

CITY OF LAKEWOOD, OHIO

SINGLE AUDIT REPORT

FOR THE YEAR ENDED DECEMBER 31, 2010

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



Dave Yost • 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, 2010 through December 31, 2010. 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.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

August 22, 2011

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**CITY OF LAKEWOOD, OHIO
SINGLE AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2010**

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

Certified Public Accountants

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**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, 2010, which collectively comprise the City of Lakewood, Ohio's basic financial statements and have issued our report thereon dated June 10, 2011. 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.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *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.

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

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 10, 2011.

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 10, 2011

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

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**REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT
ON 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 City of Lakewood, Cuyahoga County, Ohio's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City of Lakewood, Ohio's major federal programs for the year ended December 31, 2010. 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 and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of 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 compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010.

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 to determine the 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, 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, 2010, and have issued our report thereon dated June 10, 2011, 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 the 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.

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

June 10, 2011

CITY OF LAKEWOOD, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Number	Expenditures
<u>U.S. Department of Housing and Urban Development</u>			
<i>Direct Programs</i>			
Community Development Block Grant	14.218	B-09-MC-39-0007	* \$ 1,847,876
Community Development Block Grant	14.218	B-10-MC-39-0007	483,420
ARRA - Community Development Block Grant-R	14.253	B-09-MY-39-0007	<u>15,832</u>
<i>Total Community Development Block Grant Cluster</i>			<u>2,347,128</u>
Emergency Shelter Grant	14.231	S-09-MC-39-0007	33,084
Emergency Shelter Grant	14.231	S-10-MC-39-0007	<u>64,436</u>
<i>Total CFDA #14.231</i>			<u>97,520</u>
ARRA - Homelessness Prevention and Rapid Re-Housing Program Grant	14.257	S-09-MY-39-0007	<u>486,934</u>
<i>Passed Through Cuyahoga County Housing Consortium</i>			
HOME Investment Partnerships Program Grant	14.239	CE-0400-354-01	<u>427,024</u>
<i>Passed Through Ohio Department of Development</i>			
Neighborhood Stabilization Program Grant	14.228	A-Z-08-282-1	* <u>963,480</u>
Total U.S. Department of Housing and Urban Development			<u>4,322,086</u>
<u>U.S. Department of Justice</u>			
<i>Direct Program</i>			
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.804	2010-JG-A02-T12428	<u>41,521</u>
Total U. S. Department of Justice			<u>41,521</u>
<u>U.S. Department of Energy</u>			
<i>Direct Program</i>			
ARRA - Energy Efficiency Block Grant	81.128	DE-SC000-2669	<u>90,903</u>
Total U.S. Department of Energy			
<u>U.S. Department of Health and Human Services</u>			
<i>Passed Through Western Reserve Area Agency on Aging</i>			
Special Programs for the Aging - Title III	93.044	n/a	<u>123,773</u>
Medical Assistance Program (Passport Services)	93.778	n/a	<u>47,134</u>
Total U.S. Department of Health and Human Services			<u>170,907</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 4,625,417</u>

* Includes program income.

See 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, 2010

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, 2010, the gross amount of loans outstanding under this program is \$1,967,161. The Emergency Shelter Grant and the Homelessness Prevention and Rapid Re-Housing Program Grant are directly received by the City. HUD's HOME Program grant is passed through the Cuyahoga County Housing Authority Consortium.

CITY OF LAKEWOOD, OHIO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

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.

NOTE 6: FOOD DISTRIBUTION

Meals received from the Western Reserve Agency on Aging are reported in the Schedule at the value of \$2.94 per meal served. Of the value of an individual meal served, the U.S. Department of Health and Human Services allocates \$2.94 per meal. For the year ended December 31, 2010, the City served 26,441 and 22,019 meals through the City's Office on Aging Congregate Meal Program and Home Delivered Meal Program.

**CITY OF LAKEWOOD, OHIO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 & .505
DECEMBER 31, 2010**

1. SUMMARY OF AUDITOR'S RESULTS

2010(i)	Type of Financial Statement Opinion	Unqualified
2010(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2010(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2010(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2010(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2010(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
2010(v)	Type of Major Programs' Compliance Opinions	Unqualified
2010(vi)	Are there any reportable findings under .510?	No
2010(vii)	Major Programs (list): Community Development Block Grant - CFDA #14.218 ARRA - Community Development Block Grant-R - CFDA #14.253 ARRA - Homelessness Prevention and Rapid Re-Housing Program - CFDA #14.257 Neighborhood Stabilization Program - CFDA #14.228	
2010(viii)	Dollar Threshold: A/B Programs	Type A: \$300,000 Type B: All Others
2010(ix)	Low Risk Auditee?	No

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

**CITY OF LAKEWOOD, OHIO
STATUS OF PRIOR FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2010**

Number	Finding Summary	Fully Corrected?
2009-001	Material Weakness - Restatements of Prior Period Balances	Yes

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

CITY OF LAKEWOOD



Lakewood - Ohio



**2010 Comprehensive Annual Financial Report
For The Year Ended December 31, 2010**



www.onelakewood.com

City of Lakewood, Ohio



Comprehensive Annual Financial Report

For the Year Ended December 31, 2010

Issued by:

City of Lakewood
Department of Finance

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

INTRODUCTION SECTION

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For the Year Ended December 31, 2010
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Jennifer R. Pae
Director of Finance

June 10, 2011

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, 2010.

This report enables the City to comply with Ohio Administrative Code Section 117-2-03(B), which requires reporting on a Generally Accepted Accounting Principles (GAAP) 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, 2010. 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 with it.

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 2010 Federal Census was 52,131. 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 of the City.

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 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 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 2010 unemployment rate was 7.7 percent, while neighboring Cleveland's unemployment rate was around 10 percent. Throughout the year, all Cuyahoga County communities experienced unemployment rate increases. Trends suggest that unemployment rates will hold steady or slightly decrease in 2011. The City benefitted from new retail and office assets that yielded job retention and expansion in 2010 that will carry forward into 2011. The City's largest employers did not announce significant job growth or loss. 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 2010 for the third 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 in addition to the readily available service retail workforce. The City expects that retail occupancy will continue to trend upward in 2011 with the expansion of existing retailers.

The City continues to invest strategically in small business via storefront renovation grants and in 2010 revamped the sign regulations to improve the ease of access for business to good physical advertising.

Commercial Office

The City's commercial office sector experienced major renovations and new construction that began in 2009 and were completed in 2010. The INA and Bailey buildings continue to fill office space by retaining Lakewood office tenants and attracting new tenants to the City. Lakewood Center North, the City's largest office building, saw significant vacancy in 2010 and is working to resolve ownership status and reposition itself to attract new tenants.

The former Bonne Bell space was divided and sold for office use at the time of this writing and adds a new technology based business to the west end of the City.

Industrial

The former Lake Erie Screw site, renamed the Templar Automotive Industrial Complex, continues to be a small industrial business attractor, surpassing 80 percent occupancy. It is the site for new manufacturing uses and has added business such as University Tees to its compliment of tenants. Additionally, the Omni, the owners of the building, have been creative in developing flexible artist space and are filling the building by becoming Lakewood's ad hoc artist colony.

Residential

The City has been able to enhance its residential rehab programs and be assertive in demolishing long standing nuisance properties in 2010, thanks to ongoing federal dollars through the Neighborhood Stabilization Program (NSP). The City emphasized aggressive enforcement of building standards and incentives to acquire and rehabilitate vacant or foreclosed homes. In 2010, the City was able to rehabilitate and sell at near market rates two long distressed properties on Wyandotte and Andrews Avenues, and will be taking on another six in 2011.

Foreclosures and distressed properties remained a nationwide problem in 2010, but the City's partnerships with agencies like the Landbank, in which the Cuyahoga County Department of Development and Neighborhood Progress Inc. created an effective collation in understanding and addressing these issues. The City has nearly 14,000 residential structures (single family, two family and multi-family structures), and overall foreclosure filings remain comparable to 2009 numbers. 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 throughout 2010.

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 strategies to resolve the City's fiscal challenges have resulted in structurally balanced budgets passed by City Council in 2008 through 2010, thus resulting in the largest year-end General Fund balance since 2003, and a first instance of consecutive structurally balanced budgets in a generation.

The City of Lakewood was proud to announce that on April 23, 2010, its bond rating was raised by Moody's Investor Service from Aa3 to Aa2. Moody's recalibrated its municipal ratings to make those ratings compatible with corporate bond ratings. The City's bond rating is the third highest rating given by Moody's, and only a handful of Ohio governmental entities have ratings higher than the City's "Aa2". This was affirmed by Moody's on November 10, 2010 with the rating rationale of the "City's moderately-sized and mature tax base in the Cleveland metropolitan area; adequate and modestly improving financial position; and above average debt burden with additional borrowing plans."

During 2010, the Division of Income Tax effectively established an Internal Revenue Service information share connection with the City of Cleveland's Central Collections Agency, and completed a basic database comparison. This initiative has allowed the City to contact approximately 500 Lakewood residents that did not file city income tax returns, but filed federal taxes.

Excellence Promotion and Accountability

The Human Resources Department developed and conducted Management Training on leadership topics that included training for new managers in the Public Works Department.

Public Safety and Visibility

The City of Lakewood's four Neighborhood Police Officers continued its interaction with citizen groups, and there was increased participation with Block Clubs throughout the City.

During 2010, there was a conversion from criminal to civil laws related to parking violations. This allowed the City to contract with an outside parking ticket collections company, and Parking Control Officers have converted exclusively to electronic ticket writing.

Housing and Business Improvement and Attraction

The Department of Planning and Development completed the Citywide Parks Strategic Plan and Clifton Boulevard Design and Engineering. Necessary code revisions on zoning and signage were also completed to increase commercial competitiveness and improved streetscapes.

The City of Lakewood was the leader of a multi-municipality initiative to create the State's first property assessed clean energy (PACE) program to deliver a cost effective means for commercial property owners to make needed energy efficiency improvements such as solar and geothermal.

Quality of Life and Sense of Place

On June 1, 2010, the City announced an initiative to launch a program that would help stimulate Lakewood's economy as well as create a healthy interaction between residents and merchants within the City. As a result, the Buy Lakewood! Loyalty Program was created. It is a free program offered to Lakewood businesses and Lakewood residents. It is dedicated to educating residents on the importance of buying locally and the economic impact it has on the City.

This program is one of the only programs in northeast Ohio that provides an opportunity for each Lakewood merchant to choose any type of discount they would like to offer card holding members. Once the business is enrolled, the City will add their business to the directory showing their participation in the program.

Beginning in 2010, Lakewood began to have two farmers markets. The North Union Farmers Market operates on Wednesdays in the Kaufmann Park Parking Lot, and the new Lakewood Farmers Market is held on Saturdays beginning June 26 in the City Center Park.

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 2010, Travel + Leisure named Lakewood as one the "Top 10 Coolest Suburbs in US," and Scene Magazine readers voted the City as the "Best Suburb."

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, 2009. This was the 28th 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, David Yost and his 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,



Michael P. Summers
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, 2009

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
2010 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

* Michael P. Summers became mayor effective January 1, 2011.

CITY OF LAKEWOOD, OHIO
2010 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

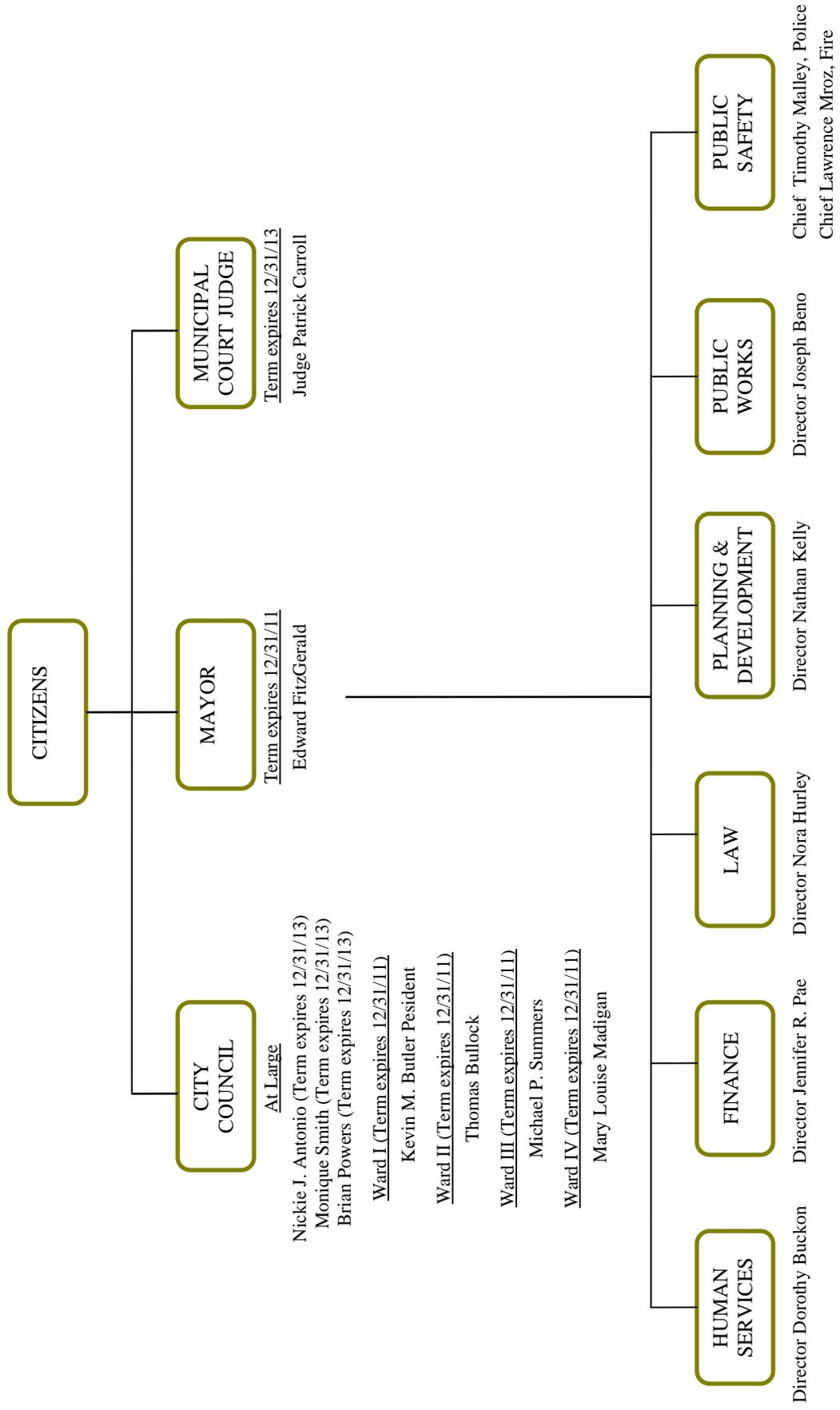
Department of Human Services

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, 2010



FINANCIAL SECTION

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

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(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 Dave Yost
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, Cuyahoga County, Ohio, as of and for the year ended December 31, 2010, 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, 2010, and the respective changes in financial position, and cash flows, where applicable, thereof and the respective budgetary comparisons for the General, Police and Fire Pension, and Community Development Block Grant 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 10, 2011, 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 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 10, 2011

City of Lakewood, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2010
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, 2010. 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 2010 are as follows:

- The assets of the City exceeded its liabilities at the close of 2010 by \$99,796,379 (net assets). Of this amount, \$17,718,605 (unrestricted net assets) may be used to meet the City's ongoing obligations to its citizens and creditors.
- Total Net Assets increased \$8,225,390, or approximately 8.98 percent from 2009.
- Total Assets of the City increased \$1,152,478, which represents a less than one percent increase from 2009.
- Total Capital Assets decreased \$736,077, which represents a less than one percent decrease from 2009.
- Total outstanding Long-Term liabilities were \$86,311,372. This was a \$7,607,170 decrease from the balance at the end of 2009.
- At the close of the current year, the City's governmental funds reported combined ending fund balances of \$13,880,061, an increase of \$1,078,775 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 32-69 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 70-154 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 2010?" 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 2010 compared to 2009.

Table 1 Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Assets						
Current and Other Assets	\$42,121,584	\$39,511,691	\$14,503,800	\$15,225,138	\$56,625,384	\$54,736,829
Capital Assets, Net	65,858,943	66,869,546	81,983,649	81,709,123	147,842,592	148,578,669
<i>Total Assets</i>	<u>107,980,527</u>	<u>106,381,237</u>	<u>96,487,449</u>	<u>96,934,261</u>	<u>204,467,976</u>	<u>203,315,498</u>
Liabilities						
Current Liabilities	14,982,326	14,896,007	3,377,899	2,929,960	18,360,225	17,825,967
Long Term Liabilities						
Due within One Year	6,357,575	6,893,276	3,177,642	3,061,150	9,535,217	9,954,426
Due in More than one Year	40,698,981	44,866,763	36,077,174	39,097,353	76,776,155	83,964,116
<i>Total Liabilities</i>	<u>62,038,882</u>	<u>66,656,046</u>	<u>42,632,715</u>	<u>45,088,463</u>	<u>104,671,597</u>	<u>111,744,509</u>
Net Assets						
Invested in Capital Assets, Net of Related Debt	29,616,097	26,631,390	43,114,193	41,950,480	72,730,290	68,581,870
Restricted for:						
Capital Projects	948,539	1,656,877	0	0	948,539	1,656,877
Debt Service	1,015,271	658,864	1,328,713	1,214,966	2,343,984	1,873,830
Replacement and Improvement	0	0	195,474	193,550	195,474	193,550
Other Purposes	5,859,487	5,316,658	0	0	5,859,487	5,316,658
Unrestricted	8,502,251	5,461,402	9,216,354	8,486,802	17,718,605	13,948,204
<i>Total Net Assets</i>	<u>\$45,941,645</u>	<u>\$39,725,191</u>	<u>\$53,854,734</u>	<u>\$51,845,798</u>	<u>\$99,796,379</u>	<u>\$91,570,989</u>

As noted earlier, net assets serve over time as a useful indicator of a government's financial position. Assets exceeded liabilities by \$99,796,379 at the close of 2010.

The largest portion of the City's net assets (73 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 increased by \$1,152,478 from 2009 to 2010, while the City's total liabilities also decreased by \$7,072,912. Total net assets increased \$8,225,390 with governmental net assets comprising \$6,216,454 and business-type activities comprising \$2,008,936 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 2010 compared to 2009.

Table 2 Changes in Net Assets

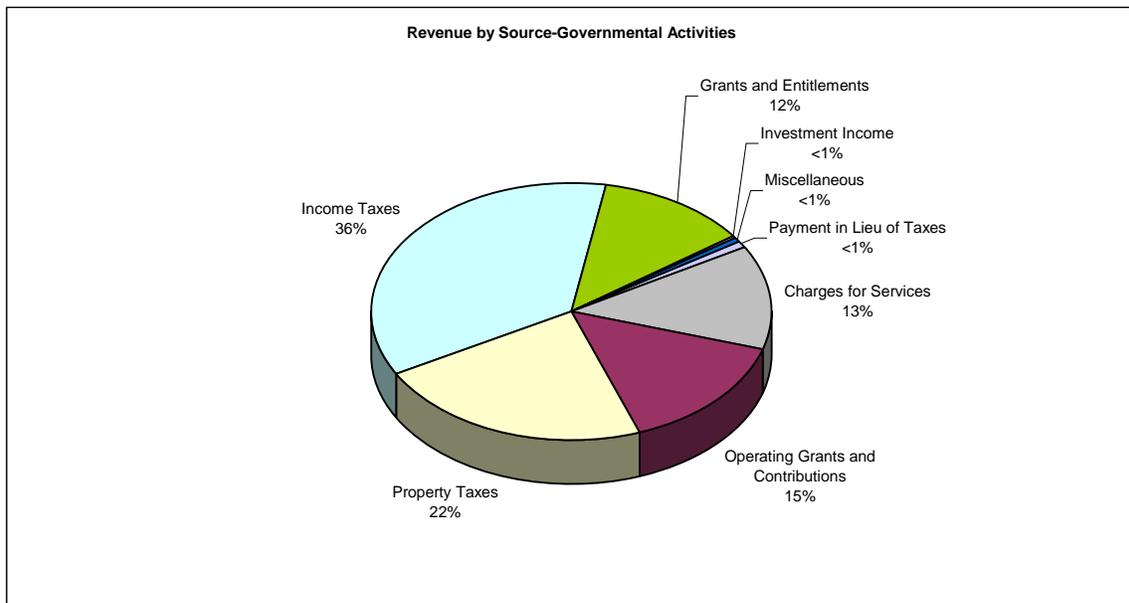
	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenues						
Program Revenues:						
Charges for Services	\$7,200,114	\$6,987,726	\$17,915,429	\$15,778,104	\$25,115,543	\$22,765,830
Operating Grants and Contributions	8,042,302	6,807,213	283,595	688,371	8,325,897	7,495,584
Capital Grants and Contributions	0	0	0	0	0	0
Total Program Revenues	<u>15,242,416</u>	<u>13,794,939</u>	<u>18,199,024</u>	<u>16,466,475</u>	<u>33,441,440</u>	<u>30,261,414</u>
General Revenues:						
Property Taxes	12,250,984	13,187,939	1,590,695	1,712,714	13,841,679	14,900,653
Payment in Lieu of Taxes	341,399	308,520	0	0	341,399	308,520
Income Taxes	19,686,732	19,314,348	0	0	19,686,732	19,314,348
Grants and Entitlements	6,727,090	6,345,651	0	0	6,727,090	6,345,651
Investment Income	68,060	214,275	16,338	58,952	84,398	273,227
Miscellaneous	436,670	606,457	78,032	533,806	514,702	1,140,263
Total General Revenues	<u>39,510,935</u>	<u>39,977,190</u>	<u>1,685,065</u>	<u>2,305,472</u>	<u>41,196,000</u>	<u>42,282,662</u>
Total Revenues	<u>54,753,351</u>	<u>53,772,129</u>	<u>19,884,089</u>	<u>18,771,947</u>	<u>74,637,440</u>	<u>72,544,076</u>
Expenses						
General Government	8,423,969	7,675,451	0	0	8,423,969	7,675,451
Security of Persons and Property						
Police	12,272,317	12,754,885	0	0	12,272,317	12,754,885
Fire	9,526,516	10,131,056	0	0	9,526,516	10,131,056
Public Health Services	2,383,427	2,505,999	0	0	2,383,427	2,505,999
Transportation	3,092,325	2,866,754	0	0	3,092,325	2,866,754
Community Environment	6,819,791	6,474,889	0	0	6,819,791	6,474,889
Basic Utility Services	3,472,641	3,998,734	0	0	3,472,641	3,998,734
Leisure Time Activities	1,831,789	1,839,517	0	0	1,831,789	1,839,517
Interest and Fiscal Charges	1,788,103	2,127,913	0	0	1,788,103	2,127,913
Water	0	0	9,665,155	9,038,465	9,665,155	9,038,465
Sewer	0	0	6,012,674	5,751,453	6,012,674	5,751,453
Parking Facilities	0	0	386,946	253,274	386,946	253,274
Winterhurst Ice Rink	0	0	736,397	552,929	736,397	552,929
Total Expenses	<u>49,610,878</u>	<u>50,375,198</u>	<u>16,801,172</u>	<u>15,596,121</u>	<u>66,412,050</u>	<u>65,971,319</u>
Increase in Net Assets before Transfers	5,142,473	3,396,931	3,082,917	3,175,826	8,225,390	6,572,757
Transfers	1,073,981	2,084,161	(1,073,981)	(2,084,161)	0	0
Restatement	0	0	0	0	0	0
Increase in Net Assets	<u>6,216,454</u>	<u>5,481,092</u>	<u>2,008,936</u>	<u>1,091,665</u>	<u>8,225,390</u>	<u>6,572,757</u>
Net Assets Beginning of Year	39,725,191	34,244,099	51,845,798	50,754,133	91,570,989	84,998,232
Net Assets End of Year	<u>\$45,941,645</u>	<u>\$39,725,191</u>	<u>\$53,854,734</u>	<u>\$51,845,798</u>	<u>\$99,796,379</u>	<u>\$91,570,989</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 2010. 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 2010 was \$19,686,732. Of the \$54,753,351 in total governmental revenues, income tax accounts for 36 percent of that total. Property taxes and payment in lieu of taxes of \$12,592,383 account for 23 percent of total revenues. Operating grants and contributions, and general revenues from grants and entitlements account for 27 percent of total revenues, and charges for services, investment income and other revenue make up the remaining 14 percent.

