2024	6,418,072	943,615	0	0	6,418,072	943,615
2025-2026	839,199	50,935	0	0	839,199	50,935
	<u>\$30,882,926</u>	<u>\$9,324,074</u>	<u>\$277,200</u>	<u>\$0</u>	<u>\$31,160,126</u>	<u>\$9,324,074</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2009

**Note 11 - Long-Term Obligations (Continued)**

<b>Business Type Activities</b>				
	Revenue Bonds		GO Bonds	
	Principal	Interest	Principal	Interest
2010	\$1,294,125	\$1,128,013	\$1,119,138	\$449,856
2011	1,344,572	1,090,422	1,165,218	402,431
2012	870,465	1,036,050	659,572	352,047
2013	916,359	994,626	691,719	327,122
2014	957,252	955,236	751,122	300,543
2015-2019	5,452,260	4,114,407	3,002,641	1,024,054
2020-2024	5,702,555	2,877,401	2,654,376	398,201
2025-2029	6,553,783	1,585,772	332,017	14,526
2030-2031	3,030,000	205,875	0	0
	\$26,121,371	\$13,987,802	\$10,375,803	\$3,268,780
	OPWC Loans		OWDA Loans	
	Principal	Interest	Principal	Interest
2010	\$347,713	\$0	\$29,138	\$4,319
2011	347,714	0	30,405	3,053
2012	347,714	0	31,726	1,731
2013	347,714	0	16,382	346
2014	347,714	0	0	0
2015-2019	1,676,148	0	0	0
2020-2024	719,466	0	0	0
	\$4,134,183	\$0	\$107,651	\$9,449
Total				
	Principal		Interest	
2010	\$2,790,114		\$1,582,188	
2011	2,887,909		1,495,906	
2012	1,909,477		1,389,828	
2013	1,972,174		1,322,094	
2014	2,056,088		1,255,779	
2015-2019	10,131,049		5,138,461	
2020-2024	9,076,397		3,275,602	
2025-2029	6,885,800		1,600,298	
2030-2031	3,030,000		205,875	
	\$40,739,008		\$17,266,031	

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

**Note 12 – Leases**

**A. Capital Leases**

In 2009, the City leased vehicles, computer equipment and copier equipment through capital leasing arrangements. During 2009, the City entered into a lease for \$2,175,159 to make various equipment purchases. As of December 31, 2009, only \$2,117,278 of the lease amount has been used to purchase equipment. The assets of such agreements are recorded in the Government-Wide Statement of Net Assets and Business-Type. The lease contracts are ten years. The equipment has been capitalized in the amounts of \$8,750,580. The following is a schedule of the future minimum lease payments for capital leases and the present value of net minimum lease payments as of December 31, 2009:

	Governmental Activities	Business-Type Activities
<b>Capital Leases, being depreciated:</b>		
Building and Improvements	\$2,100,000	\$1,200,000
Equipment Machinery and Furniture	319,076	192,594
Vehicles	4,284,133	654,777
Total Capital Leases, being depreciated	6,703,209	2,047,371
Less Accumulated Depreciation		
Building and Improvements	420,000	240,000
Equipment Machinery and Furniture	63,816	38,520
Vehicles	706,721	130,954
Total Accumulated Depreciation	1,190,537	409,474
Capital Leases, Net	\$5,512,672	\$1,637,897
	Governmental Activities	Business-Type Activities
2010	\$1,101,803	\$214,031
2011	1,099,096	214,278
2012	1,096,261	214,536
2013	916,068	191,923
2014	773,335	185,438
2015-2018	2,707,537	630,483
Total minimum lease payments	7,694,100	1,650,689
Less: amount representing interest	(1,248,699)	(267,792)
Total	\$6,445,401	\$1,382,897

**B. Operating Leases**

In 1997, the City renegotiated its lease agreement with the Lakewood Hospital Association (LHA) for its use of real and personal property owned by the City for the purpose of operating a hospital. Under the terms of the lease, the City will receive amounts ranging from \$1 million to \$1.225 million commencing in 1997 and continuing through 2026. Upon expiration of the lease term or the termination of this lease, LHA will surrender the leased property to the City.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

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**Note 13 - Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City's coverage for general liability, bodily injury and property damage to others, with Government Underwriter's Association Insurance Company, is limited to \$1,000,000 per occurrence and has a \$2,000,000 aggregate limit per year. In addition, there is an excess umbrella coverage of \$10,000,000 per occurrence and has a \$10,000,000 aggregate limit per year.

Errors and omissions for public officials and police professional liability are \$1,000,000 per occurrence, and has a \$2,000,000 annual aggregate. Vehicles are covered for \$1,000,000 per each occurrence, no aggregate, with a \$500 deductible for comprehensive, \$500 deductible for collision.

The boiler and machinery is covered at \$109,680,850 with a \$1,000 deductible for deep well pumps and \$1,000 deductible for all other property.

Coverage for the City's buildings, furniture, fixtures, and contents has a limit of \$109,680,850 with a \$1,000 deductible. Inland marine coverage for all City property that moves has coverage of \$4,143,726 with a \$500 deductible and EDP equipment is covered at \$1,285,815 with a \$500 deductible.

Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

The City of Lakewood maintains the Hospitalization Internal Service Fund to finance the cost of employee hospitalization and medical claims on a cost reimbursement basis. The City offers two plans to its employees that are funded through a third party administrator. Under these plans the third party administrator processes claims on behalf of the employees and bills the City for the amount of actual claims plus administrative costs. The City is liable for claims up to \$1,000,000. A specific excess loss coverage (stop loss) insurance policy covers claims in excess of \$1,000,000 per year.

At December 31, 2009, \$480,500 has been accrued for hospitalization and medical claims representing an estimate of the amount to be paid for claims that have been incurred but not reported based on the requirements of GASB Statement No. 30 which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported if information prior to the issuance of the financial statements and the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the balances of claims liabilities during the past two years are as follows:

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

**Note 13 - Risk Management (Continued)**

	2009	2008
Estimated claims payable January 1	\$509,173	\$615,596
Plus: Current year claims	4,919,049	5,043,176
Less: Claim payments	(4,947,722)	(5,149,599)
Estimated claims payable December 31	\$480,500	\$509,173

Historically, under the Ohio Workers' Compensation System for public employer taxing districts, there have been two types of rating plans: base rating and experience rating. Ohio laws were subsequently amended to include an additional plan called retrospective rating, which is offered to Ohio employers who meet the eligibility standards. Under the terms of the State of Ohio's retrospective rating plan, an employer initially pays a fraction of the premium (the minimum premium) it would pay as an experience-rated risk. As costs for the employer's injured workers' claims are incurred, the employer must reimburse the State for those costs, subject to the plans individual claim cost limitation and the employer's premium limitation.

During 1991, the City applied for and was accepted into the State of Ohio's Retrospective Rating Plan. The City has established a Workers' Compensation Self-Insurance Fund (an Internal Service Fund) to account for and pay workers' compensation claims from accumulated assets of the fund. The City's retrospective rating plan provides for an aggregate stop loss limit on premiums of 200 percent of the employer's normal premium in the year the claim occurred and a \$300,000 limit per individual claim.

As of March 1, 2006 the City became self insured as an alternate method of funding workers' compensation. The City contracts with a third party administrator, who in turn, processes all the claims.

At December 31, 2009, \$614,860 has been accrued for workers' compensation claims. The claims represent estimates of amounts to be paid for reported claims and incurred but not reported claims. It is calculated using trends in actual claims experience based on the requirements of GASB Statement No. 30, which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported if information prior to the issuance of the financial statements and the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the balance of claims liabilities during the past two years are as follows:

	2009	2008
Estimated claims payable January 1, as Restated	\$592,159	\$139,305
Plus: Current year claims	516,311	1,110,273
Less: Claim payments	(493,610)	(657,419)
Estimated claims payable December 31	\$614,860	\$592,159

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

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**Note 14 - Defined Benefit Pension Plans**

***A. Ohio Public Employees Retirement System***

Plan Description - 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. Under the combined plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to the traditional pension 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 and survivor benefits and annual cost of living adjustments to members of the traditional pension and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2009, members in state and local classifications contributed 10.0 percent of covered payroll and public safety and law enforcement members contributed 10.1 percent.

The City's contribution rate for 2009 was 14.0 percent, except for those plan members in law enforcement or public safety, for whom the City's contribution was 17.63 percent of covered payroll. For the period January 1 through March 31, a portion of the City's contribution equal to 7.0 percent of covered payroll was allocated to fund the post-employment health care plan; for the period April 1 through December 31, 2009 this amount was decreased to 5.5 percent. Employer contribution rates are actuarially determined. State statute sets a maximum contribution rate for the City of 14.0 percent, except for public safety and law enforcement, where the maximum employer contribution rate is 18.1 percent.

The City's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2009, 2008, and 2007 were \$1,274,799, \$1,263,202 and \$1,819,724 respectively; 91.80 percent has been contributed for 2009 and 100 percent for 2008 and 2007. Contributions to the member-directed plan for 2009 were \$29,655 made by the City and \$21,182 made by the plan members. The unpaid contribution to fund pension obligations for 2009, in the amount of \$180,064, is recorded as a liability within the respective funds.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

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**Note 14 - Defined Benefit Pension Plans (Continued)**

***B. Ohio Police and Fire Pension Fund***

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability pension 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. 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 OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary, while employers are required to contribute 19.5 percent for police officers and 24 percent for firefighters. The City's pension contributions to OP&F for police and firefighters were \$862,453 and \$972,154 for the year ended December 31, 2009, \$818,886 and \$965,658 for the year ended December 31, 2008, and \$777,541 and \$999,452 for the year ended December 31, 2007. The full amount has been contributed for 2008 and 2007. 77.18 percent has been contributed for police and 76.58 percent has been contributed for firefighters for 2009. The unpaid contributions to fund pension obligations for police and firefighters were \$300,959 and \$316,813, respectively, and are recorded as a liability within the respective funds.

**Note 15 – Post-Employment Benefits**

***A. Ohio Public Employees Retirement System***

Plan Description – OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for qualifying members of both the Traditional and Combined Pension plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage. The plan includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement.

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

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
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**Note 15 – Post-Employment Benefits (Continued)**

Funding Policy – The post-employment health care plan was established under, and is administered in accordance with, Internal Revenue Code 401 (h). State statute requires that public employers fund post-employment health care through contributions to OPERS. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2009, local government employers contributed 14.0 percent of covered payroll (17.63 percent for public safety and law enforcement). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding post-employment health care benefits. For 2009, the portion of the employer contributions allocated to fund post-employment health care was 7.0 percent from January 1 through March 31, 2009 and 5.5 percent from April 1 through December 31, 2009.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment health care plan.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2009, 2008, and 2007 were \$922,021, \$1,263,202 and \$994,659 respectively; 72 percent has been contributed for 2009 and 100 percent for 2008 and 2007.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased as of January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

***B. Ohio Police and Fire Pension Fund***

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing multiple-employer defined post-employment healthcare plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium reimbursement and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No.45.

The Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

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 OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2009*

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**Note 15 – Post-Employment Benefits (Continued)**

Funding policy –The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefits pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.50 percent and 24.00 percent of covered payroll for police and fire employees, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50 percent of covered payroll for police employer units and 24.00 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB plan.

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 Trust and one for Medicare Part B reimbursements administered as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made to the pension plan to the Section 115 Trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2009, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and also is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees is also authorized to establish requirements for contributions to the healthcare plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$456,625 and \$377,288 for the year ended December 31, 2009, \$433,528 and \$377,866 for the year ended December 31, 2008, and \$451,017 and \$409,088 for the year ended December 31, 2007. The full amount has been contributed for 2008 and 2007. 77.18 percent has been contributed for police and 76.58 percent has been contributed for firefighters for 2009.

**Note 16 - Other Employee Benefits**

**A. *Compensated Absences***

City employees generally earn vacation and sick leave ranging from two to five weeks and fourteen to twenty-five days per year, respectively, based on length of service or hours worked for sick time. Vacation and sick leave accumulate on an hourly basis and are fully vested when earned. Accumulated vacation leave and accumulated sick days cannot exceed 50 or 120 days, respectively, at the end of any year. However, employees convert to cash, on a three-to-one basis, sick days accumulated in excess of 120 days. Twenty-five percent of unused sick leave plus any accumulated vacation leave is paid at termination, retirement or death.

In addition, employees of the City accumulate compensatory time for a portion of overtime hours worked based upon time and a half for police and fire department employees, and time and a half for other union employees. Employees are entitled to receive payments for their accumulated hours upon retirement or other termination from the City's payroll. Police and fire department employees can receive, on a police quarterly and fire semi-annual basis, payments for portions of overtime accumulated, upon written request to the respective department Chief.

**City of Lakewood, Ohio**  
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**Note 16 - Other Employee Benefits (Continued)**

Fire Department personnel required to work a holiday are granted, at a later time, an eight or twenty-four hour off-duty period. All members may accumulate up to fourteen 24-hour holidays which would be paid at their hourly rate at the time of retirement or termination. Members have the option of receiving a payment of up to 144 holiday hours in lieu of time off. Payment for these hours is received in January of the following year. Police Department personnel who are required to work a holiday are granted a day off at a later time. Members have the option of receiving a payment of up to 120 holiday hours in lieu of time off. Payment for these hours is received in January of the following year.

***B. Health and Life Insurance***

City employees may choose between two health insurance providers. Medical Mutual serves as the third party administrator for the self-insured medical and health coverage to City employees. Kaiser Permanente is a traditionally funded HMO. For those employees choosing Kaiser Permanente, the monthly insurance premiums are paid by the City and partly by the employees. Kansas City Life provides life insurance and accidental death and dismemberment insurance to the City's employees.

**Note 17 - Jointly Governed Organization**

The West Shore Council of Governments helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions and regional development. The Board of Directors is comprised of one member from each of the six participating municipalities. The Board of Directors exercises total control over the operation of the Council including budgeting, appropriating, contracting and designating management. Budgets are adopted by the board. Each City's degree of control is limited to its representation on the Board of Directors. In 2009, the City contributed \$104,115.

**Note 18 – Contractual Commitments**

The following were significant contractual commitments outstanding at December 31, 2009.

Project	Contract Amount	Amount Paid	Amount Remaining
Road Improvements	\$892,911	\$568,244	\$324,667
Traffic Signalization	354,003	205,312	148,691
Lakewood Park Shoreline	33,955	2,260	31,695
Wastewater Improvements	84,802	0	84,802
Totals	<u>\$1,365,671</u>	<u>\$775,816</u>	<u>\$589,855</u>

**Note 19 - Interfund Transfers and Balances**

***A. Transfers***

The General Fund transfers to the major and nonmajor Governmental Funds, and to Proprietary Funds were made to provide additional resources for current operations. The transfers from Police and Fire Pension Fund, Permanent Capital Improvement Fund, TIF Capital Fund, Water and Sewer were to cover debt payments.

**City of Lakewood, Ohio**  
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**Note 19 - Interfund Transfers and Balances (Continued)**

Transfer To	Transfer From							Total
	General	Police and Fire Pension	Debt Service	Permanent Capital Improvement	TIF Capital Improvement	Water	Sewer	
<b>Governmental Funds</b>								
<b>Major Funds</b>								
General	\$0	\$0	\$1,079,300	\$0	\$0	\$0	\$0	\$1,079,300
Debt Service	0	428,365	0	4,100,000	0	500,000	2,400,000	7,428,365
<b>Nonmajor Funds</b>								
Office on Aging	951,308	0	0	0	0	0	0	951,308
Permanent Capital Improvement	0	0	3,872,580	0	0	0	0	3,872,580
TIF Bond Retirement	0	0	0	0	229,994	0	0	229,994
<i>Total Governmental Funds</i>	<u>951,308</u>	<u>428,365</u>	<u>4,951,880</u>	<u>4,100,000</u>	<u>229,994</u>	<u>500,000</u>	<u>2,400,000</u>	<u>13,561,547</u>
<b>Proprietary Funds</b>								
<b>Major Funds</b>								
Water	0	0	84,029	0	0	0	0	84,029
Sewer	0	0	420,857	0	0	0	0	420,857
<b>Nonmajor Funds</b>								
Winterhurst Ice Rink	0	0	310,953	0	0	0	0	310,953
Hospitalization	199,000	0	0	0	0	0	0	199,000
Workers' Compensation	20,000	0	0	0	0	0	0	20,000
<i>Total Proprietary Funds</i>	<u>219,000</u>	<u>0</u>	<u>815,839</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,034,839</u>
Total	<u>\$1,170,308</u>	<u>\$428,365</u>	<u>\$5,767,719</u>	<u>\$4,100,000</u>	<u>\$229,994</u>	<u>\$500,000</u>	<u>\$2,400,000</u>	<u>\$14,596,386</u>

**B. Balances**

Interfund receivables and payables are due to the timing of the receipt of grant monies by the major and nonmajor funds. It is also to cover those funds that owe the Hospitalization Fund and Workers' Compensation Fund for monthly premiums. All interfund balances will be repaid within one year. Interfund balances at December 31, 2009, consist of the following:

**City of Lakewood, Ohio**  
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**Note 19 - Interfund Transfers and Balances (Continued)**

Interfund Payable	Interfund Receivable				Total
	General	Other Governmental	Workers' Compensation	Hospitalization	
<b>Governmental Funds</b>					
<b>Major Funds:</b>					
General	\$0	\$0	\$24,028	\$356,178	\$380,206
<i>Special Revenue Funds:</i>					
Community Development Block Grant	101,951	0	409	6,819	109,179
<b>Nonmajor Funds</b>					
<i>Special Revenue Funds</i>					
Street and Highway	0	0	729	18,884	19,613
Office on Aging	0	0	1,006	20,983	21,989
Lakewood Hospital	43,000	0	1,005	22,032	66,037
Emergency Shelter Grant	37,353	0	0	0	37,353
HOME Investment Program	160,169	0	0	0	160,169
Energy Efficiency Block Grant	37,768	0	0	0	37,768
Neighborhood Stabilization	31,056	0	0	0	31,056
Homeless Prevention	81,533	0	0	0	81,533
Lead-Based Paint Hazard Control	0	10,783	3	0	10,786
Juvenile Diversion	5,000	0	0	0	5,000
<i>Total Governmental Funds</i>	<u>497,830</u>	<u>10,783</u>	<u>27,180</u>	<u>424,896</u>	<u>960,689</u>
<b>Proprietary Funds</b>					
<b>Major Funds:</b>					
Water	0	0	810	16,787	17,597
Sewer	0	0	1,958	36,719	38,677
<b>Nonmajor Funds</b>					
Parking Facilities	0	0	156	2,098	2,254
Winterhurst Ice Rink	0	0	33	0	33
<i>Total Proprietary Funds</i>	<u>0</u>	<u>0</u>	<u>2,957</u>	<u>55,604</u>	<u>58,561</u>
<b>Total</b>	<u>\$497,830</u>	<u>\$10,783</u>	<u>\$30,137</u>	<u>\$480,500</u>	<u>\$1,019,250</u>

**Note 20 – Note Debt**

The City issued a \$9,024,000 various purpose bond anticipation note April 16, 2008 at 2.125 percent and maturing April 15, 2009. \$758,620 of the \$9,024,000 was considered short-term and was reflected as a fund liability of \$416,620 and \$342,000 in the debt service and the permanent capital improvement capital project funds, respectively. \$494,380 of the \$9,024,000 was reflected as an enterprise fund liability of \$82,280 and \$412,100 in the water and the sewer enterprise funds, respectively.

In April 2009, the \$9,024,000 note was rolled over into the \$7,771,000 various purpose bond anticipation note at 3.0 percent interest and maturing April 15, 2010. \$4,321,000 of the note was issued to pay off the outstanding 2008 various purpose notes and \$3,450,000 was issued for 2009 capital improvements. All of the notes were considered long-term.

**Note 21 - Subsequent Event**

On April 14, 2010, the City issued \$7,771,000 in various purpose bond anticipation notes. All proceeds of the note were used to pay off the outstanding 2009 various purpose notes. These notes were issued at an interest rate of .65 percent and mature on April 13, 2011.

## Combining Statements-Nonmajor Governmental Funds

### *Fund Descriptions*

#### *Nonmajor Special Revenue Funds*

Special Revenue Funds are established to account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditures for specific purposes.

Street and Highway Fund	To account for State gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City as required by the Ohio Revised Code
Office on Aging Fund	To account for the revenues received from the Ohio Department of Aging and expenditures relative to this program.
Lakewood Hospital Fund	To account for revenue and expenditures related to providing emergency medical services (paramedic), lease payments received from Lakewood Hospital Association and various licenses, permits and fees.
Energy Efficiency Block Grant Fund	To account for funds associated with energy savings in municipal buildings.
Homeless Prevention Fund	To account for the revenues and expenditures associated with this HUD program.
Neighborhood Stabilization Fund	To account for the revenues and expenditures in regards to purchasing for demolition or rehab housing structures in the City.
Byrne Memorial Grant Fund	To account for the revenues received from – and expenditures relative to this safety program.
Litter Control Grant Fund	To account for the revenues received from Ohio Department of Natural Resources and expenditures relative to this litter control program.
Community Festival Fund	To account for the revenues and expenditures relating to various community activities held during the year.
Law and Drug Enforcement Trust Fund	To account for confiscated property and forfeited bonds. Monies are designated for specific law enforcement purposes and activities.
Federal Forfeiture Fund	To account for profits forfeited by illegal enterprises. These are the result of joint investigations between the Lakewood Police Department and Federal Agencies. The revenues in this fund may only be used per specific requirements of the federal code to support law enforcement investigations, and to provide necessary technology, equipment and training.
Indigent Drivers Alcohol Treatment Fund	To account for fines from persons convicted of “Driving while under the influence of alcohol (D.U.I.)”.
Enforcement and Education Fund	To account for fines imposed by the Courts which are used for programs aimed at further education and enforcement of D.U.I. laws.

(continued)

*Fund Descriptions (continued)*

*Nonmajor Special Revenue Funds*

Political Subdivision Fund	To account for fines imposed by the Courts which are distributed to the political subdivision responsible for housing the D.U.I. offender to offset related costs.
Computer Research and Maintenance Fund	To account for fines imposed by the Courts which are used to provide computerized research services and maintenance of the Court's computer system.
Court Special Projects Fund	To account for fines imposed by the Courts which are used for Special projects of the Lakewood Municipal Court.
Court Probation Services Fund	To account for fines imposed by the Courts which are used for the operations of the Probation Department of the Lakewood Municipal Court.
Indigent Drivers Interlock and Alcohol Monitoring Fund (IDIAM)	To account for monies used to cover costs of immobilizing or disabling devices for indigent defendants.
Emergency Shelter Grant Fund	To account for grants issued to the City by the United States Department of Housing and Urban Development (HUD) to fund the renovation, rehabilitation or conversion of buildings for use as emergency shelters for the homeless.
HOME Investment Program Fund	To account for the revenues used to help first-time homebuyers with low and moderate income to purchase a new home.
Lead-Based Paint Hazard Control Fund	To account for grant funds used to assist families with low to moderate income and who have children under the age of six who are at risk for lead paint poisoning.
Little Links Fund	To account for the operation and maintenance of the City's miniature golf course.
Help-to-Others Fund	To account for camp registrations and donations used to fund a youth program that promotes volunteerism.
Juvenile Diversion Fund	To account for monies received from Cuyahoga County used to establish or expand community policing programs.
Family Day Care Home Project Fund	To account for grant proceeds received from the State of Ohio USDA to provide reimbursements to home daycare providers for food and snacks served to eligible children in their care.
Family to Family Fund	To account for grant proceeds received from Cuyahoga County used to fund wrap around services targeting identified at-risk youth and families.
Federal Emergency Management Fund	To account for Federal and State monies used for the restoration of areas hit by natural disasters.