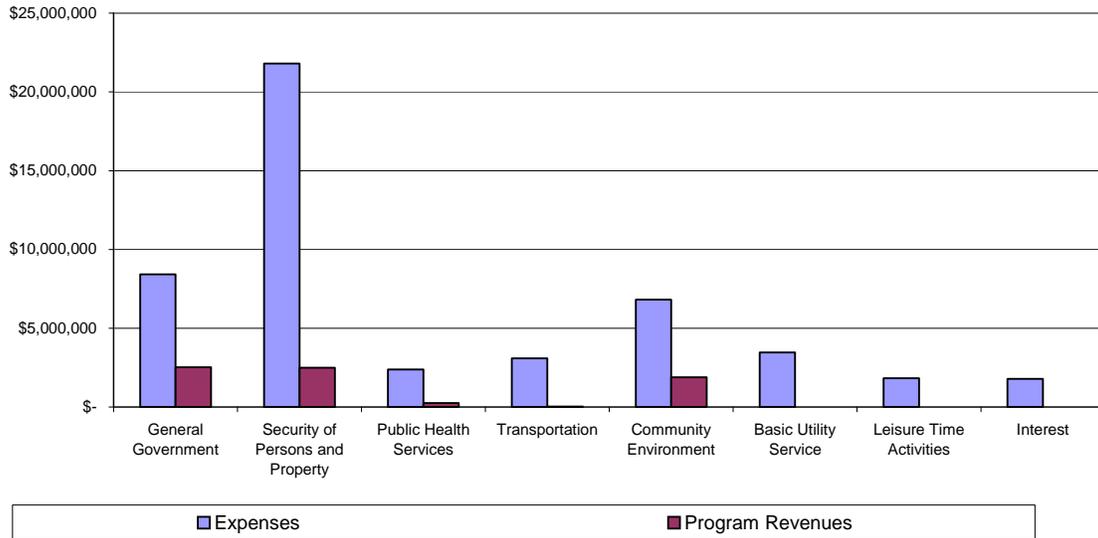
General revenues from grants and entitlements, such as local government funds, are also revenue generators. The City monitors its sources of revenues very closely for fluctuations, especially income tax.



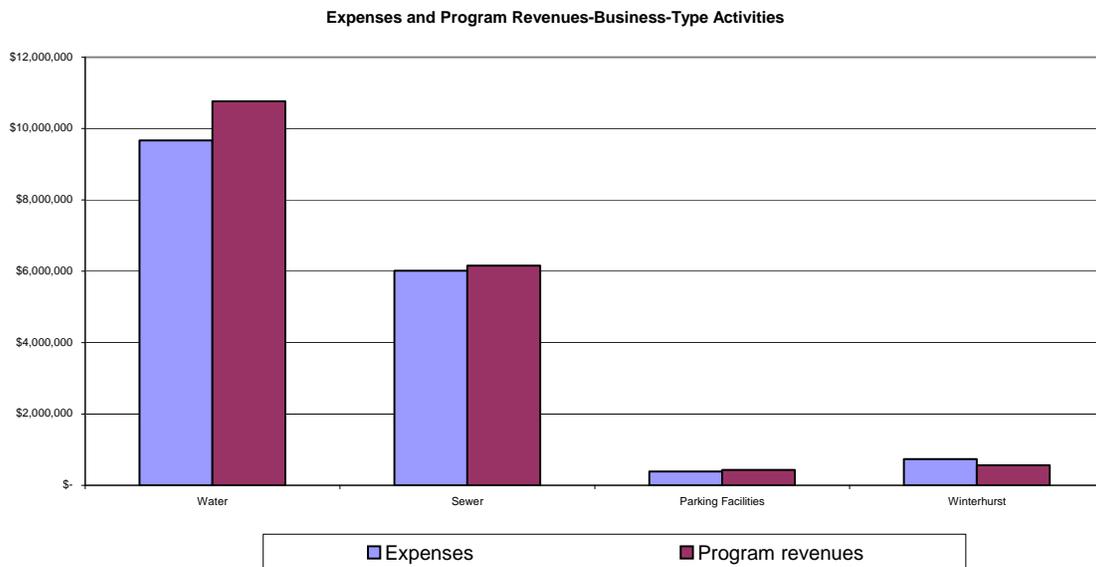
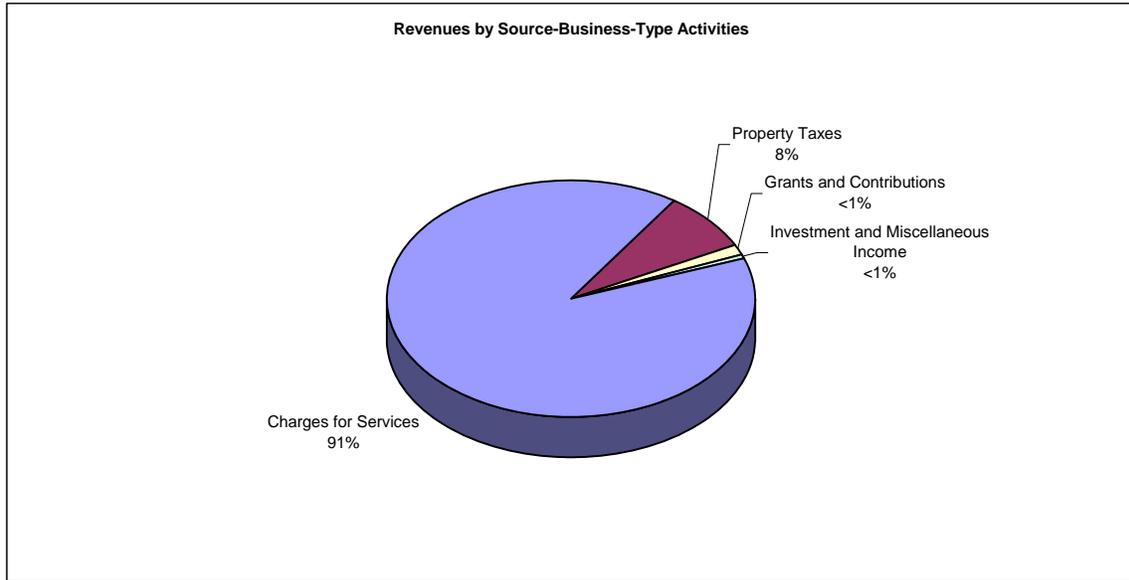
During the year the City realized a change in several revenue sources. The City realized an increase in income tax revenues of \$372,384. Investment income decreased due to lower interest rates available for investment purposes. Governmental operating grants and contributions increased \$1,235,089 due 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 2009. Property taxes decreased \$936,955 due to the revaluation of property values by the County Auditor.

Total expenses of governmental activities for 2010 were \$49,610,878. 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 \$21,798,833, which is 44 percent of the program expenses for governmental activities. General Government is the next largest program expense at 17 percent, followed by Community Environment expenses of 14 percent.

Expenses and Program Revenues-Governmental Activities



Business-Type activities. Business-type activities increased the City’s net assets by \$2,008,936. The increase is due primarily to increased charges for services from an increase in water and sewer rates and capital grants and contributions. Total expenses of business-type activities were \$16,801,172, with the Water Department comprising 58 percent of that amount followed by the Sewer Department at 36 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, 2010, the City's governmental funds reported combined ending fund balances of \$13,880,061. A \$1,078,775 increase from 2009. Of that amount, \$10,963,292 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 \$36,156,645, and expenditures of \$33,340,217 leaving an increase in fund balance after other financing sources and uses of \$1,763,734. This increase is primarily due to lower expenditures as the result of cost cutting measures implemented.

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 \$5,613,890, while the total fund balance reached \$6,563,498. 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 17 percent of total General Fund expenditures, while total fund balance represents 20 percent of that same amount.

The Police and Fire Pension Fund had total revenues of \$3,034,248 and expenditures of \$2,625,862 with a net change in fund balance after other financing sources and uses of (\$13,414). The decrease is due to a reduction in property tax collections.

The Community Development Block Grant Fund had total revenues of \$2,213,958 and expenditures of \$2,346,566 with a net change in fund balance of (\$132,608). The decrease was due to a reduction in allocations from HUD for 2010.

The Debt Service Fund had total revenues of \$3,516,874, expenditures of \$12,223,801, and a positive fund balance after other financing sources and uses of \$782,169. The fund balance decreased due to a reduction in property tax collections. The Debt Service Fund pays for the principal and interest payments on the City's general long-term debt. The unreserved fund balance was \$782,169 to be used for future debt. Unreserved fund balance represents approximately 6 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 \$10,054,776. 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 2010, 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 and final budgeted revenues were \$33,764,148. Actual revenues were \$35,877,730. The main differences between budgeted and actual revenues are property taxes, income tax revenues, and intergovernmental revenue. Due to economic factors during the year, charges for services and fines and forfeitures decreased in 2010. Original General Fund budgeted expenditures were \$33,973,073 and the final amended budget was \$33,477,410. Actual General Fund expenditures were \$32,998,792 or \$478,618 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 \$3,297,908 was \$2,472,457 above the final budgeted amount of \$825,451.

Capital Assets and Debt Administration

Table 3 Capital Assets (net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Land	\$6,139,702	\$6,139,702	\$78,150	\$78,150	\$6,217,852	\$6,217,852
Construction in Progress	2,278,670	1,192,033	1,544,762	176,255	3,823,432	1,368,288
Land Improvements	2,520,246	2,658,014	1,468,204	1,512,048	3,988,450	4,170,062
Buildings and Improvements	9,578,399	9,794,548	12,082,626	12,307,536	21,661,025	22,102,084
Machinery, Furniture and Equipment	1,900,932	1,987,345	3,508,268	3,565,589	5,409,200	5,552,934
Vehicles	6,757,120	7,425,702	1,097,960	1,227,062	7,855,080	8,652,764
Infrastructure:						
Roads	31,947,511	32,793,370	0	0	31,947,511	32,793,370
Traffic Signals	1,757,694	1,857,572	0	0	1,757,694	1,857,572
Sidewalks	2,034,339	2,063,476	0	0	2,034,339	2,063,476
Curbing	944,330	957,784	0	0	944,330	957,784
Water Lines	0	0	38,302,949	38,646,943	38,302,949	38,646,943
Sewer Lines	0	0	23,900,730	24,195,540	23,900,730	24,195,540
Total Capital Assets	<u>\$65,858,943</u>	<u>\$66,869,546</u>	<u>\$81,983,649</u>	<u>\$81,709,123</u>	<u>\$147,842,592</u>	<u>\$148,578,669</u>

Capital Assets

The City of Lakewood's Investment in Capital Assets for its governmental and business type activities as of December 31, 2010, amounts to \$147,842,592 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, furniture and equipment, vehicles, roads, traffic signals, sidewalks, curbing, water lines, and sewer lines. The total decrease in the City's capital assets for the current fiscal year was (\$736,077) a (\$1,010,603) decrease for governmental activities and a \$274,526 increase for business-type activities. The most significant increase in capital assets came in the construction in progress of replacement water lines and sewer lines in the business-type activities and construction in progress 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, 2010, the City had \$86,311,372 in bonds, notes, loans, capital leases, claims payable and compensated absences outstanding. Of this amount, \$9,535,217 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	
	2010	2009	2010	2009	2010	2009
General Obligation Notes	\$7,771,000	\$7,771,000	\$0	\$0	\$7,771,000	\$7,771,000
General Obligation Bonds	26,987,433	30,278,657	9,169,988	10,268,175	36,157,421	40,546,832
Revenue Bonds	0	0	24,610,322	25,865,737	24,610,322	25,865,737
OPWC Loans	246,400	277,200	3,786,469	4,134,183	4,032,869	4,411,383
OWDA Loans	0	0	78,513	107,651	78,513	107,651
Capital Leases	5,574,518	6,445,401	1,224,164	1,382,897	6,798,682	7,828,298
Claims Payable	861,927	1,095,360	0	0	861,927	1,095,360
Compensated Absences	5,615,278	5,892,421	385,360	399,860	6,000,638	6,292,281
Total	<u>\$47,056,556</u>	<u>\$51,760,039</u>	<u>\$39,254,816</u>	<u>\$42,158,503</u>	<u>\$86,311,372</u>	<u>\$93,918,542</u>

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

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 \$60,866,158 at December 31, 2010.

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 since 2008. 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 200 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 all of the City's seven collective bargaining units.

In 2010, the City updated its Financial Policies and Guidelines document. These financial policies guide the City through everyday fiscal matters, and in short and long-term budgetary planning. They provide guidelines for evaluating both current activities and proposals for future programs. The document was developed by the City administration and the Audit Committee, and then reviewed and approved by City Council on November 8, 2010.

The City has committed itself to financial excellence, which is proven with the Aa2 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 28 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, or visit the City's website at www.onelakewood.com.

Basic Financial Statements

City of Lakewood, Ohio

Statement of Net Assets

December 31, 2010

	Governmental Activities	Business - Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$11,005,622	\$6,512,570	\$17,518,192
Cash and Cash Equivalents in Segregated Accounts	374,727	0	374,727
Cash and Cash Equivalents with Fiscal Agents	2,806	106,576	109,382
Cash and Cash Equivalents Held by Trustee	0	2,038,774	2,038,774
Accounts Receivable	570,164	3,212,886	3,783,050
Allowance for Doubtful Accounts	0	(69,068)	(69,068)
Intergovernmental Receivable	3,975,849	105,725	4,081,574
Materials and Supplies Inventory	603,387	471,593	1,074,980
Prepaid Items	231,954	0	231,954
Income Taxes Receivable	10,226,749	0	10,226,749
Property Taxes Receivable	12,354,657	1,604,464	13,959,121
Loans Receivable	1,967,161	0	1,967,161
Special Assessments Receivable	63,664	0	63,664
Internal Balances	116,559	(116,559)	0
Deferred Charges	628,285	636,839	1,265,124
Nondepreciable Capital Assets	8,418,372	1,622,912	10,041,284
Depreciable Capital Assets, Net	57,440,571	80,360,737	137,801,308
<i>Total Assets</i>	<u>107,980,527</u>	<u>96,487,449</u>	<u>204,467,976</u>
Liabilities			
Accounts Payable	667,398	1,278,030	1,945,428
Retainage Payable	63,740	106,576	170,316
Accrued Wages and Benefits	1,043,609	105,474	1,149,083
Intergovernmental Payable	1,104,036	48,916	1,152,952
Matured Compensated Absences	108,679	14,786	123,465
Deferred Revenue	11,828,229	1,689,087	13,517,316
Accrued Interest Payable	166,635	135,030	301,665
Long-Term Liabilities:			
Due Within One Year	6,357,575	3,177,642	9,535,217
Due in More than One Year	40,698,981	36,077,174	76,776,155
<i>Total Liabilities</i>	<u>62,038,882</u>	<u>42,632,715</u>	<u>104,671,597</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	29,616,097	43,114,193	72,730,290
Restricted for:			
Capital Projects	948,539	0	948,539
Debt Service	1,015,271	1,328,713	2,343,984
Replacement and Improvement	0	195,474	195,474
Street and Highway	1,226,236	0	1,226,236
Community Development	1,735,901	0	1,735,901
Indigent Drivers Alcohol Treatment	153,960	0	153,960
Other Purposes	2,743,390	0	2,743,390
Unrestricted	8,502,251	9,216,354	17,718,605
<i>Total Net Assets</i>	<u>\$45,941,645</u>	<u>\$53,854,734</u>	<u>\$99,796,379</u>

See accompanying notes to the basic financial statements

City of Lakewood, Ohio
Statement of Activities
For the Year Ended December 31, 2010

	Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions
Governmental Activities			
General Government	\$8,423,969	\$2,529,470	\$612,272
Security of Persons and Property			
Police	12,272,317	265,127	449,353
Fire	9,526,516	2,233,515	3,350
Public Health Services	2,383,427	248,489	246,649
Transportation	3,092,325	28,395	2,012,270
Community Environment	6,819,791	1,895,118	4,718,408
Basic Utility Services	3,472,641	0	0
Leisure Time Activities	1,831,789	0	0
Interest and Fiscal Charges	1,788,103	0	0
<i>Total Governmental Activities</i>	<u>49,610,878</u>	<u>7,200,114</u>	<u>8,042,302</u>
Business-Type Activities			
Water	9,665,155	10,759,734	0
Sewer	6,012,674	6,157,686	283,595
Parking Facilities	386,946	434,510	0
Winterhurst Ice Rink	736,397	563,499	0
<i>Total Business-Type Activities</i>	<u>16,801,172</u>	<u>17,915,429</u>	<u>283,595</u>
<i>Totals</i>	<u>66,412,050</u>	<u>25,115,543</u>	<u>8,325,897</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
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
(\$5,282,227)	\$0	(\$5,282,227)
(11,557,837)	0	(11,557,837)
(7,289,651)	0	(7,289,651)
(1,888,289)	0	(1,888,289)
(1,051,660)	0	(1,051,660)
(206,265)	0	(206,265)
(3,472,641)	0	(3,472,641)
(1,831,789)	0	(1,831,789)
(1,788,103)	0	(1,788,103)
(34,368,462)	0	(34,368,462)
0	1,094,579	1,094,579
0	428,607	428,607
0	47,564	47,564
0	(172,898)	(172,898)
0	1,397,852	1,397,852
(34,368,462)	1,397,852	(32,970,610)
6,857,844	1,590,695	8,448,539
2,608,762	0	2,608,762
2,784,378	0	2,784,378
341,399	0	341,399
19,686,732	0	19,686,732
6,727,090	0	6,727,090
68,060	16,338	84,398
436,670	78,032	514,702
39,510,935	1,685,065	41,196,000
1,073,981	(1,073,981)	0
40,584,916	611,084	41,196,000
6,216,454	2,008,936	8,225,390
39,725,191	51,845,798	91,570,989
\$45,941,645	\$53,854,734	\$99,796,379

City of Lakewood, Ohio

Balance Sheet

Governmental Funds

December 31, 2010

	General Fund	Police and Fire Pension Fund	Community Development Block Grant Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Equity in Pooled Cash and Cash Equivalents	\$4,130,013	\$1,860,124	\$0	\$777,872	\$2,858,543	\$9,626,552
Cash and Cash Equivalents:						
In Segregated Accounts	225,466	0	37,961	0	111,300	374,727
With Fiscal Agents	2,806	0	0	0	0	2,806
Accounts Receivable	156,355	0	0	0	413,809	570,164
Intergovernmental Receivable	2,738,816	172,000	14,228	183,000	867,805	3,975,849
Materials and Supplies Inventory	417,664	0	0	0	185,723	603,387
Prepaid Items	230,183	0	1,771	0	0	231,954
Income Taxes Receivable	10,226,749	0	0	0	0	10,226,749
Property Taxes Receivable	6,939,311	2,630,126	0	2,785,220	0	12,354,657
Loans Receivable	0	0	1,967,161	0	0	1,967,161
Special Assessments Receivable	11,888	0	0	4,297	47,479	63,664
Interfund Receivable	177,503	0	0	0	0	177,503
<i>Total Assets</i>	<u>\$25,256,754</u>	<u>\$4,662,250</u>	<u>\$2,021,121</u>	<u>\$3,750,389</u>	<u>\$4,484,659</u>	<u>\$40,175,173</u>
Liabilities and Fund Balances						
Liabilities						
Accounts Payable	\$413,293	\$0	\$37,282	\$0	\$172,372	\$622,947
Retainage Payable	0	0	37,961	0	25,779	63,740
Accrued Wages and Benefits	897,056	0	20,661	0	125,892	1,043,609
Matured Compensated Absences Payable	108,679	0	0	0	0	108,679
Intergovernmental Payable	327,904	596,721	9,282	0	53,564	987,471
Deferred Revenue	16,586,402	2,802,126	0	2,968,220	568,679	22,925,427
Interfund Payable	359,922	0	88,680	0	94,637	543,239
<i>Total Liabilities</i>	<u>18,693,256</u>	<u>3,398,847</u>	<u>193,866</u>	<u>2,968,220</u>	<u>1,040,923</u>	<u>26,295,112</u>
Fund Balances						
Reserved for Encumbrances	949,608	0	0	0	0	949,608
Reserved for Loans Receivable	0	0	1,967,161	0	0	1,967,161
Unreserved, Undesignated, Reported In (Deficit):						
General Fund	5,613,890	0	0	0	0	5,613,890
Special Revenue Funds	0	1,263,403	(139,906)	0	2,390,229	3,513,726
Debt Service Funds	0	0	0	782,169	47,087	829,256
Capital Projects Funds	0	0	0	0	1,006,420	1,006,420
<i>Total Fund Balances</i>	<u>6,563,498</u>	<u>1,263,403</u>	<u>1,827,255</u>	<u>782,169</u>	<u>3,443,736</u>	<u>13,880,061</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$25,256,754</u>	<u>\$4,662,250</u>	<u>\$2,021,121</u>	<u>\$3,750,389</u>	<u>\$4,484,659</u>	<u>\$40,175,173</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, 2010*

Total Governmental Fund Balances	\$13,880,061
 <i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:	65,858,943
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:	
Property Taxes	567,362
Municipal Income Taxes	7,962,761
Intergovernmental	2,567,075
Total	11,097,198
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.	838,422
In the statement of activities, interest is accrued on the outstanding bonds, where as in governmental funds, an interest expenditure is reported when due.	(166,635)
Bond Issuance costs will be amortized over the life of the bonds on the statement of activities.	628,285
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	(26,717,928)
Unamortized Bond Premium	(269,505)
OPWC Loans	(246,400)
Capital Lease Payable	(5,574,518)
Compensated Absences Payable	(5,615,278)
Total	(46,194,629)
<i>Net Assets of Governmental Activities</i>	\$45,941,645

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, 2010

	General Fund	Police and Fire Pension Fund	Community Development Block Grant Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Property Taxes	\$6,907,866	\$2,608,762	\$0	\$2,784,378	\$0	\$12,301,006
Payment in Lieu of Taxes	0	0	0	0	341,399	341,399
Municipal Income Taxes	17,850,439	0	0	0	0	17,850,439
Charges for Services	1,084,946	0	0	0	2,493,604	3,578,550
Licenses, Permits and Fees	1,883,518	0	0	0	3,350	1,886,868
Fines and Forfeitures	1,425,460	0	0	0	265,127	1,690,587
Intergovernmental	6,884,590	425,486	2,213,958	622,272	4,581,143	14,727,449
Contributions and Donations	0	0	0	0	107,335	107,335
Special Assessments	0	0	0	19,064	28,395	47,459
Interest	59,394	0	0	8,647	19	68,060
Miscellaneous	60,432	0	0	82,513	293,725	436,670
<i>Total Revenues</i>	<u>36,156,645</u>	<u>3,034,248</u>	<u>2,213,958</u>	<u>3,516,874</u>	<u>8,114,097</u>	<u>53,035,822</u>
Expenditures						
Current:						
General Government	7,991,623	0	0	2,173	155,918	8,149,714
Security of Persons and Property:						
Police	10,582,093	1,338,296	0	0	148,644	12,069,033
Fire	6,364,514	1,287,566	0	0	1,630,258	9,282,338
Public Health Services	612,611	0	0	0	1,668,992	2,281,603
Transportation	0	0	0	0	1,867,759	1,867,759
Community Environment	1,916,869	0	2,346,566	0	2,463,790	6,727,225
Basic Utility Services	3,150,020	0	0	0	0	3,150,020
Leisure Time Activities	1,542,088	0	0	0	0	1,542,088
Capital Outlay	55,075	0	0	0	705,446	760,521
Debt Service:						
Principal Retirement	870,883	0	0	10,888,538	190,000	11,949,421
Interest and Fiscal Charges	254,441	0	0	1,333,090	243,292	1,830,823
<i>Total Expenditures</i>	<u>33,340,217</u>	<u>2,625,862</u>	<u>2,346,566</u>	<u>12,223,801</u>	<u>9,074,099</u>	<u>59,610,545</u>
Excess of Revenues Over (Under) Expenditures	<u>2,816,428</u>	<u>408,386</u>	<u>(132,608)</u>	<u>(8,706,927)</u>	<u>(960,002)</u>	<u>(6,574,723)</u>
Other Financing Sources (Uses)						
Bond Anticipation Notes Issued	0	0	0	7,771,000	0	7,771,000
Transfers In	1,155,498	0	0	2,040,352	804,920	4,000,770
Transfers Out	(2,208,192)	(421,800)	0	(1,437,942)	(50,338)	(4,118,272)
<i>Total Other Financing Sources (Uses)</i>	<u>(1,052,694)</u>	<u>(421,800)</u>	<u>0</u>	<u>8,373,410</u>	<u>754,582</u>	<u>7,653,498</u>
<i>Net Change in Fund Balances</i>	<u>1,763,734</u>	<u>(13,414)</u>	<u>(132,608)</u>	<u>(333,517)</u>	<u>(205,420)</u>	<u>1,078,775</u>
<i>Fund Balances Beginning 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>
<i>Fund Balance End of Year</i>	<u>\$6,563,498</u>	<u>\$1,263,403</u>	<u>\$1,827,255</u>	<u>\$782,169</u>	<u>\$3,443,736</u>	<u>\$13,880,061</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, 2010*

Net Change in Fund Balances - Total Government Funds \$1,078,775

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 depreciation exceeded capital outlays in the current period.

Capital Asset Additions	1,250,345	
Current Year Depreciation	<u>(2,212,848)</u>	
Total		(962,503)

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. (48,100)

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

Property Taxes	(50,022)	
Income Taxes	1,836,293	
Intergovernmental	<u>(68,742)</u>	
Total		1,717,529

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	11,078,538	
Capital Lease	<u>870,883</u>	
Total		11,949,421

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

Accrued Interest	79,593	
Amortization of Bond Premium	30,710	
Amortization of Bond Issuance Costs	(51,359)	
Amortization of Loss on Refunding	<u>(16,224)</u>	
Total		42,720

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.

Notes Issued	(7,771,000)	
Compensated Absences	<u>277,143</u>	
Total		(7,493,857)

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. (67,531)

Change in Net Assets of Governmental Activities \$6,216,454

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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$6,464,196	\$6,464,196	\$6,907,866	\$443,670
Municipal Income Taxes	17,494,728	17,494,728	17,684,600	189,872
Charges for Services	1,246,635	1,246,635	1,202,559	(44,076)
Licenses, Permits and Fees	1,710,592	1,710,592	1,883,518	172,926
Fines and Forfeitures	1,445,250	1,445,250	1,409,479	(35,771)
Intergovernmental	5,305,447	5,305,447	6,589,145	1,283,698
Interest	60,000	60,000	72,182	12,182
Miscellaneous	37,300	37,300	128,381	91,081
<i>Total Revenues</i>	<u>33,764,148</u>	<u>33,764,148</u>	<u>35,877,730</u>	<u>2,113,582</u>
Expenditures				
Current:				
General Government	8,969,409	8,934,788	8,647,790	286,998
Security of Persons and Property	17,016,532	16,876,313	16,817,133	59,180
Public Health Services	631,571	668,735	637,137	31,598
Community Environment	2,296,888	2,182,861	2,148,598	34,263
Basic Utility Services	3,462,724	3,245,364	3,199,226	46,138
Leisure Time Activities	1,595,949	1,569,349	1,548,908	20,441
<i>Total Expenditures</i>	<u>33,973,073</u>	<u>33,477,410</u>	<u>32,998,792</u>	<u>478,618</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(208,925)</u>	<u>286,738</u>	<u>2,878,938</u>	<u>2,592,200</u>
Other Financing Sources (Uses)				
Transfers In	143,000	143,000	30,174	(112,826)
Advance In	50,000	50,000	43,000	(7,000)
Transfers Out	(1,064,616)	(2,208,275)	(2,208,192)	83
Advance Out	0	(60,000)	(60,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(871,616)</u>	<u>(2,075,275)</u>	<u>(2,195,018)</u>	<u>(119,743)</u>
<i>Net Change in Fund Balance</i>	<u>(1,080,541)</u>	<u>(1,788,537)</u>	<u>683,920</u>	<u>2,472,457</u>
<i>Fund Balance Beginning of Year</i>	1,456,918	1,456,918	1,456,918	0
<i>Prior Year Encumbrances Appropriated</i>	<u>1,157,070</u>	<u>1,157,070</u>	<u>1,157,070</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$1,533,447</u>	<u>\$825,451</u>	<u>\$3,297,908</u>	<u>\$2,472,457</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$2,437,078	\$2,437,078	\$2,608,762	\$171,684
Intergovernmental	420,710	420,710	425,486	4,776
<i>Total Revenues</i>	<u>2,857,788</u>	<u>2,857,788</u>	<u>3,034,248</u>	<u>176,460</u>
Expenditures				
Current:				
Security of Persons and Property	<u>2,629,371</u>	<u>2,658,000</u>	<u>2,646,914</u>	<u>11,086</u>
Excess of Revenues Over Expenditures	228,417	199,788	387,334	187,546
Other Financing Uses				
Transfers Out	<u>(421,800)</u>	<u>(421,800)</u>	<u>(421,800)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(193,383)</u>	<u>(222,012)</u>	<u>(34,466)</u>	<u>187,546</u>
<i>Fund Balance Beginning of Year</i>	<u>1,894,590</u>	<u>1,894,590</u>	<u>1,894,590</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,701,207</u></u>	<u><u>\$1,672,578</u></u>	<u><u>\$1,860,124</u></u>	<u><u>\$187,546</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$3,532,152	\$2,832,152	\$2,335,609	(\$496,543)
Expenditures				
Current:				
Community Environment	3,422,886	2,703,580	2,315,139	388,441
<i>Net Change in Fund Balance</i>	109,266	128,572	20,470	(108,102)
<i>Fund Balance (Deficit) Beginning of Year</i>	(102,285)	(102,285)	(102,285)	0
<i>Prior Year Encumbrances Appropriated</i>	334	334	334	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$7,315</u>	<u>\$26,621</u>	<u>(\$81,481)</u>	<u>(\$108,102)</u>

See accompanying notes to the basic financial statements

City of Lakewood, Ohio
Statement of Fund Net Assets
Proprietary Funds
December 31, 2010

	Business Type Activities - Enterprise Funds				Governmental
	Water Fund	Sewer Fund	Non Major Funds	Total	Activities - Internal Service Funds
Assets					
Current Assets					
Equity in Pooled Cash and					
Cash Equivalents	\$3,922,443	\$2,397,933	\$192,194	\$6,512,570	\$1,379,070
Cash and Cash Equivalents with Fiscal Agents	36,596	69,980	0	106,576	0
Accounts Receivable	1,820,984	1,130,427	261,475	3,212,886	0
Less: Allowance for Doubtful Accounts	(42,711)	(26,357)	0	(69,068)	0
Interfund Receivable	0	0	0	0	482,295
Intergovernmental Receivable	0	105,725	0	105,725	0
Materials and Supplies Inventory	29,078	335,696	106,819	471,593	0
Property Tax Receivable	0	1,604,464	0	1,604,464	0
<i>Total Current Assets</i>	<u>5,766,390</u>	<u>5,617,868</u>	<u>560,488</u>	<u>11,944,746</u>	<u>1,861,365</u>
Long-Term Assets					
Restricted Assets:					
Cash Equivalents Held by Trustee	986,158	1,052,616	0	2,038,774	0
Deferred Bond Issuance Costs	228,781	399,393	8,665	636,839	0
Nondepreciable Capital Assets	513,387	1,032,385	77,140	1,622,912	0
Depreciable Capital Assets, Net	39,828,493	35,117,783	5,414,461	80,360,737	0
Total Noncurrent Assets	<u>41,556,819</u>	<u>37,602,177</u>	<u>5,500,266</u>	<u>84,659,262</u>	<u>0</u>
<i>Total Assets</i>	<u>47,323,209</u>	<u>43,220,045</u>	<u>6,060,754</u>	<u>96,604,008</u>	<u>1,861,365</u>
Liabilities					
Current Liabilities					
Accounts Payable	833,890	279,170	164,970	1,278,030	44,451
Retainage Payable	36,596	69,980	0	106,576	0
Accrued Wages and Benefits	29,700	72,079	3,695	105,474	0
Intergovernmental Payable	14,201	32,942	1,773	48,916	116,565
Interfund Payable	16,453	37,021	63,085	116,559	0
Deferred Revenue	92,815	1,596,272	0	1,689,087	0
Claims Payable	0	0	0	0	482,295
Accrued Interest Payable	45,164	77,433	12,433	135,030	0
Compensated Absence Payable	56,954	55,310	12,643	124,907	0
Matured Compensated Absences Payable	14,786	0	0	14,786	0
Bonds Payable	954,572	1,423,527	131,691	2,509,790	0
Capital Leases Payable	3,629	47,968	113,230	164,827	0
OPWC Loans Payable	313,228	34,485	0	347,713	0
OWDA Loans Payable	0	30,405	0	30,405	0
<i>Total Current Liabilities</i>	<u>2,411,988</u>	<u>3,756,592</u>	<u>503,520</u>	<u>6,672,100</u>	<u>643,311</u>
Long-Term Liabilities					
Compensated Absence Payable	46,568	207,323	6,562	260,453	0
Bonds Payable	10,952,878	19,113,109	1,204,533	31,270,520	0
Claims Payable-Net of Current Portion	0	0	0	0	379,632
Capital Leases Payable	29,757	171,890	857,690	1,059,337	0
OPWC Loans Payable	3,102,446	336,310	0	3,438,756	0
OWDA Loans Payable	0	48,108	0	48,108	0
Total Long Term Liabilities	<u>14,131,649</u>	<u>19,876,740</u>	<u>2,068,785</u>	<u>36,077,174</u>	<u>379,632</u>
<i>Total Liabilities</i>	<u>16,543,637</u>	<u>23,633,332</u>	<u>2,572,305</u>	<u>42,749,274</u>	<u>1,022,943</u>
Net Assets					
Invested in Capital Assets, Net of Related Debt	24,985,371	14,944,366	3,184,456	43,114,193	0
Restricted for Debt Service	769,560	546,709	12,444	1,328,713	0
Restricted for Replacement and Improvement	195,474	0	0	195,474	0
Unrestricted	4,829,167	4,095,638	291,549	9,216,354	838,422
<i>Total Net Assets</i>	<u>\$30,779,572</u>	<u>\$19,586,713</u>	<u>\$3,488,449</u>	<u>\$53,854,734</u>	<u>\$838,422</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, 2010

	Business Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Non Major Funds	Total	
Operating Revenues					
Charges for Services	\$10,759,734	\$6,157,686	\$998,009	\$17,915,429	\$3,804,394
Miscellaneous	3,032	0	75,000	78,032	693,255
<i>Total Operating Revenues</i>	<u>10,762,766</u>	<u>6,157,686</u>	<u>1,073,009</u>	<u>17,993,461</u>	<u>4,497,649</u>
Operating Expenses					
Personal Services	1,035,909	2,519,115	182,688	3,737,712	0
Contractual Services	229,459	205,009	60,098	494,566	68,726
Materials and Supplies	131,163	333,088	83,016	547,267	0
Utilities	7,072,280	623,921	376,375	8,072,576	0
Depreciation	559,874	789,960	115,027	1,464,861	0
Workers' Compensation Premium	0	0	0	0	143,819
Claims	0	0	0	0	5,544,118
Miscellaneous	0	526,401	196,533	722,934	0
<i>Total Operating Expenses</i>	<u>9,028,685</u>	<u>4,997,494</u>	<u>1,013,737</u>	<u>15,039,916</u>	<u>5,756,663</u>
<i>Operating Income (Loss)</i>	<u>1,734,081</u>	<u>1,160,192</u>	<u>59,272</u>	<u>2,953,545</u>	<u>(1,259,014)</u>
Non Operating Revenues (Expenses)					
Interest	14,483	1,855	0	16,338	0
Intergovernmental	0	283,595	0	283,595	0
Interest and Fiscal Charges	(636,470)	(1,015,180)	(109,606)	(1,761,256)	0
Property Taxes	0	1,590,695	0	1,590,695	0
<i>Total Non Operating Revenues (Expenses)</i>	<u>(621,987)</u>	<u>860,965</u>	<u>(109,606)</u>	<u>129,372</u>	<u>0</u>
<i>Net Income (Loss) before Transfers</i>	1,112,094	2,021,157	(50,334)	3,082,917	(1,259,014)
Transfers In	0	0	312,618	312,618	1,194,000
Transfers Out	(15,244)	(1,294,562)	(76,793)	(1,386,599)	(2,517)
<i>Change in Net Assets</i>	1,096,850	726,595	185,491	2,008,936	(67,531)
<i>Net Assets Beginning 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>
<i>Net Assets End of Year</i>	<u>\$30,779,572</u>	<u>\$19,586,713</u>	<u>\$3,488,449</u>	<u>\$53,854,734</u>	<u>\$838,422</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, 2010

	Business Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Non Major Funds	Total	
Increase (Decrease) in Cash and Cash Equivalents					
Cash Flows from Operating Activities					
Cash Received from Customers	\$10,509,351	\$5,998,750	\$809,700	\$17,317,801	\$0
Cash Received from Transactions with Other Funds	0	0	0	0	3,832,736
Cash Received from Other Operating Sources	3,032	0	75,000	78,032	693,255
Cash Payments to Suppliers for Goods and Services	(7,148,710)	(1,011,857)	(401,126)	(8,561,693)	(89,549)
Cash Payments for Claims	0	0	0	0	(5,305,256)
Cash Payments for Premium	0	0	0	0	(472,295)
Cash Payments for Employee Services and Benefits	(1,053,119)	(2,494,858)	(185,911)	(3,733,888)	0
Cash Payments for Other Operating Expenses	0	(526,006)	(205,076)	(731,082)	(83,271)
<i>Net Cash Provided By (Used for) Operating Activities</i>	<u>2,310,554</u>	<u>1,966,029</u>	<u>92,587</u>	<u>4,369,170</u>	<u>(1,424,380)</u>
Cash Flows from Noncapital Financing Activities					
Intergovernmental Revenue	0	289,143	0	289,143	0
Property Taxes	0	1,597,192	0	1,597,192	0
Advance In	0	0	60,000	60,000	0
Transfers In	0	0	312,618	312,618	1,194,000
Transfers Out	(15,244)	(1,294,562)	(76,793)	(1,386,599)	(2,517)
<i>Net Cash Provided by (Used for) Non- Capital Financing Activities</i>	<u>(15,244)</u>	<u>591,773</u>	<u>295,825</u>	<u>872,354</u>	<u>1,191,483</u>
Cash Flows from Capital and Related Financing Activities					
Acquisition of Capital Assets	(668,836)	(994,316)	0	(1,663,152)	0
Principal paid on Bonds	(919,125)	(1,367,896)	(126,242)	(2,413,263)	0
Principal paid on OPWC	(313,229)	(34,485)	0	(347,714)	0
Principal paid on OWDA	0	(29,138)	0	(29,138)	0
Principal paid on Leases	(3,476)	(45,309)	(109,948)	(158,733)	0
Interest paid on Bonds	(575,314)	(947,774)	(68,143)	(1,591,231)	0
Interest paid on OWDA	0	(4,861)	0	(4,861)	0
Interest paid on Leases	(926)	(12,460)	(41,924)	(55,310)	0
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(2,480,906)</u>	<u>(3,436,239)</u>	<u>(346,257)</u>	<u>(6,263,402)</u>	<u>0</u>
Cash Flows from Investing Activities					
Interest	18,981	1,855	0	20,836	0
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(166,615)	(876,582)	42,155	(1,001,042)	(232,897)
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>5,111,812</u>	<u>4,397,111</u>	<u>150,039</u>	<u>9,658,962</u>	<u>1,611,967</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$4,945,197</u>	<u>\$3,520,529</u>	<u>\$192,194</u>	<u>\$8,657,920</u>	<u>\$1,379,070</u>

(continued)

City of Lakewood, Ohio
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended December 31, 2010

	Business Type Activities - Enterprise Funds			Total	Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Non Major Funds		
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities					
<i>Operating Income (Loss)</i>	\$1,734,081	\$1,160,192	\$59,272	\$2,953,545	(\$1,259,014)
Adjustments:					
Depreciation	559,874	789,960	115,027	1,464,861	0
Decrease in Allowance for Doubtful Accounts	(6,420)	(4,075)	0	(10,495)	0
(Increase) Decrease in Assets:					
Accounts Receivable	(250,383)	(158,936)	(188,309)	(597,628)	0
Interfund Receivable	0	0	0	0	28,342
Materials and Supplies Inventory	(6,538)	18,180	46,182	57,824	0
Increase (Decrease) in Liabilities:					
Accounts Payable	273,590	173,070	67,022	513,682	(20,823)
Accrued Wages	5,486	5,376	(877)	9,985	0
Retainage Payable	13,952	0	0	13,952	0
Compensated Absences	(1,715)	2,723	(723)	285	0
Interfund Payable	(1,144)	(1,656)	798	(2,002)	0
Intergovernmental Payable	(10,229)	(18,805)	(5,805)	(34,839)	60,548
Claims Payable	0	0	0	0	(233,433)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$2,310,554</u>	<u>\$1,966,029</u>	<u>\$92,587</u>	<u>\$4,369,170</u>	<u>(\$1,424,380)</u>

See accompanying notes to the basic financial statements

City of Lakewood, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Fund
December 31, 2010

Assets

Equity in Pooled Cash and Cash

Equivalents

\$1,052,018

Liabilities

Deposits Held and Due to Others

\$1,052,018

See accompanying notes to the basic financial statements

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

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, 2010

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, are 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, 2010

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, 2010

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, 2010

Note 2 - Summary of Significant Accounting Policies (Continued)

Property taxes for which there is an enforceable legal claim as of December 31, 2010, but were levied to finance year 2011 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, 2010

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 2010, 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, 2010.

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 2010 amounted to \$59,394 that includes \$25,004 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, 2010 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, 2010

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:

Description	Estimated Lives
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, 2010

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, and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. 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, 2010

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, 2010

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

For 2010, the City has implemented Governmental Accounting Standard Board (GASB) Statement No. 51, “Accounting and Reporting for Intangible Assets”.

GASB Statement No. 51 establishes accounting and financial reporting of such assets to reduce inconsistencies, thereby enhancing the comparability of accounting and financial reporting of such assets among state and local governments. The implementation of this statement did not result in any changes to the City’s financial statements.

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:

Fund	Negative Cash Balance
CDBG	(\$81,481)
HOME Investment Program	(16,173)
Energy Efficiency Block Grant	(19,849)

B. Accountability

The fund balances at December 31, 2010 included the following individual fund deficits:

Special Revenue Funds	
Homeless Prevention	\$3,491
Emergency Shelter Grant	1,342
HOME Investment Program	12,397
Internal Service Fund	
Workers' Compensation	49,271

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.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Note 5 - Budgetary Basis of Accounting

While the City is reporting their financial position, results of operations, and changes in fund balance/net assets 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).

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
	<u> </u>	<u> </u>	<u> </u>
GAAP Basis	\$1,763,734	(\$13,414)	(\$132,608)
Net Adjustment for Revenue Accruals	(1,404,239)	0	121,651
Advances In	43,000	0	0
Net Adjustment for Expenditure Accruals	1,291,033	(21,052)	31,427
Advances Out	(60,000)	0	0
Adjustments for Encumbrances	(949,608)	0	0
Budget Basis	<u><u>\$683,920</u></u>	<u><u>(\$34,466)</u></u>	<u><u>\$20,470</u></u>

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

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.

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 twenty five percent of the interim monies available for the investment at any one time.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Note 6 - Deposits and Investments (Continued)

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.

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, \$16,937,105 of the City's bank balance of \$18,318,983 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, 2010, the City had the following investments:

	<u>Fair Value</u>	<u>Maturity</u>
STAROhio	\$687,734	58 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

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Note 6 - Deposits and Investments (Continued)

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.

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, 2010, 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 \$42,711 in the Water Fund and \$26,357 in the Sewer Fund.

Loans receivable to be collected in more than one-year amount to \$1,967,161 in the Community Development Block Grant Fund.

Special assessments expected to be collected in more than one-year amount to \$63,664 in the various governmental funds. The amount of delinquent special assessments outstanding at December 31, 2010 was \$8,594.

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 2010 for real and public utility property taxes represents collections of 2009 taxes. Property tax payments received during 2010 for tangible personal property (other than public utility property) are for 2010 taxes.

2010 real property taxes are levied after October 1, 2010 on the assessed value as of January 1, 2010, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2010 real property taxes are collected in and intended to finance 2011 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, 2010

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. 2010 public utility property taxes which became a lien December 31, 2009, are levied after October 1, 2010, and are collected in 2011 with real property taxes.

Tangible personal property tax revenues received during 2010 (other than public utility property tax) represent the collection of 2010 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 2010 were levied after October 1, 2009, on the value as of December 31, 2009. 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, 2010, 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 2010 property tax collections were based, are as follows:

Category	Assessed Value
Real Estate	
Residential and Agricultural	\$728,076,240
Commercial/Industrial/Public Utility	167,461,630
Tangible Personal Property	
Public Utility	12,391,260
Total Assessed Value	\$907,929,130

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, 2010, 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 2010 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, 2010

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
Governmental Activities	
Local Government	\$1,821,902
Gasoline Tax	665,095
Permissive Motor Vehicle License Tax	21,739
Liquor Permit/Cigarette Taxes	14,629
County Grant Reimbursements	31,984
Federal Grant Reimbursements	59,052
Motor Vehicle License Registration	122,507
Homestead and Rollback	812,000
Estate Tax	426,941
<i>Total Governmental Activities</i>	3,975,849
 Business-Type Activities	
Homestead and Rollback	105,725
<i>Total</i>	\$4,081,574

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, 2010.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Note 9 - Capital Assets

Capital asset activity for the year ended December 31, 2010, was as follows:

	Balance 12/31/09	Additions	Deletions	Balance 12/31/10
Governmental Activities				
<i>Capital Assets, not being Depreciated:</i>				
Land	\$6,139,702	\$0	\$0	\$6,139,702
Construction in Progress	1,192,033	1,141,636	(54,999)	2,278,670
<i>Total Capital Assets, not being Depreciated</i>	<u>7,331,735</u>	<u>1,141,636</u>	<u>(54,999)</u>	<u>8,418,372</u>
<i>Capital Assets, being Depreciated:</i>				
Land Improvements	4,774,190	0	0	4,774,190
Buildings and Improvements	14,921,394	0	0	14,921,394
Furniture and Equipment	4,138,217	85,737	(25,635)	4,198,319
Vehicles	13,145,848	77,971	(330,035)	12,893,784
Infrastructure				
Roads	42,692,717	0	0	42,692,717
Traffic Signals	4,009,285	0	0	4,009,285
Sidewalks	3,077,621	0	0	3,077,621
Curbing	1,434,304	0	0	1,434,304
<i>Total Capital Assets, being Depreciated</i>	<u>88,193,576</u>	<u>163,708</u>	<u>(355,670)</u>	<u>88,001,614</u>
Less Accumulated Depreciation:				
Land Improvements	(2,116,176)	(137,768)	0	(2,253,944)
Buildings and Improvements	(5,126,846)	(216,149)	0	(5,342,995)
Furniture and Equipment	(2,150,872)	(170,869)	24,354	(2,297,387)
Vehicles	(5,720,146)	(699,734)	283,216	(6,136,664)
Infrastructure				
Roads	(9,899,347)	(845,859)	0	(10,745,206)
Traffic Signals	(2,151,713)	(99,878)	0	(2,251,591)
Sidewalks	(1,014,145)	(29,137)	0	(1,043,282)
Curbing	(476,520)	(13,454)	0	(489,974)
Total Accumulated Depreciation	<u>(28,655,765)</u>	<u>(2,212,848)</u>	<u>307,570</u>	<u>(30,561,043)</u>
Total Capital Assets being Depreciated, Net	<u>59,537,811</u>	<u>(2,049,140)</u>	<u>(48,100)</u>	<u>57,440,571</u>
Governmental Activities Capital Assets, Net	<u>\$66,869,546</u>	<u>(\$907,504)</u>	<u>(\$103,099)</u>	<u>\$65,858,943</u>

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Note 9 - Capital Assets (Continued)