(continued)

*Fund Descriptions (continued)*

*NonMajor Debt Service Fund*

Debt Service funds are established to account for the accumulation of resources for, and the payment of general long-term principal, interest and related costs.

Tax Increment Financing (TIF)                      To account for the principal and interest payments on tax increment financing general obligation bonds.

*NonMajor Capital Projects Funds*

Capital projects funds are established to account for financial resources to be used for the construction or acquisition of major capital facilities (other than those financed by proprietary funds).

Permanent Capital Improvement Fund      To account for financial resources to be used for acquisition of equipment and the construction of general capital assets of the City (other than those financed by proprietary funds).

Tax Increment Financing (TIF)  
Capital Improvement Fund                      To account for bond proceeds and all payment made to the developers of Rockport Development and Vedda Printing.

Lakehouse Breakwall Fund                      To account for the construction of a permanent breakwall to protect the property of the citizens of the City.

Land Acquisition Fund                              To account for the acquisition of properties to be developed for recreation, economic or other purposes as deemed appropriate by City Council and the Mayor.

City Park Improvement Fund                      To account for resources for the improvement of the City Park.

**City of Lakewood, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2009*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$1,372,065	\$166,942	\$1,902,665	\$3,441,672
Cash and Cash Equivalents In Segregated Accounts	54,971	0	83,690	138,661
Accrued Interest Receivable	72	0	0	72
Accounts Receivable	322,231	0	0	322,231
Intergovernmental Receivable	1,221,752	0	0	1,221,752
Materials and Supplies Inventory	117,740	0	0	117,740
Special Assessments Receivable	19,844	0	0	19,844
Interfund Receivable	10,783	0	0	10,783
<i>Total Assets</i>	<u>\$3,119,458</u>	<u>\$166,942</u>	<u>\$1,986,355</u>	<u>\$5,272,755</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$141,784	\$0	\$157,720	\$299,504
Retainage Payable	0	0	83,690	83,690
Accrued Wages and Benefits	114,186	0	0	114,186
Intergovernmental Payable	96,131	0	0	96,131
Accrued Interest Payable	0	0	30,187	30,187
Deferred Revenue	528,597	0	0	528,597
Interfund Payable	471,304	0	0	471,304
<i>Total Liabilities</i>	<u>1,352,002</u>	<u>0</u>	<u>271,597</u>	<u>1,623,599</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	0	0	247,601	247,601
Unreserved, Undesignated Reported In:				
Special Revenue Funds	1,767,456	0	0	1,767,456
Debt Service Fund	0	166,942	0	166,942
Capital Projects Funds	0	0	1,467,157	1,467,157
<i>Total Fund Balances</i>	<u>1,767,456</u>	<u>166,942</u>	<u>1,714,758</u>	<u>3,649,156</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$3,119,458</u>	<u>\$166,942</u>	<u>\$1,986,355</u>	<u>\$5,272,755</u>

**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2009*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Payment in Lieu of Taxes	\$0	\$308,520	\$0	\$308,520
Charges for Services	2,554,216	0	0	2,554,216
Licenses, Permits and Fees	52,013	0	0	52,013
Fines and Forfeitures	245,685	0	0	245,685
Intergovernmental	3,689,283	17,473	106,837	3,813,593
Contributions and Donations	118,471	0	0	118,471
Interest	4,365	0	690	5,055
Miscellaneous	192,927	0	18,084	211,011
<i>Total Revenues</i>	<u>6,856,960</u>	<u>325,993</u>	<u>125,611</u>	<u>7,308,564</u>
<b>Expenditures</b>				
Current:				
General Government	172,876	3,756	0	176,632
Security of Persons and Property:				
Police	189,291	0	0	189,291
Fire	1,710,877	0	0	1,710,877
Public Health Services	1,947,810	0	0	1,947,810
Transportation	1,704,157	0	0	1,704,157
Community Environment	1,194,030	0	0	1,194,030
Leisure Time Activities	0	0	4,367	4,367
Capital Outlay	0	0	2,491,728	2,491,728
Debt Service:				
Principal Retirement	0	190,000	0	190,000
Interest and Fiscal Charges	0	252,261	108,721	360,982
<i>Total Expenditures</i>	<u>6,919,041</u>	<u>446,017</u>	<u>2,604,816</u>	<u>9,969,874</u>
Excess of Revenues				
Under Expenditures	(62,081)	(120,024)	(2,479,205)	(2,661,310)
<b>Other Financing Sources (Uses)</b>				
Notes Issued	0	0	3,450,000	3,450,000
Transfers In	951,308	229,994	3,872,580	5,053,882
Transfers Out	0	0	(4,329,994)	(4,329,994)
Current Refunding	0	0	(3,450,000)	(3,450,000)
<i>Total Other Financing Sources (Uses)</i>	<u>951,308</u>	<u>229,994</u>	<u>(457,414)</u>	<u>723,888</u>
<i>Net Change in Fund Balances</i>	889,227	109,970	(2,936,619)	(1,937,422)
<i>Fund Balances Beginning of Year</i>	<u>878,229</u>	<u>56,972</u>	<u>4,651,377</u>	<u>5,586,578</u>
<i>Fund Balances End of Year</i>	<u>\$1,767,456</u>	<u>\$166,942</u>	<u>\$1,714,758</u>	<u>\$3,649,156</u>

**City of Lakewood, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2009*

	Street and Highway Fund	Office on Aging Fund	Lakewood Hospital Fund	Energy Efficiency Block Grant Fund
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$484,325	\$66,306	\$20,935	\$0
Cash and Cash Equivalents				
In Segregated Accounts	0	0	54,971	0
Accrued Interest Receivable	0	0	0	0
Accounts Receivable	0	9,260	293,576	0
Intergovernmental Receivable	812,978	18,670	0	37,768
Materials and Supplies Inventory	117,740	0	0	0
Special Assessments Receivable	0	0	19,844	0
Interfund Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$1,415,043</u>	<u>\$94,236</u>	<u>\$389,326</u>	<u>\$37,768</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$79,538	\$7,665	\$14,790	\$0
Accrued Wages and Benefits	29,638	28,700	43,856	0
Intergovernmental Payable	24,525	32,810	32,445	0
Deferred Revenue	525,603	0	2,994	0
Interfund Payable	19,613	21,989	66,037	37,768
<i>Total Liabilities</i>	678,917	91,164	160,122	37,768
<b>Fund Balances</b>				
Unreserved, Undesignated (Deficit)	736,126	3,072	229,204	0
<i>Total Liabilities and Fund Balances</i>	<u>\$1,415,043</u>	<u>\$94,236</u>	<u>\$389,326</u>	<u>\$37,768</u>

See accompanying notes to the basic financial statements

Homeless Prevention Fund	Neighborhood Stabilization Fund	Byrne Memorial Grant Fund
\$0	\$0	\$75,000
0	0	0
0	0	0
0	0	0
81,533	211,316	0
0	0	0
0	0	0
0	0	0
<u>\$81,533</u>	<u>\$211,316</u>	<u>\$75,000</u>

\$0	\$32,090	\$0
0	0	0
0	0	0
0	0	0
81,533	31,056	0
<u>81,533</u>	<u>63,146</u>	<u>0</u>
0	148,170	75,000
<u>\$81,533</u>	<u>\$211,316</u>	<u>\$75,000</u>

(continued)

**City of Lakewood, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2009*

	<u>Litter Control Grant Fund</u>	<u>Community Festival Fund</u>	<u>Law and Drug Enforcement Trust Fund</u>	<u>Federal Forfeiture Fund</u>	<u>Indigent Drivers Alcohol Treatment Fund</u>
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$15,223	\$4,826	\$143,812	\$6,032	\$139,772
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0	0
Accrued Interest Receivable	0	0	0	72	0
Accounts Receivable	0	0	516	0	412
Intergovernmental Receivable	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
Special Assessments Receivable	0	0	0	0	0
Interfund Receivable	0	0	0	0	0
<i>Total Assets</i>	<u>\$15,223</u>	<u>\$4,826</u>	<u>\$144,328</u>	<u>\$6,104</u>	<u>\$140,184</u>
<b>Liabilities and Fund Balance</b>					
<b>Liabilities</b>					
Accounts Payable	\$0	\$0	\$75	\$0	\$0
Accrued Wages and Benefits	0	0	0	0	0
Intergovernmental Payable	0	0	0	0	0
Deferred Revenue	0	0	0	0	0
Interfund Payable	0	0	0	0	0
<i>Total Liabilities</i>	0	0	75	0	0
<b>Fund Balances</b>					
Unreserved, Undesignated (Deficit)	15,223	4,826	144,253	6,104	140,184
<i>Total Liabilities and Fund Balances</i>	<u>\$15,223</u>	<u>\$4,826</u>	<u>\$144,328</u>	<u>\$6,104</u>	<u>\$140,184</u>

<u>Enforcement and Education Fund</u>	<u>Political Subdivision Fund</u>	<u>Computer Research and Maintenance Fund</u>	<u>Court Special Projects Fund</u>	<u>Court Probation Services Fund</u>	<u>Indigent Drivers Interlock and Alcohol Monitoring Fund</u>
\$60,376	\$12,347	\$42,732	\$176,398	\$59,515	\$8,933
0	0	0	0	0	0
0	0	0	0	0	0
892	0	2,910	11,184	2,869	609
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$61,268</u>	<u>\$12,347</u>	<u>\$45,642</u>	<u>\$187,582</u>	<u>\$62,384</u>	<u>\$9,542</u>
\$0	\$0	\$1,700	\$3,869	\$224	\$0
0	0	0	405	2,098	0
0	0	0	165	1,091	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	1,700	4,439	3,413	0
<u>61,268</u>	<u>12,347</u>	<u>43,942</u>	<u>183,143</u>	<u>58,971</u>	<u>9,542</u>
<u>\$61,268</u>	<u>\$12,347</u>	<u>\$45,642</u>	<u>\$187,582</u>	<u>\$62,384</u>	<u>\$9,542</u>

(continued)

**City of Lakewood, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2009*

	Emergency Shelter Grant Fund	HOME Investment Program Fund	Lead-Based Paint Hazard Control Fund	Little Links Fund	Help-to-Others Fund
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$0	\$0	\$2	\$6,158	\$6,186
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0	0
Accrued Interest Receivable	0	0	3	0	0
Accounts Receivable	0	0	0	0	0
Intergovernmental Receivable	40,687	14,000	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
Special Assessments Receivable	0	0	0	0	0
Interfund Receivable	0	0	10,783	0	0
<i>Total Assets</i>	<u>\$40,687</u>	<u>\$14,000</u>	<u>\$10,788</u>	<u>\$6,158</u>	<u>\$6,186</u>
<b>Liabilities and Fund Balance</b>					
<b>Liabilities</b>					
Accounts Payable	\$1,686	\$0	\$0	\$0	\$0
Accrued Wages and Benefits	766	0	0	0	0
Intergovernmental Payable	75	0	0	0	314
Deferred Revenue	0	0	0	0	0
Interfund Payable	37,353	160,169	10,786	0	0
<i>Total Liabilities</i>	39,880	160,169	10,786	0	314
<b>Fund Balances</b>					
Unreserved, Undesignated (Deficit)	807	(146,169)	2	6,158	5,872
<i>Total Liabilities and Fund Balances</i>	<u>\$40,687</u>	<u>\$14,000</u>	<u>\$10,788</u>	<u>\$6,158</u>	<u>\$6,186</u>

Juvenile Diversion Fund	Family Day Care Home Project Fund	Family to Family Fund	Total Nonmajor Special Revenue Funds
\$0	\$5,771	\$37,416	\$1,372,065
0	0	0	54,971
0	0	0	72
0	0	0	322,231
4,800	0	0	1,221,752
0	0	0	117,740
0	0	0	19,844
0	0	0	10,783
<u>\$4,800</u>	<u>\$5,771</u>	<u>\$37,416</u>	<u>\$3,119,458</u>
\$0	\$0	\$147	\$141,784
485	0	8,238	114,186
118	0	4,588	96,131
0	0	0	528,597
5,000	0	0	471,304
5,603	0	12,973	1,352,002
(803)	5,771	24,443	1,767,456
<u>\$4,800</u>	<u>\$5,771</u>	<u>\$37,416</u>	<u>\$3,119,458</u>

**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2009*

	Street and Highway Fund	Office on Aging Fund	Lakewood Hospital Fund	Energy Efficiency Block Grant Fund
<b>Revenues</b>				
Charges for Services	\$0	\$251,665	\$2,291,431	\$0
Licenses, Permits and Fees	0	0	52,013	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	2,022,180	152,133	0	37,768
Contributions and Donations	0	118,471	0	0
Interest	0	0	0	0
Miscellaneous	91,006	9,260	12,456	0
<i>Total Revenues</i>	<u>2,113,186</u>	<u>531,529</u>	<u>2,355,900</u>	<u>37,768</u>
<b>Expenditures</b>				
Current:				
General Government	0	0	0	0
Security of Persons and Property:				
Police	0	0	0	0
Fire	0	0	1,710,877	0
Public Health	0	1,451,875	495,185	0
Transportation	1,704,157	0	0	0
Community Environment	0	0	0	37,768
<i>Total Expenditures</i>	<u>1,704,157</u>	<u>1,451,875</u>	<u>2,206,062</u>	<u>37,768</u>
Excess of Revenues Over (Under) Expenditures	409,029	(920,346)	149,838	0
<b>Other Financing Sources</b>				
Transfers In	0	951,308	0	0
<i>Net Change in Fund Balances</i>	409,029	30,962	149,838	0
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>327,097</u>	<u>(27,890)</u>	<u>79,366</u>	<u>0</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$736,126</u></u>	<u><u>\$3,072</u></u>	<u><u>\$229,204</u></u>	<u><u>\$0</u></u>

Homeless Prevention Fund	Neighborhood Stabilization Fund	Byrne Memorial Grant Fund
\$0	\$0	\$0
0	0	0
0	0	0
81,533	246,919	100,000
0	0	0
0	0	0
0	0	0
<u>81,533</u>	<u>246,919</u>	<u>100,000</u>
0	0	0
0	0	25,000
0	0	0
0	0	0
0	0	0
81,533	98,749	0
<u>81,533</u>	<u>98,749</u>	<u>25,000</u>
0	148,170	75,000
<u>0</u>	<u>0</u>	<u>0</u>
0	148,170	75,000
<u>0</u>	<u>0</u>	<u>0</u>
<u>\$0</u>	<u>\$148,170</u>	<u>\$75,000</u>

(continued)

**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Year Ended December 31, 2009*

	Litter Control Grant Fund	Community Festival Fund	Law and Drug Enforcement Trust Fund	Federal Forfeiture Fund	Indigent Drivers Alcohol Treatment Fund
<b>Revenues</b>					
Charges for Services	\$0	\$0	\$0	\$0	\$0
Licenses, Permits and Fees	0	0	0	0	0
Fines and Forfeitures	0	0	10,801	0	4,371
Intergovernmental	3,306	0	0	0	7,443
Contributions and Donations	0	0	0	0	0
Interest	0	0	0	4,365	0
Miscellaneous	0	4,000	42,443	0	0
<i>Total Revenues</i>	<u>3,306</u>	<u>4,000</u>	<u>53,244</u>	<u>4,365</u>	<u>11,814</u>
<b>Expenditures</b>					
Current:					
General Government	0	8,964	0	0	18,091
Security of Persons and Property:					
Police	0	0	137,297	8,732	0
Fire	0	0	0	0	0
Public Health Services	0	0	0	0	0
Transportation	0	0	0	0	0
Community Environment	1,829	0	0	0	0
<i>Total Expenditures</i>	<u>1,829</u>	<u>8,964</u>	<u>137,297</u>	<u>8,732</u>	<u>18,091</u>
Excess of Revenues Over (Under) Expenditures	1,477	(4,964)	(84,053)	(4,367)	(6,277)
<b>Other Financing Sources</b>					
Transfers In	0	0	0	0	0
<i>Net Change in Fund Balances</i>	1,477	(4,964)	(84,053)	(4,367)	(6,277)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>13,746</u>	<u>9,790</u>	<u>228,306</u>	<u>10,471</u>	<u>146,461</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$15,223</u></u>	<u><u>\$4,826</u></u>	<u><u>\$144,253</u></u>	<u><u>\$6,104</u></u>	<u><u>\$140,184</u></u>

<u>Enforcement and Education Fund</u>	<u>Political Subdivision Fund</u>	<u>Computer Research and Maintenance Fund</u>	<u>Court Special Projects Fund</u>
\$0	\$0	\$0	\$0
0	0	0	0
4,766	607	36,451	143,493
0	0	0	0
0	0	0	0
0	0	0	0
2,500	0	0	0
<u>7,266</u>	<u>607</u>	<u>36,451</u>	<u>143,493</u>
0	0	23,630	90,387
18,262	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
<u>18,262</u>	<u>0</u>	<u>23,630</u>	<u>90,387</u>
(10,996)	607	12,821	53,106
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(10,996)	607	12,821	53,106
<u>72,264</u>	<u>11,740</u>	<u>31,121</u>	<u>130,037</u>
<u>\$61,268</u>	<u>\$12,347</u>	<u>\$43,942</u>	<u>\$183,143</u>

(continued)

**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Year Ended December 31, 2009*

	Court Probation Services Fund	Indigent Drivers Interlock and Alcohol Monitoring Fund	Emergency Shelter Grant Fund	HOME Investment Program Fund
<b>Revenues</b>				
Charges for Services	\$0	\$0	\$0	\$0
Licenses, Permits and Fees	0	0	0	0
Fines and Forfeitures	36,354	8,842	0	0
Intergovernmental	0	0	93,486	438,570
Contributions and Donations	0	0	0	0
Interest	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>36,354</u>	<u>8,842</u>	<u>93,486</u>	<u>438,570</u>
<b>Expenditures</b>				
Current:				
General Government	31,804	0	0	0
Security of Persons and Property:				
Police	0	0	0	0
Fire	0	0	0	0
Public Health Services	0	0	0	0
Transportation	0	0	0	0
Community Environment	0	0	91,378	376,962
<i>Total Expenditures</i>	<u>31,804</u>	<u>0</u>	<u>91,378</u>	<u>376,962</u>
Excess of Revenues Over (Under) Expenditures	4,550	8,842	2,108	61,608
<b>Other Financing Sources</b>				
Transfers In	0	0	0	0
<i>Net Change in Fund Balances</i>	4,550	8,842	2,108	61,608
<i>Fund Balances (Deficit) Beginning of Year, as Restated</i>	<u>54,421</u>	<u>700</u>	<u>(1,301)</u>	<u>(207,777)</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$58,971</u></u>	<u><u>\$9,542</u></u>	<u><u>\$807</u></u>	<u><u>(\$146,169)</u></u>

Lead-Based Paint Hazard Control Fund	Little Links Fund	Help-to-Others Fund	Juvenile Diversion Fund	Family Day Care Home Project Fund	Family to Family Fund	Federal Emergency Management Fund	Total Nonmajor Special Revenue Funds
\$0	\$0	\$11,120	\$0	\$0	\$0	\$0	\$2,554,216
0	0	0	0	0	0	0	52,013
0	0	0	0	0	0	0	245,685
0	0	0	14,400	0	428,105	63,440	3,689,283
0	0	0	0	0	0	0	118,471
0	0	0	0	0	0	0	4,365
3	0	27,939	3,320	0	0	0	192,927
3	0	39,059	17,720	0	428,105	63,440	6,856,960
0	0	0	0	0	0	0	172,876
0	0	0	0	0	0	0	189,291
0	0	0	0	0	0	0	1,710,877
0	0	0	603	0	147	0	1,947,810
0	0	0	0	0	0	0	1,704,157
0	0	39,373	35,664	0	367,334	63,440	1,194,030
0	0	39,373	36,267	0	367,481	63,440	6,919,041
3	0	(314)	(18,547)	0	60,624	0	(62,081)
0	0	0	0	0	0	0	951,308
3	0	(314)	(18,547)	0	60,624	0	889,227
(1)	6,158	6,186	17,744	5,771	(36,181)	0	878,229
\$2	\$6,158	\$5,872	(\$803)	\$5,771	\$24,443	\$0	\$1,767,456

**City of Lakewood, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2009*

	Permanent Capital Improvement Fund	TIF Capital Improvement Fund	Lakehouse Breakwall Fund	Land Acquisition Fund	City Park Improvement Fund	Total Nonmajor Capital Projects Funds
<b>Assets</b>						
Equity in Pooled Cash and Cash						
Equivalents	\$1,447,542	\$223,211	\$15,261	\$150,000	\$66,651	\$1,902,665
Cash and Cash Equivalents						
In Segregated Accounts	<u>61,972</u>	<u>21,718</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>83,690</u>
<i>Total Assets</i>	<u><u>\$1,509,514</u></u>	<u><u>\$244,929</u></u>	<u><u>\$15,261</u></u>	<u><u>\$150,000</u></u>	<u><u>\$66,651</u></u>	<u><u>\$1,986,355</u></u>
<b>Liabilities and Fund Balance</b>						
<b>Liabilities</b>						
Accounts Payable	\$157,720	\$0	\$0	\$0	\$0	\$157,720
Retainage Payable	61,972	21,718	0	0	0	83,690
Accrued Interest Payable	<u>30,187</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>30,187</u>
<i>Total Liabilities</i>	<u><u>\$249,879</u></u>	<u><u>\$21,718</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$271,597</u></u>
<b>Fund Balances</b>						
Reserved for Encumbrances	247,601	0	0	0	0	247,601
Unreserved, Undesignated	<u>1,012,034</u>	<u>223,211</u>	<u>15,261</u>	<u>150,000</u>	<u>66,651</u>	<u>1,467,157</u>
<i>Total Fund Balances</i>	<u><u>1,259,635</u></u>	<u><u>223,211</u></u>	<u><u>15,261</u></u>	<u><u>150,000</u></u>	<u><u>66,651</u></u>	<u><u>1,714,758</u></u>
<i>Total Liabilities and Fund Balances</i>	<u><u>\$1,509,514</u></u>	<u><u>\$244,929</u></u>	<u><u>\$15,261</u></u>	<u><u>\$150,000</u></u>	<u><u>\$66,651</u></u>	<u><u>\$1,986,355</u></u>

**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2009*

	Permanent Capital Improvement Fund	TIF Capital Improvement Fund	Lakehouse Breakwall Fund	Land Acquisition Fund	City Park Improvement Fund	Total Nonmajor Capital Project Funds
<b>Revenues</b>						
Intergovernmental	\$106,837	\$0	\$0	\$0	\$0	\$106,837
Interest	0	690	0	0	0	690
Miscellaneous	621	0	0	0	17,463	18,084
<i>Total Revenues</i>	<u>107,458</u>	<u>690</u>	<u>0</u>	<u>0</u>	<u>17,463</u>	<u>125,611</u>
<b>Expenditures</b>						
Current:						
Leisure Time Activities	0	0	0	0	4,367	4,367
Capital Outlay	2,364,779	126,949	0	0	0	2,491,728
Debt Service:						
Interest and Fiscal Charges	108,721	0	0	0	0	108,721
<i>Total Expenditures</i>	<u>2,473,500</u>	<u>126,949</u>	<u>0</u>	<u>0</u>	<u>4,367</u>	<u>2,604,816</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,366,042)</u>	<u>(126,259)</u>	<u>0</u>	<u>0</u>	<u>13,096</u>	<u>(2,479,205)</u>
<b>Other Financing Sources (Uses)</b>						
Notes Issued	3,450,000	0	0	0	0	3,450,000
Transfers In	3,872,580	0	0	0	0	3,872,580
Transfers Out	(4,100,000)	(229,994)	0	0	0	(4,329,994)
Current Refunding	(3,450,000)	0	0	0	0	(3,450,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(227,420)</u>	<u>(229,994)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(457,414)</u>
<i>Net Change in Fund Balances</i>	<u>(2,593,462)</u>	<u>(356,253)</u>	<u>0</u>	<u>0</u>	<u>13,096</u>	<u>(2,936,619)</u>
<i>Fund Balances Beginning of Year, as Restated</i>	<u>3,853,097</u>	<u>579,464</u>	<u>15,261</u>	<u>150,000</u>	<u>53,555</u>	<u>4,651,377</u>
<i>Fund Balances End of Year</i>	<u>\$1,259,635</u>	<u>\$223,211</u>	<u>\$15,261</u>	<u>\$150,000</u>	<u>\$66,651</u>	<u>\$1,714,758</u>

## Combining Statements-Nonmajor Proprietary Funds

### *Fund Descriptions*

#### *Nonmajor Enterprise Funds*

Enterprise Funds are established to account for operations that are financed by user charges for goods or services provided primarily to the general public.