	Balance 12/31/09	Additions	Deletions	Balance 12/31/10
Business-Type Activities				
<i>Capital Assets, not being Depreciated:</i>				
Land	\$78,150	\$0	\$0	\$78,150
Construction in Progress	176,255	1,620,810	(252,303)	1,544,762
<i>Total Capital Assets, not being Depreciated</i>	<u>254,405</u>	<u>1,620,810</u>	<u>(252,303)</u>	<u>1,622,912</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	8,333,681	202,468	0	8,536,149
Vehicles	2,256,489	49,163	(47,385)	2,258,267
Infrastructure:				
Water Lines	51,506,265	161,858	0	51,668,123
Sewer Lines	30,163,073	0	0	30,163,073
<i>Total Capital Assets, being Depreciated</i>	<u>112,009,962</u>	<u>413,489</u>	<u>(47,385)</u>	<u>112,376,066</u>
Less Accumulated Depreciation:				
Land Improvements	(513,399)	(43,844)	0	(557,243)
Buildings and Improvements	(5,417,471)	(224,910)	0	(5,642,381)
Furniture and Equipment	(4,768,092)	(259,789)	0	(5,027,881)
Vehicles	(1,029,427)	(135,656)	4,776	(1,160,307)
Infrastructure				
Water Lines	(12,859,322)	(505,852)	0	(13,365,174)
Sewer Lines	(5,967,533)	(294,810)	0	(6,262,343)
<i>Total Accumulated Depreciation</i>	<u>(30,555,244)</u>	<u>(1,464,861)</u>	<u>4,776</u>	<u>(32,015,329)</u>
Total Capital Assets, being Depreciated, Net	<u>81,454,718</u>	<u>(1,051,372)</u>	<u>(42,609)</u>	<u>80,360,737</u>
Business-Type Activities Assets, Net	<u>\$81,709,123</u>	<u>\$569,438</u>	<u>(\$294,912)</u>	<u>\$81,983,649</u>

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Note 9 - Capital Assets (Continued)

Depreciation expense was charged to governmental functions as follows:

General Government	\$173,883
Security of Persons and Property-Police	120,195
Security of Persons and Property-Fire	236,558
Transportation	1,126,744
Community Environment	13,121
Basic Utility Services	240,249
Public Health Services	34,993
Leisure Time Activities	<u>267,105</u>
Total Depreciation Expense	<u><u>\$2,212,848</u></u>

Depreciation expense was charged to the Enterprise Funds as follows:

Water Fund	\$559,874
Sewer Fund	789,960
Parking Facilities Fund	25,389
Winterhurst Ice Rink Fund	<u>89,638</u>
Total Depreciation Expense	<u><u>\$1,464,861</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, 2010, the aggregate principal amount of conduit debt obligation outstanding for Lakewood Hospital was \$15,475,000.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

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, 2010, the aggregate principal amount of conduit debt obligation outstanding for St. Edward High School was \$9,555,000. 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>
<i>Governmental Activities</i>				
<i>Notes</i>				
Various Purpose	2009	3.00%	\$7,771,000	April 15, 2010
Various Purpose	2010	1.00%	7,771,000	April 13, 2011
<i>General Obligation Bonds</i>				
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
<i>Tax Increment Financing</i>				
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
<i>OPWC Loan</i>				
Forest and Clifton Road	1999	0%	616,000	December 1, 2019

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Note 11- Long-Term Obligations (Continued)

	Original Issue Date	Interest Rate	Original Issue Amount	Date of Maturity
Revenue Bonds				
<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
General Obligation Bonds				
<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
OPWC Loans				
<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
OWDA Loan				
<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, 2010

Note 11 - Long-Term Obligations (Continued)

	Balance December 31, 2009	Additions	Deletions	Balance December 31, 2010	Amount Due in One Year
<i>Governmental Activities</i>					
Notes Payable					
Various Purpose-2009	\$7,771,000	\$0	\$7,771,000	\$0	\$0
Various Purpose-2010	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>
General Obligation Bonds					
Various Purpose-1998	1,813,500	0	191,800	1,621,700	201,500
Various Purpose Refunding-1998	2,105,000	0	695,000	1,410,000	685,000
Various Purpose-2003	3,929,519	0	247,012	3,682,507	254,619
Various Purpose Refunding-2005	4,095,000	0	685,000	3,410,000	620,000
Unamortized Premium	91,183	0	16,833	74,350	0
Unamortized loss	(589,733)	0	(4,566)	(585,167)	0
Various Purpose-2005	3,874,907	0	602,926	3,271,981	324,092
Unamortized Premium	55,885	0	3,625	52,260	0
Various Purpose-2001	850,000	0	410,000	440,000	440,000
Various Purpose Refunding-2007	9,785,000	0	255,000	9,530,000	280,000
Unamortized loss	(314,751)	0	(11,658)	(303,093)	0
Unamortized Premium	49,045	0	2,655	46,390	0
Rockport Square Development-2004	4,090,000	0	175,000	3,915,000	185,000
Unamortized Premium	103,531	0	7,560	95,971	0
Vedda Printing-2005	340,000	0	15,000	325,000	15,000
Unamortized Premium	571	0	37	534	0
<i>Total General Obligation Bonds</i>	<u>30,278,657</u>	<u>0</u>	<u>3,291,224</u>	<u>26,987,433</u>	<u>3,005,211</u>
OPWC Loan					
Forest and Clifton Road-1999	277,200	0	30,800	246,400	30,800
Claims Payable	1,095,360	5,660,683	5,894,116	861,927	482,295
Compensated Absences Payable	5,892,421	1,999,705	2,276,848	5,615,278	1,999,705
Capital Lease Payable	6,445,401	0	870,883	5,574,518	839,564
<i>Total Governmental Activities</i>	<u>\$51,760,039</u>	<u>\$15,431,388</u>	<u>\$20,134,871</u>	<u>\$47,056,556</u>	<u>\$6,357,575</u>

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Note 11 - Long-Term Obligations (Continued)

	Balance December 31, 2009	Additions	Deletions	Balance December 31, 2010	Amount Due in One Year
<i>Business-Type Activities</i>					
Revenue Bonds					
<i>Water</i>					
Water Main Improvements-1995	\$1,955,000	\$0	\$130,000	\$1,825,000	\$135,000
Water System Refunding-2002	1,000,000	0	490,000	510,000	510,000
Deferred Amount of Refunding	(59,160)	0	(29,580)	(29,580)	0
Water Main Improvements-2005	521,371	0	24,125	497,246	24,572
Unamortized Premium	437	0	29	408	0
Water Main Improvements-2006	9,465,000	0	275,000	9,190,000	285,000
Unamortized Discount	(108,167)	0	(5,031)	(103,136)	0
Unamortized Premium	18,366	0	854	17,512	0
<i>Sewer</i>					
Sewer Construction-2006	13,180,000	0	375,000	12,805,000	390,000
Unamortized Discount	(150,850)	0	(7,016)	(143,834)	0
Unamortized Premium	43,740	0	2,034	41,706	0
<i>Total Revenue Bonds</i>	<u>25,865,737</u>	<u>0</u>	<u>1,255,415</u>	<u>24,610,322</u>	<u>1,344,572</u>
General Obligation Bonds					
<i>Sewer</i>					
Sewer Construction Refunding-1998	1,255,000	0	190,000	1,065,000	200,000
Deferred Amount of Refunding	(106,786)	0	(1,461)	(105,325)	0
Unamortized Premium	27,932	0	5,156	22,776	0
Sewer Construction Refunding-2003	1,035,000	0	505,000	530,000	530,000
Deferred Amount of Refunding	(86,763)	0	(28,922)	(57,841)	0
Sewer Construction-2005	2,845,481	0	122,989	2,722,492	125,381
Unamortized Premium	52,592	0	3,936	48,656	0
Sewer Construction-2005	3,779,932	0	174,907	3,605,025	178,146
Unamortized Premium	3,188	0	207	2,981	0
<i>Winterhurst</i>					
Recreational Facility-1998	981,600	0	98,200	883,400	103,500
Recreational Facility-2005	173,790	0	8,042	165,748	8,191
Unamortized Premium	144	0	10	134	0
<i>Parking</i>					
Meter Replacement-2007	305,000	0	20,000	285,000	20,000
Unamortized Premium	2,065	0	123	1,942	0
<i>Total General Obligation Bonds</i>	<u>\$10,268,175</u>	<u>\$0</u>	<u>\$1,098,187</u>	<u>\$9,169,988</u>	<u>\$1,165,218</u>

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Note 11 - Long-Term Obligations (Continued)

	Balance December 31, 2009	Additions	Deletions	Balance December 31, 2010	Amount Due in One Year
OPWC Loans					
<i>Water Fund</i>					
Water Main Replacements-1999	\$561,803	\$0	\$62,423	\$499,380	\$62,423
Water Main Replacements-2001	1,069,206	0	97,201	972,005	97,201
Water Main Replacements-2003	671,364	0	49,731	621,633	49,730
Water Main Replacements-2003	1,075,168	0	79,642	995,526	79,642
Belle Avenue Improvements-2003	351,362	0	24,232	327,130	24,232
<i>Sewer</i>					
West Clifton Storm Sewer Rehabilitation-2000	42,725	0	4,272	38,453	4,272
Edgewater Drive-Sewer Separation-2002	362,555	0	30,213	332,342	30,213
Total OPWC Loans	4,134,183	0	347,714	3,786,469	347,713
OWDA Loan					
<i>Sewer</i>					
Lakewood Avenue-2002	107,651	0	29,138	78,513	30,405
Compensated Absences Payable	399,860	124,907	139,407	385,360	124,907
Capital Lease Payable	1,382,897	0	158,733	1,224,164	164,827
Total Business-Type Activities	\$42,158,503	\$124,907	\$3,028,594	\$39,254,816	\$3,177,642

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, 2010, \$1,410,000 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, 2010, \$3,410,000 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, 2010

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, 2009	\$850,000
Principle Payment on Non-Refunded Portion	(410,000)
Non-Refunded Portion Outstanding at December 31, 2010	\$440,000

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 loan 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, 2010, were \$121,042. At December 31, 2010, \$1,825,000 of the debt remained outstanding.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

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, 2010, \$510,000 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 \$29,580 at December 31, 2010. 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, 2010, were \$195,474 for replacement and improvement and \$264,297 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, 2010, were \$405,345, of which \$66,288 were unspent bond proceeds and \$339,057 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, 2010, were \$1,052,616, of which \$581,814 were unspent bond proceeds and \$470,802 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, 2010, \$530,000 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 \$57,841 at December 31, 2010. 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, 2010

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 \$21,296,777. Principal and interest paid for the current year were \$1,807,668, total net revenues were \$2,308,438, and total revenues were \$10,777,249.

The City has pledged future revenues to repay the revenue bonds and 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 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 \$20,260,370. Principal and interest paid for the current year were \$1,009,947, total net revenues were \$2,235,601, and total revenues were \$6,443,136.

The City's overall legal debt margin was \$60,866,158 at December 31, 2010.

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2010, are as follows:

	Governmental Activities					
	General Obligation Bonds		OPWC Loans		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
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	2,626,051	753,873	30,800	0	2,656,851	753,873
2016-2020	8,390,606	2,390,938	92,400	0	8,483,006	2,390,938
2021-2025	5,210,810	650,643	0	0	5,210,810	650,643
2026	355,000	15,088	0	0	355,000	15,088
	<u>\$27,606,188</u>	<u>\$7,956,776</u>	<u>\$246,400</u>	<u>\$0</u>	<u>\$27,852,588</u>	<u>\$7,956,776</u>

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Note 11 - Long-Term Obligations (Continued)

Business Type Activities				
	Revenue Bonds		GO Bonds	
	Principal	Interest	Principal	Interest
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	999,039	913,620	789,909	265,152
2016-2020	5,693,515	3,875,430	2,775,980	888,228
2021-2025	5,701,044	2,632,480	2,423,145	283,401
2026-2030	6,800,000	1,292,400	0	0
2031	1,545,000	69,525	0	0
	<u>\$24,827,246</u>	<u>\$12,859,789</u>	<u>\$9,256,665</u>	<u>\$2,818,924</u>
	OPWC Loans		OWDA Loans	
	Principal	Interest	Principal	Interest
2011	\$347,713	\$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	347,714	0	0	0
2016-2020	1,609,442	0	0	0
2021-2025	438,458	0	0	0
	<u>\$3,786,469</u>	<u>\$0</u>	<u>\$78,513</u>	<u>\$5,130</u>
Total				
	Principal		Interest	
2011	\$2,887,908		\$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	2,136,662		1,178,772	
2016-2020	10,078,937		4,763,658	
2021-2025	8,562,647		2,915,881	
2026-2030	6,800,000		1,292,400	
2031	1,545,000		69,525	
	<u>\$37,948,893</u>		<u>\$15,683,843</u>	

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

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, 2010, only \$2,172,353 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, 2010:

	Governmental Activities	Business-Type Activities
Capital Leases, being depreciated:		
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	630,000	480,000
Equipment Machinery and Furniture	95,723	77,038
Vehicles	1,135,135	261,911
Total Accumulated Depreciation	1,860,858	818,949
Capital Leases, Net	\$4,842,351	\$1,228,422
	Governmental Activities	Business-Type Activities
2011	\$1,058,599	\$214,278
2012	1,058,341	214,536
2013	888,979	191,923
2014	761,254	185,438
2015	734,675	180,044
2016-2018	1,952,660	450,439
Total minimum lease payments	6,454,508	1,436,658
Less: amount representing interest	(879,990)	(212,494)
Total	\$5,574,518	\$1,224,164

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, 2010

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, which 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 \$112,706,695 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 \$112,706,695, 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 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, 2010, \$452,711 was 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, 2010

Note 13 - Risk Management (Continued)

	2010	2009
Estimated claims payable January 1	\$480,500	\$509,173
Plus: Current year claims	5,150,442	4,919,049
Less: Claim payments	(5,178,231)	(4,947,722)
Estimated claims payable December 31	\$452,711	\$480,500

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, 2010, \$409,216 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:

	2010	2009
Estimated claims payable January 1	\$614,860	\$592,159
Plus: Current year claims	393,676	516,311
Less: Claim payments	(599,320)	(493,610)
Estimated claims payable December 31	\$409,216	\$614,860

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

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, but less than, 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, survivor and death 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 and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units and 18.1 percent of covered payroll for law enforcement and public safety employer units. Member contribution rates, as set in the Ohio Revised Code, are not to exceed 10 percent of covered payroll. For the year ended December 31, 2010, members in state and local classifications contributed 10 percent of covered payroll while public safety and law enforcement members contributed 10.5 percent and 11.1 percent, respectively. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan. For 2010, member and employer contribution rates were consistent across all three plans.

The City's 2010 contribution rate was 14.0 percent, except for those plan members in law enforcement or public safety, for whom the City's contribution was 17.87 percent of covered payroll. The portion of employer contributions used to fund pension benefits is net of post-employment health care benefits. The portion of employer contribution allocated to health care for members in the Traditional Plan was 5.5 percent from January 1 through February 28, 2010, and 5 percent from March 1 through December 31, 2010. The portion of employer contributions allocated to health care for members in the Combined Plan was 4.73 percent from January 1 through February 28, 2010, and 4.23 percent from March 1 through December 31, 2010. Employer contribution rates are actuarially determined.

The City's required contributions for pension obligations to the Traditional and Combined plans for the years ended December 31, 2010, 2009, and 2008, were \$1,352,366 \$1,274,799, and \$1,263,202, respectively; 76 percent has been contributed for 2010 and 100 percent for 2009 and 2008. Contributions to the Member-Directed Plan for 2010 were \$32,560 made by the City and \$23,257 made by the plan members.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

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

Funding Policy – The Ohio Revised Code requires plan members to contribute 10.0 percent of their annual covered salary, while employers are required to contribute 19.5 percent for police officers and 24.0 percent for firefighters.

The OP&F Pension Fund is authorized by the Ohio Revised Code to allocate a portion of the employer contributions to retiree health care benefits. The portion of employer contributions used to fund pension benefits was 12.75 percent of covered payroll for police officers and 17.25 percent of covered payroll for firefighters.

The City's pension contributions to OP&F for police and firefighters were \$877,675 and \$925,438 for the year ended December 31, 2010, \$862,453 and \$972,154 for the year ended December 31, 2009, and \$818,886 and \$965,658 for the year ended December 31, 2008. 77.18 percent has been contributed for police and 76.58 percent has been contributed for firefighters for 2010 with the balance for both police and firefighters being reported as intergovernmental payable.

Note 15 – Post-Employment Benefits

A. Ohio Public Employees Retirement System

Plan Description – Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan—a cost sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan—a defined contribution plan; and the Combined Plan—a cost sharing, multiple employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for qualifying members of both the Traditional Pension and the Combined 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, prescription drug program, and Medicare Part B premium reimbursement.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Note 15 – Post-Employment Benefits (Continued)

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.

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

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2010, state and local employers contributed at a rate of 14.0 percent of covered payroll, and public safety and law enforcement employers contributed at 17.87 percent. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units and 18.1 percent of covered payroll for law and public safety employer units.

Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 5.5 percent from January 1 through February 28, 2010, and 5 percent from March 1 through December 31, 2010. The portion of employer contributions allocated to health care for members in the Combined Plan was 4.73 percent from January 1 through February 28, 2010, and 4.23 percent from March 1 through December 31, 2010.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or 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, 2010, 2009, and 2008 were \$770,838, \$922,021, and \$1,263,202, respectively; 76 percent has been contributed for 2010 with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2009 and 2008.

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 enforcement and public safety employers increased over a six year period beginning on 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 health care program, a cost-sharing, multiple-employer defined post-employment health care plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium 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

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Note 15 – Post-Employment Benefits (Continued)

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.

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 by the Ohio Revised Code 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.

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, 2010, 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 health care 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 \$464,652 and \$362,128 for the year ended December 31, 2010, \$456,625 and \$377,288 for the year ended December 31, 2009, and \$433,528 and \$377,866 for the year ended December 31, 2008. The full amount has been contributed for 2009 and 2008. 77.18 percent has been contributed for police and 76.58 percent has been contributed for firefighters for 2010 with the balance being reported as an intergovernmental payable.

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

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Note 16 - Other Employee Benefits - Continued

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 quarterly basis for police and a semi-annual basis for fire, payments for portions of overtime accumulated, upon written request to the respective department Chief.

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 2010, the City contributed \$89,790.

Note 18 – Contractual Commitments

The following were significant contractual commitments outstanding at December 31, 2010.

<u>Project</u>	<u>Contract Amount</u>	<u>Amount Paid</u>	<u>Amount Remaining</u>
Traffic Signalization	\$400,000	\$383,114	\$16,886
Waterline Improvements	1,037,485	644,843	392,642
Wastewater Improvements	2,399,072	1,031,373	1,367,699
Totals	<u>\$3,836,557</u>	<u>\$2,059,330</u>	<u>\$1,777,227</u>

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

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 Streets and Highways, Police and Fire Pension Fund, Lakewood Hospital, Debt Service, Water, Sewer, Parking and Winterhurst were to cover debt payments. The transfers from Office on Aging, Lead Based Paint Hazard, Little Links, Family Day Care Home Project, Lakehouse Breakwall and General Liability were to close out these Funds.

Transfer To	Transfer From							
	General	Streets and Highways	Police and Fire Pension	Office on Aging	Lakewood Hospital Fund	Lead Based Paint Hazard	Little Links	Family Day Care Home Project
Governmental Activities								
Major Funds								
General	\$0	\$0	\$0	\$461	\$0	\$6	\$6,158	\$5,771
Debt Service	209,272	21,504	421,800	0	1,177	0	0	0
Nonmajor Funds								
Office on Aging	804,920	0	0	0	0	0	0	0
Total Governmental Activities	1,014,192	21,504	421,800	461	1,177	6	6,158	5,771
Business-Type Activities								
Parking Facilities	0	0	0	0	0	0	0	0
Winterhurst	0	0	0	0	0	0	0	0
Total Business Type Activities	0	0	0	0	0	0	0	0
Internal Service								
Hospitalization	694,000	0	0	0	0	0	0	0
Workers' Compensation	500,000	0	0	0	0	0	0	0
Total Internal Service Activities	1,194,000	0	0	0	0	0	0	0
Total	\$2,208,192	\$21,504	\$421,800	\$461	\$1,177	\$6	\$6,158	\$5,771

Transfer To	Transfer From							Total
	Lakehouse Breakwall	Debt Service	Water	Sewer	Parking	Winterhurst	General Liability	
Governmental Activities								
Major Funds								
General	\$15,261	\$1,125,324	\$0	\$0	\$0	\$0	\$2,517	\$1,155,498
Debt Service	0	0	15,244	1,294,562	4,459	72,334	0	2,040,352
Nonmajor Funds								
Office on Aging	0	0	0	0	0	0	0	804,920
Total Governmental Activities	15,261	1,125,324	15,244	1,294,562	4,459	72,334	2,517	4,000,770
Business-Type Activities								
Parking Facilities	0	2,201	0	0	0	0	0	2,201
Winterhurst	0	310,417	0	0	0	0	0	310,417
Total Business Type Activities	0	312,618	0	0	0	0	0	312,618
Internal Service								
Hospitalization	0	0	0	0	0	0	0	694,000
Workers' Compensation	0	0	0	0	0	0	0	500,000
Total Internal Service Activities	0	0	0	0	0	0	0	1,194,000
Total	\$15,261	\$1,437,942	\$15,244	\$1,294,562	\$4,459	\$72,334	\$2,517	\$5,507,388

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2010

Note 19 - Interfund Transfers and Balances (Continued)

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, 2010, consist of the following:

Interfund Payable	Interfund Receivable			Total
	General	Workers' Compensation	Hospitalization	
Governmental Funds				
Major Funds:				
General	\$0	\$22,078	\$337,844	\$359,922
<i>Special Revenue Funds:</i>				
Community Development Block Grant	81,481	442	6,757	88,680
Nonmajor Funds				
<i>Special Revenue Funds</i>				
Street and Highway	0	946	14,479	15,425
Office on Aging	0	1,198	18,340	19,538
Lakewood Hospital	0	1,451	22,201	23,652
HOME Investment Program	16,173	0	0	16,173
Energy Efficiency Block Grant	19,849	0	0	19,849
Total Governmental Funds	117,503	26,115	399,621	543,239
Proprietary Funds				
Major Funds:				
Water	0	1,009	15,444	16,453
Sewer	0	2,271	34,750	37,021
Nonmajor Funds				
Parking Facilities	0	189	2,896	3,085
Winterhurst Ice Rink	60,000	0	0	60,000
Total Proprietary Funds	60,000	3,469	53,090	116,559
Total	\$177,503	\$29,584	\$452,711	\$659,798

Note 20 – Note Debt

The City issued a \$7,771,000 various purpose bond anticipation note April 15, 2010 at 1.0 percent that will mature April 13, 2011. The entire note issuance was used to pay off the outstanding 2009 various purpose notes. All of the notes were considered long-term.

Note 21 - Subsequent Event

On February 9, 2011, the City issued \$12,320,000 in various purpose improvement and refunding bonds. \$7,771,000 of the proceeds were used to retire various purposes bond anticipation notes due 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.

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City of Lakewood, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2010

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,779,212	\$62,842	\$1,016,489	\$2,858,543
Cash and Cash Equivalents In Segregated Accounts	89,582	0	21,718	111,300
Accounts Receivable	413,809	0	0	413,809
Intergovernmental Receivable	867,805	0	0	867,805
Materials and Supplies Inventory	185,723	0	0	185,723
Special Assessments Receivable	47,479	0	0	47,479
<i>Total Assets</i>	<u>\$3,383,610</u>	<u>\$62,842</u>	<u>\$1,038,207</u>	<u>\$4,484,659</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$146,548	\$15,755	\$10,069	\$172,372
Retainage Payable	4,061	0	21,718	25,779
Accrued Wages and Benefits	125,892	0	0	125,892
Intergovernmental Payable	53,564	0	0	53,564
Deferred Revenue	568,679	0	0	568,679
Interfund Payable	94,637	0	0	94,637
<i>Total Liabilities</i>	<u>993,381</u>	<u>15,755</u>	<u>31,787</u>	<u>1,040,923</u>
Fund Balances				
Unreserved, Undesignated Reported In:				
Special Revenue Funds	2,390,229	0	0	2,390,229
Debt Service Fund	0	47,087	0	47,087
Capital Projects Funds	0	0	1,006,420	1,006,420
<i>Total Fund Balances</i>	<u>2,390,229</u>	<u>47,087</u>	<u>1,006,420</u>	<u>3,443,736</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$3,383,610</u>	<u>\$62,842</u>	<u>\$1,038,207</u>	<u>\$4,484,659</u>

City of Lakewood, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2010

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Payment in Lieu of Taxes	\$0	\$341,399	\$0	\$341,399
Special Assessments	28,395	0	0	28,395
Charges for Services	2,493,604	0	0	2,493,604
Licenses, Permits and Fees	3,350	0	0	3,350
Fines and Forfeitures	265,127	0	0	265,127
Intergovernmental	4,567,255	13,888	0	4,581,143
Contributions and Donations	107,335	0	0	107,335
Interest	19	0	0	19
Miscellaneous	281,356	0	12,369	293,725
<i>Total Revenues</i>	<u>7,746,441</u>	<u>355,287</u>	<u>12,369</u>	<u>8,114,097</u>
Expenditures				
Current:				
General Government	114,068	41,850	0	155,918
Security of Persons and Property:				
Police	148,644	0	0	148,644
Fire	1,630,258	0	0	1,630,258
Public Health Services	1,668,992	0	0	1,668,992
Transportation	1,867,759	0	0	1,867,759
Community Environment	2,463,790	0	0	2,463,790
Capital Outlay	0	0	705,446	705,446
Debt Service:				
Principal Retirement	0	190,000	0	190,000
Interest and Fiscal Charges	0	243,292	0	243,292
<i>Total Expenditures</i>	<u>7,893,511</u>	<u>475,142</u>	<u>705,446</u>	<u>9,074,099</u>
Excess of Revenues				
Under Expenditures	(147,070)	(119,855)	(693,077)	(960,002)
Other Financing Sources (Uses)				
Transfers In	804,920	0	0	804,920
Transfers Out	(35,077)	0	(15,261)	(50,338)
<i>Total Other Financing Sources (Uses)</i>	<u>769,843</u>	<u>0</u>	<u>(15,261)</u>	<u>754,582</u>
<i>Net Change in Fund Balances</i>	622,773	(119,855)	(708,338)	(205,420)
<i>Fund Balances Beginning of Year</i>	<u>1,767,456</u>	<u>166,942</u>	<u>1,714,758</u>	<u>3,649,156</u>
<i>Fund Balances End of Year</i>	<u>\$2,390,229</u>	<u>\$47,087</u>	<u>\$1,006,420</u>	<u>\$3,443,736</u>

City of Lakewood, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2010

	Street and Highway Fund	Office on Aging Fund	Lakewood Hospital Fund
Assets			
Equity in Pooled Cash and Cash Equivalents	\$519,632	\$109,562	\$83,439
Cash and Cash Equivalents			
In Segregated Accounts	4,061	0	85,521
Accounts Receivable	0	24,627	369,655
Intergovernmental Receivable	809,341	15,459	0
Materials and Supplies Inventory	185,723	0	0
Special Assessments Receivable	18,432	0	29,047
<i>Total Assets</i>	<u>\$1,537,189</u>	<u>\$149,648</u>	<u>\$567,662</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$83,096	\$14,003	\$17,662
Retainage Payable	4,061	0	0
Accrued Wages and Benefits	35,569	34,387	48,976
Intergovernmental Payable	15,829	15,895	18,118
Deferred Revenue	539,632	0	29,047
Interfund Payable	15,425	19,538	23,652
<i>Total Liabilities</i>	<u>693,612</u>	<u>83,823</u>	<u>137,455</u>
Fund Balances			
Unreserved, Undesignated (Deficit)	<u>843,577</u>	<u>65,825</u>	<u>430,207</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,537,189</u>	<u>\$149,648</u>	<u>\$567,662</u>

Energy Efficiency Block Grant Fund	Homeless Prevention Fund	Neighborhood Stabilization Fund	Byrne Memorial Grant Fund
\$0	\$292	\$97,326	\$50,000
0	0	0	0
0	0	0	0
29,365	0	0	0
0	0	0	0
0	0	0	0
<u>\$29,365</u>	<u>\$292</u>	<u>\$97,326</u>	<u>\$50,000</u>

\$0	\$3,783	\$1,026	\$0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
19,849	0	0	0
<u>19,849</u>	<u>3,783</u>	<u>1,026</u>	<u>0</u>

<u>9,516</u>	<u>(3,491)</u>	<u>96,300</u>	<u>50,000</u>
<u>\$29,365</u>	<u>\$292</u>	<u>\$97,326</u>	<u>\$50,000</u>

(continued)

City of Lakewood, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2010

	Litter Control Grant Fund	Community Festival Fund	Law and Drug Enforcement Trust Fund	Federal Forfeiture Fund	Indigent Drivers Alcohol Treatment Fund
Assets					
Equity in Pooled Cash and Cash Equivalents	\$7,329	\$1,310	\$226,087	\$11,911	\$150,320
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0	0
Accounts Receivable	0	0	1,549	0	0
Intergovernmental Receivable	0	0	0	0	3,640
Materials and Supplies Inventory	0	0	0	0	0
Special Assessments Receivable	0	0	0	0	0
<i>Total Assets</i>	<u>\$7,329</u>	<u>\$1,310</u>	<u>\$227,636</u>	<u>\$11,911</u>	<u>\$153,960</u>
Liabilities and Fund Balance					
Liabilities					
Accounts Payable	\$0	\$0	\$12,584	\$0	\$0
Retainage Payable	0	0	0	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>	<u>0</u>	<u>0</u>	<u>12,584</u>	<u>0</u>	<u>0</u>
Fund Balances					
Unreserved, Undesignated (Deficit)	<u>7,329</u>	<u>1,310</u>	<u>215,052</u>	<u>11,911</u>	<u>153,960</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$7,329</u>	<u>\$1,310</u>	<u>\$227,636</u>	<u>\$11,911</u>	<u>\$153,960</u>

Enforcement and Education Fund	Political Subdivision Fund	Computer Research and Maintenance Fund	Court Special Projects Fund	Court Probation Services Fund	Indigent Drivers Interlock and Alcohol Monitoring Fund
\$63,654	\$13,691	\$45,025	\$253,278	\$90,037	\$21,635
0	0	0	0	0	0
369	0	2,501	9,637	4,156	1,315
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$64,023</u>	<u>\$13,691</u>	<u>\$47,526</u>	<u>\$262,915</u>	<u>\$94,193</u>	<u>\$22,950</u>
\$0	\$0	\$0	\$2,700	\$690	\$460
0	0	0	0	0	0
0	0	0	0	640	0
0	0	0	0	153	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>2,700</u>	<u>1,483</u>	<u>460</u>
<u>64,023</u>	<u>13,691</u>	<u>47,526</u>	<u>260,215</u>	<u>92,710</u>	<u>22,490</u>
<u>\$64,023</u>	<u>\$13,691</u>	<u>\$47,526</u>	<u>\$262,915</u>	<u>\$94,193</u>	<u>\$22,950</u>

(continued)

City of Lakewood, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2010

	Emergency Shelter Grant Fund	HOME Investment Program Fund	Help-to-Others Fund	Juvenile Diversion Fund
Assets				
Equity in Pooled Cash and Cash Equivalents	\$3,386	\$0	\$6,186	\$2,040
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Accounts Receivable	0	0	0	0
Intergovernmental Receivable	0	10,000	0	0
Materials and Supplies Inventory	0	0	0	0
Special Assessments Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$3,386</u>	<u>\$10,000</u>	<u>\$6,186</u>	<u>\$2,040</u>
Liabilities and Fund Balance				
Liabilities				
Accounts Payable	\$4,172	\$6,224	\$30	\$0
Retainage Payable	0	0	0	0
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	556	0	0	0
Deferred Revenue	0	0	0	0
Interfund Payable	0	16,173	0	0
<i>Total Liabilities</i>	<u>4,728</u>	<u>22,397</u>	<u>30</u>	<u>0</u>
Fund Balances				
Unreserved, Undesignated (Deficit)	<u>(1,342)</u>	<u>(12,397)</u>	<u>6,156</u>	<u>2,040</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$3,386</u>	<u>\$10,000</u>	<u>\$6,186</u>	<u>\$2,040</u>

Family to Family Fund	Total Nonmajor Special Revenue Funds
\$23,072	\$1,779,212
0	89,582
0	413,809
0	867,805
0	185,723
0	47,479
<u>\$23,072</u>	<u>\$3,383,610</u>
\$118	146,548
0	4,061
6,320	125,892
3,013	53,564
0	568,679
0	94,637
<u>9,451</u>	<u>993,381</u>
<u>13,621</u>	<u>2,390,229</u>
<u>\$23,072</u>	<u>\$3,383,610</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, 2010

	Street and Highway Fund	Office on Aging Fund	Lakewood Hospital Fund	Energy Efficiency Block Grant Fund
Revenues				
Special Assessments	\$28,395	\$0	\$0	\$0
Charges for Services	0	248,489	2,233,515	0
Licenses, Permits and Fees	0	0	3,350	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	1,903,512	139,314	0	100,419
Contributions and Donations	0	107,335	0	0
Special Assessments	28,395	0	0	0
Interest	0	0	0	0
Miscellaneous	64,807	15,367	12,354	0
<i>Total Revenues</i>	<u>1,996,714</u>	<u>510,505</u>	<u>2,249,219</u>	<u>100,419</u>
Expenditures				
Current:				
General Government	0	0	0	0
Security of Persons and Property:				
Police	0	0	0	0
Fire	0	0	1,630,258	0
Public Health Services	0	1,252,211	416,781	0
Transportation	1,867,759	0	0	0
Community Environment	0	0	0	90,903
<i>Total Expenditures</i>	<u>1,867,759</u>	<u>1,252,211</u>	<u>2,047,039</u>	<u>90,903</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	128,955	(741,706)	202,180	9,516
Other Financing Sources (Uses)				
Transfers In	0	804,920	0	0
Transfers Out	(21,504)	(461)	(1,177)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(21,504)</u>	<u>804,459</u>	<u>(1,177)</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	107,451	62,753	201,003	9,516
<i>Fund Balances (Deficit) Beginning of Year</i>	736,126	3,072	229,204	0
<i>Fund Balances (Deficit) End of Year</i>	<u>\$843,577</u>	<u>\$65,825</u>	<u>\$430,207</u>	<u>\$9,516</u>

Homeless Prevention Fund	Neighborhood Stabilization Fund	Byrne Memorial Grant Fund
\$0	\$0	\$0
0	0	0
0	0	0
0	0	0
487,226	880,546	16,521
0	0	0
0	0	0
0	0	0
0	0	0
<u>487,226</u>	<u>880,546</u>	<u>16,521</u>
0	0	0
0	0	41,521
0	0	0
0	0	0
0	0	0
490,717	932,416	0
<u>490,717</u>	<u>932,416</u>	<u>41,521</u>
(3,491)	(51,870)	(25,000)
0	0	0
<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>
(3,491)	(51,870)	(25,000)
0	148,170	75,000
<u>(\$3,491)</u>	<u>\$96,300</u>	<u>\$50,000</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, 2010

	Litter Control Grant Fund	Community Festival Fund	Law and Drug Enforcement Trust Fund	Federal Forfeiture Fund	Indigent Drivers Alcohol Treatment Fund
Revenues					
Special Assessments	\$0	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0	0
Licenses, Permits and Fees	0	0	0	0	0
Fines and Forfeitures	0	0	16,224	0	11,263
Intergovernmental	2,963	0	0	12,473	4,873
Contributions and Donations	0	0	0	0	0
Special Assessments	0	0	0	0	0
Interest	0	0	0	19	0
Miscellaneous	0	4,000	151,307	0	0
<i>Total Revenues</i>	<u>2,963</u>	<u>4,000</u>	<u>167,531</u>	<u>12,492</u>	<u>16,136</u>
Expenditures					
Current:					
General Government	0	7,516	0	0	2,360
Security of Persons and Property:					
Police	0	0	96,732	6,685	0
Fire	0	0	0	0	0
Public Health Services	0	0	0	0	0
Transportation	0	0	0	0	0
Community Environment	10,857	0	0	0	0
<i>Total Expenditures</i>	<u>10,857</u>	<u>7,516</u>	<u>96,732</u>	<u>6,685</u>	<u>2,360</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(7,894)</u>	<u>(3,516)</u>	<u>70,799</u>	<u>5,807</u>	<u>13,776</u>
Other Financing Sources (Uses)					
Transfer In	0	0	0	0	0
Transfers Out	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(7,894)</u>	<u>(3,516)</u>	<u>70,799</u>	<u>5,807</u>	<u>13,776</u>
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>15,223</u>	<u>4,826</u>	<u>144,253</u>	<u>6,104</u>	<u>140,184</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$7,329</u>	<u>\$1,310</u>	<u>\$215,052</u>	<u>\$11,911</u>	<u>\$153,960</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
0	0	0	0
4,761	1,344	34,855	138,633
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
1,700	0	0	0
<u>6,461</u>	<u>1,344</u>	<u>34,855</u>	<u>138,633</u>
0	0	31,271	61,561
3,706	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
<u>3,706</u>	<u>0</u>	<u>31,271</u>	<u>61,561</u>
2,755	1,344	3,584	77,072
0	0	0	0
0	0	0	0
0	0	0	0
2,755	1,344	3,584	77,072
61,268	12,347	43,942	183,143
<u>\$64,023</u>	<u>\$13,691</u>	<u>\$47,526</u>	<u>\$260,215</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, 2010

	Court Probation Services Fund	Indigent Drivers Interlock and Alcohol Monitoring Fund	Emergency Shelter Grant Fund	HOME Investment Program Fund
Revenues				
Special Assessments	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0
Licenses, Permits and Fees	0	0	0	0
Fines and Forfeitures	42,643	15,404	0	0
Intergovernmental	0	0	97,520	567,020
Contributions and Donations	0	0	0	0
Special Assessments	0	0	0	0
Interest	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>42,643</u>	<u>15,404</u>	<u>97,520</u>	<u>567,020</u>
Expenditures				
Current:				
General Government	8,904	2,456	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	99,669	433,248
<i>Total Expenditures</i>	<u>8,904</u>	<u>2,456</u>	<u>99,669</u>	<u>433,248</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>33,739</u>	<u>12,948</u>	<u>(2,149)</u>	<u>133,772</u>
Other Financing Sources (Uses)				
Transfer In	0	0	0	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	33,739	12,948	(2,149)	133,772
<i>Fund Balances (Deficit) Beginning of Year</i>	58,971	9,542	807	(146,169)
<i>Fund Balances (Deficit) End of Year</i>	<u>\$92,710</u>	<u>\$22,490</u>	<u>(\$1,342)</u>	<u>(\$12,397)</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	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$0	\$28,395
0	0	11,600	0	0	0	2,493,604
0	0	0	0	0	0	3,350
0	0	0	0	0	0	265,127
4	0	0	14,400	0	340,464	4,567,255
0	0	0	0	0	0	107,335
0	0	0	0	0	0	28,395
0	0	0	0	0	0	19
0	0	27,753	4,068	0	0	281,356
4	0	39,353	18,468	0	340,464	7,746,441
0	0	0	0	0	0	114,068
0	0	0	0	0	0	148,644
0	0	0	0	0	0	1,630,258
0	0	0	0	0	0	1,668,992
0	0	0	0	0	0	1,867,759
0	0	39,069	15,625	0	351,286	2,463,790
0	0	39,069	15,625	0	351,286	7,893,511
4	0	284	2,843	0	(10,822)	(147,070)
0	0	0	0	0	0	804,920
(6)	(6,158)	0	0	(5,771)	0	(35,077)
(6)	(6,158)	0	0	(5,771)	0	769,843
(2)	(6,158)	284	2,843	(5,771)	(10,822)	622,773
2	6,158	5,872	(803)	5,771	24,443	1,767,456
\$0	\$0	\$6,156	\$2,040	\$0	\$13,621	\$2,390,229

City of Lakewood, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2010

	Permanent Capital Improvement Fund	TIF Capital Improvement Fund	Land Acquisition Fund	City Park Improvement Fund	Total Nonmajor Capital Projects Funds
Assets					
Equity in Pooled Cash and Cash					
Equivalents	\$565,960	\$223,211	\$150,000	\$77,318	\$1,016,489
Cash and Cash Equivalents					
In Segregated Accounts	<u>0</u>	<u>21,718</u>	<u>0</u>	<u>0</u>	<u>21,718</u>
<i>Total Assets</i>	<u>\$565,960</u>	<u>\$244,929</u>	<u>\$150,000</u>	<u>\$77,318</u>	<u>\$1,038,207</u>
Liabilities and Fund Balance					
Liabilities					
Accounts Payable	\$10,069	\$0	\$0	\$0	\$10,069
Retainage Payable	<u>0</u>	<u>21,718</u>	<u>0</u>	<u>0</u>	<u>21,718</u>
<i>Total Liabilities</i>	<u>10,069</u>	<u>21,718</u>	<u>0</u>	<u>0</u>	<u>31,787</u>
Fund Balances					
Unreserved, Undesignated	<u>555,891</u>	<u>223,211</u>	<u>150,000</u>	<u>77,318</u>	<u>1,006,420</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$565,960</u>	<u>\$244,929</u>	<u>\$150,000</u>	<u>\$77,318</u>	<u>\$1,038,207</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, 2010

	Permanent Capital Improvement Fund	TIF Capital Improvement Fund	Lakehouse Breakwall Fund	Land Acquisition Fund	City Park Improvement Fund	Total Nonmajor Capital Projects Funds
Revenues						
Miscellaneous	\$0	\$0	\$0	\$0	\$12,369	\$12,369
Expenditures						
Current:						
Capital Outlay	703,744	0	0	0	1,702	705,446
Excess of Revenues Over (Under) Expenditures	(703,744)	0	0	0	10,667	(693,077)
Other Financing Uses						
Transfers Out	0	0	(15,261)	0	0	(15,261)
<i>Net Change in Fund Balances</i>	(703,744)	0	(15,261)	0	10,667	(708,338)
<i>Fund Balances Beginning of Year</i>	1,259,635	223,211	15,261	150,000	66,651	1,714,758
<i>Fund Balances End of Year</i>	<u>\$555,891</u>	<u>\$223,211</u>	<u>\$0</u>	<u>\$150,000</u>	<u>\$77,318</u>	<u>\$1,006,420</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, 2010

	Parking Facilities Fund	Winterhurst Ice Rink Fund	Total Nonmajor Enterprise Funds
Assets			
Current Assets			
Equity in Pooled Cash and Cash			
Equivalents	\$177,951	\$14,243	\$192,194
Accounts Receivable	0	261,475	261,475
Materials and Supplies Inventory	106,819	0	106,819
Total Current Assets	<u>284,770</u>	<u>275,718</u>	<u>560,488</u>
Long-Term Assets			
Deferred Bond Issuance Costs	0	8,665	8,665
Nondepreciable Capital Assets	77,130	10	77,140
Depreciable Capital Assets, Net	432,499	4,981,962	5,414,461
Total Noncurrent Assets	<u>509,629</u>	<u>4,990,637</u>	<u>5,500,266</u>
<i>Total Assets</i>	<u>794,399</u>	<u>5,266,355</u>	<u>6,060,754</u>
Liabilities			
Current Liabilities			
Accounts Payable	44,700	120,270	164,970
Accrued Wages and Benefits	3,695	0	3,695
Intergovernmental Payable	1,773	0	1,773
Interfund Payable	3,085	60,000	63,085
Accrued Interest Payable	980	11,453	12,433
Compensated Absences Payable	12,643	0	12,643
Bonds Payable	20,000	111,691	131,691
Capital Leases Payable	2,177	111,053	113,230
Total Current Liabilities	<u>89,053</u>	<u>414,467</u>	<u>503,520</u>
Long-Term Liabilities			
Compensated Absence Payable	6,562	0	6,562
Bonds Payable	266,942	937,591	1,204,533
Capital Leases Payable	16,916	840,774	857,690
Total Long Term Liabilities	<u>290,420</u>	<u>1,778,365</u>	<u>2,068,785</u>
<i>Total Liabilities</i>	<u>379,473</u>	<u>2,192,832</u>	<u>2,572,305</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	203,594	2,980,862	3,184,456
Restricted for Debt Service	991	11,453	12,444
Unrestricted	210,341	81,208	291,549
<i>Total Net Assets</i>	<u>\$414,926</u>	<u>\$3,073,523</u>	<u>\$3,488,449</u>

City of Lakewood, Ohio
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Nonmajor Enterprise Funds
For the Year Ended December 31, 2010

	Parking Facilities Fund	Winterhurst Ice Rink Fund	Total Nonmajor Enterprise Funds
Operating Revenues			
Charges for Services	\$434,510	\$563,499	\$998,009
Miscellaneous	0	75,000	75,000
<i>Total Operating Revenues</i>	<u>434,510</u>	<u>638,499</u>	<u>1,073,009</u>
Operating Expenses			
Personal Services	182,688	0	182,688
Contractual Services	33	60,065	60,098
Materials and Supplies	83,016	0	83,016
Utilities	4,662	371,713	376,375
Depreciation	25,389	89,638	115,027
Miscellaneous	79,081	117,452	196,533
<i>Total Operating Expenses</i>	<u>374,869</u>	<u>638,868</u>	<u>1,013,737</u>
Operating Income (Loss)	59,641	(369)	59,272
Non Operating Expenses			
Interest and Fiscal Charges	<u>(12,077)</u>	<u>(97,529)</u>	<u>(109,606)</u>
Net Income (Loss) Before Transfers	47,564	(97,898)	(50,334)
Transfers In	2,201	310,417	312,618
Transfers Out	<u>(4,459)</u>	<u>(72,334)</u>	<u>(76,793)</u>
<i>Change in Net Assets</i>	45,306	140,185	185,491
<i>Net Assets Beginning of Year</i>	<u>369,620</u>	<u>2,933,338</u>	<u>3,302,958</u>
<i>Net Assets End of Year</i>	<u><u>\$414,926</u></u>	<u><u>\$3,073,523</u></u>	<u><u>\$3,488,449</u></u>

City of Lakewood, Ohio
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2010

	Parking Facilities Fund	Winterhurst Ice Rink Fund	Total Nonmajor Enterprise Funds
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities			
Cash Received from Customers	\$434,510	\$375,190	\$809,700
Cash Received from Other Operating Sources	0	75,000	75,000
Cash Payments to Suppliers for Goods and Services	(36,858)	(364,268)	(401,126)
Cash Payments for Employee Services and Benefits	(185,911)	0	(185,911)
Cash Payments for Other Operating Expenses	(87,624)	(117,452)	(205,076)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>124,117</u>	<u>(31,530)</u>	<u>92,587</u>
Cash Flows from Noncapital Financing Activities			
Advance In	0	60,000	60,000
Transfers In	2,201	310,417	312,618
Transfers Out	(4,459)	(72,334)	(76,793)
<i>Net Cash Provided by (Used for) Non-capital Financing Activities</i>	<u>(2,258)</u>	<u>298,083</u>	<u>295,825</u>
Cash Flows from Capital and Related Financing Activities			
Principal Paid on Bonds	(20,000)	(106,242)	(126,242)
Principal Paid Leases	(3,465)	(106,483)	(109,948)
Interest Paid on Bonds	(11,437)	(56,706)	(68,143)
Interest Paid on Leases	(938)	(40,986)	(41,924)
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(35,840)</u>	<u>(310,417)</u>	<u>(346,257)</u>
<i>Increase (Decrease) in Cash and Cash Equivalents</i>	86,019	(43,864)	42,155
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>91,932</u>	<u>58,107</u>	<u>150,039</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$177,951</u>	<u>\$14,243</u>	<u>\$192,194</u>

(continued)

City of Lakewood, Ohio
Combining Statement of Cash Flows
Nonmajor Enterprise Funds (continued)
For the Year Ended December 31, 2010

	Parking Facilities Fund	Winterhurst Ice Rink Fund	Total Nonmajor Enterprise Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
<i>Operating Income (Loss)</i>	\$59,641	(\$369)	\$59,272
Adjustments:			
Depreciation	25,389	89,638	115,027
(Increase) Decrease in Assets:			
Accounts Receivable	0	(188,309)	(188,309)
Materials and Supplies Inventory	46,182	0	46,182
Increase (Decrease) in Liabilities:			
Accounts Payable	(3,872)	70,894	67,022
Accrued Wages	(877)	0	(877)
Compensated Absences	(723)	0	(723)
Interfund Payable	831	(33)	798
Intergovernmental Payable	(2,454)	(3,351)	(5,805)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$124,117</u>	<u>(\$31,530)</u>	<u>\$92,587</u>

City of Lakewood, Ohio
Combining Statement of Fund Net Assets
Internal Service Funds
December 31, 2010