Parking Facilities Fund                      To account for the off-street parking services provided by the City.

Winterhurst Ice Rink Fund                      To account for the revenues and costs of operating the municipal ice rink facility.

#### *Internal Service Funds*

Internal Service Funds are established to account for the financing of significant goods or services provided by one department or agency to other departments or agencies of the City, or other governments on a cost reimbursement basis.

Hospitalization Fund                              To account for the premiums charged to City funds and the payments incurred for claims.

Workers' Compensation Fund                      To account for workers' compensation costs incurred under the State's retrospectively rated workers' compensation program.

General Liability Fund                              To account for the funds reserved to finance potential losses on property and liability cases.

**City of Lakewood, Ohio**  
*Combining Statement of Fund Net Assets*  
*Nonmajor Enterprise Funds*  
*December 31, 2009*

	Parking Facilities Fund	Winterhurst Ice Rink Fund	Total Nonmajor Enterprise Funds
<b>Assets</b>			
<b>Current Assets</b>			
Equity in Pooled Cash and Cash			
Equivalents	\$91,932	\$58,107	\$150,039
Accounts Receivable	0	73,166	73,166
Materials and Supplies Inventory	153,001	0	153,001
Total Current Assets	244,933	131,273	376,206
<b>Long-Term Assets</b>			
Deferred Bond Issuance Costs	0	9,722	9,722
Nondepreciable Capital Assets	77,130	10	77,140
Depreciable Capital Assets, Net	457,888	5,071,600	5,529,488
Total Noncurrent Assets	535,018	5,081,332	5,616,350
<i>Total Assets</i>	779,951	5,212,605	5,992,556
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts Payable	48,572	49,376	97,948
Accrued Wages and Benefits	4,572	0	4,572
Intergovernmental Payable	4,227	3,351	7,578
Interfund Payable	2,254	33	2,287
Accrued Interest Payable	1,155	12,663	13,818
Compensated Absences Payable	9,970	0	9,970
Bonds Payable	20,000	106,242	126,242
Capital Leases Payable	2,085	106,483	108,568
Total Current Liabilities	92,835	278,148	370,983
<b>Long-Term Liabilities</b>			
Compensated Absence Payable	9,958	0	9,958
Bonds Payable	287,065	1,049,292	1,336,357
Capital Leases Payable	20,473	951,827	972,300
Total Long Term Liabilities	317,496	2,001,119	2,318,615
<i>Total Liabilities</i>	410,331	2,279,267	2,689,598
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	207,460	3,829,788	4,037,248
Restricted for Debt Service	0	144	144
Unrestricted (Deficit)	162,160	(896,594)	(734,434)
<i>Total Net Assets</i>	369,620	\$2,933,338	\$3,302,958

**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenses and Changes in Fund Net Assets*  
*Nonmajor Enterprise Funds*  
*For the Year Ended December 31, 2009*

	Parking Facilities Fund	Winterhurst Ice Rink Fund	Total Nonmajor Enterprise Funds
<b>Operating Revenues</b>			
Charges for Services	\$404,180	\$371,631	\$775,811
Miscellaneous	667	75,000	75,667
<i>Total Operating Revenues</i>	<u>404,847</u>	<u>446,631</u>	<u>851,478</u>
<b>Operating Expenses</b>			
Personal Services	183,580	4,139	187,719
Contractual Services	0	1,100	1,100
Materials and Supplies	13,325	0	13,325
Utilities	0	342,632	342,632
Depreciation	13,637	89,955	103,592
Miscellaneous	29,272	0	29,272
<i>Total Operating Expenses</i>	<u>239,814</u>	<u>437,826</u>	<u>677,640</u>
Operating Income	165,033	8,805	173,838
<b>Non Operating Expenses</b>			
Interest and Fiscal Charges	<u>(13,460)</u>	<u>(115,103)</u>	<u>(128,563)</u>
Net Income (Loss) Before Transfers	151,573	(106,298)	45,275
Transfers In	<u>0</u>	<u>310,953</u>	<u>310,953</u>
<i>Change in Net Assets</i>	151,573	204,655	356,228
<i>Net Assets Beginning of Year</i>	<u>218,047</u>	<u>2,728,683</u>	<u>2,946,730</u>
<i>Net Assets End of Year</i>	<u><u>\$369,620</u></u>	<u><u>\$2,933,338</u></u>	<u><u>\$3,302,958</u></u>

**City of Lakewood, Ohio**  
*Combining Statement of Cash Flows*  
*Nonmajor Enterprise Funds*  
*For the Year Ended December 31, 2009*

	Parking Facilities Fund	Winterhurst Ice Rink Fund	Total Nonmajor Enterprise Funds
<b>Increase (Decrease) in Cash and Cash Equivalents</b>			
<b>Cash Flows from Operating Activities</b>			
Cash Received from Customers	\$404,180	\$298,465	\$702,645
Cash Received from Other Operating Sources	667	75,000	75,667
Cash Payments to Suppliers for Goods and Services	(13,845)	(344,676)	(358,521)
Cash Payments for Employee Services and Benefits	(308,453)	(33,082)	(341,535)
Cash Payments for Other Operating Expenses	(98,312)	0	(98,312)
<i>Net Cash Used for Operating Activities</i>	<u>(15,763)</u>	<u>(4,293)</u>	<u>(20,056)</u>
<b>Cash Flows from Noncapital Financing Activities</b>			
Transfer In	0	310,953	310,953
<b>Cash Flows from Capital and Related Financing Activities</b>			
Acquisition of Capital Assets	(49,034)	0	(49,034)
Principal Paid on Bonds	(20,000)	(102,344)	(122,344)
Principal Paid Leases	(1,914)	(102,101)	(104,015)
Interest Paid on Bonds	(12,936)	(61,377)	(74,313)
Interest Paid on Leases	(727)	(45,131)	(45,858)
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(84,611)</u>	<u>(310,953)</u>	<u>(395,564)</u>
<i>Decrease in Cash and Cash Equivalents</i>	(100,374)	(4,293)	(104,667)
<i>Cash and Cash Equivalents Beginning of Year-as Restated</i>	<u>192,306</u>	<u>62,400</u>	<u>254,706</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$91,932</u>	<u>\$58,107</u>	<u>\$150,039</u>

(continued)

**City of Lakewood, Ohio**  
*Combining Statement of Cash Flows*  
*Nonmajor Enterprise Funds (continued)*  
*For the Year Ended December 31, 2009*

	Parking Facilities Fund	Winterhurst Ice Rink Fund	Total Nonmajor Enterprise Funds
<b>Reconciliation of Operating Income to Net Cash Used for Operating Activities</b>			
<i>Operating Income</i>	\$165,033	\$8,805	\$173,838
Adjustments:			
Depreciation	13,637	89,955	103,592
(Increase) Decrease in Assets:			
Accounts Receivable	0	(73,166)	(73,166)
Materials and Supplies Inventory	(60,738)	0	(60,738)
Increase (Decrease) in Liabilities:			
Accounts Payable	(8,822)	8,097	(725)
Accrued Wages	606	(1,597)	(991)
Compensated Absences	(3,530)	(30,713)	(34,243)
Interfund Payable	(119,914)	(129)	(120,043)
Intergovernmental Payable	(2,035)	(5,545)	(7,580)
<i>Net Cash Used for Operating Activities</i>	<u>(\$15,763)</u>	<u>(\$4,293)</u>	<u>(\$20,056)</u>

**City of Lakewood, Ohio**  
*Combining Statement of Fund Net Assets*  
*Internal Service Funds*  
*December 31, 2009*

	Hospitalization Fund	Workers' Compensation Fund	General Liability Fund	Total Internal Service Funds
<b>Assets</b>				
<b>Current Assets</b>				
Equity in Pooled Cash and Cash				
Equivalents	\$1,501,143	\$108,307	\$2,517	\$1,611,967
Interfund Receivable	480,500	30,137	0	510,637
<i>Total Assets</i>	<u>1,981,643</u>	<u>138,444</u>	<u>2,517</u>	<u>2,122,604</u>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accounts Payable	56,374	8,900	0	65,274
Intergovernmental Payable	0	56,017	0	56,017
Claims Payable	480,500	159,990	0	640,490
<i>Total Current Liabilities</i>	<u>536,874</u>	<u>224,907</u>	<u>0</u>	<u>761,781</u>
<b>Noncurrent Liabilities</b>				
Claims Payable-net of current portion	0	454,870	0	454,870
<i>Total Liabilities</i>	<u>536,874</u>	<u>679,777</u>	<u>0</u>	<u>1,216,651</u>
<b>Net Assets</b>				
Unrestricted (Deficit)	<u>\$1,444,769</u>	<u>(\$541,333)</u>	<u>\$2,517</u>	<u>\$905,953</u>

**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenses and Changes in Fund Net Assets*  
*Internal Service Funds*  
For the Year Ended December 31, 2009

	Hospitalization Fund	Workers' Compensation Fund	General Liability Fund	Total Internal Service Funds
<b>Operating Revenues</b>				
Charges for Services	\$4,854,427	\$624,151	\$0	\$5,478,578
Miscellaneous	669,036	27,560	0	696,596
<i>Total Operating Revenues</i>	<u>5,523,463</u>	<u>651,711</u>	<u>0</u>	<u>6,175,174</u>
<b>Operating Expenses</b>				
Contractual Services	42,020	43,132	0	85,152
Workers' Compensation Premium	0	15,167	0	15,167
Claims	4,919,049	516,311	0	5,435,360
<i>Total Operating Expenses</i>	<u>4,961,069</u>	<u>574,610</u>	<u>0</u>	<u>5,535,679</u>
<i>Operating Income</i>	562,394	77,101	0	639,495
<b>Non Operating Revenue</b>				
Interest	0	0	8	8
<i>Net Income Before Transfers</i>	562,394	77,101	8	639,503
Transfers In	199,000	20,000	0	219,000
<i>Change in Net Assets</i>	761,394	97,101	8	858,503
<i>Net Assets (Deficit) Beginning of Year, as Restated</i>	<u>683,375</u>	<u>(638,434)</u>	<u>2,509</u>	<u>47,450</u>
<i>Net Assets (Deficit) at End of Year</i>	<u><u>\$1,444,769</u></u>	<u><u>(\$541,333)</u></u>	<u><u>\$2,517</u></u>	<u><u>\$905,953</u></u>

**City of Lakewood, Ohio**  
*Combining Statement of Cash Flows*  
*Internal Service Funds*  
For the Year Ended December 31, 2009

	Hospitalization Fund	Workers' Compensation Fund	General Liability Fund	Total Internal Service Funds
<b>Increase (Decrease) in Cash and Cash Equivalents</b>				
<b>Cash Flows from Operating Activities</b>				
Cash Received from Transactions with Other Funds	\$4,883,100	\$621,674	\$0	\$5,504,774
Cash Received from Other Operating Sources	669,036	27,560	0	696,596
Cash Payments to Suppliers for Goods and Services	(42,806)	(34,232)	0	(77,038)
Cash Payments for Claims	(4,947,722)	(493,610)	0	(5,441,332)
Cash Payments for Premium	(86,337)	(86,337)	0	(86,337)
<i>Net Cash Provided by Operating Activities</i>	561,608	35,055	0	596,663
<b>Cash Flows from Noncapital Financing Activities</b>				
Transfers In	199,000	20,000	0	219,000
<b>Cash Flows from Investing Activities</b>				
Interest	0	0	8	8
<i>Net Increase in Cash and Cash Equivalents</i>	760,608	55,055	8	815,671
<i>Cash and Cash Equivalents Beginning of Year, as Restated</i>	740,535	53,252	2,509	796,296
<i>Cash and Cash Equivalents End of Year</i>	\$1,501,143	\$108,307	\$2,517	\$1,611,967

(continued)

**City of Lakewood, Ohio**  
*Combining Statement of Cash Flows*  
*Internal Service Funds (continued)*  
For the Year Ended December 31, 2009

	Hospitalization Fund	Workers' Compensation Fund	General Liability Fund	Total Internal Service Funds
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>				
<i>Operating Income</i>	\$562,394	\$77,101	\$0	\$639,495
Adjustments:				
(Increase) Decrease in Assets:				
Interfund Receivable	28,673	(2,477)	0	26,196
Increase (Decrease) in Liabilities:				
Accounts Payable	(786)	8,900	0	8,114
Intergovernmental Payable	0	(71,170)	0	(71,170)
Claims Payable	(28,673)	22,701	0	(5,972)
<i>Net Cash Provided by Operating Activities</i>	<u>\$561,608</u>	<u>\$35,055</u>	<u>\$0</u>	<u>\$596,663</u>

## Statement-Fiduciary Fund

### *Fund Description*

#### *Agency Fund*

Agency Funds are established to account for assets received and disbursed by the City acting in the capacity of an agent or custodian.

Deposits

To hold funds received from a contractor, developer, or individual to ensure compliance with the ordinances of the City of Lakewood.

**City of Lakewood, Ohio**  
*Statement of Changes in Assets and Liabilities*  
*Agency Fund*  
*For the Year Ended December 31, 2009*

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	<u>Balance</u> <u>12/31/2008</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/2009</u>
<b>Deposits</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$1,350,099</u>	<u>\$18,241</u>	<u>\$99,705</u>	<u>\$1,268,635</u>
<b>Liabilities</b>				
Deposits Held and Due to Others	<u>\$1,350,099</u>	<u>\$18,241</u>	<u>\$99,705</u>	<u>\$1,268,635</u>

**INDIVIDUAL FUND SCHEDULES OF REVENUES  
EXPENDITURES/EXPENSES AND CHANGES IN  
FUND BALANCE/EQUITY - BUDGET (NON-GAAP  
BASIS) AND ACTUAL**

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property Taxes	\$7,001,622	\$7,001,622	\$7,411,316	\$409,694
Municipal Income Taxes	18,653,525	18,653,525	18,523,000	(130,525)
Charges for Services	1,564,765	1,564,765	1,112,479	(452,286)
Licenses, Permits and Fees	1,818,092	1,818,092	1,771,241	(46,851)
Fines and Forfeitures	1,520,250	1,520,250	1,335,193	(185,057)
Intergovernmental	5,795,290	5,795,290	6,014,502	219,212
Interest	285,000	285,000	186,761	(98,239)
Miscellaneous	433,006	124,300	106,653	(17,647)
<i>Total Revenues</i>	<u>37,071,550</u>	<u>36,762,844</u>	<u>36,461,145</u>	<u>(301,699)</u>
<b>Expenditures</b>				
<b>Current:</b>				
General Government:				
Council				
Salaries	126,694	122,594	119,088	3,506
Fringe Benefits	44,253	44,253	43,090	1,163
Professional Services	6,864	8,864	7,292	1,572
Communications	1,019	1,019	814	205
Materials and Supplies	799	799	362	437
Other	5,098	3,098	1,183	1,915
Total Council	<u>184,727</u>	<u>180,627</u>	<u>171,829</u>	<u>8,798</u>
Municipal Court				
Salaries	894,680	894,680	844,959	49,721
Fringe Benefits	139,250	139,250	130,066	9,184
Travel and Transportation	3,150	3,150	1,552	1,598
Professional Services	57,700	57,700	40,713	16,987
Communications	47,500	50,800	50,132	668
Materials and Supplies	38,846	37,846	18,542	19,304
Other	26,277	23,977	20,325	3,652
Total Municipal Court	<u>1,207,403</u>	<u>1,207,403</u>	<u>1,106,289</u>	<u>101,114</u>
Civil Service				
Salaries	55,769	54,663	54,022	641
Fringe Benefits	20,964	20,970	20,731	239
Professional Services	45,174	35,174	6,550	28,624
Communications	668	668	449	219
Materials and Supplies	152	153	78	75
Other	2,821	2,820	374	2,446
Total Civil Service	<u>\$125,548</u>	<u>\$114,448</u>	<u>\$82,204</u>	<u>\$32,244</u>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Mayor's Office</b>				
Salaries	\$172,886	\$172,606	\$169,596	\$3,010
Fringe Benefits	51,460	51,460	50,801	659
Travel and Transportation	75	75	0	75
Professional Services	6,765	6,965	6,926	39
Communications	1,712	2,412	1,890	522
Contractual Services	8,000	5,860	300	5,560
Materials and Supplies	1,765	1,765	1,285	480
Other	1,615	1,855	1,348	507
<b>Total Mayor's Office</b>	<u>244,278</u>	<u>242,998</u>	<u>232,146</u>	<u>10,852</u>
<b>Human Resources</b>				
Salaries	191,656	177,751	155,712	22,039
Fringe Benefits	66,008	66,013	60,706	5,307
Travel and Transportation	440	440	124	316
Professional Services	29,616	27,616	12,586	15,030
Communications	1,820	1,720	1,255	465
Materials and Supplies	6,392	8,492	6,191	2,301
Other	10,773	10,773	3,900	6,873
<b>Total Human Resources</b>	<u>306,705</u>	<u>292,805</u>	<u>240,474</u>	<u>52,331</u>
<b>Community Relations</b>				
Salaries	68,125	68,113	67,743	370
Fringe Benefits	23,114	23,120	23,048	72
Professional Services	3,151	2,774	2,731	43
Communications	1,935	993	804	189
Contractual Services	5,000	5,000	5,000	0
Materials and Supplies	2,835	2,409	2,250	159
Other	6,063	7,808	7,446	362
<b>Total Community Relations</b>	<u>110,223</u>	<u>110,217</u>	<u>109,022</u>	<u>1,195</u>
<b>Public Works Administration</b>				
Salaries	116,031	114,994	112,423	2,571
Fringe Benefits	29,406	30,444	29,904	540
Professional Services	749	711	160	551
Communications	1,937	1,665	1,432	233
Materials and Supplies	1,050	982	791	191
Other	1,958	6,336	2,652	3,684
<b>Total Public Works Administration</b>	<u>\$151,131</u>	<u>\$155,132</u>	<u>\$147,362</u>	<u>\$7,770</u>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2009*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Buildings and Facilities</b>				
Salaries	\$163,877	\$156,172	\$145,942	\$10,230
Fringe Benefits	54,828	56,928	53,668	3,260
Professional Services	112	490	465	25
Communications	8,625	8,625	4,941	3,684
Contractual Services	11,500	11,500	5,993	5,507
Materials and Supplies	17,285	14,337	12,937	1,400
Other	273,653	265,223	225,590	39,633
<b>Total Buildings and Facilities</b>	<b>529,880</b>	<b>513,275</b>	<b>449,536</b>	<b>63,739</b>
<b>Fleet Management</b>				
Salaries	646,414	618,904	596,179	22,725
Fringe Benefits	253,515	256,725	245,113	11,612
Professional Services	3,369	6,750	6,736	14
Communications	2,851	2,676	2,605	71
Contractual Services	15,004	16,720	11,319	5,401
Materials and Supplies	415,759	500,595	442,699	57,896
Capital Outlay	729	11,799	11,787	12
Other	33,984	17,706	14,529	3,177
<b>Total Fleet Management</b>	<b>1,371,625</b>	<b>1,431,875</b>	<b>1,330,967</b>	<b>100,908</b>
<b>Engineering</b>				
Salaries	214,818	210,535	210,137	398
Fringe Benefits	87,271	82,233	80,578	1,655
Travel and Transportation	525	525	425	100
Professional Services	2,391	2,391	2,250	141
Communications	4,185	4,235	3,000	1,235
Contractual Services	48,000	52,238	42,973	9,265
Materials and Supplies	4,126	3,696	2,256	1,440
Other	10,398	6,540	2,875	3,665
<b>Total Engineering</b>	<b>371,714</b>	<b>362,393</b>	<b>344,494</b>	<b>17,899</b>
<b>Finance</b>				
Salaries	410,044	410,032	405,204	4,828
Fringe Benefits	150,389	150,401	149,496	905
Travel and Transportation	175	367	364	3
Professional Services	100,142	88,240	73,940	14,300
Communications	8,327	10,827	8,450	2,377
Contractual Services	2,343	1,679	0	1,679
Materials and Supplies	5,308	5,430	3,855	1,575
Capital Outlay	0	53	0	53
Other	8,178	7,877	3,695	4,182
<b>Total Finance</b>	<b>\$684,906</b>	<b>\$674,906</b>	<b>\$645,004</b>	<b>\$29,902</b>

(continued)