	Hospitalization Fund	Workers' Compensation Fund	Total Internal Service Funds
Assets			
Current Assets			
Equity in Pooled Cash and Cash			
Equivalents	\$932,144	\$446,926	\$1,379,070
Interfund Receivable	452,711	29,584	482,295
<i>Total Assets</i>	<u>1,384,855</u>	<u>476,510</u>	<u>1,861,365</u>
Liabilities			
Current Liabilities			
Accounts Payable	44,451	0	44,451
Intergovernmental Payable	0	116,565	116,565
Claims Payable	452,711	29,584	482,295
<i>Total Current Liabilities</i>	<u>497,162</u>	<u>146,149</u>	<u>643,311</u>
Noncurrent Liabilities			
Claims Payable-net of current portion	0	379,632	379,632
<i>Total Liabilities</i>	<u>497,162</u>	<u>525,781</u>	<u>1,022,943</u>
Net Assets			
Unrestricted (Deficit)	<u>\$887,693</u>	<u>(\$49,271)</u>	<u>\$838,422</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, 2010

	Hospitalization Fund	Workers' Compensation Fund	General Liability Fund	Total Internal Service Funds
Operating Revenues				
Charges for Services	\$3,259,054	\$545,340	\$0	\$3,804,394
Miscellaneous	681,342	11,913	0	693,255
<i>Total Operating Revenues</i>	<u>3,940,396</u>	<u>557,253</u>	<u>0</u>	<u>4,497,649</u>
Operating Expenses				
Contractual Services	41,030	27,696	0	68,726
Workers' Compensation Premium	0	143,819	0	143,819
Claims	5,150,442	393,676	0	5,544,118
<i>Total Operating Expenses</i>	<u>5,191,472</u>	<u>565,191</u>	<u>0</u>	<u>5,756,663</u>
<i>Operating Loss Before Transfers</i>	(1,251,076)	(7,938)	0	(1,259,014)
Transfers In	694,000	500,000	0	1,194,000
Transfers Out	0	0	(2,517)	(2,517)
<i>Change in Net Assets</i>	(557,076)	492,062	(2,517)	(67,531)
<i>Net Assets (Deficit) Beginning of Year</i>	<u>1,444,769</u>	<u>(541,333)</u>	<u>2,517</u>	<u>905,953</u>
<i>Net Assets (Deficit) End of Year</i>	<u>\$887,693</u>	<u>(\$49,271)</u>	<u>\$0</u>	<u>\$838,422</u>

City of Lakewood, Ohio
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2010

	Hospitalization Fund	Workers' Compensation Fund	General Liability Fund	Total Internal Service Funds
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash Received from Transactions with Other Funds	\$3,286,843	\$545,893	\$0	\$3,832,736
Cash Received from Other Operating Sources	681,342	11,913	0	693,255
Cash Payments to Suppliers for Goods and Services	(52,953)	(36,596)	0	(89,549)
Cash Payments for Claims	(4,786,898)	(518,358)	0	(5,305,256)
Cash Payments for Premium	(391,333)	(80,962)	0	(472,295)
Cash Payments for Others	0	(83,271)	0	(83,271)
<i>Net Cash Used for Operating Activities</i>	<u>(1,262,999)</u>	<u>(161,381)</u>	<u>0</u>	<u>(1,424,380)</u>
Cash Flows from Noncapital Financing Activities				
Transfers In	694,000	500,000	0	1,194,000
Transfers Out	0	0	(2,517)	(2,517)
<i>Net Cash Provided by (Used for) Noncapital Financing Activities</i>	<u>694,000</u>	<u>500,000</u>	<u>(2,517)</u>	<u>1,191,483</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(568,999)	338,619	(2,517)	(232,897)
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>1,501,143</u>	<u>108,307</u>	<u>2,517</u>	<u>1,611,967</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$932,144</u>	<u>\$446,926</u>	<u>\$0</u>	<u>\$1,379,070</u>

(continued)

City of Lakewood, Ohio
Combining Statement of Cash Flows
Internal Service Funds (continued)
For the Year Ended December 31, 2010

	Hospitalization Fund	Workers' Compensation Fund	General Liability Fund	Total Internal Service Funds
Reconciliation of Operating Loss to Net Cash Used for Operating Activities				
<i>Operating Loss</i>	(\$1,251,076)	(\$7,938)	\$0	(\$1,259,014)
Adjustments:				
Decrease in Assets:				
Interfund Receivable	27,789	553	0	28,342
Increase (Decrease) in Liabilities:				
Accounts Payable	(11,923)	(8,900)	0	(20,823)
Intergovernmental Payable	0	60,548	0	60,548
Claims Payable	(27,789)	(205,644)	0	(233,433)
<i>Net Cash Used for Operating Activities</i>	<u>(\$1,262,999)</u>	<u>(\$161,381)</u>	<u>\$0</u>	<u>(\$1,424,380)</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, 2010

	<u>Balance</u> <u>12/31/2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/2010</u>
Deposits				
Assets				
Equity in Pooled Cash and Cash Equivalents	<u>\$1,268,635</u>	<u>\$553,017</u>	<u>\$769,634</u>	<u>\$1,052,018</u>
Liabilities				
Deposits Held and Due to Others	<u>\$1,268,635</u>	<u>\$553,017</u>	<u>\$769,634</u>	<u>\$1,052,018</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$6,464,196	\$6,464,196	\$6,907,866	\$443,670
Municipal Income Taxes	17,494,728	17,494,728	17,684,600	189,872
Charges for Services	1,246,635	1,246,635	1,202,559	(44,076)
Licenses, Permits and Fees	1,710,592	1,710,592	1,883,518	172,926
Fines and Forfeitures	1,445,250	1,445,250	1,409,479	(35,771)
Intergovernmental	5,305,447	5,305,447	6,589,145	1,283,698
Interest	60,000	60,000	72,182	12,182
Miscellaneous	37,300	37,300	128,381	91,081
<i>Total Revenues</i>	<u>33,764,148</u>	<u>33,764,148</u>	<u>35,877,730</u>	<u>2,113,582</u>
Expenditures				
Current:				
General Government:				
Council				
Salaries	118,890	120,991	120,896	95
Fringe Benefits	26,317	26,709	26,628	81
Professional Services	8,113	13,444	13,120	324
Communications	744	970	901	69
Materials and Supplies	337	157	156	1
Other	1,479	1,331	1,202	129
Total Council	<u>155,880</u>	<u>163,602</u>	<u>162,903</u>	<u>699</u>
Municipal Court				
Salaries	891,794	891,794	852,262	39,532
Fringe Benefits	138,803	138,803	131,714	7,089
Travel and Transportation	1,950	2,144	1,296	848
Professional Services	56,800	58,481	51,916	6,565
Communications	49,200	49,620	44,584	5,036
Materials and Supplies	27,150	24,855	17,894	6,961
Other	21,950	21,950	10,960	(10,960)
Total Municipal Court	<u>1,187,647</u>	<u>1,165,697</u>	<u>1,110,626</u>	<u>55,071</u>
Civil Service				
Salaries	54,022	54,024	54,022	2
Fringe Benefits	16,332	16,331	16,317	14
Professional Services	45,000	36,976	32,973	4,003
Communications	431	525	506	19
Materials and Supplies	73	25	18	7
Other	2,649	2,238	2,193	45
Total Civil Service	<u>118,507</u>	<u>110,119</u>	<u>106,029</u>	<u>4,090</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, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Mayor's Office				
Salaries	168,805	170,353	170,238	115
Fringe Benefits	42,064	42,435	42,250	185
Professional Services	6,462	6,851	6,849	2
Communications	1,742	2,229	2,103	126
Contractual Services	279	0	0	0
Materials and Supplies	1,065	779	694	85
Other	1,368	1,756	1,288	468
Total Mayor's Office	221,785	224,403	223,422	981
Human Resources				
Salaries	157,759	157,759	157,758	1
Fringe Benefits	47,872	47,645	47,645	0
Travel and Transportation	319	100	70	30
Professional Services	21,250	15,405	8,698	6,707
Communications	1,696	1,370	1,325	45
Materials and Supplies	7,201	6,312	4,148	2,164
Other	11,513	4,852	4,504	348
Total Human Resources	247,610	233,443	224,148	9,295
Community Relations				
Salaries	67,827	68,989	68,985	4
Fringe Benefits	18,664	18,752	18,752	0
Professional Services	7,533	8,928	8,928	0
Communications	865	919	846	73
Contractual Services	5,000	5,000	5,000	0
Materials and Supplies	2,424	2,415	2,344	71
Other	5,394	3,667	3,611	56
Total Community Relations	107,707	108,670	108,466	204
Public Works Administration				
Salaries	112,479	112,176	111,794	382
Fringe Benefits	33,475	33,558	33,379	179
Travel and Transportation	372	163	162	1
Professional Services	512	600	599	1
Communications	1,121	1,200	1,169	31
Contractual Services	2,736	1,809	1,808	1
Materials and Supplies	692	1,088	1,065	23
Other	1,580	821	765	56
Total Public Works Administration	152,967	151,415	150,741	674

(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, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Buildings and Facilities				
Salaries	122,474	123,422	123,137	285
Fringe Benefits	40,457	39,930	39,532	398
Professional Services	432	0	0	0
Communications	3,609	8,188	7,387	801
Contractual Services	7,500	9,800	8,935	865
Materials and Supplies	43,635	38,237	31,844	6,393
Other	230,985	216,127	215,209	918
Total Buildings and Facilities	449,092	435,704	426,044	9,660
Fleet Management				
Salaries	615,279	590,526	588,565	1,961
Fringe Benefits	204,973	198,579	196,948	1,631
Professional Services	10,233	11,143	11,142	1
Communications	2,373	3,200	2,874	326
Contractual Services	10,919	20,971	17,834	3,137
Materials and Supplies	495,805	499,732	439,593	60,139
Capital Outlay	10,962	5,463	5,462	1
Other	14,604	20,736	18,833	1,903
Total Fleet Management	1,365,148	1,350,350	1,281,251	69,099
Engineering				
Salaries	213,119	197,906	197,455	451
Fringe Benefits	81,029	78,902	78,496	406
Travel and Transportation	395	193	180	13
Professional Services	2,093	535	535	0
Communications	2,891	2,108	1,975	133
Contractual Services	50,000	48,000	44,374	3,626
Materials and Supplies	2,138	1,076	1,012	64
Other	2,682	4,286	4,257	29
Total Engineering	354,347	333,006	328,284	4,722
Finance				
Salaries	369,834	335,151	331,905	3,246
Fringe Benefits	116,980	113,592	112,004	1,588
Travel and Transportation	274	94	94	0
Professional Services	55,181	56,968	55,971	997
Communications	7,986	6,460	6,405	55
Materials and Supplies	3,489	2,875	2,771	104
Other	3,493	4,015	3,781	234
Total Finance	557,237	519,155	512,931	6,224

(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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Income Tax				
Salaries	332,450	298,747	297,405	1,342
Fringe Benefits	83,592	78,676	78,223	453
Travel and Transportation	437	803	727	76
Professional Services	125,769	111,837	92,883	18,954
Communications	53,006	53,323	53,311	12
Contractual Services	1,386	1,470	1,328	142
Materials and Supplies	3,858	4,884	4,479	405
Other	477,588	450,745	425,215	25,530
Total Income Tax	1,078,086	1,000,485	953,571	46,914
Information Systems				
Salaries	247,044	249,520	248,858	662
Fringe Benefits	70,835	72,105	70,873	1,232
Professional Services	37,685	12,000	10,507	1,493
Communications	4,693	5,240	4,431	809
Contractual Services	50,000	50,000	49,930	70
Materials and Supplies	24,752	34,720	33,475	1,245
Other	217,924	208,186	196,708	11,478
Total Information Systems	652,933	631,771	614,782	16,989
General Administration				
Salaries	47,472	94,608	94,607	1
Fringe Benefits	146,179	87,792	85,246	2,546
Professional Services	30,000	26,950	25,285	1,665
Communications	2,415	29,325	13,124	16,201
Materials and Supplies	0	13,220	4,729	8,491
Contractual Services	7,067	0	0	0
Other	1,528,963	1,661,562	1,654,648	6,914
Total General Administration	1,762,096	1,913,457	1,877,639	35,818
Law				
Salaries	330,254	330,050	327,681	2,369
Fringe Benefits	107,090	107,166	106,486	680
Travel and Transportation	603	420	408	12
Professional Services	103,429	119,316	119,030	286
Communications	2,675	3,159	2,816	343
Materials and Supplies	12,869	9,925	9,141	784
Other	1,447	1,525	1,391	134
Total Law	558,367	571,561	566,953	4,608
Total General Government	8,969,409	8,912,838	8,647,790	265,048

(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, 2010

	<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	7,231,779	7,450,234	7,437,533	12,701
Fringe Benefits	1,030,044	911,364	911,048	316
Professional Services	17,381	24,567	22,030	2,537
Communications	72,486	91,100	86,383	4,717
Contractual Services	104,574	82,503	81,630	873
Materials and Supplies	165,517	193,835	191,111	2,724
Capital Outlay	43,010	88,871	85,952	2,919
Other	68,846	60,828	58,591	2,237
Total Police	<u>8,733,637</u>	<u>8,903,302</u>	<u>8,874,278</u>	<u>29,024</u>
Police Communications				
Salaries	506,045	515,916	512,786	3,130
Fringe Benefits	180,988	183,163	181,819	1,344
Professional Services	194	389	389	0
Materials and Supplies	325	0	0	0
Other	26,253	26,254	26,253	1
Total Police Communications	<u>713,805</u>	<u>725,722</u>	<u>721,247</u>	<u>4,475</u>
School Guards				
Salaries	153,744	147,450	145,387	2,063
Fringe Benefits	26,465	24,900	24,710	190
Other	444	440	440	0
Total School Guards	<u>180,653</u>	<u>172,790</u>	<u>170,537</u>	<u>2,253</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fire				
Salaries	5,555,016	5,269,530	5,261,800	7,730
Fringe Benefits	758,107	725,363	721,784	3,579
Travel and Transportation	1,302	218	218	0
Professional Services	4,278	2,149	1,942	207
Communications	20,076	23,482	21,553	1,929
Contractual Services	17,159	13,774	11,755	2,019
Materials and Supplies	89,907	91,776	89,371	2,405
Capital Outlay	61,114	54,999	54,999	0
Other	122,071	102,549	98,516	4,033
Total Fire	6,629,030	6,283,840	6,261,938	21,902
Street Lighting				
Other	576,860	619,500	619,498	2
Animal Control				
Salaries	122,861	114,283	113,470	813
Fringe Benefits	43,714	42,290	42,049	241
Professional Services	219	119	106	13
Communications	1,303	1,675	1,633	42
Contractual Services	636	922	809	113
Materials and Supplies	2,552	2,704	2,688	16
Other	11,262	9,166	8,880	286
Total Animal Control	182,547	171,159	169,635	1,524
<i>Total Security of Persons and Property</i>	<i>17,016,532</i>	<i>16,876,313</i>	<i>16,817,133</i>	<i>59,180</i>
Public Health Services:				
Support of Prisoners				
Salaries	166,838	159,361	158,321	1,040
Fringe Benefits	70,799	69,321	68,851	470
Professional Services	52,419	55,525	47,107	8,418
Contractual Services	107,291	146,335	135,331	11,004
Materials and Supplies	58,010	58,210	48,117	10,093
Other	7,102	9,310	9,309	1
Total Support of Prisoners	462,459	498,062	467,036	31,026

(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, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Human Services Administration				
Salaries	131,682	132,619	132,283	336
Fringe Benefits	35,816	36,058	35,906	152
Professional Services	116	110	109	1
Communications	734	859	822	37
Materials and Supplies	169	190	169	21
Other	595	837	812	25
Total Human Services Administration	169,112	170,673	170,101	572
<i>Total Public Health Services</i>	631,571	668,735	637,137	31,598
Community Environment:				
Housing and Building				
Salaries	684,523	677,356	676,074	1,282
Fringe Benefits	228,172	227,639	226,144	1,495
Travel and Transportation	2,255	330	200	130
Professional Services	21,855	20,900	13,741	7,159
Communications	7,263	8,100	7,676	424
Materials and Supplies	3,294	3,291	2,931	360
Capital Outlay	75,000	7,000	7,000	0
Other	20,750	20,732	18,203	2,529
Total Housing and Building	1,043,112	965,348	951,969	13,379

(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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Forestry				
Salaries	252,395	249,559	248,475	1,084
Fringe Benefits	92,183	92,282	91,315	967
Professional Services	209	175	175	0
Communications	18	125	113	12
Contractual Services	37	57	57	0
Materials and Supplies	16,457	14,986	14,630	356
Capital Outlay	55,000	41,625	41,600	25
Other	904	13	12	1
Total Forestry	417,203	398,822	396,377	2,445
Child Care				
Salaries	38,134	35,003	34,864	139
Fringe Benefits	13,866	13,269	13,252	17
Professional Services	116	110	109	1
Communications	1,169	1,562	1,399	163
Materials and Supplies	200	150	135	15
Other	1,647	1,768	1,760	8
Total Child Care	55,132	51,862	51,519	343
Youth				
Salaries	177,919	179,240	176,433	2,807
Fringe Benefits	112,756	113,669	112,766	903
Professional Services	125	350	109	241
Communications	4,253	4,130	3,970	160
Materials and Supplies	1,650	1,582	1,569	13
Other	14,300	10,937	10,534	403
Total Youth	311,003	309,908	305,381	4,527
Planning and Development				
Salaries	148,274	141,000	139,314	1,686
Fringe Benefits	40,046	39,395	37,992	1,403
Travel and Transportation	833	0	0	0
Professional Services	30,402	25,650	24,387	1,263
Communications	2,966	5,875	5,093	782
Contractual Services	10,032	5,516	0	5,516
Materials and Supplies	3,710	4,372	3,244	1,128
Capital Outlay	1,929	0	0	0
Other	232,246	235,113	233,322	1,791
Total Planning and Development	470,438	456,921	443,352	13,569
Total Community Environment	2,296,888	2,182,861	2,148,598	34,263

(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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Basic Utility Services:				
Refuse and Recycling				
Salaries	1,654,258	1,555,464	1,552,323	3,141
Fringe Benefits	617,177	606,765	602,436	4,329
Professional Services	184	1,127	1,126	1
Communications	5,564	7,710	7,163	547
Contractual Services	1,001,787	884,407	853,096	31,311
Materials and Supplies	135,268	143,750	142,792	958
Capital Outlay	899	899	899	0
Other	47,587	45,242	39,391	5,851
<i>Total Basic Utility Services</i>	<u>3,462,724</u>	<u>3,245,364</u>	<u>3,199,226</u>	<u>46,138</u>
Leisure Time Activities:				
Security				
Salaries	83,205	76,205	74,966	1,239
Fringe Benefits	12,855	11,600	11,582	18
Total Security	<u>96,060</u>	<u>87,805</u>	<u>86,548</u>	<u>1,257</u>
Parks				
Salaries	605,591	605,438	602,977	2,461
Fringe Benefits	224,347	221,828	219,919	1,909
Professional Services	716	634	632	2
Communications	3,630	5,365	5,021	344
Contractual Services	14,156	15,500	13,932	1,568
Materials and Supplies	79,517	79,858	74,895	4,963
Capital Outlay	73,000	76,852	76,483	369
Other	83,116	70,859	70,239	620
Total Parks	<u>1,084,073</u>	<u>1,076,334</u>	<u>1,064,098</u>	<u>12,236</u>
Construction				
Salaries	220,291	217,441	214,891	2,550
Fringe Benefits	76,421	76,554	75,585	969
Materials and Supplies	15,365	14,990	12,643	2,347
Total Construction	<u>312,077</u>	<u>308,985</u>	<u>303,119</u>	<u>5,866</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, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Band Concerts				
Salaries	10,207	9,981	9,980	1
Fringe Benefits	1,579	1,538	1,537	1
Professional Services	12,452	12,445	12,444	1
Materials and Supplies	515	500	487	13
Other	4,500	3,563	3,562	1
Total Band Concerts	29,253	28,027	28,010	17
Museums				
Contractual Services	4,867	6,254	6,254	0
Other	6,150	4,599	4,597	2
Total Museums	11,017	10,853	10,851	2
July 4th Festival				
Salaries	10,067	8,862	8,861	1
Fringe Benefits	1,536	1,339	1,338	1
Contractual Services	34,000	34,100	34,100	0
Materials and Supplies	1,531	870	0	870
Other	0	190	190	0
Total July 4th Festival	47,134	45,361	44,489	872
Tennis Courts				
Materials and Supplies	1,443	1,724	1,553	171
Other	14,892	10,260	10,240	20
Total Tennis Courts	16,335	11,984	11,793	191
<i>Total Leisure Time Activities</i>	<i>1,595,949</i>	<i>1,569,349</i>	<i>1,548,908</i>	<i>20,441</i>
<i>Total Expenditures</i>	<i>33,973,073</i>	<i>33,455,460</i>	<i>32,998,792</i>	<i>456,668</i>
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>(208,925)</i>	<i>308,688</i>	<i>2,878,938</i>	<i>2,570,250</i>
Other Financing Sources (Uses)				
Transfers In	143,000	143,000	30,174	(112,826)
Advance In	50,000	50,000	43,000	(7,000)
Transfers Out	(1,064,616)	(2,208,275)	(2,208,192)	83
Advance Out	0	(60,000)	(60,000)	0
<i>Total Other Financing Uses</i>	<i>(871,616)</i>	<i>(2,075,275)</i>	<i>(2,195,018)</i>	<i>(119,743)</i>
<i>Net Change in Fund Balance</i>	<i>(1,080,541)</i>	<i>(1,766,587)</i>	<i>683,920</i>	<i>2,450,507</i>
<i>Fund Balance Beginning of Year</i>	<i>1,456,918</i>	<i>1,456,918</i>	<i>1,456,918</i>	<i>0</i>
<i>Prior Year Encumbrances Appropriated</i>	<i>1,157,070</i>	<i>1,157,070</i>	<i>1,157,070</i>	<i>0</i>
<i>Fund Balance End of Year</i>	<i>\$1,533,447</i>	<i>\$847,401</i>	<i>\$3,297,908</i>	<i>\$2,450,507</i>