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Income Tax				
Salaries	\$339,279	\$325,079	\$309,784	\$15,295
Fringe Benefits	107,869	102,405	96,846	5,559
Travel and Transportation	580	580	470	110
Professional Services	138,980	133,370	117,059	16,311
Communications	60,265	64,650	58,129	6,521
Contractual Services	2,520	2,490	1,400	1,090
Materials and Supplies	3,369	4,926	3,738	1,188
Other	425,964	490,851	475,144	15,707
Total Income Tax	<u>1,078,826</u>	<u>1,124,351</u>	<u>1,062,570</u>	<u>61,781</u>
Information Systems				
Salaries	248,146	249,223	247,641	1,582
Fringe Benefits	97,499	88,539	88,328	211
Travel and Transportation	40	40	0	40
Professional Services	10,000	37,263	18,525	18,738
Communications	4,064	4,161	3,327	834
Contractual Services	45,000	66,258	66,257	1
Materials and Supplies	23,235	19,998	12,382	7,616
Other	190,609	192,132	163,871	28,261
Total Information Systems	<u>618,593</u>	<u>657,614</u>	<u>600,331</u>	<u>57,283</u>
General Administration				
Salaries	35,000	70,300	56,119	14,181
Fringe Benefits	7,408	155,906	142,207	13,699
Professional Services	46,351	45,559	44,758	801
Communications	3,010	27,594	27,142	452
Materials and Supplies	9,975	8,473	0	8,473
Contractual Services	120,000	19,020	19,019	1
Other	686,663	1,485,653	1,474,255	11,398
Total General Administration	<u>908,407</u>	<u>1,812,505</u>	<u>1,763,500</u>	<u>49,005</u>
Law				
Salaries	348,520	347,602	332,545	15,057
Fringe Benefits	115,487	115,237	112,903	2,334
Travel and Transportation	340	640	165	475
Professional Services	102,805	104,369	75,490	28,879
Communications	3,497	3,503	2,885	618
Materials and Supplies	15,709	13,469	9,021	4,448
Other	1,598	1,968	1,349	619
Total Law	<u>587,956</u>	<u>586,788</u>	<u>534,358</u>	<u>52,430</u>
<i>Total General Government</i>	<u>\$8,481,922</u>	<u>\$9,467,337</u>	<u>\$8,820,086</u>	<u>\$647,251</u>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Security of Persons and Property:				
Police				
Salaries	\$7,463,708	\$7,485,570	\$7,400,272	\$85,298
Fringe Benefits	1,342,886	1,440,885	1,433,038	7,847
Professional Services	21,250	21,203	18,745	2,458
Communications	69,024	76,474	75,911	563
Contractual Services	116,447	101,547	101,415	132
Materials and Supplies	177,296	174,408	172,284	2,124
Capital Outlay	3,000	3,950	3,406	544
Other	166,069	74,629	64,830	9,799
Total Police	<u>9,359,680</u>	<u>9,378,666</u>	<u>9,269,901</u>	<u>108,765</u>
Police Communications				
Salaries	556,966	541,966	505,882	36,084
Fringe Benefits	233,015	240,215	234,029	6,186
Professional Services	1,100	1,100	209	891
Materials and Supplies	3,575	975	349	626
Other	33,680	29,080	24,598	4,482
Total Police Communications	<u>828,336</u>	<u>813,336</u>	<u>765,067</u>	<u>48,269</u>
School Guards				
Salaries	154,675	162,975	148,746	14,229
Fringe Benefits	24,088	28,289	25,688	2,601
Other	3,600	500	78	422
Total School Guards	<u>\$182,363</u>	<u>\$191,764</u>	<u>\$174,512</u>	<u>\$17,252</u>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2009*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Fire				
Salaries	\$5,642,406	\$5,623,113	\$5,561,970	\$61,143
Fringe Benefits	976,606	1,083,981	1,080,955	3,026
Travel and Transportation	2,525	2,525	1,334	1,191
Professional Services	8,000	10,363	8,788	1,575
Communications	19,775	24,853	24,676	177
Contractual Services	17,596	10,780	10,103	677
Materials and Supplies	101,706	94,946	78,742	16,204
Capital Outlay	35,060	38,107	33,432	4,675
Other	211,609	149,947	106,884	43,063
<b>Total Fire</b>	<b>7,015,283</b>	<b>7,038,615</b>	<b>6,906,884</b>	<b>131,731</b>
Street Lighting				
Other	532,377	522,377	522,377	0
Animal Control				
Salaries	123,906	123,901	122,087	1,814
Fringe Benefits	56,910	56,915	56,572	343
Professional Services	553	592	232	360
Communications	1,287	1,402	1,367	35
Contractual Services	650	687	684	3
Materials and Supplies	5,150	4,514	2,665	1,849
Other	14,269	14,714	11,366	3,348
<b>Total Animal Control</b>	<b>202,725</b>	<b>202,725</b>	<b>194,973</b>	<b>7,752</b>
<i>Total Security of Persons and Property</i>	<i>18,120,764</i>	<i>18,147,483</i>	<i>17,833,714</i>	<i>313,769</i>
Public Health Services:				
Support of Prisoners				
Salaries	191,246	191,246	172,099	19,147
Fringe Benefits	78,550	81,550	78,130	3,420
Professional Services	65,500	69,961	50,942	19,019
Contractual Services	207,600	177,759	57,139	120,620
Materials and Supplies	72,800	90,430	59,383	31,047
Other	3,075	7,825	7,586	239
<b>Total Support of Prisoners</b>	<b>\$618,771</b>	<b>\$618,771</b>	<b>\$425,279</b>	<b>\$193,492</b>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2009*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Human Services Administration				
Salaries	\$139,606	\$139,578	\$139,084	\$494
Fringe Benefits	45,747	45,775	45,718	57
Professional Services	118	125	118	7
Communications	892	902	795	107
Materials and Supplies	406	328	215	113
Other	669	730	639	91
Total Human Services Administration	<u>187,438</u>	<u>187,438</u>	<u>186,569</u>	<u>869</u>
<i>Total Public Health Services</i>	<u>806,209</u>	<u>806,209</u>	<u>611,848</u>	<u>194,361</u>
Community Environment:				
Housing and Building				
Salaries	719,964	716,048	683,928	32,120
Fringe Benefits	295,096	293,704	292,686	1,018
Travel and Transportation	2,925	2,925	2,404	521
Professional Services	25,075	26,013	17,440	8,573
Communications	8,630	8,630	7,351	1,279
Materials and Supplies	3,743	4,093	2,481	1,612
Other	26,938	25,650	18,746	6,904
Total Housing and Building	<u>\$1,082,371</u>	<u>\$1,077,063</u>	<u>\$1,025,036</u>	<u>\$52,027</u>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Forestry				
Salaries	\$254,764	\$258,880	\$252,956	\$5,924
Fringe Benefits	112,959	113,086	112,211	875
Professional Services	350	390	225	165
Communications	20	21	19	2
Contractual Services	185	185	40	145
Materials and Supplies	25,041	24,054	17,744	6,310
Other	2,557	3,503	2,966	537
Total Forestry	<u>395,876</u>	<u>400,119</u>	<u>386,161</u>	<u>13,958</u>
Child Care				
Salaries	38,564	38,285	37,149	1,136
Fringe Benefits	22,196	18,634	18,048	586
Professional Services	237	125	118	7
Communications	1,300	1,279	1,279	0
Materials and Supplies	336	394	342	52
Other	1,923	1,998	1,653	345
Total Child Care	<u>64,556</u>	<u>60,715</u>	<u>58,589</u>	<u>2,126</u>
Youth				
Salaries	194,176	202,413	201,672	741
Fringe Benefits	153,134	155,233	154,635	598
Professional Services	222	222	118	104
Communications	4,693	4,703	3,994	709
Materials and Supplies	3,900	4,157	1,952	2,205
Other	15,608	15,341	11,782	3,559
Total Youth	<u>371,733</u>	<u>382,069</u>	<u>374,153</u>	<u>7,916</u>
Planning and Development				
Salaries	156,806	154,293	148,754	5,539
Fringe Benefits	48,454	42,942	40,933	2,009
Travel and Transportation	1,050	1,600	291	1,309
Professional Services	34,645	34,366	29,951	4,415
Communications	3,720	4,478	3,290	1,188
Contractual Services	11,406	11,317	7,312	4,005
Materials and Supplies	6,038	6,411	4,129	2,282
Capital Outlay	0	2,096	2,074	22
Other	323,936	227,658	221,187	6,471
Total Planning and Development	<u>586,055</u>	<u>485,161</u>	<u>457,921</u>	<u>27,240</u>
<i>Total Community Environment</i>	<u>\$2,500,591</u>	<u>\$2,405,127</u>	<u>\$2,301,860</u>	<u>\$103,267</u>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Basic Utility Services:</b>				
Refuse and Recycling				
Salaries	\$1,956,918	\$1,955,418	\$1,875,462	\$79,956
Fringe Benefits	909,923	854,734	835,302	19,432
Professional Services	840	460	198	262
Communications	6,148	6,650	6,201	449
Contractual Services	974,863	966,561	863,798	102,763
Materials and Supplies	145,975	147,043	130,459	16,584
Other	71,602	64,716	45,999	18,717
<i>Total Basic Utility Services</i>	<u>4,066,269</u>	<u>3,995,582</u>	<u>3,757,419</u>	<u>238,163</u>
<b>Leisure Time Activities:</b>				
Security				
Salaries	40,000	48,440	48,273	167
Fringe Benefits	6,180	7,511	7,482	29
<i>Total Security</i>	<u>46,180</u>	<u>55,951</u>	<u>55,755</u>	<u>196</u>
Parks				
Salaries	620,393	614,758	603,226	11,532
Fringe Benefits	283,607	288,017	280,954	7,063
Professional Services	770	770	680	90
Communications	4,503	4,843	4,596	247
Contractual Services	15,721	15,593	11,832	3,761
Materials and Supplies	83,520	74,823	56,294	18,529
Other	103,877	87,762	80,200	7,562
<i>Total Parks</i>	<u>1,112,391</u>	<u>1,086,566</u>	<u>1,037,782</u>	<u>48,784</u>
Construction				
Salaries	247,389	242,289	223,776	18,513
Fringe Benefits	95,218	96,818	93,855	2,963
Other	23,250	21,651	16,282	5,369
<i>Total Construction</i>	<u>\$365,857</u>	<u>\$360,758</u>	<u>\$333,913</u>	<u>\$26,845</u>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2009*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Band Concerts</b>				
Salaries	\$9,800	\$10,977	\$10,976	\$1
Fringe Benefits	1,514	1,699	1,697	2
Professional Services	14,700	14,700	13,389	1,311
Materials and Supplies	2,940	2,940	554	2,386
Other	5,917	5,917	4,042	1,875
<b>Total Band Concerts</b>	<b>34,871</b>	<b>36,233</b>	<b>30,658</b>	<b>5,575</b>
<b>Museums</b>				
Contractual Services	6,200	6,200	5,234	966
Other	7,310	7,310	5,765	1,545
<b>Total Museums</b>	<b>13,510</b>	<b>13,510</b>	<b>10,999</b>	<b>2,511</b>
<b>July 4th Festival</b>				
Salaries	13,196	13,196	10,824	2,372
Fringe Benefits	2,039	2,039	1,652	387
Contractual Services	33,700	33,700	33,700	0
Materials and Supplies	1,657	1,657	1,646	11
Other	195	195	0	195
<b>Total July 4th Festival</b>	<b>50,787</b>	<b>50,787</b>	<b>47,822</b>	<b>2,965</b>
<b>Tennis Courts</b>				
Materials and Supplies	1,960	1,960	727	1,233
Other	20,410	20,410	14,560	5,850
<b>Total Tennis Courts</b>	<b>22,370</b>	<b>22,370</b>	<b>15,287</b>	<b>7,083</b>
<i>Total Leisure Time Activities</i>	<u>1,645,966</u>	<u>1,626,175</u>	<u>1,532,216</u>	<u>93,959</u>
<i>Total Expenditures</i>	<u>35,621,721</u>	<u>36,447,913</u>	<u>34,857,143</u>	<u>1,590,770</u>
<i>Excess of Revenues Over Expenditures</i>	<u>1,449,829</u>	<u>314,931</u>	<u>1,604,002</u>	<u>1,289,071</u>
<b>Other Financing Uses</b>				
Advances Out	0	(43,000)	(43,000)	0
Transfers Out	(1,369,564)	(1,171,178)	(1,170,308)	870
<i>Total Other Financing Uses</i>	<u>(1,369,564)</u>	<u>(1,214,178)</u>	<u>(1,213,308)</u>	<u>870</u>
<i>Net Change in Fund Balance</i>	80,265	(899,247)	390,694	1,289,941
<i>Fund Balance Beginning of Year</i>	950,574	950,574	950,574	0
<i>Prior Year Encumbrances Appropriated</i>	<u>115,650</u>	<u>115,650</u>	<u>115,650</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$1,146,489</u>	<u>\$166,977</u>	<u>\$1,456,918</u>	<u>\$1,289,941</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Police and Fire Pension Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property Taxes	\$2,643,806	\$2,643,806	\$2,810,315	\$166,509
Intergovernmental	435,508	435,508	440,477	4,969
<i>Total Revenues</i>	<u>3,079,314</u>	<u>3,079,314</u>	<u>3,250,792</u>	<u>171,478</u>
<b>Expenditures</b>				
<b>Current:</b>				
Security of Persons and Property:				
Fringe Benefits Police	1,299,707	1,342,707	1,300,519	42,188
Fringe Benefits Fire	1,360,463	1,360,463	1,337,265	23,198
<i>Total Expenditures</i>	<u>2,660,170</u>	<u>2,703,170</u>	<u>2,637,784</u>	<u>65,386</u>
<i>Excess of Revenues Over Expenditures</i>	419,144	376,144	613,008	236,864
<b>Other Financing Uses</b>				
Transfers Out	(428,365)	(428,365)	(428,365)	0
<i>Net Change in Fund Balance</i>	(9,221)	(52,221)	184,643	236,864
<i>Fund Balance Beginning of Year, as Restated</i>	<u>1,709,947</u>	<u>1,709,947</u>	<u>1,709,947</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$1,700,726</u>	<u>\$1,657,726</u>	<u>\$1,894,590</u>	<u>\$236,864</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Community Development Block Grant Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$4,213,609	\$4,573,609	\$2,944,473	(\$1,629,136)
<b>Expenditures</b>				
<b>Current:</b>				
Community Environment:				
Salaries	523,476	649,386	507,606	141,780
Fringe Benefits	176,199	197,722	171,869	25,853
Travel and Transportation	7,250	7,950	1,803	6,147
Professional Services	73,850	78,232	32,931	45,301
Communications	5,335	10,351	4,555	5,796
Contractual Services	1,725,017	1,878,094	1,059,844	818,250
Materials and Supplies	5,785	7,285	3,320	3,965
Capital Outlay	915,860	1,452,281	1,048,484	403,797
Other	197,235	194,768	144,459	50,309
<i>Total Expenditures</i>	<u>3,630,007</u>	<u>4,476,069</u>	<u>2,974,871</u>	<u>1,501,198</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	583,602	97,540	(30,398)	(127,938)
<b>Other Financing Uses</b>				
Advances Out	(500,001)	0	0	0
<i>Net Change in Fund Balance</i>	83,601	97,540	(30,398)	(127,938)
<i>Fund Balance (Deficit) Beginning of Year, as Restated</i>	<u>(71,887)</u>	<u>(71,887)</u>	<u>(71,887)</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$11,714</u>	<u>\$25,653</u>	<u>(\$102,285)</u>	<u>(\$127,938)</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Debt Service Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property Taxes	\$2,806,343	\$2,806,343	\$2,973,092	\$166,749
Intergovernmental	460,278	460,278	494,582	34,304
Special Assessments	100,000	100,000	126,738	26,738
Interest	37,000	37,000	38,322	1,322
Miscellaneous	0	0	228,175	228,175
<i>Total Revenues</i>	<u>3,403,621</u>	<u>3,403,621</u>	<u>3,860,909</u>	<u>457,288</u>
<b>Expenditures</b>				
<b>Current:</b>				
General Government:				
Professional Services	15,000	15,000	850	14,150
Other	93,000	93,000	44,952	48,048
<i>Total General Government</i>	<u>108,000</u>	<u>108,000</u>	<u>45,802</u>	<u>62,198</u>
Debt Service				
Principal Retirement	11,976,415	13,192,904	13,125,935	66,969
Interest and Fiscal Charges	2,216,390	2,053,545	1,887,099	166,446
<i>Total Debt Service</i>	<u>14,192,805</u>	<u>15,246,449</u>	<u>15,013,034</u>	<u>233,415</u>
<i>Total Expenditures</i>	<u>14,300,805</u>	<u>15,354,449</u>	<u>15,058,836</u>	<u>295,613</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(10,897,184)</u>	<u>(11,950,828)</u>	<u>(11,197,927)</u>	<u>752,901</u>
<b>Other Financing Sources</b>				
Notes Issued	5,340,000	4,321,000	4,321,000	0
Transfers In	5,000,000	7,428,365	7,428,365	0
<i>Total Other Financing Sources</i>	<u>10,340,000</u>	<u>11,749,365</u>	<u>11,749,365</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(557,184)	(201,463)	551,438	752,901
<i>Fund Balance Beginning of Year, as Restated</i>	<u>558,187</u>	<u>558,187</u>	<u>558,187</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$1,003</u>	<u>\$356,724</u>	<u>\$1,109,625</u>	<u>\$752,901</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity*  
*Budget (Non-GAAP Basis) and Actual*  
*Water Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$0	\$0	\$416,013	\$416,013
Charges for Services	10,423,000	10,423,000	9,564,146	(858,854)
Interest	101,000	101,000	57,462	(43,538)
Special Assessments	15,000	15,000	48,158	33,158
Miscellaneous	8,000	8,000	458,139	450,139
<i>Total Revenues</i>	<u>10,547,000</u>	<u>10,547,000</u>	<u>10,543,918</u>	<u>(3,082)</u>
<b>Expenses</b>				
Salaries	909,812	917,821	813,780	104,041
Fringe Benefits	378,838	379,032	350,234	28,798
Travel and Transportation	850	850	0	850
Professional Services	144,576	130,978	82,627	48,351
Communications	64,362	70,035	68,373	1,662
Contractual Services	127,433	124,968	28,959	96,009
Materials and Supplies	252,763	255,247	144,269	110,978
Capital Outlay	709,455	885,955	863,267	22,688
Other	6,911,156	6,939,349	6,853,440	85,909
Debt Service:				
Principal Retirement	1,186,063	1,186,063	1,184,790	1,273
Interest and Fiscal Charges	623,577	623,577	609,901	13,676
<i>Total Expenses</i>	<u>11,308,885</u>	<u>11,513,875</u>	<u>10,999,640</u>	<u>514,235</u>
<i>Excess of Revenues Under Expenses</i>	(761,885)	(966,875)	(455,722)	511,153
Transfers Out	(500,000)	(500,000)	(500,000)	0
<i>Net Change in Fund Equity</i>	(1,261,885)	(1,466,875)	(955,722)	511,153
<i>Fund Equity Beginning of Year</i>	5,804,395	5,804,395	5,804,395	0
<i>Prior Year Encumbrances Appropriated</i>	1,455	1,455	1,455	0
<i>Fund Equity End of Year</i>	<u>\$4,543,965</u>	<u>\$4,338,975</u>	<u>\$4,850,128</u>	<u>\$511,153</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity*  
*Budget (Non-GAAP Basis) and Actual*  
*Sewer Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property Taxes	\$1,616,588	\$1,616,588	\$1,713,595	\$97,007
Intergovernmental	261,042	261,042	268,585	7,543
Charges for Services	6,064,000	6,064,000	5,562,067	(501,933)
Special Assessments	2,250	2,250	9,946	7,696
Interest	55,000	55,000	3,939	(51,061)
<i>Total Revenues</i>	<u>7,998,880</u>	<u>7,998,880</u>	<u>7,558,132</u>	<u>(440,748)</u>
<b>Expenses</b>				
Salaries	2,060,011	2,102,544	1,938,940	163,604
Fringe Benefits	810,627	832,908	810,674	22,234
Travel and Transportation	1,883	1,883	262	1,621
Professional Services	67,123	324,123	194,771	129,352
Communications	8,775	8,802	5,433	3,369
Contractual Services	335,178	321,948	179,114	142,834
Materials and Supplies	386,964	373,917	274,685	99,232
Capital Outlay	1,309,293	1,042,720	615,505	427,215
Other	1,778,588	1,110,624	1,004,205	106,419
Debt Service:				
Principal Retirement	1,417,402	1,439,763	1,414,114	25,649
Interest and Fiscal Charges	386,817	1,054,642	1,017,647	36,995
<i>Total Expenses</i>	<u>8,562,661</u>	<u>8,613,874</u>	<u>7,455,350</u>	<u>1,158,524</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(563,781)	(614,994)	102,782	717,776
Transfers Out	<u>(2,050,000)</u>	<u>(2,400,000)</u>	<u>(2,400,000)</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	(2,613,781)	(3,014,994)	(2,297,218)	717,776
<i>Fund Equity Beginning of Year, as Restated</i>	6,524,205	6,524,205	6,524,205	0
<i>Prior Year Encumbrances Appropriated</i>	<u>77,044</u>	<u>77,044</u>	<u>77,044</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$3,987,468</u></u>	<u><u>\$3,586,255</u></u>	<u><u>\$4,304,031</u></u>	<u><u>\$717,776</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Street and Highway Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$1,920,500	\$1,920,500	\$1,878,825	(\$41,675)
Miscellaneous	54,473	54,473	91,006	36,533
<i>Total Revenues</i>	<u>1,974,973</u>	<u>1,974,973</u>	<u>1,969,831</u>	<u>(5,142)</u>
<b>Expenditures</b>				
<b>Current:</b>				
Transportation:				
Salaries	862,318	872,007	789,168	82,839
Fringe Benefits	386,386	387,391	374,409	12,982
Professional Services	1,825	1,825	725	1,100
Communications	6,210	5,906	4,516	1,390
Contractual Services	71,500	71,500	63,329	8,171
Materials and Supplies	635,222	613,902	303,065	310,837
Capital Outlay	0	160	160	0
Other	112,612	134,076	122,113	11,963
<i>Total Expenditures</i>	<u>2,076,073</u>	<u>2,086,767</u>	<u>1,657,485</u>	<u>429,282</u>
<i>Net Change in Fund Balance</i>	(101,100)	(111,794)	312,346	424,140
<i>Fund Balance Beginning of Year</i>	<u>171,979</u>	<u>171,979</u>	<u>171,979</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$70,879</u>	<u>\$60,185</u>	<u>\$484,325</u>	<u>\$424,140</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Office on Aging Fund*  
*For the Year Ended December 31, 2009*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Charges for Services	\$241,648	\$241,648	\$293,800	\$52,152
Intergovernmental	264,550	264,550	151,170	(113,380)
Contributions and Donations	47,850	47,850	118,471	70,621
<i>Total Revenues</i>	<u>554,048</u>	<u>554,048</u>	<u>563,441</u>	<u>9,393</u>
<b>Expenditures</b>				
<b>Current:</b>				
Public Health Services:				
Salaries	953,470	991,004	953,122	37,882
Fringe Benefits	440,364	397,973	390,223	7,750
Travel and Transportation	12	12	0	12
Professional Services	800	960	942	18
Communications	14,975	15,976	15,618	358
Contractual Services	1,773	998	672	326
Materials and Supplies	76,014	67,506	57,459	10,047
Capital Outlay	16,926	4,899	4,878	21
Other	62,639	86,598	63,263	23,335
<i>Total Expenditures</i>	<u>1,566,973</u>	<u>1,565,926</u>	<u>1,486,177</u>	<u>79,749</u>
<i>Excess of Revenues Under Expenditures</i>	(1,012,925)	(1,011,878)	(922,736)	89,142
<b>Other Financing Sources</b>				
Transfers In	1,043,591	1,043,591	951,308	(92,283)
<i>Net Change in Fund Balance</i>	30,666	31,713	28,572	(3,141)
<i>Fund Balance Beginning of Year</i>	<u>37,734</u>	<u>37,734</u>	<u>37,734</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$68,400</u>	<u>\$69,447</u>	<u>\$66,306</u>	<u>(\$3,141)</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Lakewood Hospital Fund*  
*For the Year Ended December 31, 2009*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Charges for Services	\$2,176,000	\$2,200,000	\$2,141,343	(\$58,657)
Licenses, Permits and Fees	55,350	55,350	52,013	(3,337)
Miscellaneous	12,000	12,000	29,676	17,676
<i>Total Revenues</i>	<u>2,243,350</u>	<u>2,267,350</u>	<u>2,223,032</u>	<u>(44,318)</u>
<b>Expenditures</b>				
<b>Current:</b>				
Security of Persons and Property:				
Fire				
Salaries	1,224,832	1,198,587	1,184,867	13,720
Fringe Benefits	344,733	379,986	378,343	1,643
Travel and Transportation	600	1,149	1,149	0
Professional Services	90,948	89,675	74,384	15,291
Communications	3,400	3,206	2,040	1,166
Materials and Supplies	68,291	66,884	38,032	28,852
Other	36,590	35,715	26,398	9,317
<i>Total Security of Persons and Property</i>	<u>1,769,394</u>	<u>1,775,202</u>	<u>1,705,213</u>	<u>69,989</u>
Public Health Services:				
Health				
Salaries	102,294	117,674	117,413	261
Fringe Benefits	53,437	55,924	55,845	79
Travel and Transportation	264	264	0	264
Professional Services	293	293	40	253
Communications	5,162	4,432	3,601	831
Contractual Services	212,400	211,881	211,119	762
Materials and Supplies	2,920	3,419	2,147	1,272
Other	112,502	113,251	110,437	2,814
<i>Total Public Health Services</i>	<u>489,272</u>	<u>507,138</u>	<u>500,602</u>	<u>6,536</u>
<i>Total Expenditures</i>	<u>2,258,666</u>	<u>2,282,340</u>	<u>2,205,815</u>	<u>76,525</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(15,316)	(14,990)	17,217	32,207
<b>Other Financing Sources</b>				
Advance In	0	43,000	43,000	0
<i>Net Change in Fund Balance</i>	(15,316)	28,010	60,217	32,207
<i>Fund Balance Beginning of Year</i>	<u>15,689</u>	<u>15,689</u>	<u>15,689</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$373</u>	<u>\$43,699</u>	<u>\$75,906</u>	<u>\$32,207</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Energy Efficiency Block Grant Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$0	\$447,200	\$0	(\$447,200)
<b>Expenditures</b>				
<b>Current:</b>				
Community Environment:				
Planning and Development				
Salaries	0	39,120	0	39,120
Fringe Benefits	0	5,600	0	5,600
Contractual Services	0	402,480	37,768	364,712
<i>Total Expenditures</i>	<u>0</u>	<u>447,200</u>	<u>37,768</u>	<u>409,432</u>
<i>Net Change in Fund Balance</i>	0	0	(37,768)	(37,768)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>(\$37,768)</u>	<u>(\$37,768)</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Homeless Prevention Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$0	\$902,439	\$0	(\$902,439)
<b>Expenditures</b>				
<b>Current:</b>				
Community Environment:				
Human Services				
Salaries	0	90,948	0	90,948
Fringe Benefits	0	14,052	0	14,052
Travel and Transportation	0	900	33	867
Professional Services	0	2,000	1,500	500
Contractual Services	0	792,439	80,000	712,439
Materials and Supplies	0	1,000	0	1,000
Other	0	1,100	0	1,100
<i>Total Expenditures</i>	<u>0</u>	<u>902,439</u>	<u>81,533</u>	<u>820,906</u>
<i>Net Change in Fund Balance</i>	0	0	(81,533)	(81,533)
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>(\$81,533)</u>	<u>(\$81,533)</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Neighborhood Stabilization Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$0	\$1,072,216	\$35,603	(\$1,036,613)
<b>Expenditures</b>				
<b>Current:</b>				
Community Environment:				
Planning and Development				
Salaries	0	191,700	0	191,700
Fringe Benefits	0	33,300	0	33,300
Contractual Services	0	847,016	66,659	780,357
<i>Total Expenditures</i>	<u>0</u>	<u>1,072,016</u>	<u>66,659</u>	<u>1,005,357</u>
<i>Net Change in Fund Balance</i>	0	200	(31,056)	(31,256)
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$0</u>	<u>\$200</u>	<u>(\$31,056)</u>	<u>(\$31,256)</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Byrne Memorial Grant Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$0	\$100,000	\$100,000	\$0
<b>Expenditures</b>				
<b>Current:</b>				
Security of Persons and Property:				
Police				
Salaries	0	20,670	20,670	0
Fringe Benefits	0	4,330	4,330	0
Capital Outlay	0	16,521	0	16,521
<i>Total Expenditures</i>	<u>0</u>	<u>41,521</u>	<u>25,000</u>	<u>16,521</u>
<i>Net Change in Fund Balance</i>	0	58,479	75,000	16,521
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$58,479</u>	<u>\$75,000</u>	<u>\$16,521</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Litter Control Grant Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$0	\$0	\$3,306	\$3,306
<b>Expenditures</b>				
<b>Current:</b>				
Community Environment:				
Refuse				
Materials and Supplies	3,000	3,000	1,829	1,171
Other	5,000	5,000	0	5,000
<i>Total Expenditures</i>	<u>8,000</u>	<u>8,000</u>	<u>1,829</u>	<u>6,171</u>
<i>Net Change in Fund Balance</i>	(8,000)	(8,000)	1,477	9,477
<i>Fund Balance Beginning of Year</i>	<u>13,746</u>	<u>13,746</u>	<u>13,746</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$5,746</u></u>	<u><u>\$5,746</u></u>	<u><u>\$15,223</u></u>	<u><u>\$9,477</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Community Festival Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Miscellaneous	\$4,000	\$4,000	\$4,000	\$0
<b>Expenditures</b>				
<b>Current:</b>				
General Government:				
Mayor's Office				
Salaries	10,000	10,000	7,776	2,224
Fringe Benefits	1,530	1,530	1,188	342
<i>Total Expenditures</i>	<u>11,530</u>	<u>11,530</u>	<u>8,964</u>	<u>2,566</u>
<i>Net Change in Fund Balance</i>	(7,530)	(7,530)	(4,964)	2,566
<i>Fund Balance Beginning of Year</i>	<u>9,790</u>	<u>9,790</u>	<u>9,790</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,260</u></u>	<u><u>\$2,260</u></u>	<u><u>\$4,826</u></u>	<u><u>\$2,566</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Law and Drug Enforcement Trust Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$11,500	\$11,500	\$10,677	(\$823)
Miscellaneous	40,000	40,000	31,421	(8,579)
<i>Total Revenues</i>	<u>51,500</u>	<u>51,500</u>	<u>42,098</u>	<u>(9,402)</u>
<b>Expenditures</b>				
<b>Current:</b>				
Security of Persons and Property:				
Police				
Salaries	25,000	25,000	3,150	21,850
Fringe Benefits	1,113	1,113	33	1,080
Travel and Transportation	12,155	13,016	9,973	3,043
Professional Services	37,250	36,124	21,735	14,389
Communications	3,200	3,200	1,578	1,622
Contractual Services	2,000	900	0	900
Materials and Supplies	38,200	37,934	16,311	21,623
Capital Outlay	59,213	58,463	54,401	4,062
Other	37,825	40,467	35,153	5,314
<i>Total Expenditures</i>	<u>215,956</u>	<u>216,217</u>	<u>142,334</u>	<u>73,883</u>
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	(164,456)	(164,717)	(100,236)	64,481
<b>Other Financing Sources</b>				
Sale of Assets	5,000	5,000	7,022	2,022
<i>Net Change in Fund Balance</i>	(159,456)	(159,717)	(93,214)	66,503
<i>Fund Balance Beginning of Year</i>	<u>237,026</u>	<u>237,026</u>	<u>237,026</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$77,570</u>	<u>\$77,309</u>	<u>\$143,812</u>	<u>\$66,503</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Federal Forfeiture Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Interest	\$0	\$0	\$4,293	\$4,293
<b>Expenditures</b>				
<b>Current:</b>				
Security of Persons and Property:				
Police				
Capital Outlay	2,500	10,470	8,731	1,739
<i>Net Change in Fund Balance</i>	(2,500)	(10,470)	(4,438)	6,032
<i>Fund Balance Beginning of Year</i>	10,470	10,470	10,470	0
<i>Fund Balance End of Year</i>	<u>\$7,970</u>	<u>\$0</u>	<u>\$6,032</u>	<u>\$6,032</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Indigent Drivers Alcohol Treatment Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$7,500	\$7,500	\$4,209	(\$3,291)
Intergovernmental	9,000	9,000	7,443	(1,557)
<i>Total Revenues</i>	<u>16,500</u>	<u>16,500</u>	<u>11,652</u>	<u>(4,848)</u>
<b>Expenditures</b>				
<b>Current:</b>				
General Government:				
Municipal Court				
Contractual Services	125,000	109,820	3,850	105,970
Professional Services	0	15,180	14,241	939
<i>Total Expenditures</i>	<u>125,000</u>	<u>125,000</u>	<u>18,091</u>	<u>106,909</u>
<i>Net Change in Fund Balance</i>	(108,500)	(108,500)	(6,439)	102,061
<i>Fund Balance Beginning of Year</i>	<u>146,211</u>	<u>146,211</u>	<u>146,211</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$37,711</u>	<u>\$37,711</u>	<u>\$139,772</u>	<u>\$102,061</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Enforcement and Education Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$7,000	\$7,000	\$4,066	(\$2,934)
Miscellaneous	2,100	2,100	2,500	400
<i>Total Revenues</i>	<u>9,100</u>	<u>9,100</u>	<u>6,566</u>	<u>(2,534)</u>
<b>Expenditures</b>				
<b>Current:</b>				
Security of Persons and Property:				
Police				
Materials and Supplies	5,000	16,600	11,374	5,226
Capital Outlay	50,000	38,400	12,592	25,808
<i>Total Expenditures</i>	<u>55,000</u>	<u>55,000</u>	<u>23,966</u>	<u>31,034</u>
<i>Net Change in Fund Balance</i>	(45,900)	(45,900)	(17,400)	28,500
<i>Fund Balance Beginning of Year</i>	<u>77,776</u>	<u>77,776</u>	<u>77,776</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$31,876</u>	<u>\$31,876</u>	<u>\$60,376</u>	<u>\$28,500</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Political Subdivision Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$4,250	\$4,250	\$607	(\$3,643)
<b>Expenditures</b>				
<b>Current:</b>				
General Government:				
Municipal Court				
Professional Services	4,250	4,250	0	4,250
<i>Net Change in Fund Balance</i>	0	0	607	607
<i>Fund Balance Beginning of Year</i>	11,740	11,740	11,740	0
<i>Fund Balance End of Year</i>	<u>\$11,740</u>	<u>\$11,740</u>	<u>\$12,347</u>	<u>\$607</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Computer Research and Maintenance Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$35,000	\$35,000	\$36,113	\$1,113
<b>Expenditures</b>				
<b>Current:</b>				
General Government:				
Municipal Court				
Contractual Services	33,000	25,856	21,930	3,926
Professional Services	0	3,572	0	3,572
Other	0	3,572	0	3,572
<i>Total Expenditures</i>	<u>33,000</u>	<u>33,000</u>	<u>21,930</u>	<u>11,070</u>
<i>Net Change in Fund Balance</i>	2,000	2,000	14,183	12,183
<i>Fund Balance Beginning of Year</i>	<u>28,549</u>	<u>28,549</u>	<u>28,549</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$30,549</u>	<u>\$30,549</u>	<u>\$42,732</u>	<u>\$12,183</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Court Special Projects Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$120,000	\$120,000	\$142,406	\$22,406
<b>Expenditures</b>				
<b>Current:</b>				
General Government:				
Municipal Court				
Salaries	223	5,555	5,554	1
Fringe Benefits	30	876	875	1
Professional Services	2,595	2,595	0	2,595
Contractual Services	45,027	45,215	31,151	14,064
Materials and Supplies	5,544	6,062	5,695	367
Capital Outlay	70,078	58,694	38,431	20,263
Other	0	4,500	4,500	0
<i>Total Expenditures</i>	<u>123,497</u>	<u>123,497</u>	<u>86,206</u>	<u>37,291</u>
<i>Net Change in Fund Balance</i>	(3,497)	(3,497)	56,200	59,697
<i>Fund Balance Beginning of Year</i>	<u>120,198</u>	<u>120,198</u>	<u>120,198</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$116,701</u>	<u>\$116,701</u>	<u>\$176,398</u>	<u>\$59,697</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Court Probation Services Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$36,000	\$36,000	\$36,248	\$248
<b>Expenditures</b>				
<b>Current:</b>				
General Government:				
Municipal Court				
Salaries	20,000	21,600	18,690	2,910
Fringe Benefits	3,500	3,500	2,860	640
Travel and Transportation	0	801	374	427
Professional Services	15,000	11,264	7,138	4,126
Materials and Supplies	0	1,335	1,006	329
<i>Total Expenditures</i>	<u>38,500</u>	<u>38,500</u>	<u>30,068</u>	<u>8,432</u>
<i>Net Change in Fund Balance</i>	(2,500)	(2,500)	6,180	8,680
<i>Fund Balance Beginning of Year</i>	<u>53,335</u>	<u>53,335</u>	<u>53,335</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$50,835</u></u>	<u><u>\$50,835</u></u>	<u><u>\$59,515</u></u>	<u><u>\$8,680</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Indigent Drivers Interlock and Alcohol Monitoring Fund (IDIAM)*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$500	\$2,900	\$8,433	\$5,533
<b>Expenditures</b>				
<b>Current:</b>				
General Government:				
Municipal Court				
Professional Services	500	2,900	0	2,900
<i>Net Change in Fund Balance</i>	0	0	8,433	8,433
<i>Fund Balance Beginning of Year</i>	500	500	500	0
<i>Fund Balance End of Year</i>	<u>\$500</u>	<u>\$500</u>	<u>\$8,933</u>	<u>\$8,433</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Emergency Shelter Grant Fund*  
*For the Year Ended December 31, 2009*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Intergovernmental	\$144,445	\$147,445	\$52,799	(\$94,646)
<b>Expenditures</b>				
<b>Current:</b>				
Community Environment:				
Planning and Development				
Salaries	22,521	29,021	16,970	12,051
Fringe Benefits	3,479	4,798	2,500	2,298
Contractual Services	122,864	93,765	75,323	18,442
<i>Total Expenditures</i>	148,864	127,584	94,793	32,791
<i>Net Change in Fund Balance</i>	(4,419)	19,861	(41,994)	(61,855)
<i>Fund Balance Beginning of Year</i>	4,641	4,641	4,641	0
<i>Fund Balance (Deficit) End of Year</i>	\$222	\$24,502	(\$37,353)	(\$61,855)

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*HOME Investment Program Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$1,445,000	\$1,446,000	\$424,570	(\$1,021,430)
<b>Expenditures</b>				
<b>Current:</b>				
Community Environment:				
Planning and Development				
Salaries	18,013	29,013	8,256	20,757
Fringe Benefits	2,393	4,593	3,367	1,226
Travel and Transportation	1,330	2,051	1,828	223
Other	1,065,109	1,051,188	363,511	687,677
<i>Total Expenditures</i>	<u>1,086,845</u>	<u>1,086,845</u>	<u>376,962</u>	<u>709,883</u>
<i>Excess of Revenues Over Expenditures</i>	358,155	359,155	47,608	(311,547)
<b>Other Financing Uses</b>				
Advances Out	(150,000)	0	0	0
<i>Net Change in Fund Balance</i>	208,155	359,155	47,608	(311,547)
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>(207,777)</u>	<u>(207,777)</u>	<u>(207,777)</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$378</u>	<u>\$151,378</u>	<u>(\$160,169)</u>	<u>(\$311,547)</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Lead-Based Paint Hazard Control Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Expenditures</b>				
<b>Current:</b>				
Community Environment:				
Planning and Development				
Other	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance Beginning of Year</i>	<u>2</u>	<u>2</u>	<u>2</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2</u></u>	<u><u>\$2</u></u>	<u><u>\$2</u></u>	<u><u>\$0</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Little Links Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
<b>Current:</b>				
Community Environment:				
Youth				
Materials and Supplies	5,000	5,000	0	5,000
<i>Net Change in Fund Balance</i>	(5,000)	(5,000)	0	5,000
<i>Fund Balance Beginning of Year</i>	6,156	6,156	6,158	2
<i>Fund Balance End of Year</i>	<u>\$1,156</u>	<u>\$1,156</u>	<u>\$6,158</u>	<u>\$5,002</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Help-to-Others Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$10,500	\$10,500	\$11,120	\$620
Intergovernmental	22,402	22,402	0	(22,402)
Miscellaneous	27,500	27,500	27,939	439
<i>Total Revenues</i>	<u>60,402</u>	<u>60,402</u>	<u>39,059</u>	<u>(21,343)</u>
<b>Expenditures</b>				
<b>Current:</b>				
Community Environment:				
Youth				
Salaries	36,786	36,786	30,974	5,812
Fringe Benefits	5,595	5,595	4,874	721
Professional Services	100	100	0	100
Communications	700	700	437	263
Materials and Supplies	5,015	5,015	2,088	2,927
Other	1,100	1,100	686	414
<i>Total Expenditures</i>	<u>49,296</u>	<u>49,296</u>	<u>39,059</u>	<u>10,237</u>
<i>Net Change in Fund Balance</i>	11,106	11,106	0	(11,106)
<i>Fund Balance Beginning of Year</i>	<u>6,186</u>	<u>6,186</u>	<u>6,186</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$17,292</u>	<u>\$17,292</u>	<u>\$6,186</u>	<u>(\$11,106)</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Juvenile Diversion Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$32,360	\$32,360	\$9,600	(\$22,760)
Miscellaneous	5,000	5,000	3,295	(1,705)
<i>Total Revenues</i>	<u>37,360</u>	<u>37,360</u>	<u>12,895</u>	<u>(24,465)</u>
<b>Expenditures</b>				
<b>Current:</b>				
Community Environment:				
Salaries	30,951	30,951	30,908	43
Fringe Benefits	4,782	4,782	4,756	26
<i>Total Expenditures</i>	<u>35,733</u>	<u>35,733</u>	<u>35,664</u>	<u>69</u>
<i>Net Change in Fund Balance</i>	1,627	1,627	(22,769)	(24,396)
<i>Fund Balance Beginning of Year</i>	<u>17,769</u>	<u>17,769</u>	<u>17,769</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$19,396</u>	<u>\$19,396</u>	<u>(\$5,000)</u>	<u>(\$24,396)</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Family Day Care Home Project Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$221,000	\$221,000	\$0	(\$221,000)
<b>Expenditures</b>				
<b>Current</b>				
Community Environment:				
Child Care				
Contractual Services	0	5,769	0	5,769
<i>Net Change in Fund Balance</i>	221,000	215,231	0	(215,231)
<i>Fund Balance Beginning of Year</i>	5,771	5,771	5,771	0
<i>Fund Balance End of Year</i>	<u>\$226,771</u>	<u>\$221,002</u>	<u>\$5,771</u>	<u>(\$215,231)</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Family to Family Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$469,000	\$484,000	\$428,105	(\$55,895)
<b>Expenditures</b>				
<b>Current:</b>				
Community Environment:				
Child Care				
Salaries	265,806	265,806	265,805	1
Fringe Benefits	39,972	39,972	39,971	1
Travel and Transportation	647	2,721	2,718	3
Professional Services	10,400	10,461	10,460	1
Communications	1,500	1,795	1,794	1
Contractual Services	532	532	499	33
Materials and Supplies	2,400	20,431	20,348	83
Other	20,040	13,797	12,913	884
<i>Total Expenditures</i>	<u>341,297</u>	<u>355,515</u>	<u>354,508</u>	<u>1,007</u>
<i>Excess of Revenues Over Expenditures</i>	127,703	128,485	73,597	(54,888)
<b>Other Financing Uses</b>				
Transfers Out	(91,000)	(91,000)	0	91,000
<i>Net Change in Fund Balance</i>	36,703	37,485	73,597	36,112
<i>Fund Balance (Deficit) Beginning of Year</i>	(36,181)	(36,181)	(36,181)	0
<i>Fund Balance End of Year</i>	<u>\$522</u>	<u>\$1,304</u>	<u>\$37,416</u>	<u>\$36,112</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Federal Emergency Management Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$80,000	\$80,000	\$63,440	(\$16,560)
<b>Expenditures</b>				
<b>Current:</b>				
Community Environment:				
Capital	80,000	80,000	63,440	16,560
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*TIF Bond Retirement Fund*  
*For the Year Ended December 31, 2009*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Payment in Lieu of Taxes	\$360,300	\$360,300	\$308,520	(\$51,780)
Intergovernmental	25,000	25,000	17,473	(7,527)
<i>Total Revenues</i>	<u>385,300</u>	<u>385,300</u>	<u>325,993</u>	<u>(59,307)</u>
<b>Expenditures</b>				
<b>Current:</b>				
General Government	0	68,100	3,756	64,344
Debt Service:				
Principal Retirement	190,000	190,000	190,000	0
Interest and Fiscal Charges	252,261	252,262	252,261	1
<i>Total Expenditures</i>	<u>442,261</u>	<u>510,362</u>	<u>446,017</u>	<u>64,345</u>
<i>Excess of Revenues Under Expenditures</i>	(56,961)	(125,062)	(120,024)	5,038
Transfers In	<u>0</u>	<u>229,994</u>	<u>229,994</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(56,961)	104,932	109,970	5,038
<i>Fund Balance Beginning of Year</i>	<u>56,972</u>	<u>56,972</u>	<u>56,972</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$11</u>	<u>\$161,904</u>	<u>\$166,942</u>	<u>\$5,038</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Permanent Capital Improvement Fund*  
*For the Year Ended December 31, 2009*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Intergovernmental	\$0	\$0	\$106,837	\$106,837
Miscellaneous	0	227,000	621	(226,379)
<i>Total Revenues</i>	0	227,000	107,458	(119,542)
<b>Expenditures</b>				
<b>Current:</b>				
General Government:				
Professional Services	6,000	79,156	26,705	52,451
Capital Outlay	50,000	305,675	134,595	171,080
<i>Total General Government</i>	56,000	384,831	161,300	223,531
Security of Persons and Property				
Capital Outlay	0	62,570	35,687	26,883
Transportation				
Capital Outlay	3,735,000	2,362,700	2,208,484	154,216
Community Environment				
Capital Outlay	60,000	60,000	56,750	3,250
Leisure Time Activities				
Capital Outlay	1,160,000	962,899	67,103	895,796
Interest and Fiscal Charges				
	52,000	0	0	0
<i>Total Expenditures</i>	5,063,000	3,833,000	2,529,324	1,303,676
<i>Excess of Revenues Under Expenditures</i>	(5,063,000)	(3,606,000)	(2,421,866)	1,184,134
<b>Other Financing Sources (Uses)</b>				
Notes Issued	2,907,000	3,450,000	3,450,000	0
Transfers Out	(2,100,000)	(4,100,000)	(4,100,000)	0
<i>Total Other Financing Sources (Uses)</i>	807,000	(650,000)	(650,000)	0
<i>Net Change in Fund Balance</i>	(4,256,000)	(4,256,000)	(3,071,866)	1,184,134
<i>Fund Balance Beginning of Year</i>	4,318,671	4,318,671	4,318,671	0
<i>Fund Balance End of Year</i>	\$62,671	\$62,671	\$1,246,805	\$1,184,134

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*TIF Capital Improvement Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Interest	\$10,000	\$348,283	\$1,877	(\$346,406)
<b>Expenditures</b>				
<b>Current:</b>				
Capital Outlay	556,775	348,283	120,601	227,682
<i>Excess of Revenues Over (Under) Expenditures</i>	(546,775)	0	(118,724)	(118,724)
<b>Other Financing Uses</b>				
Transfers Out	0	(229,994)	(229,994)	0
<i>Net Change in Fund Balance</i>	(546,775)	(229,994)	(348,718)	(118,724)
<i>Fund Balance Beginning of Year, as Restated</i>	245,364	245,364	245,364	0
<i>Prior Year Encumbrances Appropriated</i>	348,283	348,283	348,283	0
<i>Fund Balance End of Year</i>	<u>\$46,872</u>	<u>\$363,653</u>	<u>\$244,929</u>	<u>(\$118,724)</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Lakehouse Breakwall Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Special Assessments	\$0	\$0	\$0	\$0
<b>Expenditures</b>	0	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	15,261	15,261	15,261	0
<i>Fund Balance End of Year</i>	<u>\$15,261</u>	<u>\$15,261</u>	<u>\$15,261</u>	<u>\$0</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*Land Acquisition Fund*  
*For the Year Ended December 31, 2009*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>	0	0	0	0
<i>Excess of Revenues Over Expenditures</i>	0	0	0	0
<b>Other Financing Uses</b>				
Transfers Out	0	(150,000)	0	150,000
<i>Net Change in Fund Balance</i>	0	(150,000)	0	150,000
<i>Fund Balance Beginning of Year</i>	150,000	150,000	150,000	0
<i>Fund Balance End of Year</i>	\$150,000	\$0	\$150,000	\$150,000