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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$2,437,078	\$2,437,078	\$2,608,762	\$171,684
Intergovernmental	420,710	420,710	425,486	4,776
<i>Total Revenues</i>	<u>2,857,788</u>	<u>2,857,788</u>	<u>3,034,248</u>	<u>176,460</u>
Expenditures				
Current:				
Security of Persons and Property:				
Fringe Benefits Police	1,293,962	1,346,500	1,335,430	11,070
Fringe Benefits Fire	1,335,409	1,311,500	1,311,484	16
<i>Total Expenditures</i>	<u>2,629,371</u>	<u>2,658,000</u>	<u>2,646,914</u>	<u>11,086</u>
<i>Excess of Revenues Over Expenditures</i>	228,417	199,788	387,334	187,546
Other Financing Uses				
Transfers Out	(421,800)	(421,800)	(421,800)	0
<i>Net Change in Fund Balance</i>	(193,383)	(222,012)	(34,466)	187,546
<i>Fund Balance Beginning of Year</i>	<u>1,894,590</u>	<u>1,894,590</u>	<u>1,894,590</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$1,701,207</u>	<u>\$1,672,578</u>	<u>\$1,860,124</u>	<u>\$187,546</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$3,532,152	\$2,832,152	\$2,335,609	(\$496,543)
Expenditures				
Current:				
Community Environment:				
Salaries	574,173	490,147	484,625	5,522
Fringe Benefits	146,467	137,404	135,502	1,902
Travel and Transportation	7,000	3,100	2,751	349
Professional Services	152,367	99,470	70,710	28,760
Communications	8,310	5,100	3,810	1,290
Contractual Services	1,838,440	933,842	740,435	193,407
Materials and Supplies	6,390	3,075	2,645	430
Capital Outlay	553,766	926,001	871,888	54,113
Other	135,973	105,441	2,773	102,668
<i>Total Expenditures</i>	<u>3,422,886</u>	<u>2,703,580</u>	<u>2,315,139</u>	<u>388,441</u>
<i>Net Change in Fund Balance</i>	109,266	128,572	20,470	(108,102)
<i>Fund Balance (Deficit) Beginning of Year</i>	(102,285)	(102,285)	(102,285)	0
<i>Prior Year Encumbrances Appropriated</i>	<u>334</u>		<u>334</u>	<u>334</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$7,315</u></u>	<u><u>\$26,287</u></u>	<u><u>(\$81,481)</u></u>	<u><u>(\$107,768)</u></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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$2,558,589	\$2,558,589	\$2,784,378	\$225,789
Intergovernmental	459,939	459,939	622,272	162,333
Special Assessments	66,416	66,416	56,401	(10,015)
Interest	10,000	10,000	10,884	884
Miscellaneous	76,646	76,646	82,513	5,867
<i>Total Revenues</i>	<u>3,171,590</u>	<u>3,171,590</u>	<u>3,556,448</u>	<u>384,858</u>
Expenditures				
Current:				
General Government:				
Professional Services	65,000	2,174	2,173	1
Debt Service				
Principal Retirement	11,794,371	11,987,800	11,961,392	26,408
Interest and Fiscal Charges	1,876,481	1,649,130	1,721,587	(72,457)
<i>Total Debt Service</i>	<u>13,670,852</u>	<u>13,636,930</u>	<u>13,682,979</u>	<u>(46,049)</u>
<i>Total Expenditures</i>	<u>13,735,852</u>	<u>13,639,104</u>	<u>13,685,152</u>	<u>(46,048)</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(10,564,262)</u>	<u>(10,467,514)</u>	<u>(10,128,704)</u>	<u>338,810</u>
Other Financing Sources				
Notes Issued	7,771,000	7,771,000	7,771,000	0
Transfers In	2,032,915	2,032,915	2,025,952	(6,963)
<i>Total Other Financing Sources</i>	<u>9,803,915</u>	<u>9,803,915</u>	<u>9,796,952</u>	<u>(6,963)</u>
<i>Net Change in Fund Balance</i>	<u>(760,347)</u>	<u>(663,599)</u>	<u>(331,752)</u>	<u>331,847</u>
<i>Fund Balance Beginning of Year</i>	<u>1,109,625</u>	<u>1,109,625</u>	<u>1,109,625</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$349,278</u>	<u>\$446,026</u>	<u>\$777,873</u>	<u>\$331,847</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$10,320,049	\$10,320,049	\$10,390,943	\$70,894
Interest	25,000	25,000	18,981	(6,019)
Special Assessments	48,158	48,158	118,408	70,250
Miscellaneous	0	0	3,032	3,032
<i>Total Revenues</i>	<u>10,393,207</u>	<u>10,393,207</u>	<u>10,531,364</u>	<u>138,157</u>
Expenses				
Salaries	879,290	776,190	769,902	6,288
Fringe Benefits	302,691	287,703	283,217	4,486
Travel and Transportation	700	0	0	0
Professional Services	128,602	78,970	70,238	8,732
Communications	67,892	65,496	64,230	1,266
Contractual Services	123,985	14,460	8,344	6,116
Materials and Supplies	202,300	154,547	137,701	16,846
Capital Outlay	1,557,685	781,000	515,413	265,587
Other	7,015,126	7,152,893	7,021,621	131,272
Debt Service:				
Principal Retirement	1,240,580	1,235,833	1,235,830	3
Interest and Fiscal Charges	562,986	576,242	576,239	3
<i>Total Expenses</i>	<u>12,081,837</u>	<u>11,123,334</u>	<u>10,682,735</u>	<u>440,599</u>
<i>Excess of Revenues Under Expenses before Transfers</i>	<u>(1,688,630)</u>	<u>(730,127)</u>	<u>(151,371)</u>	<u>578,756</u>
Transfers Out	<u>(15,244)</u>	<u>(15,244)</u>	<u>(15,244)</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	<u>(1,703,874)</u>	<u>(745,371)</u>	<u>(166,615)</u>	<u>578,756</u>
<i>Fund Equity Beginning of Year</i>	4,850,128	4,850,128	4,850,128	0
<i>Prior Year Encumbrances Appropriated</i>	<u>261,684</u>	<u>261,684</u>	<u>261,684</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$3,407,938</u>	<u>\$4,366,441</u>	<u>\$4,945,197</u>	<u>\$578,756</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$1,485,559	\$1,485,559	\$1,597,192	\$111,633
Intergovernmental	909,493	909,493	289,143	(620,350)
Charges for Services	5,981,109	5,981,109	5,952,908	(28,201)
Special Assessments	45,000	45,000	45,842	842
Interest	1,750	1,750	1,855	105
<i>Total Revenues</i>	<u>8,422,911</u>	<u>8,422,911</u>	<u>7,886,940</u>	<u>(535,971)</u>
Expenses				
Salaries	1,938,969	1,829,182	1,821,264	7,918
Fringe Benefits	691,806	677,764	673,594	4,170
Travel and Transportation	2,730	568	396	172
Professional Services	276,000	159,272	147,814	11,458
Communications	4,774	6,677	5,928	749
Contractual Services	213,567	183,650	134,859	48,791
Materials and Supplies	363,722	276,520	269,268	7,252
Capital Outlay	1,780,000	1,835,885	1,077,880	758,005
Other	1,700,915	1,040,527	897,666	142,861
Debt Service:				
Principal Retirement	1,505,252	1,489,598	1,489,596	2
Interest and Fiscal Charges	303,429	965,099	965,095	4
<i>Total Expenses</i>	<u>8,781,164</u>	<u>8,464,742</u>	<u>7,483,360</u>	<u>981,382</u>
<i>Excess of Revenues Over (Under) Expenses before Transfers</i>	(358,253)	(41,831)	403,580	445,411
Transfers Out	(1,280,162)	(1,280,162)	(1,280,162)	0
<i>Net Change in Fund Equity</i>	(1,638,415)	(1,321,993)	(876,582)	445,411
<i>Fund Equity Beginning of Year</i>	4,304,031	4,304,031	4,304,031	0
<i>Prior Year Encumbrances Appropriated</i>	93,081	93,081	93,081	0
<i>Fund Equity End of Year</i>	<u>\$2,758,697</u>	<u>\$3,075,119</u>	<u>\$3,520,530</u>	<u>\$445,411</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$1,878,000	\$1,878,000	\$1,902,746	\$24,746
Special Assessments	0	0	28,395	28,395
Miscellaneous	60,500	60,500	64,807	4,307
<i>Total Revenues</i>	<u>1,938,500</u>	<u>1,938,500</u>	<u>1,995,948</u>	<u>57,448</u>
Expenditures				
Current:				
Transportation:				
Salaries	810,747	783,532	783,530	2
Fringe Benefits	277,735	275,311	275,304	7
Professional Services	41,290	3,469	3,080	389
Communications	4,129	5,304	5,194	110
Contractual Services	200,500	93,500	65,490	28,010
Materials and Supplies	480,595	527,434	508,734	18,700
Capital Outlay	25,300	207,524	196,455	11,069
Other	104,993	98,759	97,289	1,470
<i>Total Expenditures</i>	<u>1,945,289</u>	<u>1,994,833</u>	<u>1,935,076</u>	<u>59,757</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(6,789)	(56,333)	60,872	117,205
Other Financing Uses				
Transfers Out	(21,504)	(21,504)	(21,504)	0
<i>Net Change in Fund Balance</i>	(28,293)	(77,837)	39,368	117,205
<i>Fund Balance Beginning of Year</i>	<u>484,325</u>	<u>484,325</u>	<u>484,325</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$456,032</u>	<u>\$406,488</u>	<u>\$523,693</u>	<u>\$117,205</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, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$68,400	\$68,400	\$248,489	\$180,089
Intergovernmental	204,006	204,006	142,525	(61,481)
Contributions and Donations	268,590	268,590	107,335	(161,255)
<i>Total Revenues</i>	<u>540,996</u>	<u>540,996</u>	<u>498,349</u>	<u>(42,647)</u>
Expenditures				
Current:				
Public Health Services:				
Salaries	796,652	840,588	839,324	1,264
Fringe Benefits	306,200	297,998	295,673	2,325
Professional Services	942	1,175	1,165	10
Communications	14,372	18,883	17,382	1,501
Contractual Services	655	536	81	455
Materials and Supplies	58,028	49,579	46,441	3,138
Capital Outlay	10,642	1,000	620	380
Other	58,725	60,273	58,866	1,407
<i>Total Expenditures</i>	<u>1,246,216</u>	<u>1,270,032</u>	<u>1,259,552</u>	<u>10,480</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(705,220)</u>	<u>(729,036)</u>	<u>(761,203)</u>	<u>(32,167)</u>
Other Financing Sources (Uses)				
Transfers In	784,160	784,160	804,920	20,760
Transfers Out	0	(461)	(461)	0
<i>Total Other Financing Sources (Uses)</i>	<u>784,160</u>	<u>783,699</u>	<u>804,459</u>	<u>20,760</u>
<i>Net Change in Fund Balance</i>	78,940	54,663	43,256	(11,407)
<i>Fund Balance Beginning of Year</i>	66,306	66,306	66,306	0
<i>Fund Balance End of Year</i>	<u>\$145,246</u>	<u>\$120,969</u>	<u>\$109,562</u>	<u>(\$11,407)</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$2,254,750	\$2,254,750	\$2,174,286	(\$80,464)
Licenses, Permits and Fees	1,000	1,000	3,350	2,350
Miscellaneous	16,000	16,000	12,354	(3,646)
<i>Total Revenues</i>	<u>2,271,750</u>	<u>2,271,750</u>	<u>2,189,990</u>	<u>(81,760)</u>
Expenditures				
Current:				
Security of Persons and Property:				
Fire:				
Salaries	1,207,573	1,162,045	1,155,144	6,901
Fringe Benefits	326,210	325,749	323,519	2,230
Travel and Transportation	1,149	986	803	183
Professional Services	79,105	73,276	72,637	639
Communications	4,566	2,905	2,646	259
Materials and Supplies	50,559	49,786	44,799	4,987
Other	33,989	36,179	31,647	4,532
<i>Total Security of Persons and Property</i>	<u>1,703,151</u>	<u>1,650,926</u>	<u>1,631,195</u>	<u>19,731</u>
Public Health Services:				
Health:				
Salaries	114,036	148,407	146,245	2,162
Fringe Benefits	43,738	48,919	48,345	574
Professional Services	600	500	436	64
Communications	3,200	4,600	4,247	353
Contractual Services	211,290	211,040	210,873	167
Materials and Supplies	2,750	1,700	1,465	235
Other	11,905	10,806	9,953	853
<i>Total Public Health Services</i>	<u>387,519</u>	<u>425,972</u>	<u>421,564</u>	<u>4,408</u>
<i>Total Expenditures</i>	<u>2,090,670</u>	<u>2,076,898</u>	<u>2,052,759</u>	<u>24,139</u>
<i>Excess of Revenues Over Expenditures</i>	<u>181,080</u>	<u>194,852</u>	<u>137,231</u>	<u>(57,621)</u>
Other Financing Uses				
Advance Out	(43,000)	(43,000)	(43,000)	0
Transfers Out	(1,177)	(1,177)	(1,177)	0
<i>Total Other Financing Uses</i>	<u>(44,177)</u>	<u>(44,177)</u>	<u>(44,177)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	136,903	150,675	93,054	(57,621)
<i>Fund Balance Beginning of Year</i>	75,906	75,906	75,906	0
<i>Fund Balance End of Year</i>	<u>\$212,809</u>	<u>\$226,581</u>	<u>\$168,960</u>	<u>(\$57,621)</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$443,525	\$193,525	\$108,822	(\$84,703)
Expenditures				
Current:				
Community Environment:				
Planning and Development:				
Salaries	29,120	1,100	885	215
Fringe Benefits	3,955	171	136	35
Contractual Services	327,480	93,000	89,882	3,118
<i>Total Expenditures</i>	<u>360,555</u>	<u>94,271</u>	<u>90,903</u>	<u>3,368</u>
<i>Net Change in Fund Balance</i>	82,970	99,254	17,919	(81,335)
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>(37,768)</u>	<u>(37,768)</u>	<u>(37,768)</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$45,202</u>	<u>\$61,486</u>	<u>(\$19,849)</u>	<u>(\$81,335)</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$982,930	\$582,930	\$568,759	(\$14,171)
Expenditures				
Current:				
Community Environment:				
Human Services:				
Salaries	90,948	21,961	21,869	92
Fringe Benefits	14,052	3,264	3,235	29
Travel and Transportation	867	0	0	0
Professional Services	500	0	0	0
Contractual Services	792,439	462,000	461,830	170
Materials and Supplies	1,000	0	0	0
Other	1,100	0	0	0
<i>Total Expenditures</i>	<u>900,906</u>	<u>487,225</u>	<u>486,934</u>	<u>291</u>
<i>Net Change in Fund Balance</i>	82,024	95,705	81,825	(13,880)
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>(81,533)</u>	<u>(81,533)</u>	<u>(81,533)</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$491</u>	<u>\$14,172</u>	<u>\$292</u>	<u>(\$13,880)</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$1,411,047	\$1,161,047	\$1,091,862	(\$69,185)
Expenditures				
Current:				
Community Environment:				
Planning and Development:				
Salaries	108,966	94,000	78,458	15,542
Fringe Benefits	16,836	15,625	12,199	3,426
Travel and Transportation	7,000	50	4	46
Professional Services	112,227	20	20	0
Contractual Services	1,081,098	894,500	872,468	22,032
Other	20,500	355	331	24
<i>Total Expenditures</i>	<u>1,346,627</u>	<u>1,004,550</u>	<u>963,480</u>	<u>41,070</u>
<i>Net Change in Fund Balance</i>	64,420	156,497	128,382	(28,115)
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>(31,056)</u>	<u>(31,056)</u>	<u>(31,056)</u>	0
<i>Fund Balance End of Year</i>	<u>\$33,364</u>	<u>\$125,441</u>	<u>\$97,326</u>	<u>(\$28,115)</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	<u>\$146,482</u>	<u>\$146,482</u>	<u>\$16,521</u>	<u>(\$129,961)</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Salaries	20,670	20,670	20,670	0
Fringe Benefits	4,330	4,330	4,330	0
Capital Outlay	<u>146,482</u>	<u>16,521</u>	<u>16,521</u>	<u>0</u>
<i>Total Expenditures</i>	<u>171,482</u>	<u>41,521</u>	<u>41,521</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(25,000)	104,961	(25,000)	(129,961)
<i>Fund Balance Beginning of Year</i>	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$50,000</u>	<u>\$179,961</u>	<u>\$50,000</u>	<u>(\$129,961)</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$0	\$0	\$2,963	\$2,963
Expenditures				
Current:				
Community Environment:				
Refuse:				
Materials and Supplies	3,500	3,500	3,363	137
Other	7,500	7,500	7,494	6
<i>Total Expenditures</i>	<u>11,000</u>	<u>11,000</u>	<u>10,857</u>	<u>143</u>
<i>Net Change in Fund Balance</i>	(11,000)	(11,000)	(7,894)	3,106
<i>Fund Balance Beginning of Year</i>	<u>15,223</u>	<u>15,223</u>	<u>15,223</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$4,223</u></u>	<u><u>\$4,223</u></u>	<u><u>\$7,329</u></u>	<u><u>\$3,106</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Miscellaneous	\$4,000	\$4,000	\$4,000	\$0
Expenditures				
Current:				
General Government:				
Mayor's Office:				
Salaries	7,250	6,505	6,504	1
Fringe Benefits	1,120	1,014	1,012	2
<i>Total Expenditures</i>	<u>8,370</u>	<u>7,519</u>	<u>7,516</u>	<u>3</u>
<i>Net Change in Fund Balance</i>	(4,370)	(3,519)	(3,516)	3
<i>Fund Balance Beginning of Year</i>	<u>4,826</u>	<u>4,826</u>	<u>4,826</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$456</u></u>	<u><u>\$1,307</u></u>	<u><u>\$1,310</u></u>	<u><u>\$3</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$11,500	\$13,300	\$15,191	\$1,891
Miscellaneous	40,000	40,000	132,260	92,260
<i>Total Revenues</i>	<u>51,500</u>	<u>53,300</u>	<u>147,451</u>	<u>94,151</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Salaries	25,000	25,000	2,905	22,095
Fringe Benefits	1,113	1,113	55	1,058
Travel and Transportation	13,016	13,016	3,911	9,105
Professional Services	29,500	29,600	19,470	10,130
Communications	3,200	3,200	1,675	1,525
Contractual Services	900	2,900	1,420	1,480
Materials and Supplies	24,175	27,175	13,551	13,624
Capital Outlay	58,463	53,463	13,890	39,573
Other	40,325	46,600	27,346	19,254
<i>Total Expenditures</i>	<u>195,692</u>	<u>202,067</u>	<u>84,223</u>	<u>117,844</u>
<i>Excess of Revenue Over (Under) Expenditures</i>	(144,192)	(148,767)	63,228	211,995
Other Financing Sources				
Sale of Assets	5,000	5,000	19,047	14,047
<i>Net Change in Fund Balance</i>	(139,192)	(143,767)	82,275	226,042
<i>Fund Balance Beginning of Year</i>	<u>143,812</u>	<u>143,812</u>	<u>143,812</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$4,620</u>	<u>\$45</u>	<u>\$226,087</u>	<u>\$226,042</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$2,300	\$2,300	\$0	(\$2,300)
Intergovernmental	0	0	12,473	12,473
Interest	0	0	91	91
<i>Total Revenues</i>	<u>2,300</u>	<u>2,300</u>	<u>12,564</u>	<u>10,264</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Capital Outlay	8,300	8,300	6,685	1,615
<i>Net Change in Fund Balance</i>	(6,000)	(6,000)	5,879	11,879
<i>Fund Balance Beginning of Year</i>	<u>6,032</u>	<u>6,032</u>	<u>6,032</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$32</u>	<u>\$32</u>	<u>\$11,911</u>	<u>\$11,879</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$4,000	\$4,000	\$8,035	\$4,035
Intergovernmental	5,000	5,000	4,873	(127)
<i>Total Revenues</i>	<u>9,000</u>	<u>9,000</u>	<u>12,908</u>	<u>3,908</u>
Expenditures				
Current:				
General Government:				
Municipal Court:				
Contractual Services	125,000	125,000	0	125,000
Professional Services	15,000	15,000	2,360	12,640
<i>Total Expenditures</i>	<u>140,000</u>	<u>140,000</u>	<u>2,360</u>	<u>137,640</u>
<i>Net Change in Fund Balance</i>	(131,000)	(131,000)	10,548	141,548
<i>Fund Balance Beginning of Year</i>	<u>139,772</u>	<u>139,772</u>	<u>139,772</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$8,772</u>	<u>\$8,772</u>	<u>\$150,320</u>	<u>\$141,548</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$4,555	\$4,555	\$5,284	\$729
Intergovernmental	250	250	0	(250)
Miscellaneous	2,733	2,733	1,700	(1,033)
<i>Total Revenues</i>	<u>7,538</u>	<u>7,538</u>	<u>6,984</u>	<u>(554)</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Materials and Supplies	20,000	20,000	1,345	18,655
Capital Outlay	47,000	47,000	2,361	44,639
<i>Total Expenditures</i>	<u>67,000</u>	<u>67,000</u>	<u>3,706</u>	<u>63,294</u>
<i>Net Change in Fund Balance</i>	(59,462)	(59,462)	3,278	62,740
<i>Fund Balance Beginning of Year</i>	<u>60,376</u>	<u>60,376</u>	<u>60,376</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$914</u>	<u>\$914</u>	<u>\$63,654</u>	<u>\$62,740</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$1,590	\$1,590	\$1,344	(\$246)
Expenditures				
Current:				
General Government:				
Municipal Court:				
Professional Services	12,000	12,000	0	12,000
<i>Net Change in Fund Balance</i>	(10,410)	(10,410)	1,344	11,754
<i>Fund Balance Beginning of Year</i>	12,347	12,347	12,347	0
<i>Fund Balance End of Year</i>	<u>\$1,937</u>	<u>\$1,937</u>	<u>\$13,691</u>	<u>\$11,754</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$35,916	\$35,916	\$35,264	(\$652)
Expenditures				
Current:				
General Government:				
Municipal Court:				
Contractual Services	60,000	52,870	25,850	27,020
Materials and Supplies	0	7,130	7,121	9
<i>Total Expenditures</i>	<u>60,000</u>	<u>60,000</u>	<u>32,971</u>	<u>27,029</u>
<i>Net Change in Fund Balance</i>	(24,084)	(24,084)	2,293	26,377
<i>Fund Balance Beginning of Year</i>	<u>42,732</u>	<u>42,732</u>	<u>42,732</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$18,648</u>	<u>\$18,648</u>	<u>\$45,025</u>	<u>\$26,377</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$141,525	\$141,525	\$140,180	(\$1,345)
Expenditures				
Current:				
General Government:				
Municipal Court:				
Salaries	45,000	45,000	1,655	43,345
Fringe Benefits	6,953	6,953	192	6,761
Professional Services	5,000	5,000	0	5,000
Contractual Services	57,500	54,256	51,210	3,046
Materials and Supplies	6,000	10,744	10,243	501
Capital Outlay	80,000	80,000	0	80,000
Other	5,000	5,000	0	5,000
<i>Total Expenditures</i>	<u>205,453</u>	<u>206,953</u>	<u>63,300</u>	<u>143,653</u>
<i>Net Change in Fund Balance</i>	(63,928)	(65,428)	76,880	142,308
<i>Fund Balance Beginning of Year</i>	<u>176,398</u>	<u>176,398</u>	<u>176,398</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$112,470</u></u>	<u><u>\$110,970</u></u>	<u><u>\$253,278</u></u>	<u><u>\$142,308</u></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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$37,152	\$37,152	\$41,356	\$4,204
Expenditures				
Current:				
General Government:				
Municipal Court:				
Salaries	30,000	30,000	3,103	26,897
Fringe Benefits	4,635	4,635	542	4,093
Travel and Transportation	1,000	1,000	152	848
Professional Services	17,500	17,500	5,797	11,703
Materials and Supplies	2,500	2,500	1,240	1,260
<i>Total Expenditures</i>	<u>55,635</u>	<u>55,635</u>	<u>10,834</u>	<u>44,801</u>
<i>Net Change in Fund Balance</i>	(18,483)	(18,483)	30,522	49,005
<i>Fund Balance Beginning of Year</i>	<u>59,515</u>	<u>59,515</u>	<u>59,515</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$41,032</u></u>	<u><u>\$41,032</u></u>	<u><u>\$90,037</u></u>	<u><u>\$49,005</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$7,915	\$7,915	\$14,698	\$6,783
Expenditures				
Current:				
General Government:				
Municipal Court:				
Professional Services	7,000	7,000	1,996	5,004
<i>Net Change in Fund Balance</i>	915	915	12,702	11,787
<i>Fund Balance Beginning of Year</i>	8,933	8,933	8,933	0
<i>Fund Balance End of Year</i>	<u>\$9,848</u>	<u>\$9,848</u>	<u>\$21,635</u>	<u>\$11,787</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$143,400	\$167,421	\$138,207	(\$29,214)
Expenditures				
Current:				
Community Environment:				
Planning and Development:				
Salaries	22,600	35,013	35,008	5
Fringe Benefits	3,492	5,282	5,222	60
Contractual Services	79,909	89,773	57,238	32,535
<i>Total Expenditures</i>	<u>106,001</u>	<u>130,068</u>	<u>97,468</u>	<u>32,600</u>
<i>Net Change in Fund Balance</i>	37,399	37,353	40,739	3,386
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>(37,353)</u>	<u>(37,353)</u>	<u>(37,353)</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$46</u>	<u>\$0</u>	<u>\$3,386</u>	<u>\$3,386</u>