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance*  
*Budget (Non-GAAP Basis) and Actual*  
*City Park Improvement Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Miscellaneous	\$25,000	\$25,000	\$17,463	(\$7,537)
<b>Expenditures</b>				
<b>Current:</b>				
Leisure Time Activities:				
Capital Outlay	67,650	67,650	4,367	63,283
<i>Net Change in Fund Balance</i>	(42,650)	(42,650)	13,096	55,746
<i>Fund Balance Beginning of Year</i>	53,555	53,555	53,555	0
<i>Fund Balance End of Year</i>	<u>\$10,905</u>	<u>\$10,905</u>	<u>\$66,651</u>	<u>\$55,746</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity*  
*Budget (Non-GAAP Basis) and Actual*  
*Parking Facilities Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$315,525	\$315,525	\$404,180	\$88,655
Bond Proceeds	139,000	139,000	0	(139,000)
Miscellaneous	600	600	667	67
<i>Total Revenues</i>	<u>455,125</u>	<u>455,125</u>	<u>404,847</u>	<u>(50,278)</u>
<b>Expenses</b>				
Salaries	121,946	141,676	137,381	4,295
Fringe Benefits	47,612	52,872	51,714	1,158
Professional Services	50	50	0	50
Communications	525	625	500	125
Contractual Services	15	65	20	45
Materials and Supplies	14,017	14,879	13,325	1,554
Capital	47,970	49,035	49,034	1
Other	127,649	98,784	98,312	472
Debt Service:				
Principal Retirement	2,974	21,940	21,914	26
Interest and Fiscal Charges	0	13,672	13,663	9
<i>Total Expenses</i>	<u>362,758</u>	<u>393,598</u>	<u>385,863</u>	<u>7,735</u>
<i>Net Change in Fund Equity</i>	92,367	61,527	18,984	(42,543)
<i>Fund Equity Beginning of Year</i>	24,978	24,978	24,978	0
<i>Prior Year Encumbrances Appropriated</i>	47,970	47,970	47,970	0
<i>Fund Equity End of Year</i>	<u>\$165,315</u>	<u>\$134,475</u>	<u>\$91,932</u>	<u>(\$42,543)</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity*  
*Budget (Non-GAAP Basis) and Actual*  
*Winterhurst Ice Rink Fund*  
*For the Year Ended December 31, 2009*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Charges for Services	\$260,000	\$280,000	\$298,465	\$18,465
Miscellaneous	75,000	75,000	75,000	0
<i>Total Revenues</i>	<u>335,000</u>	<u>355,000</u>	<u>373,465</u>	<u>18,465</u>
<b>Expenses</b>				
Salaries	27,547	32,328	32,327	1
Fringe Benefits	10,927	756	755	1
Professional Services	7,600	1,100	1,100	0
Utilities	263,216	388,516	348,915	39,601
<i>Total Expenses</i>	<u>309,290</u>	<u>422,700</u>	<u>383,097</u>	<u>39,603</u>
<i>Net Change in Fund Equity</i>	25,710	(67,700)	(9,632)	58,068
<i>Fund Equity Beginning of Year</i>	<u>67,739</u>	<u>67,739</u>	<u>67,739</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$93,449</u></u>	<u><u>\$39</u></u>	<u><u>\$58,107</u></u>	<u><u>\$58,068</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity*  
*Budget (Non-GAAP Basis) and Actual*  
*Hospitalization Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$4,980,000	\$4,993,000	\$4,883,100	(\$109,900)
Miscellaneous	610,595	597,595	669,036	71,441
<i>Total Revenues</i>	<u>5,590,595</u>	<u>5,590,595</u>	<u>5,552,136</u>	<u>(38,459)</u>
<b>Expenses</b>				
Professional Services	31,500	36,000	35,211	789
Claims	5,748,860	5,744,360	4,947,722	796,638
<i>Total Expenses</i>	<u>5,780,360</u>	<u>5,780,360</u>	<u>4,982,933</u>	<u>797,427</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(189,765)	(189,765)	569,203	758,968
Transfers In	199,000	199,000	199,000	0
<i>Net Change in Fund equity</i>	9,235	9,235	768,203	758,968
<i>Fund Equity Beginning of Year</i>	<u>732,940</u>	<u>732,940</u>	<u>732,940</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$742,175</u>	<u>\$742,175</u>	<u>\$1,501,143</u>	<u>\$758,968</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity*  
*Budget (Non-GAAP Basis) and Actual*  
*Workers' Compensation Fund*  
*For the Year Ended December 31, 2009*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$625,000	\$625,000	\$621,674	(\$3,326)
Miscellaneous	0	0	27,560	27,560
<i>Total Revenues</i>	<u>625,000</u>	<u>625,000</u>	<u>649,234</u>	<u>24,234</u>
<b>Expenses</b>				
Professional Services	131,000	36,000	34,232	1,768
Workers' Compensation Premium	0	86,337	86,337	0
Workers' Compensation Claims	490,000	498,663	493,610	5,053
<i>Total Expenses</i>	<u>621,000</u>	<u>621,000</u>	<u>614,179</u>	<u>6,821</u>
<i>Excess of Revenues Over Expenses</i>	4,000	4,000	35,055	31,055
Transfers In	0	0	20,000	20,000
<i>Net Change in Fund Equity</i>	4,000	4,000	55,055	51,055
<i>Fund Equity Beginning of Year</i>	<u>53,252</u>	<u>53,252</u>	<u>53,252</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$57,252</u></u>	<u><u>\$57,252</u></u>	<u><u>\$108,307</u></u>	<u><u>\$51,055</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity*  
*Budget (Non-GAAP Basis) and Actual*  
*General Liability Fund*  
*For the Year Ended December 31, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Interest	\$0	\$0	\$8	\$8
<b>Expenses</b>				
Claim Payments	0	0	0	0
<i>Net Change in Fund Equity</i>	0	0	8	8
<i>Fund Equity Beginning of Year</i>	2,509	2,509	2,509	0
<i>Fund Equity End of Year</i>	<u>\$2,509</u>	<u>\$2,509</u>	<u>\$2,517</u>	<u>\$8</u>

# City of Lakewood, Ohio

## Statistical Section

This part of the City of Lakewood's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplemental information says about the City's overall health.

<u>Contents</u>	<u>Page</u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S2-S9
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and income taxes.	S10-S16
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S17-S25
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	S26-S28
<b>Operating Information</b> These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	S29-S35
<b>Sources:</b> Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The City implemented Statement 34 in 2003; schedules presenting government-wide Information include information beginning in that year.	

**City of Lakewood, Ohio**  
*Net Assets By Component*  
*Last Seven Years*  
*(Accrual Basis of Accounting)*

	2009	2008	2007	2006	2005	2004	2003
<b>Governmental Activities</b>							
Invested in Capital Assets, Net of Related Debt	\$23,844,800	\$19,375,518	\$17,864,648	\$16,735,176	\$15,964,667	\$17,763,254	\$17,327,755
Restricted:							
Capital Projects	1,656,877	3,187,407	3,092,758	5,935,384	4,895,203	165,163	2,912,382
Debt Service	406,866	679,404	1,543,403	587,899	1,128,628	1,621,445	1,630,679
Other Purposes	5,316,658	4,237,737	4,660,608	5,108,771	5,388,015	5,322,703	5,737,283
Unrestricted	8,499,990	6,764,033	2,938,295	4,117,183	6,551,993	7,853,008	9,193,124
<i>Total Governmental Activities Net Assets</i>	<u>39,725,191</u>	<u>34,244,099</u> *	<u>30,099,712</u>	<u>32,484,413</u>	<u>33,928,506</u>	<u>32,725,573</u>	<u>36,801,223</u>
<b>Business Type - Activities</b>							
Invested in Capital Assets, Net of Related Debt	41,472,420	41,695,569	37,309,591	34,117,056	25,918,138	29,906,268	29,906,268
Restricted for Debt Service	249,284	1,194,934	1,109,163	923,400	0	0	0
Restricted for Replacement and Improvement	193,550	195,417	193,550	186,270	561,240	551,039	551,039
Unrestricted	9,930,544	7,668,213	5,422,785	7,311,753	15,625,642	10,302,691	10,302,691
<i>Total Business-Type Activities Net Assets</i>	<u>51,845,798</u>	<u>50,754,133</u> *	<u>44,035,089</u>	<u>42,538,479</u>	<u>42,105,020</u>	<u>40,759,998</u>	<u>40,759,998</u>
<b>Primary Government</b>							
Invested in Capital Assets, Net of Related Debt	65,317,220	61,071,087	55,174,239	50,852,232	41,882,805	47,669,522	47,234,023
Restricted	7,823,235	9,494,899	10,599,482	12,741,724	11,973,086	7,660,350	10,831,383
Unrestricted	18,430,534	14,432,246	8,361,080	11,428,936	22,177,635	18,155,699	19,495,815
<i>Total Primary Government Net Assets</i>	<u>\$91,570,989</u>	<u>\$84,998,232</u> *	<u>\$74,134,801</u>	<u>\$75,022,892</u>	<u>\$76,033,526</u>	<u>\$73,485,571</u>	<u>\$77,561,221</u>

\* As Restated for 2008

**City of Lakewood, Ohio**  
*Changes in Net Assets*  
*Last Seven Years*  
*(Accrual Basis of Accounting)*

	2009	2008	2007	2006	2005	2004	2003
<b>Program Revenues</b>							
<b>Governmental Activities:</b>							
Charges for Services:							
General Government	\$4,187,825	\$4,235,783	\$4,228,572	\$2,881,832	\$2,785,961	\$2,778,441	\$3,024,746
Security of Persons and Property							
Police	245,685	242,444	214,450	177,258	126,981	60,864	297,746
Fire	2,291,431	2,147,823	2,249,911	2,233,708	2,170,604	2,181,841	2,162,227
Public Health Services	251,665	318,737	335,613	3,600	3,600	2,003	55,906
Community Environment	11,120	10,680	10,500	1,796,475	1,068,342	860,495	646,650
Basic Utility Services	0	0	0	0	0	13,181	20,127
Leisure Time Activities	0	0	0	0	0	20,470	6,663
Subtotal - Charges for Services	<u>6,987,726</u>	<u>6,955,467</u>	<u>7,039,046</u>	<u>7,092,873</u>	<u>6,155,488</u>	<u>5,917,295</u>	<u>6,214,065</u>
Operating Grants and Contributions:							
General Government	495,082	474,840	0	0	0	0	4,228,805
Security of Persons and Property							
Police	449,920	472,948	18,653	3,575	12,542	15,169	17,478
Fire	52,013	0	0	337,710	357,124	133,687	0
Public Health Services	270,604	493,394	468,559	833,675	685,267	68,250	470,837
Transportation	1,118,195	1,950,418	1,927,847	2,050,027	1,899,723	1,802,541	1,526,475
Community Environment	4,421,399	3,039,646	4,300,068	3,320,754	3,748,255	2,977,498	3,150,615
Subtotal - Operating Grants and Contributions	<u>6,807,213</u>	<u>6,431,246</u>	<u>6,715,127</u>	<u>6,545,741</u>	<u>6,702,911</u>	<u>4,997,145</u>	<u>9,394,210</u>
Capital Grants and Contributions:							
Community Environment	0	0	0	584,601	3,579	0	243,000
<i>Total Governmental Activities Program Revenues</i>	<u>13,794,939</u>	<u>13,386,713</u>	<u>13,754,173</u>	<u>14,223,215</u>	<u>12,861,978</u>	<u>10,914,440</u>	<u>15,851,275</u>
<b>Business-Type Activities:</b>							
Charges for Services:							
Water	9,456,618	10,298,731	10,143,589	8,395,321	8,661,772	8,494,114	8,470,922
Sewer	5,545,675	5,947,043	5,184,560	4,107,108	4,318,539	3,779,202	3,301,936
Parking	404,180	332,999	292,127	290,561	294,385	290,229	278,749
Winterhurst Ice Rink	371,631	427,031	793,387	686,619	725,506	714,895	703,880
Congregate Living	0	0	0	0	0	5,594	8,681
Subtotal - Charges for Services	<u>15,778,104</u>	<u>17,005,804</u>	<u>16,413,663</u>	<u>13,479,609</u>	<u>14,000,202</u>	<u>13,284,034</u>	<u>12,764,168</u>
Operating Grants and Contributions:							
Water	416,013	74,859	1,044,113	0	0	0	0
Sewer	272,358	152,949	310,993	0	0	0	294,659
Subtotal - Operating Grants and Contributions	<u>688,371</u>	<u>227,808</u>	<u>1,355,106</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>294,659</u>
Capital Grants and Contributions:							
Winterhurst Ice Rink	0	2,000,000	0	0	0	0	0
<i>Total Business-Type Activities Program Revenues</i>	<u>16,466,475</u>	<u>19,233,612</u>	<u>17,768,769</u>	<u>13,479,609</u>	<u>14,000,202</u>	<u>13,284,034</u>	<u>13,058,827</u>
<i>Total Primary Government Program Revenues</i>	<u>\$30,261,414</u>	<u>\$32,620,325</u>	<u>\$31,522,942</u>	<u>\$27,702,824</u>	<u>\$26,862,180</u>	<u>\$24,198,474</u>	<u>\$28,910,102</u>

(continued)

**City of Lakewood, Ohio**  
*Changes in Net Assets (continued)*  
*Last Seven Years*  
*(Accrual Basis of Accounting)*

	2009	2008	2007	2006	2005	2004	2003
<b>Expenses</b>							
<b>Governmental Activities:</b>							
General Government	\$7,675,451	\$7,620,762	\$9,599,299	\$8,110,235	\$7,851,426	\$7,759,070	\$8,348,643
Security of Persons and Property							
Police	12,754,885	12,371,712	12,035,903	11,907,585	10,686,045	10,811,935	10,663,939
Fire	10,131,056	10,289,314	11,028,498	10,241,053	9,949,694	9,374,854	8,353,682
Public Health Services	2,505,999	3,280,667	4,211,759	4,784,768	4,310,861	4,361,672	3,455,966
Transportation	2,866,754	2,969,914	3,480,710	2,655,600	2,880,797	2,971,847	2,698,191
Community Environment	6,474,889	5,622,461	6,798,564	6,628,671	6,417,757	8,478,583	5,736,330
Basic Utility Services	3,998,734	4,700,773	5,450,051	5,026,300	4,340,798	4,470,994	4,428,339
Leisure Time Activities	1,839,517	2,020,450	2,159,191	1,955,303	2,097,492	2,158,300	2,049,816
Interest and Fiscal Charges	2,127,913	2,064,970	1,898,099	1,936,679	1,781,467	1,565,095	1,573,622
<i>Total Governmental Activities Expenses</i>	<u>50,375,198</u>	<u>50,941,023</u>	<u>56,662,074</u>	<u>53,246,194</u>	<u>50,316,337</u>	<u>51,952,350</u>	<u>47,308,528</u>
<b>Business-Type Activities</b>							
Water	9,038,465	9,289,887	9,612,007	8,403,497	8,539,662	8,252,561	7,658,226
Sewer	5,751,453	6,585,346	7,606,437	5,734,921	5,022,961	4,669,597	4,812,015
Parking	253,274	305,295	419,733	482,642	300,901	325,724	308,401
Winterhurst Ice Rink	552,929	740,804	732,973	1,257,948	969,391	969,745	1,080,250
Congregate Living	0	0	0	0	64,297	4,853	9,346
<i>Total Business-Type Activities Expenses</i>	<u>15,596,121</u>	<u>16,921,332</u>	<u>18,371,150</u>	<u>15,879,008</u>	<u>14,897,212</u>	<u>14,222,480</u>	<u>13,868,238</u>
<i>Total Primary Government Expenses</i>	<u>65,971,319</u>	<u>67,862,355</u>	<u>75,033,224</u>	<u>69,125,202</u>	<u>65,213,549</u>	<u>66,174,830</u>	<u>61,176,766</u>
<b>Net (Expense)/Revenue</b>							
Governmental Activities	(36,580,259)	(37,554,310)	(42,907,901)	(39,022,979)	(37,454,359)	(41,037,910)	(31,457,253)
Business-Type Activities	870,354	2,312,280	(602,381)	(2,399,399)	(897,010)	(938,446)	(809,411)
<i>Total Primary Government Net Expense</i>	<u>(\$35,709,905)</u>	<u>(\$35,242,030)</u>	<u>(\$43,510,282)</u>	<u>(\$41,422,378)</u>	<u>(\$38,351,369)</u>	<u>(\$41,976,356)</u>	<u>(\$32,266,664)</u>

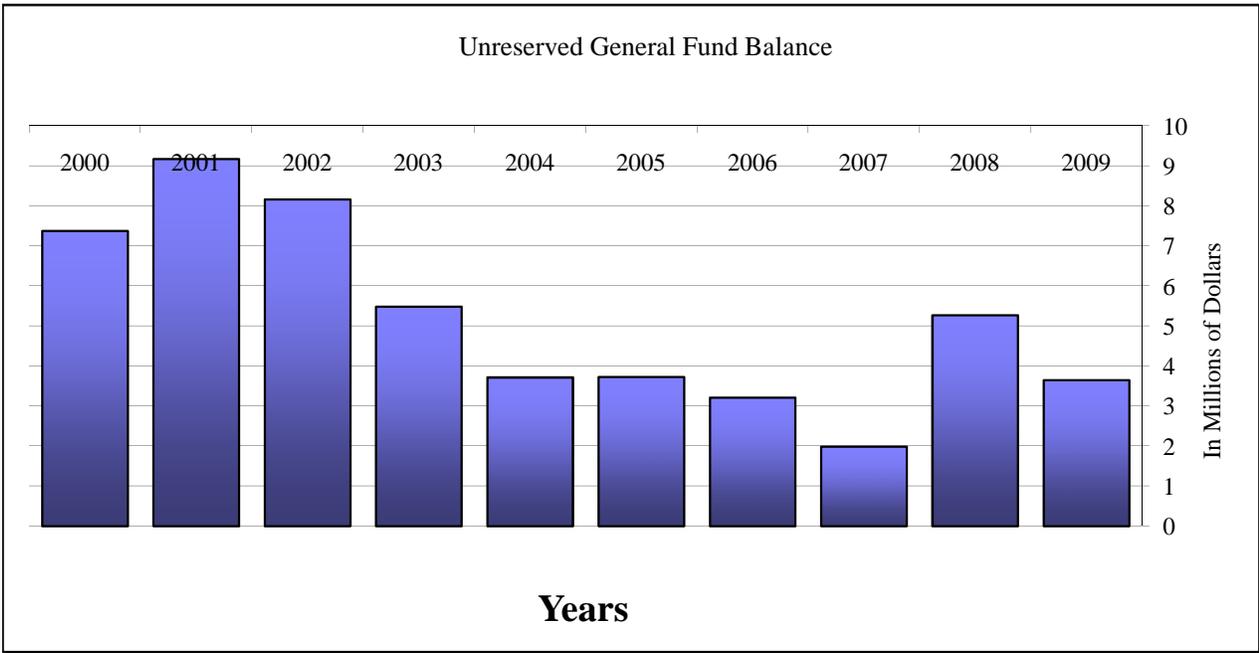
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**City of Lakewood, Ohio**  
*Changes in Net Assets (continued)*  
*Last Seven Years*  
*(Accrual Basis of Accounting)*

	2009	2008	2007	2006	2005	2004	2003
<b>General Revenues and Other Changes in Net Assets</b>							
<b>Governmental Activities</b>							
Taxes:							
Property and Other Local Taxes Levied For:							
General Purposes	\$7,404,532	\$7,464,079	\$7,676,479	\$6,880,029	\$6,982,259	\$6,984,616	\$5,863,577
Police and Fire Pension	2,810,315	2,823,756	2,911,150	2,613,672	2,589,687	2,644,603	2,247,896
Debt Service	2,973,092	2,987,313	3,079,771	2,765,061	2,590,336	2,788,706	2,379,067
Payments in Lieu of Taxes	308,520	340,341	368,523	241,589	241,480	100,617	0
Municipal Income Taxes levied for:							
General Purposes	19,314,348	19,348,017	18,246,523	16,955,457	16,537,268	17,064,294	15,412,865
Grants and Entitlements not Restricted to							
Specific Programs	6,345,651	5,668,748	6,482,563	6,729,258	7,713,363	7,085,654	2,540,663
Investment Income	214,275	533,257	1,130,083	1,479,546	830,725	396,491	483,266
Miscellaneous	606,457	550,472	295,266	364,274	246,757	402,279	408,462
<i>Total Governmental Activities</i>	<u>39,977,190</u>	<u>39,715,983</u>	<u>40,190,358</u>	<u>38,028,886</u>	<u>37,731,875</u>	<u>37,467,260</u>	<u>29,335,796</u>
<b>Business-Type Activities</b>							
Property and Other Local Taxes Levied For:							
General Purposes	1,712,714	1,724,040	1,775,081	1,593,691	1,579,441	1,612,757	1,441,091
Grants and Entitlements not Restricted to							
Specific Programs	0	0	0	205,895	212,063	203,039	0
Gain on Sale of Capital Assets	0	0	0	0	180,250	0	0
Investment Income	58,952	237,593	636,665	565,729	230,974	92,690	47,433
Miscellaneous	533,806	51,808	20,087	17,543	2,113	26,408	3,802
<i>Total Business-Type Activities</i>	<u>2,305,472</u>	<u>2,013,441</u>	<u>2,431,833</u>	<u>2,382,858</u>	<u>2,204,841</u>	<u>1,934,894</u>	<u>1,492,326</u>
<i>Total Primary Government General Revenues and Other Changes in Net Assets</i>	<u>42,282,662</u>	<u>41,729,424</u>	<u>42,622,191</u>	<u>40,411,744</u>	<u>39,936,716</u>	<u>39,402,154</u>	<u>30,828,122</u>
<b>Transfers</b>							
Governmental Activities	2,084,161	534,752	332,842	(450,000)	(37,191)	(505,000)	(200,000)
Business-Type Activities	(2,084,161)	(534,752)	(332,842)	450,000	37,191	505,000	200,000
<b>Restatements</b>							
Governmental Activities	0	1,447,962	0	0	962,608	0	(1,894,358)
Business-Type Activities	0	2,928,075	0	0	0	0	(118,139)
<i>Total Restatements Activities</i>	<u>0</u>	<u>4,376,037</u>	<u>0</u>	<u>0</u>	<u>962,608</u>	<u>0</u>	<u>(2,012,497)</u>
<b>Change in Net Assets</b>							
Governmental Activities	5,481,092	4,144,387	(2,384,701)	(1,444,093)	1,202,933	(4,075,650)	(4,215,815)
Business-Type Activities	1,091,665	6,719,044	1,496,610	433,459	1,345,022	1,501,448	764,776
<i>Total Primary Government Change in Net Assets</i>	<u>\$6,572,757</u>	<u>\$10,863,431</u>	<u>(\$888,091)</u>	<u>(\$1,010,634)</u>	<u>\$2,547,955</u>	<u>(\$2,574,202)</u>	<u>(\$3,451,039)</u>

**City of Lakewood, Ohio**  
*Fund Balances, Governmental Funds*  
*Last Ten Years*  
*(Modified Accrual Basis of Accounting)*

	2009	2008	2007	2006
<b>General Fund</b>				
Reserved	\$1,156,884	\$11,114	\$69,864	\$94,715
Unreserved	3,642,880	5,489,730	1,986,309	3,212,313
<b>Total General Fund</b>	4,799,764	5,500,844	2,056,173	3,307,028
<b>All Other Governmental Funds</b>				
Reserved	2,294,622	3,131,139	3,823,391	3,237,102
Unreserved, Undesignated (Deficit), Reported in:				
Special Revenue Funds	2,957,115	733,201	1,773,409	2,514,850
Debt Service Funds	1,282,628	343,522	1,698,091	685,942
Capital Projects Funds	1,467,157	4,386,784	1,906,203	4,457,614
<b>Total All Other Governmental Funds</b>	8,001,522	8,594,646	9,201,094	10,895,508
<b>Total Governmental Funds</b>	\$12,801,286	\$14,095,490	\$11,257,267	\$14,202,536



2005	2004	2003	2002	2001	2000
\$294,921	\$124,134	\$102,195	\$348,721	\$787,171	\$586,170
3,724,852	3,713,592	5,479,860	8,157,458	9,168,341	7,370,180
4,019,773	3,837,726	5,582,055	8,506,179	9,955,512	7,956,350
3,771,588	6,034,201	3,832,595	4,680,406	5,532,769	5,908,464
2,489,614	1,371,018	2,159,101	3,682,507	2,270,464	1,669,091
1,245,313	1,519,878	1,162,940	868,636	784,864	1,353,785
3,283,734	2,806,361	2,196,372	(4,218,676)	(1,031,261)	(7,995)
10,790,249	11,731,458	9,351,008	5,012,873	7,556,836	8,923,345
\$14,810,022	\$15,569,184	\$14,933,063	\$13,519,052	\$17,512,348	\$16,879,695

**City of Lakewood, Ohio**  
*Changes in Fund Balances, Governmental Funds*  
*Last Ten Years*  
*(Modified Accrual Basis of Accounting)*

	2009	2008	2007	2006	2005
<b>Revenues</b>					
Property Taxes	\$13,194,723	\$13,257,834	\$13,502,272	\$12,316,987	\$12,388,236
Payments in Lieu of Taxes	308,520	340,341	368,523	241,589	241,480
Municipal Income Taxes	18,355,581	18,480,218	18,143,485	17,080,608	17,785,152
Charges for Services	3,598,946	3,033,174	3,494,517	3,597,914	3,479,982
Licenses, Permits and Fees	1,823,254	1,971,510	2,035,413	1,930,932	1,159,966
Fines and Forfeitures	1,592,897	1,710,782	1,458,771	1,535,840	1,385,746
Intergovernmental	13,197,654	11,824,139	13,239,249	13,184,935	13,989,782
Special Assessments	24,642	240,001	123,219	105,230	91,836
Interest	214,275	533,257	1,130,083	1,479,546	830,725
Contributions and Other	724,928	817,733	381,542	752,522	510,219
<i>Total Revenues</i>	<u>53,035,420</u>	<u>52,208,989</u>	<u>53,877,074</u>	<u>52,226,103</u>	<u>51,863,124</u>
<b>Expenditures</b>					
Current:					
General Government	7,875,387	7,930,675	8,607,515	7,261,972	7,215,127
Security of Persons and Property					
Police	12,220,039	12,139,328	11,678,468	11,484,234	10,598,682
Fire	9,662,410	10,088,610	10,567,772	10,080,039	9,573,450
Public Health Services	2,428,498	3,352,685	4,089,118	4,501,420	4,258,873
Transportation	1,704,157	1,980,543	2,617,950	1,770,566	2,057,427
Community Environment	6,250,805	5,669,977	6,787,327	6,619,518	6,359,746
Basic Utilities Services	3,699,636	4,466,994	5,089,792	4,661,348	4,094,876
Leisure Time Activities	1,513,654	1,733,290	1,944,398	1,809,858	1,912,849
Capital Outlay	6,842,067	5,280,879	4,525,704	3,838,417	6,132,047
Debt Service:					
Principal Retirement	4,087,490	8,637,976	11,230,978	2,905,047	9,353,547
Interest and Fiscal Charges	2,085,801	2,057,441	1,924,401	1,794,537	1,738,257
Bond Issuance Costs	0	0	300,690	0	225,403
<i>Total Expenditures</i>	<u>58,369,944</u>	<u>63,338,398</u>	<u>69,364,113</u>	<u>56,726,956</u>	<u>63,520,284</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(5,334,524)</u>	<u>(11,129,409)</u>	<u>(15,487,039)</u>	<u>(4,500,853)</u>	<u>(11,657,160)</u>
<b>Other Financing Sources (Uses)</b>					
Bonds Issued	0	0	10,520,000	0	6,495,637
Refunding Bonds Issued	0	0	0	0	7,335,000
Notes Issued	7,771,000	7,771,000	5,374,000	8,311,000	4,228,000
Loans Received	0	0	0	0	0
Premium	0	0	57,987	5,367	241,575
Sale of Assets	0	0	0	0	5,500
Inception of Capital Lease	2,175,159	4,110,632	1,375,314	0	10,137
Current Refunding	(7,771,000)	0	0	(3,973,000)	0
Payment to Refunded Bond Escrow Agent	0	0	(4,844,725)	0	(7,380,660)
Reimbursements Received	0	0	0	0	0
Transfers In	13,561,547	3,077,261	3,631,000	1,969,098	3,970,791
Transfers Out	(11,696,386)	(2,786,509)	(3,571,806)	(2,419,098)	(4,007,982)
<i>Total Other Financing Sources (Uses)</i>	<u>4,040,320</u>	<u>12,172,384</u>	<u>12,541,770</u>	<u>3,893,367</u>	<u>10,897,998</u>
<i>Restatements</i>	<u>0</u>	<u>1,795,248</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(\$1,294,204)</u>	<u>\$2,838,223</u>	<u>(\$2,945,269)</u>	<u>(\$607,486)</u>	<u>(\$759,162)</u>
Debt Service as a Percentage of Noncapital Expenditures	11.7%	18.5%	20.7%	9.3%	18.5%

2004	2003	2002	2001	2000
\$12,388,112	\$10,332,736	\$11,320,813	\$12,210,830	\$10,839,678
100,617	0	0	0	0
16,842,902	16,626,831	16,615,806	16,989,915	15,563,053
3,432,921	3,776,654	2,684,835	2,584,971	2,415,852
939,434	718,147	698,661	765,485	632,935
1,478,391	1,594,776	1,235,195	1,163,004	1,180,221
12,359,013	12,180,349	12,821,281	11,344,560	10,538,724
84,302	196,560	167,359	115,561	96,663
396,491	483,266	839,181	1,166,804	1,808,779
402,279	408,462	1,137,725	325,033	1,228,711
<u>48,424,462</u>	<u>46,317,781</u>	<u>47,520,856</u>	<u>46,666,163</u>	<u>44,304,616</u>
7,601,675	8,335,408	7,132,996	6,137,933	6,231,767
10,662,735	10,118,491	17,408,734	21,757,271	16,041,238
9,304,473	9,394,378			
4,286,363	3,532,193	3,137,717	3,074,905	3,667,836
2,175,057	2,337,498	1,912,861	2,252,170	2,018,050
5,656,644	6,060,535	6,420,753	5,519,228	4,356,872
4,328,373	4,340,840	4,172,822	3,840,908	4,000,709
1,962,346	1,930,211	1,904,606	1,869,277	1,801,349
5,422,606	2,848,800	3,510,525	3,810,178	3,087,475
5,652,579	2,007,312	1,737,223	4,230,000	1,312,600
1,505,688	1,597,061	1,633,780	1,494,977	1,386,699
306,388	110,619	0	0	0
<u>58,864,927</u>	<u>52,613,346</u>	<u>48,972,017</u>	<u>53,986,847</u>	<u>43,904,595</u>
<u>(10,440,465)</u>	<u>(6,295,565)</u>	<u>(1,451,161)</u>	<u>(7,320,684)</u>	<u>400,021</u>
4,265,000	5,219,000	0	8,225,000	0
0	0	0	0	0
7,064,800	3,555,500	0	0	2,921,000
0	0	0	232,560	0
30,823	120,589	0	0	0
7,592	0	0	70,447	0
0	173,991	474,393	353,690	132,516
0	0	0	0	0
0	0	0	0	0
0	0	0	1,020,332	0
2,620,130	2,127,437	2,464,843	3,527,402	7,530,330
<u>(3,125,130)</u>	<u>(2,327,437)</u>	<u>(5,479,086)</u>	<u>(6,189,198)</u>	<u>(7,530,330)</u>
<u>10,863,215</u>	<u>8,869,080</u>	<u>(2,539,850)</u>	<u>7,240,233</u>	<u>3,053,516</u>
<u>213,371</u>	<u>(1,159,504)</u>	<u>(2,285)</u>	<u>713,104</u>	<u>1,376,982</u>
<u>\$636,121</u>	<u>\$1,414,011</u>	<u>(\$3,993,296)</u>	<u>\$632,653</u>	<u>\$4,830,519</u>
13.6%	7.5%	7.4%	11.0%	6.4%

**City of Lakewood, Ohio**  
*Assessed Valuation and Estimated Actual Values of Taxable Property*  
*Last Ten Years*

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2009	\$779,592,560	\$179,148,740	\$2,739,260,857	\$10,241,580	\$11,638,159
2008	781,245,420	179,298,480	2,744,411,143	9,869,670	11,215,534
2007	786,898,880	168,582,420	2,729,946,571	14,577,400	16,565,227
2006	706,658,210	156,111,470	2,465,056,229	15,069,300	17,124,205
2005	707,459,690	154,201,870	2,461,890,171	16,590,000	18,852,273
2004	707,280,760	154,003,840	2,460,813,143	16,857,265	19,155,983
2003	615,802,740	144,493,370	2,172,274,600	16,001,560	18,183,591
2002	616,316,410	145,831,730	2,177,566,114	16,758,370	19,043,602
2001	616,008,110	146,210,580	2,177,767,686	21,740,390	24,704,989
2000	541,724,140	130,514,820	1,920,682,743	22,218,700	25,248,523

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax was phased out beginning in 2006. Both types of general business tangible personal property were assessed at 12.50 for 2007, 6.25 percent for 2008 zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local interexchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers (except telephone companies whose last year to pay tangible personal property tax is 2010).

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

Source: Cuyahoga County, Ohio; County Auditor

Tangible Personal Property		Total		Ratio	Tax Rate per \$1,000 of Assessed Value
General Business		Assessed	Estimated		
Assessed Value	Estimated Actual Value	Value	Value		
\$3,507,600	\$28,060,800	\$972,490,480	\$2,778,959,816	34.99%	\$17.40
12,438,513	66,338,736	982,852,083	2,821,965,413	34.83	17.40
15,903,081	84,816,432	985,961,781	2,831,328,230	34.82	17.40
21,872,491	116,653,285	899,711,471	2,598,833,719	34.62	17.40
23,673,865	102,929,848	901,925,425	2,583,672,292	34.91	17.40
26,670,819	111,128,413	904,812,684	2,591,097,539	34.92	17.40
28,345,579	118,106,579	804,643,249	2,308,564,770	34.85	17.40
31,518,033	126,072,132	810,424,543	2,322,681,848	34.89	17.30
30,919,012	123,676,048	814,878,092	2,326,148,723	35.03	17.30
29,495,988	117,983,952	723,953,648	2,063,915,218	35.08	17.30

**City of Lakewood, Ohio**  
*Property Tax Rates - Direct and Overlapping Governments*  
*(Per \$1,000 of Assessed Valuation)*  
*Last Ten Years*

	2009	2008	2007	2006	2005
<b>Charter Millage</b>					
Sinking Fund	\$3.4700	\$3.4700	\$3.4700	\$3.4700	\$3.4700
1976 Charter/Current Expenses	8.6500	8.6500	8.6500	8.6500	8.6500
1976 Charter/Fire	1.6800	1.6800	1.6800	1.6800	1.6800
1976 Charter/Police	1.6000	1.6000	1.6000	1.6000	1.6000
1976 Charter/Sewer	2.0000	2.0000	2.0000	2.0000	2.0000
<b>Total Charter Millage</b>	<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>
<b>Overlapping Rates by Taxing District</b>					
Lakewood City School District					
Residential/Agricultural Real	\$48.8809	\$45.9650	\$45.5754	\$49.5692	\$49.5065
Commercial/Industrial and Public Utility Real	62.3184	61.3095	60.4273	65.9849	65.6697
General Business and Public Utility Personal	107.9000	107.2000	106.9000	107.4000	107.4000
Cuyahoga County Commissioners (1)					
Residential/Agricultural Real	13.1789	15.1504	15.1210	14.1728	13.4245
Commercial/Industrial and Public Utility Real	12.8457	15.4894	14.3558	15.2977	14.6624
General Business and Public Utility Personal	13.3200	16.2500	16.3500	16.4500	16.4500
Special Taxing Districts (2)					
Residential/Agricultural Real	4.1608	3.8697	3.8656	4.2827	4.2776
Commercial/Industrial and Public Utility Real	4.3492	4.3243	4.2874	4.7054	4.6776
General Business and Public Utility Personal	5.3500	5.3500	5.3500	5.3500	5.3500

Source: Cuyahoga County, Ohio; County Auditor

Note:

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year. The City's basic property tax rate may be increased only by a majority vote of the City's residents.

Charter millage is consistently applied to all types of property as opposed to the voted levies of the overlapping taxing districts.

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

Voted levies of overlapping governments are adjusted so that inflationary increases in value do not generate additional real property taxes.

(1) Includes Cuyahoga Community College District and Cleveland-Cuyahoga County Port Authority

(2) Includes Lakewood Public Library and Cleveland Metropolitan Park District

2004	2003	2002	2001	2000
\$3.4700	\$3.4700	\$3.4700	\$3.4700	\$3.4700
8.6500	8.6500	8.6500	8.6500	8.6500
1.6800	1.6800	1.6100	1.6100	1.6100
1.6000	1.6000	1.5700	1.5700	1.5700
2.0000	2.0000	2.0000	2.0000	2.0000
<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.3000</u>	<u>\$17.3000</u>	<u>\$17.3000</u>
\$43.6947	\$47.5575	\$40.7340	\$40.8205	\$45.7827
59.6364	61.6842	54.3405	54.4686	60.0498
101.6000	100.2500	93.4500	93.5500	93.9500
13.4429	12.4609	11.3814	11.3966	11.4113
14.7364	12.8764	12.0023	11.9297	12.3735
16.4500	14.6500	14.6500	14.6500	13.7500
3.5972	2.8190	2.8193	2.8227	3.1795
4.1416	3.1081	3.0767	3.0190	3.4678
5.0500	3.8000	3.8000	3.8000	3.8000

**City of Lakewood, Ohio**  
*Property Tax Levies And Collections (1)*  
*Last Ten Years*

Collection Year	Current Tax Levy (2)	Current Tax Collections (2)	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes (3)	Percentage of Delinquent Taxes To Total Tax Levy
2009	\$17,211,840	\$16,061,636	93.32%	\$697,562	\$16,759,198	97.37%	\$1,285,160	7.47%
2008	17,327,947	16,331,350	94.25	723,290	17,054,640	98.42	1,275,020	7.36
2007	17,346,544	16,547,580	95.39	687,163	17,234,743	99.36	1,122,078	6.47
2006	16,052,661	15,078,364	93.93	510,427	15,588,791	97.11	937,196	5.84
2005	16,053,584	15,305,464	95.34	581,629	15,887,093	98.96	564,880	3.52
2004	16,101,736	15,281,644	94.91	513,548	15,795,192	98.10	820,139	5.09
2003	14,158,214	13,011,236	91.90	415,949	13,427,185	94.84	786,456	5.55
2002	14,093,147	12,965,025	92.00	475,210	13,440,235	95.37	608,167	4.32
2001	14,025,782	13,088,922	93.32	377,896	13,466,818	96.01	585,260	4.17
2000	12,007,848	11,715,488	97.57	356,977	12,072,465	100.54	420,589	3.50

Source: Cuyahoga County, Ohio; County Auditor

- (1) Information for Real and Public Utility only
- (2) State Reimbursements of Rollback and Homestead Exemptions are Included.  
 Current Tax Levy and Current Tax Collections include delinquent amounts.
- (3) Penalties and Interest are included, since by Ohio law they become part of tax obligation as assessment occurs.

**City of Lakewood, Ohio**  
*Principal Real Property Taxpayers*  
*Current Year and Nine Years Ago*

<u>2009</u>		
Taxpayer	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Cleveland Electric Illuminating Company	\$10,204,800	1.07 %
14600 Detroit Avenue	5,057,510	0.53
Lakewood Senior Campus	3,437,960	0.36
Lakewood Senior Citizens Inc.	2,262,440	0.23
Wildcat II, LLC	2,026,630	0.21
Marine Towers	2,011,980	0.21
12000 Edgewater Ltd.	1,901,930	0.20
Lakewood Heath Care	1,863,930	0.19
Castlewood Association	1,820,010	0.19
Lakewood Association Limited Partnership	1,750,700	0.18
Lake Shore Association	1,723,610	0.18
Total	<u>\$34,061,500</u>	<u>3.55 %</u>
Total Real Property Assessed Valuation	<u>\$958,741,300</u>	

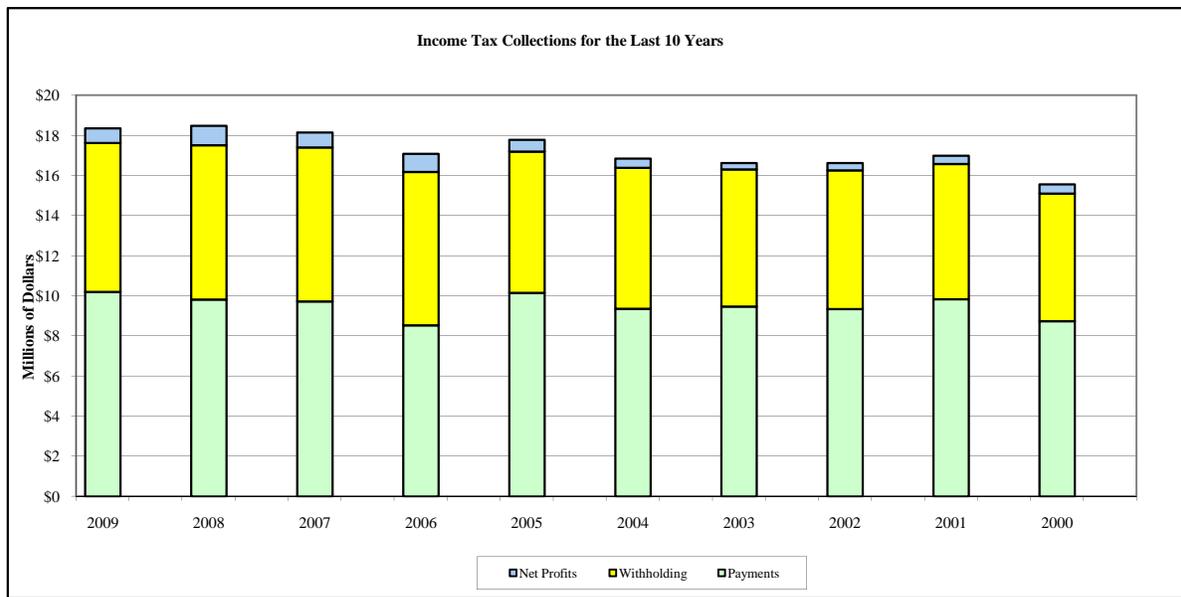
<u>2000</u>		
Taxpayer	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Cleveland Electric Illuminating Company	\$11,548,580	1.73 %
Ohio Bell Telephone Company	8,109,080	1.21
Lake Erie Screw Corporation	5,575,150	0.82
Lakewood Operating Associates	4,245,570	0.63
East Ohio Gas Company	4,123,320	0.61
UCAR Carbon Company	3,630,290	0.54
Lakewood Association Limited Partnership	3,049,870	0.45
Advance Ceramics Corporation	2,405,500	0.36
City of Lakewood	2,301,890	0.34
Castlewood Association	1,883,840	0.28
Total	<u>\$46,873,090</u>	<u>6.97 %</u>
Total Real Property Assessed Valuation	<u>\$672,238,960</u>	

Source: Cuyahoga County, Ohio; County Auditor

**City of Lakewood, Ohio**  
*Income Tax Revenue Base and Collections (1)*  
*Last Ten Years*

Tax Year	Tax Rate	Total Tax Collected (1)	Taxes From Individual Payments	Percentage of Taxes From Individual Payments	Taxes From Withholding	Percentage of Taxes From Withholding	Taxes From Net Profits	Percentage of Taxes From Net Profits
2009	1.50%	\$18,355,581	\$10,199,250	55.56	\$7,422,370	40.44	\$733,961	4.00
2008	1.50	18,480,218	9,814,844	53.11	7,691,467	41.62	973,907	4.43
2007	1.50	18,143,485	9,719,464	53.57	7,676,509	42.31	747,512	4.12
2006	1.50	17,080,608	8,529,917	49.94	7,650,455	44.79	900,236	5.27
2005	1.50	17,785,152	10,153,562	57.09	7,038,931	39.58	592,659	3.33
2004	1.50	16,842,902	9,351,723	55.52	7,037,400	41.78	453,779	2.69
2003	1.50	16,626,831	9,463,555	56.92	6,844,650	41.17	318,626	1.92
2002	1.50	16,615,806	9,331,022	56.16	6,925,585	41.68	359,199	2.16
2001	1.50	16,989,915	9,833,112	57.88	6,745,730	39.70	411,073	2.42
2000	1.50	15,563,053	8,740,976	56.16	6,366,305	40.91	455,772	2.93

(1) Modified Accrual Basis



**City of Lakewood, Ohio**  
*Ratios of Outstanding Debt by Type*  
*Last Ten Years*

Year	Governmental Activities			Other Governmental Activities Debt				
	General Obligation Bonds	Percentage of Estimated Taxable Value of Property (1)	Per Capita (2)	Special Assessment Bonds	OPWC Loans	Capital Leases	Bond Anticipation Notes	
2009	\$30,278,657	1.09 %	\$534.52	\$0	\$277,200	\$6,445,401	\$7,771,000	
2008	33,476,781	1.19	590.98	0	308,000	5,143,663	8,529,620	
2007	36,361,438	1.40	641.91	0	355,416	1,379,783	5,374,000	
2006	33,481,011	1.30	591.06	0	419,437	22,322	8,505,000	
2005	36,035,423	1.56	636.15	30,000	483,460	47,423	4,228,000	
2004	31,443,942	1.35	555.10	60,000	547,482	113,793	7,064,800	
2003	28,975,273	1.40	511.51	90,000	611,504	295,761	3,555,500	
2002	25,186,400	1.22	421.76	155,000	707,537	453,260	5,961,000	
2001	26,763,600	1.29	448.17	251,000	771,560	254,677	2,025,000	
2000	19,886,600	0.96	333.01	181,200	569,800	166,209	3,750,000	
<b>Business-Type Activities</b>								
Year	General Obligation Bonds	Revenue Bonds	Bond Anticipation Notes	Capital Leases	OPWC/OWDA Loans	Total Debt (3)	Percentage of Personal Income (2)	Per Capita (2)
2009	\$10,268,175	\$25,865,737	\$0	\$1,382,897	\$4,241,834	\$86,530,901	6.37 %	\$1,527.57
2008	11,315,719	27,055,258	494,380	1,535,792	4,617,473	92,476,686	6.81	1,632.54
2007	12,317,624	28,203,885	749,000	287,579	4,991,951	90,020,676	6.63	1,589.18
2006	12,849,249	29,472,065	1,408,000	0	5,365,315	91,522,399	6.74	1,615.69
2005	13,701,254	5,612,903	11,509,000	0	5,737,611	77,385,074	5.70	1,366.12
2004	9,728,388	5,482,940	6,148,500	0	6,108,983	66,698,828	4.91	1,177.47
2003	10,337,311	5,943,360	1,155,000	0	6,418,862	57,382,571	0.47	1,013.00
2002	7,558,600	6,710,000	3,945,000	19,282	6,161,367	56,857,446	4.19	1,003.73
2001	8,030,400	5,835,000	4,050,000	37,995	5,677,025	53,696,257	3.96	947.93
2000	8,492,200	6,120,000	0	0	4,035,402	43,201,411	4.18	723.42

Source: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See S10-11 for taxable property value data.

(2) See S26 for population and personal income data.

(3) Includes general bonded debt, other governmental debt and business-type activities debt, presented net.

**City of Lakewood, Ohio**  
*Legal Debt Margin*  
*Last Ten Years*

	2009	2008	2007	2006	2005
Overall Legal Debt Limit (10.5% of Assessed Valuation)	\$102,111,500	\$103,199,469	\$103,525,987	\$94,469,704	\$94,702,170
Net Debt Applicable to Debt Limit	<u>37,460,332</u>	<u>42,690,007</u>	<u>42,039,762</u>	<u>41,051,785</u>	<u>48,932,958</u>
Overall Legal Debt Margin (10.5% of Assessed Valuation)	<u>\$64,651,168</u>	<u>\$60,509,462</u>	<u>\$61,486,225</u>	<u>\$53,417,919</u>	<u>\$45,769,212</u>
Legal Debt Margin as a Percentage of Debt Limit	<u>63.31%</u>	<u>58.63%</u>	<u>59.39%</u>	<u>56.55%</u>	<u>48.33%</u>
Unvoted Legal Debt Limit (5.5% of Assessed Valuation)	\$53,486,976	\$54,056,865	\$54,227,898	\$49,484,131	\$49,605,898
Net Debt Applicable to Debt Limit	<u>37,460,332</u>	<u>42,690,007</u>	<u>42,039,762</u>	<u>41,051,785</u>	<u>48,932,958</u>
Unvoted Legal Debt Margin (5.5% of Assessed Valuation)	<u>\$16,026,644</u>	<u>\$11,366,858</u>	<u>\$12,188,136</u>	<u>\$8,432,346</u>	<u>\$672,940</u>
Legal Debt Margin as a Percentage of Debt Limit	<u>29.96%</u>	<u>21.03%</u>	<u>22.48%</u>	<u>17.04%</u>	<u>1.36%</u>

**Legal Debt Margin Calculation for the Year Ended December 31, 2009**

	Overall Margin Within 10.5%	Unvoted Margin Within 5.5%
Assessed property value	<u>\$972,490,480</u>	<u>\$972,490,480</u>
Debt Limitation (percentage of assessed property value)	\$102,111,500	\$53,486,976
Gross Indebtedness:	79,670,134	79,670,134
Less: General Obligation Bonds	(4,430,000)	(4,430,000)
General Obligation Bonds - Enterprise Funds	(10,375,803)	(10,375,803)
Revenue Bonds	(26,121,371)	(26,121,371)
Debt Service Fund	<u>(1,282,628)</u>	<u>(1,282,628)</u>
Net Debt Applicable to Debt Limit	<u>37,460,332</u>	<u>37,460,332</u>
Legal Debt Margin Within Limitations	<u>\$64,651,168</u>	<u>\$16,026,644</u>

Note: Under State of Ohio finance law, the City of Lakewood's outstanding general obligation debt that is supported through real estate value should not exceed 10.5 percent of total assessed property value. In addition, the outstanding general obligation debt net of voted debt should not exceed 5.5 percent of total assessed property value. By law, the general obligation debt subject to the limitation is offset by amounts set aside for repaying general obligation bonds.

<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
\$95,005,332	\$84,487,541	\$85,094,577	\$85,562,200	\$76,015,133
<u>41,781,567</u>	<u>38,818,600</u>	<u>37,203,200</u>	<u>24,323,464</u>	<u>23,636,600</u>
<u>\$53,223,765</u>	<u>\$45,668,941</u>	<u>\$47,891,377</u>	<u>\$61,238,736</u>	<u>\$52,378,533</u>
56.02%	54.05%	56.28%	71.57%	68.91%
\$49,764,698	\$44,255,379	\$44,573,350	\$44,818,295	\$39,817,451
<u>41,781,567</u>	<u>38,818,600</u>	<u>37,203,200</u>	<u>24,323,464</u>	<u>23,636,600</u>
<u>\$7,983,131</u>	<u>\$5,436,779</u>	<u>\$7,370,150</u>	<u>\$20,494,831</u>	<u>\$16,180,851</u>
16.04%	12.29%	16.53%	45.73%	40.64%

**City of Lakewood, Ohio**

*Computation of Direct and Overlapping Debt Attributable to Governmental Activities*

*December 31, 2009*

	<u>Debt Attributable to Governmental Activities</u>	<u>Overlapping Percentage Applicable to Lakewood (1)</u>	<u>Amount of Direct and Overlapping Debt</u>
<u>Direct:</u>			
City of Lakewood			
General Obligation Bonds	\$30,278,657	100.00 %	\$30,278,657
Notes Payable	7,771,000	100.00	7,771,000
Loans Payable	277,200	100.00	277,200
Capital Leases	<u>6,445,401</u>	100.00	<u>6,445,401</u>
Total Direct Debt	<u>44,772,258</u>		<u>44,772,258</u>
<u>Overlapping Debt:</u>			
Payable from Property Taxes			
Cuyahoga County Bonds	336,472,572	3.06	10,296,062
Regional Transit Authority Bonds	163,025,000	3.06	4,988,565
Lakewood City School District Bonds	126,532,714	100.00	126,532,714
Payable from Other Sources			
Cuyahoga County Capital Leases	4,421,676	3.06	135,303
Cuyahoga County Loans	7,842,488	3.06	239,980
Cuyahoga County Revenue Bonds	186,970,000	3.06	5,721,282
Lakewood City School District Capital Leases	<u>484,964</u>	100.00	<u>484,964</u>
Total Overlapping Debt	<u>825,749,414</u>		<u>148,398,870</u>
Total	<u><u>\$870,521,672</u></u>		<u><u>\$193,171,128</u></u>

Source: Cuyahoga County, Ohio; County Auditor

(1) Overlapping percentages were calculated by dividing each overlapping government located within the boundaries of the City by the subdivision's total assessed valuation of the government. The valuations were for the 2009 collection year.

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**City of Lakewood, Ohio**  
Pledged Revenue Coverage  
Water  
Last Ten Years

	2009	2008	2007	2006	2005
Net Available Revenue:					
Gross Revenues (1)	\$10,385,783	\$10,536,724	\$11,484,184	\$8,803,103	\$8,857,697
Less: Operating Expenses (2)	7,812,615	8,042,899	8,470,561	7,364,732	7,770,689
Net Available Revenue	<u>\$2,573,168</u>	<u>\$2,493,825</u>	<u>\$3,013,623</u>	<u>\$1,438,371</u>	<u>\$1,087,008</u>
Debt Service OPWC Loans:					
Principal	313,229	313,230	313,230	313,229	313,229
OPWC Coverage	<u>8.21</u>	<u>7.96</u>	<u>9.62</u>	<u>4.59</u>	<u>3.47</u>
Debt Service - Revenue Bonds:					
Principal	868,232	837,338	876,890	550,998	510,000
Interest	608,689	650,747	598,677	249,923	251,585
Revenue Bond Coverage	<u>1.74</u>	<u>1.68</u>	<u>2.04</u>	<u>1.80</u>	<u>1.43</u>
Total Debt Service:					
Principal	1,181,461	1,150,568	1,190,120	864,227	823,229
Interest	608,689	650,747	598,677	249,923	251,585
Total Coverage	<u>1.44</u>	<u>1.38</u>	<u>1.68</u>	<u>1.29</u>	<u>1.01</u>

(1) Gross revenues include operating revenues, intergovernmental revenues, interest income and special assessments.

(2) Operating expenses do not include depreciation and amortization expenses.

2004	2003	2002	2001	2000
\$8,584,588	\$8,520,217	\$8,803,266	\$8,651,628	\$8,563,531
7,481,671	7,085,228	8,156,070	7,084,088	6,523,005
<u>\$1,102,917</u>	<u>\$1,434,989</u>	<u>\$647,196</u>	<u>\$1,567,540</u>	<u>\$2,040,526</u>
301,113	224,310	239,436	111,023	0
<u>3.66</u>	<u>6.40</u>	<u>2.70</u>	<u>14.12</u>	<u>0</u>
490,000	530,000	85,000	340,000	350,000
251,785	246,383	159,957	305,442	295,893
<u>1.49</u>	<u>1.85</u>	<u>2.64</u>	<u>2.43</u>	<u>3.16</u>
791,113	754,310	324,436	451,023	350,000
251,785	246,383	159,957	305,442	295,893
<u>1.06</u>	<u>1.43</u>	<u>1.34</u>	<u>2.07</u>	<u>3.16</u>

**City of Lakewood, Ohio**  
Pledged Revenue Coverage  
Sewer  
Last Ten Years

	2009	2008	2007	2006
Net Available Revenue:				
Gross Revenues (1)	\$5,821,972	\$6,220,187	\$7,628,335	\$6,081,419
Less: Operating Expenses (2)	<u>4,264,238</u>	<u>4,720,506</u>	<u>5,900,144</u>	<u>5,217,728</u>
Net Available Revenue	<u>\$1,557,734</u>	<u>\$1,499,681</u>	<u>\$1,728,191</u>	<u>\$863,691</u>
Debt Service OWDA Loans:				
Principal	27,925	26,761	25,647	24,578
Interest	5,533	6,696	7,811	8,879
OWDA Coverage	<u>46.56</u>	<u>44.82</u>	<u>51.65</u>	<u>25.81</u>
Debt Service - OPWC Loans:				
Principal	34,485	34,487	34,487	0
OPWC Coverage	<u>45.17</u>	<u>43.49</u>	<u>50.11</u>	<u>0</u>
Debt Service - Revenue Bonds:				
Principal	360,000	350,000	310,000	0
Interest	580,863	594,862	365,088	0
Revenue Bond Coverage	<u>1.66</u>	<u>1.59</u>	<u>2.56</u>	<u>0</u>
Total Debt Service:				
Principal	422,410	411,248	370,134	24,578
Interest	586,396	601,558	372,899	8,879
Total Coverage	<u>1.54</u>	<u>1.48</u>	<u>2.33</u>	<u>25.81</u>

(1) Gross revenues include operating revenues, intergovernmental revenues, interest income and special assessments.

(2) Operating expenses do not include depreciation and amortization expenses.

Note: Information prior to 2003 is not available.

2005	2004	2003
\$6,145,671	\$5,620,370	\$5,037,686
4,242,885	4,191,193	4,339,808
<u>\$1,902,786</u>	<u>\$1,429,177</u>	<u>\$697,878</u>
23,555	22,573	22,573
9,902	10,884	10,884
<u>56.87</u>	<u>42.72</u>	<u>20.86</u>
0	0	0
<u>0</u>	<u>0</u>	<u>0</u>
0	0	0
0	0	0
<u>0</u>	<u>0</u>	<u>0</u>
23,555	22,573	22,573
9,902	10,884	10,884
<u>56.87</u>	<u>42.72</u>	<u>20.86</u>

**City of Lakewood, Ohio**  
*Demographic and Economic Statistics*  
*Last Ten Years*

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<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (5)</u>	<u>Personal Income Per Capita</u>	<u>Median Household Income (1)</u>	<u>Median Age (1)</u>
2009	56,646	\$1,357,351,452	\$23,962	\$40,527	34.2
2008	56,646	1,357,351,452	23,962	40,527	34.2
2007	56,646	1,357,351,452	23,962	40,527	34.2
2006	56,646	1,357,351,452	23,962	40,527	34.2
2005	56,646	1,357,351,452	23,962	40,527	34.2
2004	56,646	1,357,351,452	23,962	40,527	34.2
2003	56,646	1,357,351,452	23,962	40,527	34.2
2002	56,646	1,357,351,452	23,962	40,527	34.2
2001	56,646	1,357,351,452	23,962	40,527	34.2
2000	56,646	1,357,351,452	23,962	40,527	34.2

(1) Source: U. S. Census

(2) Source: Lakewood City School District

(3) Ohio Department of Job and Family Services

(4) Source: Cuyahoga County Auditor

(5) Computation of per capita personal income multiplied by population

Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (2)	Cuyahoga County Unemployment Rate (3)	Total Assessed Property Value (4)
35.9%	5,867	9.0%	\$972,490,480
35.9	5,848	7.1	982,852,083
35.9	5,755	6.1	985,961,781
35.9	6,090	5.3	899,711,471
35.9	6,229	5.4	901,925,425
35.9	6,416	5.9	904,812,684
35.9	6,708	5.7	804,643,249
35.9	6,604	5.5	810,424,543
35.9	6,730	5.0	814,878,092
35.9	6,730	5.0	723,953,648

**City of Lakewood, Ohio**  
*Principal Employers*  
*Current Year and Nine Years Ago*

2009		
Employer	Employees	Percentage of Total City Employment
Lakewood Hospital	1,401	12.06%
Lakewood Board of Education	1,050	9.04
City of Lakewood	452	3.89
New York Life Insurance Company	240	2.07
Lakewood Senior Health Campus	222	1.91
AT&T	160	1.38
First Federal Saving and Loan Association of Lakewood	152	1.31
Galaxy Balloons	131	1.13
Advanced Energy Tech, Incorporated	120	1.03
United States Post Office	95	0.82
Total	<u>4,023</u>	<u>34.64%</u>
Total Employment within the City	<u>11,615</u>	

2000	
Employer	Employees
Lakewood Hospital	1,400
Lakewood Board of Education	1,234
City of Lakewood	555
Lake Erie Screw Corporation	323
Bonnie Bell	165
New York Life Insurance Company	160
Aristocrat Lakewood	150
Advanced Ceramic Corporation	141
First Federal Savings and Loan	136
UCAR Carbon Company	134
United Transportation Union	118
Total	<u>4,516</u>
Total Employment within the City	<u>n/a</u>

Source: City of Lakewood; Community Development Department

n/a - not available

**City of Lakewood, Ohio**

*Full-Time City Government Employees by Function/Program (1)  
Last Six Years*

Function/Program	2009	2008	2007	2006	2005	2004
<b>General Government</b>						
Council	1.00	1.00	1.00	1.00	2.00	2.00
Court	20.00	20.00	22.00	19.00	19.00	23.00
Civil Service	1.00	1.00	1.00	1.00	1.00	1.00
Mayor's Office	2.00	2.00	2.00	2.00	2.00	3.00
Human Resources	3.00	3.00	3.00	4.00	4.00	3.00
Community Relations	1.00	1.00	2.00	2.00	1.00	1.00
Finance	7.00	7.00	7.00	7.00	6.00	8.00
Income Tax	3.00	4.00	6.00	7.00	5.00	2.00
Information System	4.00	4.00	6.00	6.00	6.00	6.00
Law	3.00	5.00	5.00	3.00	3.00	3.00
Planning & Development	6.00	5.00	3.00	3.00	3.00	2.00
Community Development	3.00	3.00	8.00	6.00	8.00	9.00
<b>Security of Persons and Property</b>						
Police	99.00	98.00	96.00	94.00	94.00	94.00
Police - Communications	11.00	11.00	12.00	11.00	10.00	11.00
Support of Prisoners	4.00	4.00	4.00	3.00	3.00	3.00
Fire	76.00	78.00	81.00	77.00	76.00	76.00
Emergency Medical Services	13.00	13.00	13.00	18.00	18.00	18.00
Housing & Building	16.00	14.00	19.00	22.00	21.00	19.00
<b>Public Works</b>						
Public Works Administration	2.00	2.00	3.00	3.00	3.00	3.00
Parking	3.00	3.00	3.00	3.00	3.00	3.00
Parks	11.00	13.00	16.00	16.00	16.00	15.00
Buildings & Facilities	2.00	3.00	4.00	5.00	5.00	5.00
Construction	4.00	4.00	4.00	4.00	5.00	8.00
Streets	12.00	13.00	16.00	17.00	19.00	21.00
Forestry	5.00	5.00	5.00	6.00	6.00	6.00
Traffic Signs	3.00	4.00	4.00	3.00	4.00	5.00
Refuse	35.00	43.00	46.00	52.00	51.00	53.00
Fleet	11.00	11.00	10.00	11.00	10.00	12.00
Communications	0.00	0.00	2.00	2.00	2.00	2.00
Water Administration	2.00	4.00	4.00	5.00	5.00	5.00
Water Distributions	7.00	8.00	9.00	8.00	6.00	8.00
Water Metering	6.00	6.00	6.00	6.00	6.00	7.00
Wastewater Collections	13.00	14.00	14.00	16.00	15.00	17.00
Wastewater Treatment	22.00	23.00	23.00	23.00	22.00	23.00
Engineering	4.00	4.00	6.00	6.00	5.00	5.00
Winterhurst	0.00	1.00	2.00	3.00	3.00	3.00
<b>Human Services</b>						
Human Services Administration	2.00	2.00	2.00	2.00	2.00	2.00
Office on Aging IIIB	18.00	21.00	25.00	25.00	26.00	27.00
Office on Aging IIIC	0.00	0.00	7.00	7.00	7.00	7.00
Health	3.00	3.00	8.00	11.00	10.00	13.00
Animal Control	3.00	3.00	3.00	3.00	3.00	3.00
Early Childhood	1.00	1.00	2.00	2.00	2.00	2.00
Youth	10.00	10.00	12.00	11.00	9.00	9.00
<b>Totals:</b>	<u>452.00</u>	<u>475.00</u>	<u>527.00</u>	<u>536.00</u>	<u>527.00</u>	<u>548.00</u>

Source: City of Lakewood, Finance Department

(1) This table includes full-time employees and excludes part-time and seasonal employees.

**City of Lakewood, Ohio**  
*Operating Indicators by Function/Program*  
*Last Ten Years (1)*

Function/Program	2009	2008	2007
<b>General Government</b>			
<i>Clerk of Council</i>			
Number of ordinances passed	94	100	95
Number of resolutions passed	62	101	73
<i>Civil Service</i>			
Number of police and fire entry application processed	0	240	0
<i>Finance Department</i>			
Number of checks/ vouchers issued	9,291	11,014	9,335
Interest earnings for fiscal year (cash basis)	\$292,662	\$741,464	\$1,763,496
<i>Income Tax</i>			
Number of Annual withholding forms processed	22,142	22,709	22,919
Number of Business net profit forms processed	2,271	2,195	2,065
<b>Public Works</b>			
<i>Engineering</i>			
Dollar amount of Construction overseen by Engineer	\$3,501,473	\$3,443,940	\$12,590,150
<i>Forestry</i>			
Number of trees planted	259	206	186
<i>Parking Enforcement</i>			
Number of parking tickets	11,178	12,004	10,287
<i>Refuse</i>			
Collection of resident and business garbage in tons	17,010	19,990	21,026
<i>Water</i>			
Average (MCF) of water billed monthly (in thousands)	203,999	206,902	214,515
<i>Wastewater Collection</i>			
Average (MCF) of sewer billed monthly (in thousands)	203,999	206,902	214,515
<i>Wastewater Treatment</i>			
Influent flow in millions of gallons per year	2,771	3,324	3,101
Bio-solids wet tons per year	5,002	5,101	5,348

n/a - not available

2006	2005	2004	2003	2002	2001	2000
98	126	120	90	159	75	87
102	103	124	117	100	81	78
340	n/a	n/a	n/a	n/a	n/a	n/a
7,083	6,846	7,039	7,013	7,142	7,616	7,259
\$2,004,475	\$908,127	\$322,705	\$420,188	\$876,738	\$1,462,784	\$1,455,183
9,727	8,931	7,546	6,871	6,490	n/a	n/a
1,405	1,072	741	845	901	n/a	n/a
\$13,859,602	\$9,173,108	\$2,874,226	\$4,386,804	\$6,509,178	\$4,502,448	\$1,365,975
296	n/a	n/a	n/a	n/a	n/a	n/a
11,868	5,251	8,455	7,983	10,731	9,448	10,000
22,137	21,868	23,971	25,506	25,208	25,987	24,130
216,729	221,803	225,509	236,812	238,768	240,703	255,860
216,729	221,803	225,509	236,812	238,768	240,703	255,860
3,228	2,947	3,441	3,064	2,929	3,010	2,851
5,643	5,209	5,311	4,638	4,972	4,871	5,277

**City of Lakewood, Ohio**  
*Operating Indicators by Function/Program (continued)*  
*Last Ten Years (1)*

Function/Program	2009	2008	2007
<b>Security of Persons and Property</b>			
<i>Police</i>			
Total calls for services	55,802	46,247	50,316
Number of citations issued	16,262	15,747	14,009
<i>Fire</i>			
Total calls for services-Fire	1,411	1,795	2,163
Total calls for services-EMS	5,251	5,006	5,006
<b>Community Environment</b>			
<i>Building Department</i>			
Estimated value of construction	\$18,660,849	\$34,568,567	\$44,249,478
Number of permits issued (all types)	2,216	2,683	2,724
<b>Leisure Time Activities</b>			
<i>Parks</i>			
Recreation Men's and Women's Leagues receipts	\$5,025	\$5,100	\$4,250
Recreation Youth Activities receipts	\$78,700	\$76,500	\$73,500

n/a - not available

(1) Information for some years is not available

2006	2005	2004	2003	2002	2001	2000
49,733	52,053	48,376	53,633	53,725	53,585	51,370
15,007	14,872	16,744	18,596	16,287	14,572	17,198
2,067	2,245	1,903	1,848	1,918	2,018	2,384
5,111	5,028	4,722	4,540	4,432	4,494	4,248
\$73,425,066	\$44,324,510	\$21,658,746	\$19,708,966	\$19,146,896	\$24,495,279	\$18,536,173
2,781	3,011	2,948	3,305	3,401	3,449	3,333
\$3,619	\$8,341	\$3,200	n/a	n/a	n/a	n/a
\$89,347	\$68,881	\$22,830	n/a	n/a	n/a	n/a

**City of Lakewood, Ohio**  
*Capital Assets Statistics by Function/Program*  
*Last Ten Years (1)*

Function/Program	2009	2008	2007	2006	2005
<b>Security of Persons and Property</b>					
<b>Police</b>					
Stations	1	1	1	1	1
Vehicles	47	49	51	52	50
<b>Fire</b>					
Stations	3	3	3	3	3
Vehicles	17	18	17	18	18
<b>Leisure Time Activities</b>					
<b>Parks</b>					
Number of Parks	15	15	15	15	14
Number of Ice Rinks	2	2	2	2	2
Number of Skateboarding Areas	1	1	1	1	0
Number of Baseball Diamonds	5	5	5	5	5
Number of Soccer Fields	1	1	1	1	1
<b>Transportation</b>					
<b>Service</b>					
Streets (miles)	93	93	93	93	93
Street Lights	1,488	1,488	1,488	1,488	1,488
<b>Water and Sewer</b>					
Water Lines (miles)	112	112	112	112	111
Sanitary Sewers (miles)	75	75	75	75	75
Storm Sewers (miles)	66	66	66	66	66
Combined Sewers (miles)	25	25	25	25	25

2004	2003	2002	2001	2000
1	1	1	1	1
49	n/a	n/a	n/a	n/a
3	3	3	3	3
17	n/a	n/a	n/a	n/a
14	14	14	14	14
2	2	2	2	2
0	0	0	0	0
5	5	5	5	5
1	1	1	1	1
93	93	93	93	93
1,488	1,488	1,488	1,488	1,488
111	111	111	111	111
75	75	75	75	75
66	66	66	66	66
25	25	25	25	25

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**Mary Taylor, CPA**  
Auditor of State

CITY OF LAKEWOOD

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  
SEPTEMBER 30, 2010