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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$1,147,634	\$647,634	\$571,020	(\$76,614)
Expenditures				
Current:				
Community Environment:				
Planning and Development:				
Professional Services	0	60	60	0
Travel and Transportation	1,930	0	0	0
Other	984,877	445,000	426,964	18,036
<i>Total Expenditures</i>	<u>986,807</u>	<u>445,060</u>	<u>427,024</u>	<u>18,036</u>
<i>Net Change in Fund Balance</i>	160,827	202,574	143,996	(58,578)
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>(160,169)</u>	<u>(160,169)</u>	<u>(160,169)</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$658</u>	<u>\$42,405</u>	<u>(\$16,173)</u>	<u>(\$58,578)</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$0	\$4	\$4	\$0
Expenditures				
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	0	4	4	0
Other Financing Uses				
Transfers Out	<u>0</u>	<u>(6)</u>	<u>(6)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	(2)	(2)	0
<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>\$0</u></u>	<u><u>\$0</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, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues	\$0	\$0	\$0	\$0
Expenditures	0	0	0	0
<i>Excess of Revenues Over Expenditures</i>	0	0	0	0
Other Financing Uses				
Transfers Out	0	(6,158)	(6,158)	0
<i>Net Change in Fund Balance</i>	0	(6,158)	(6,158)	0
<i>Fund Balance Beginning of Year</i>	6,158	6,158	6,158	0
<i>Fund Balance End of Year</i>	<u>\$6,158</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
Help-to-Others Fund
For the Year Ended December 31, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$11,000	\$11,000	\$11,600	\$600
Miscellaneous	32,000	32,000	27,753	(4,247)
<i>Total Revenues</i>	<u>43,000</u>	<u>43,000</u>	<u>39,353</u>	<u>(3,647)</u>
Expenditures				
Current:				
Community Environment:				
Youth:				
Salaries	31,586	31,509	31,507	2
Fringe Benefits	4,880	4,848	4,845	3
Professional Services	100	0	0	0
Communications	700	725	704	21
Materials and Supplies	3,965	2,502	1,883	619
Other	1,100	424	414	10
<i>Total Expenditures</i>	<u>42,331</u>	<u>40,008</u>	<u>39,353</u>	<u>655</u>
<i>Net Change in Fund Balance</i>	669	2,992	0	(2,992)
<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>\$6,855</u>	<u>\$9,178</u>	<u>\$6,186</u>	<u>(\$2,992)</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$19,440	\$19,440	\$19,200	(\$240)
Miscellaneous	3,000	3,000	4,068	1,068
<i>Total Revenues</i>	<u>22,440</u>	<u>22,440</u>	<u>23,268</u>	<u>828</u>
Expenditures				
Current:				
Community Environment:				
Salaries	15,071	14,792	14,065	727
Fringe Benefits	2,329	2,287	2,163	124
<i>Total Expenditures</i>	<u>17,400</u>	<u>17,079</u>	<u>16,228</u>	<u>851</u>
<i>Net Change in Fund Balance</i>	5,040	5,361	7,040	1,679
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$40</u>	<u>\$361</u>	<u>\$2,040</u>	<u>\$1,679</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues	\$0	\$0	\$0	\$0
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	0	0	0	0
Other Financing Uses				
Transfers Out	<u>0</u>	<u>(5,771)</u>	<u>(5,771)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	(5,771)	(5,771)	0
<i>Fund Balance Beginning of Year</i>	<u>5,771</u>	<u>5,771</u>	<u>5,771</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$5,771</u></u>	<u><u>\$0</u></u>	<u><u>\$0</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
Family to Family Fund
For the Year Ended December 31, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$353,860	\$353,860	\$340,464	(\$13,396)
Miscellaneous	15,000	15,000	0	(15,000)
<i>Total Revenues</i>	<u>368,860</u>	<u>368,860</u>	<u>340,464</u>	<u>(28,396)</u>
Expenditures				
Current:				
Community Environment:				
Child Care:				
Salaries	226,233	226,974	222,561	4,413
Fringe Benefits	34,715	35,594	33,159	2,435
Travel and Transportation	0	34	32	2
Professional Services	10,500	12,133	12,133	0
Communications	2,000	2,597	1,908	689
Contractual Services	54,892	51,581	51,558	23
Materials and Supplies	7,000	24,271	24,204	67
Other	16,000	9,357	9,253	104
<i>Total Expenditures</i>	<u>351,340</u>	<u>362,541</u>	<u>354,808</u>	<u>7,733</u>
<i>Net Change in Fund Balance</i>	17,520	6,319	(14,344)	(20,663)
<i>Fund Balance Beginning of Year</i>	<u>37,416</u>	<u>37,416</u>	<u>37,416</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$54,936</u>	<u>\$43,735</u>	<u>\$23,072</u>	<u>(\$20,663)</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$119,634	\$0	\$0	\$0
Expenditures				
Current:				
Community Environment:				
Capital	119,634	0	0	0
<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, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Payment in Lieu of Taxes	\$380,008	\$380,008	\$341,399	(\$38,609)
Intergovernmental	16,598	16,598	13,888	(2,710)
<i>Total Revenues</i>	<u>396,606</u>	<u>396,606</u>	<u>355,287</u>	<u>(41,319)</u>
Expenditures				
Current:				
General Government	65,000	26,095	26,095	0
Debt Service:				
Principal Retirement	190,000	190,000	190,000	0
Interest and Fiscal Charges	243,293	243,293	243,292	1
<i>Total Expenditures</i>	<u>498,293</u>	<u>459,388</u>	<u>459,387</u>	<u>1</u>
<i>Net Change in Fund Balance</i>	(101,687)	(62,782)	(104,100)	(41,318)
<i>Fund Balance Beginning of Year</i>	<u>166,942</u>	<u>166,942</u>	<u>166,942</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$65,255</u>	<u>\$104,160</u>	<u>\$62,842</u>	<u>(\$41,318)</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$0	\$0	\$0	\$0
Expenditures				
Current:				
General Government:				
Professional Services	0	4,906	4,906	0
Transportation				
Capital Outlay	231,012	880,546	936,040	(55,494)
Leisure Time Activities				
Capital Outlay	1,056,695	2,609	2,608	1
<i>Total Expenditures</i>	<u>1,287,707</u>	<u>888,061</u>	<u>943,554</u>	<u>(55,493)</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,287,707)</u>	<u>(888,061)</u>	<u>(943,554)</u>	<u>(55,493)</u>
<i>Net Change in Fund Balance</i>	(1,287,707)	(888,061)	(943,554)	(55,493)
<i>Fund Balance Beginning of Year</i>	1,246,805	1,246,805	1,246,805	0
<i>Prior Year Encumbrances Appropriated</i>	262,708	262,708	262,708	0
<i>Fund Balance End of Year</i>	<u>\$221,806</u>	<u>\$621,452</u>	<u>\$565,959</u>	<u>(\$55,493)</u>

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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$800	\$800	\$0	(\$800)
Expenditures				
Current:				
Capital Outlay	221,334	0	0	0
<i>Net Change in Fund Balance</i>	(220,534)	800	0	(800)
<i>Fund Balance Beginning of Year</i>	244,929	244,929	244,929	0
<i>Fund Balance End of Year</i>	<u>\$24,395</u>	<u>\$245,729</u>	<u>\$244,929</u>	<u>(\$800)</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Special Assessments	\$0	\$0	\$0	\$0
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues over Expenditures</i>	0	0	0	0
Other Financing Uses				
Transfers Out	<u>0</u>	<u>(15,261)</u>	<u>(15,261)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	(15,261)	(15,261)	0
<i>Fund Balance Beginning of Year</i>	<u>15,261</u>	<u>15,261</u>	<u>15,261</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$15,261</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
Land Acquisition Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	0	0	0	0
Other Financing Uses				
Transfers Out	<u>(150,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(150,000)	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$150,000</u></u>	<u><u>\$150,000</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
City Park Improvement Fund
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Miscellaneous	\$20,492	\$20,492	\$12,369	(\$8,123)
Expenditures				
Current:				
Leisure Time Activities:				
Capital Outlay	70,000	1,702	1,702	0
<i>Net Change in Fund Balance</i>	(49,508)	18,790	10,667	(8,123)
<i>Fund Balance Beginning of Year</i>	66,651	66,651	66,651	0
<i>Fund Balance End of Year</i>	\$17,143	\$85,441	\$77,318	(\$8,123)

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, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$385,200	\$385,200	\$434,510	\$49,310
Miscellaneous	600	600	0	(600)
<i>Total Revenues</i>	<u>385,800</u>	<u>385,800</u>	<u>434,510</u>	<u>48,710</u>
Expenses				
Salaries	138,059	132,909	131,936	973
Fringe Benefits	55,273	54,623	53,975	648
Communications	492	578	515	63
Contractual Services	20	70	24	46
Materials and Supplies	17,809	38,439	36,319	2,120
Capital Outlay	50,000	0	0	0
Other	101,034	88,233	87,624	609
Debt Service:				
Principal Retirement	22,338	21,728	21,727	1
Interest and Fiscal Charges	12,474	11,912	11,912	0
<i>Total Expenses</i>	<u>397,499</u>	<u>348,492</u>	<u>344,032</u>	<u>4,460</u>
<i>Excess of Revenues Over(Under) Expenses</i>	(11,699)	37,308	90,478	53,170
Transfers Out	(4,459)	(4,459)	(4,459)	
<i>Net Change in Fund Equity</i>	(16,158)	32,849	86,019	53,170
<i>Fund Equity Beginning of Year</i>	<u>91,932</u>	<u>91,932</u>	<u>91,932</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$75,774</u>	<u>\$124,781</u>	<u>\$177,951</u>	<u>\$53,170</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, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$400,000	\$425,200	\$375,190	(\$50,010)
Miscellaneous	75,000	75,000	75,000	0
<i>Total Revenues</i>	<u>475,000</u>	<u>500,200</u>	<u>450,190</u>	<u>(50,010)</u>
Expenses				
Property Taxes	35,000	117,452	117,452	0
Utilities	400,000	368,475	364,268	4,207
<i>Total Expenses</i>	<u>435,000</u>	<u>485,927</u>	<u>481,720</u>	<u>4,207</u>
<i>Excess of Revenues Over (Under)Expenses before Advances and Transfers</i>	<u>40,000</u>	<u>14,273</u>	<u>(31,530)</u>	<u>(45,803)</u>
Advance In	0	0	60,000	60,000
Transfers Out	(72,334)	(72,334)	(72,334)	0
<i>Net Change in Fund Equity</i>	<u>(32,334)</u>	<u>(58,061)</u>	<u>(43,864)</u>	<u>14,197</u>
<i>Fund Equity Beginning of Year</i>	<u>58,107</u>	<u>58,107</u>	<u>58,107</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$25,773</u>	<u>\$46</u>	<u>\$14,243</u>	<u>\$14,197</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$3,232,800	\$3,232,800	\$3,286,843	\$54,043
Miscellaneous	622,500	622,500	681,342	58,842
<i>Total Revenues</i>	<u>3,855,300</u>	<u>3,855,300</u>	<u>3,968,185</u>	<u>112,885</u>
Expenses				
Professional Services	52,500	53,045	52,953	92
Claims	4,927,601	5,214,200	5,178,231	35,969
<i>Total Expenses</i>	<u>4,980,101</u>	<u>5,267,245</u>	<u>5,231,184</u>	<u>36,061</u>
<i>Excess of Revenues Under Expenses</i>	(1,124,801)	(1,411,945)	(1,262,999)	148,946
Transfers In	144,000	144,000	694,000	550,000
<i>Net Change in Fund Equity</i>	(980,801)	(1,267,945)	(568,999)	698,946
<i>Fund Equity Beginning of Year</i>	<u>1,501,143</u>	<u>1,501,143</u>	<u>1,501,143</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$520,342</u>	<u>\$233,198</u>	<u>\$932,144</u>	<u>\$698,946</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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$568,626	\$568,626	\$545,893	(\$22,733)
Miscellaneous	0	45,500	11,913	(33,587)
<i>Total Revenues</i>	<u>568,626</u>	<u>614,126</u>	<u>557,806</u>	<u>(56,320)</u>
Expenses				
Professional Services	132,600	40,175	36,596	3,579
Workers' Compensation Premium	150,000	83,272	83,271	1
Workers' Compensation Claims	311,354	624,234	599,320	24,914
<i>Total Expenses</i>	<u>593,954</u>	<u>747,681</u>	<u>719,187</u>	<u>28,494</u>
<i>Excess of Revenues Under Expenses</i>	(25,328)	(133,555)	(161,381)	(27,826)
Transfers In	25,329	25,329	500,000	474,671
<i>Net Change in Fund Equity</i>	1	(108,226)	338,619	446,845
<i>Fund Equity Beginning of Year</i>	<u>108,307</u>	<u>108,307</u>	<u>108,307</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$108,308</u>	<u>\$81</u>	<u>\$446,926</u>	<u>\$446,845</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, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues	<u>\$0</u>	<u>\$1</u>	<u>\$0</u>	<u>(\$1)</u>
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	0	1	0	(1)
Other Financing Uses				
Transfers Out	<u>0</u>	<u>(2,518)</u>	<u>(2,517)</u>	<u>1</u>
<i>Net Change in Fund Balance</i>	0	(2,517)	(2,517)	0
<i>Fund Balance Beginning of Year</i>	<u>2,517</u>	<u>2,517</u>	<u>2,517</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$2,517</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

STATISTICAL SECTION

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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>
Financial Trends 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
Revenue Capacity 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
Debt Capacity 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
Demographic and Economic Information 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
Operating Information 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
Sources: 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 Eight Years
(Accrual Basis of Accounting)

	2010	2009	2008	2007	2006	2005	2004	2003
Governmental Activities								
Invested in Capital Assets, Net of Related Debt	\$29,616,097	\$26,631,390	\$19,375,518	\$17,864,648	\$16,735,176	\$15,964,667	\$17,763,254	\$17,327,755
Restricted:								
Capital Projects	948,539	1,656,877	3,187,407	3,092,758	5,935,384	4,895,203	165,163	2,912,382
Debt Service	1,015,271	658,864	679,404	1,543,403	587,899	1,128,628	1,621,445	1,630,679
Other Purposes	5,859,487	5,316,658	4,237,737	4,660,608	5,108,771	5,388,015	5,322,703	5,737,283
Unrestricted	8,502,251	5,461,402	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>45,941,645</u>	<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>
Business Type - Activities								
Invested in Capital Assets, Net of Related Debt	43,114,193	41,950,480	41,695,569	37,309,591	34,117,056	25,918,138	29,906,268	29,906,268
Restricted for Debt Service	1,328,713	1,214,966	1,194,934	1,109,163	923,400	0	0	0
Restricted for Replacement and Improvement	195,474	193,550	195,417	193,550	186,270	561,240	551,039	551,039
Unrestricted	9,216,354	8,486,802	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>53,854,734</u>	<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>
Primary Government								
Invested in Capital Assets, Net of Related Debt	72,730,290	65,317,220	61,071,087	55,174,239	50,852,232	41,882,805	47,669,522	47,234,023
Restricted	9,347,484	7,823,235	9,494,899	10,599,482	12,741,724	11,973,086	7,660,350	10,831,383
Unrestricted	17,718,605	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>\$99,796,379</u>	<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 Eight Years
(Accrual Basis of Accounting)

	2010	2009	2008	2007	2006	2005	2004	2003
Program Revenues								
Governmental Activities:								
Charges for Services:								
General Government	\$2,529,470	\$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	265,127	245,685	242,444	214,450	177,258	126,981	60,864	297,746
Fire	2,233,515	2,291,431	2,147,823	2,249,911	2,233,708	2,170,604	2,181,841	2,162,227
Public Health Services	248,489	251,665	318,737	335,613	3,600	3,600	2,003	55,906
Community Environment	1,895,118	11,120	10,680	10,500	1,796,475	1,068,342	860,495	646,650
Basic Utility Services	0	0	0	0	0	0	13,181	20,127
Leisure Time Activities	0	0	0	0	0	0	20,470	6,663
Transportation	28,395	0	0	0	0	0	0	0
Subtotal - Charges for Services	<u>7,200,114</u>	<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	612,272	495,082	474,840	0	0	0	0	4,228,805
Security of Persons and Property								
Police	449,353	449,920	472,948	18,653	3,575	12,542	15,169	17,478
Fire	3,350	52,013	0	0	337,710	357,124	133,687	0
Public Health Services	246,649	270,604	493,394	468,559	833,675	685,267	68,250	470,837
Transportation	2,012,270	1,118,195	1,950,418	1,927,847	2,050,027	1,899,723	1,802,541	1,526,475
Community Environment	4,718,408	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>8,042,302</u>	<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	0	584,601	3,579	0	243,000
<i>Total Governmental Activities Program Revenues</i>	<u>15,242,416</u>	<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>
Business-Type Activities:								
Charges for Services:								
Water	10,759,734	9,456,618	10,298,731	10,143,589	8,395,321	8,661,772	8,494,114	8,470,922
Sewer	6,157,686	5,545,675	5,947,043	5,184,560	4,107,108	4,318,539	3,779,202	3,301,936
Parking Facilities	434,510	404,180	332,999	292,127	290,561	294,385	290,229	278,749
Winterhurst Ice Rink	563,499	371,631	427,031	793,387	686,619	725,506	714,895	703,880
Congregate Living	0	0	0	0	0	0	5,594	8,681
Subtotal - Charges for Services	<u>17,915,429</u>	<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	0	416,013	74,859	1,044,113	0	0	0	0
Sewer	283,595	272,358	152,949	310,993	0	0	0	294,659
Subtotal - Operating Grants and Contributions	<u>283,595</u>	<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	0	2,000,000	0	0	0	0	0
<i>Total Business-Type Activities Program Revenues</i>	<u>18,199,024</u>	<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>\$33,441,440</u>	<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 Eight Years
(Accrual Basis of Accounting)

	2010	2009	2008	2007	2006	2005	2004	2003
Expenses								
Governmental Activities:								
General Government	\$8,423,969	\$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	12,272,317	12,754,885	12,371,712	12,035,903	11,907,585	10,686,045	10,811,935	10,663,939
Fire	9,526,516	10,131,056	10,289,314	11,028,498	10,241,053	9,949,694	9,374,854	8,353,682
Public Health Services	2,383,427	2,505,999	3,280,667	4,211,759	4,784,768	4,310,861	4,361,672	3,455,966
Transportation	3,092,325	2,866,754	2,969,914	3,480,710	2,655,600	2,880,797	2,971,847	2,698,191
Community Environment	6,819,791	6,474,889	5,622,461	6,798,564	6,628,671	6,417,757	8,478,583	5,736,330
Basic Utility Services	3,472,641	3,998,734	4,700,773	5,450,051	5,026,300	4,340,798	4,470,994	4,428,339
Leisure Time Activities	1,831,789	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	1,788,103	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>49,610,878</u>	<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>
Business-Type Activities								
Water	9,665,155	9,038,465	9,289,887	9,612,007	8,403,497	8,539,662	8,252,561	7,658,226
Sewer	6,012,674	5,751,453	6,585,346	7,606,437	5,734,921	5,022,961	4,669,597	4,812,015
Parking Facilities	386,946	253,274	305,295	419,733	482,642	300,901	325,724	308,401
Winterhurst Ice Rink	736,397	552,929	740,804	732,973	1,257,948	969,391	969,745	1,080,250
Congregate Living	0	0	0	0	0	64,297	4,853	9,346
<i>Total Business-Type Activities Expenses</i>	<u>16,801,172</u>	<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>66,412,050</u>	<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>
Net (Expense)/Revenue								
Governmental Activities	(34,368,462)	(36,580,259)	(37,554,310)	(42,907,901)	(39,022,979)	(37,454,359)	(41,037,910)	(31,457,253)
Business-Type Activities	1,397,852	870,354	2,312,280	(602,381)	(2,399,399)	(897,010)	(938,446)	(809,411)
<i>Total Primary Government Net Expense</i>	<u>(\$32,970,610)</u>	<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>

(continued)

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

	2010	2009	2008	2007	2006	2005	2004	2003
General Revenues and Other Changes in Net Assets								
Governmental Activities								
Taxes:								
Property and Other Local Taxes Levied For:								
General Purposes	\$6,857,844	\$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	2,608,762	2,810,315	2,823,756	2,911,150	2,613,672	2,589,687	2,644,603	2,247,896
Debt Service	2,784,378	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	341,399	308,520	340,341	368,523	241,589	241,480	100,617	0
Municipal Income Taxes levied for:								
General Purposes	19,686,732	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	6,727,090	6,345,651	5,668,748	6,482,563	6,729,258	7,713,363	7,085,654	2,540,663
Investment Income	68,060	214,275	533,257	1,130,083	1,479,546	830,725	396,491	483,266
Miscellaneous	436,670	606,457	550,472	295,266	364,274	246,757	402,279	408,462
<i>Total Governmental Activities</i>	<u>39,510,935</u>	<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>
Business-Type Activities								
Property and Other Local Taxes Levied For:								
General Purposes	1,590,695	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	0	205,895	212,063	203,039	0
Gain on Sale of Capital Assets	0	0	0	0	0	180,250	0	0
Investment Income	16,338	58,952	237,593	636,665	565,729	230,974	92,690	47,433
Miscellaneous	78,032	533,806	51,808	20,087	17,543	2,113	26,408	3,802
<i>Total Business-Type Activities</i>	<u>1,685,065</u>	<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>41,196,000</u>	<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>
Transfers								
Governmental Activities	1,073,981	2,084,161	534,752	332,842	(450,000)	(37,191)	(505,000)	(200,000)
Business-Type Activities	(1,073,981)	(2,084,161)	(534,752)	(332,842)	450,000	37,191	505,000	200,000
Restatements								
Governmental Activities	0	0	1,447,962	0	0	962,608	0	(1,894,358)
Business-Type Activities	0	0	2,928,075	0	0	0	0	(118,139)
<i>Total Restatements Activities</i>	<u>0</u>	<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>
Change in Net Assets								
Governmental Activities	6,216,454	5,481,092	4,144,387	(2,384,701)	(1,444,093)	1,202,933	(4,075,650)	(4,215,815)
Business-Type Activities	2,008,936	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>\$8,225,390</u>	<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)

	2010	2009	2008	2007
General Fund				
Reserved	\$949,608	\$1,156,884	\$11,114	\$69,864
Unreserved	5,613,890	3,642,880	5,489,730	1,986,309
Total General Fund	6,563,498	4,799,764	5,500,844	2,056,173
All Other Governmental Funds				
Reserved	1,967,161	2,294,622	3,131,139	3,823,391
Unreserved, Undesignated (Deficit), Reported in:				
Special Revenue Funds	3,513,726	2,957,115	733,201	1,773,409
Debt Service Funds	829,256	1,282,628	343,522	1,698,091
Capital Projects Funds	1,006,420	1,467,157	4,386,784	1,906,203
Total All Other Governmental Funds	7,316,563	8,001,522	8,594,646	9,201,094
Total Governmental Funds	<u>\$13,880,061</u>	<u>\$12,801,286</u>	<u>\$14,095,490</u>	<u>\$11,257,267</u>

2006	2005	2004	2003	2002	2001
\$94,715	\$294,921	\$124,134	\$102,195	\$348,721	\$787,171
3,212,313	3,724,852	3,713,592	5,479,860	8,157,458	9,168,341
3,307,028	4,019,773	3,837,726	5,582,055	8,506,179	9,955,512
3,237,102	3,771,588	6,034,201	3,832,595	4,680,406	5,532,769
2,514,850	2,489,614	1,371,018	2,159,101	3,682,507	2,270,464
685,942	1,245,313	1,519,878	1,162,940	868,636	784,864
4,457,614	3,283,734	2,806,361	2,196,372	(4,218,676)	(1,031,261)
10,895,508	10,790,249	11,731,458	9,351,008	5,012,873	7,556,836
<u>\$14,202,536</u>	<u>\$14,810,022</u>	<u>\$15,569,184</u>	<u>\$14,933,063</u>	<u>\$13,519,052</u>	<u>\$17,512,348</u>

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

	2010	2009	2008	2007	2006
Revenues					
Property Taxes	\$12,301,006	\$13,194,723	\$13,257,834	\$13,502,272	\$12,316,987
Payments in Lieu of Taxes	341,399	308,520	340,341	368,523	241,589
Municipal Income Taxes	17,850,439	18,355,581	18,480,218	18,143,485	17,080,608
Charges for Services	3,578,550	3,598,946	3,033,174	3,494,517	3,597,914
Licenses, Permits and Fees	1,886,868	1,823,254	1,971,510	2,035,413	1,930,932
Fines and Forfeitures	1,690,587	1,592,897	1,710,782	1,458,771	1,535,840
Intergovernmental	14,727,449	13,197,654	11,824,139	13,239,249	13,184,935
Special Assessments	47,459	24,642	240,001	123,219	105,230
Interest	68,060	214,275	533,257	1,130,083	1,479,546
Contributions and Miscellaneous	544,005	724,928	817,733	381,542	752,522
<i>Total Revenues</i>	<u>53,035,822</u>	<u>53,035,420</u>	<u>52,208,989</u>	<u>53,877,074</u>	<u>52,226,103</u>
Expenditures					
Current:					
General Government	8,149,714	7,875,387	7,930,675	8,607,515	7,261,972
Security of Persons and Property					
Police	12,069,033	12,220,039	12,139,328	11,678,468	11,484,234
Fire	9,282,338	9,662,410	10,088,610	10,567,772	10,080,039
Public Health Services	2,281,603	2,428,498	3,352,685	4,089,118	4,501,420
Transportation	1,867,759	1,704,157	1,980,543	2,617,950	1,770,566
Community Environment	6,727,225	6,250,805	5,669,977	6,787,327	6,619,518
Basic Utilities Services	3,150,020	3,699,636	4,466,994	5,089,792	4,661,348
Leisure Time Activities	1,542,088	1,513,654	1,733,290	1,944,398	1,809,858
Capital Outlay	760,521	6,842,067	5,280,879	4,525,704	3,838,417
Debt Service:					
Principal Retirement	11,949,421	4,087,490	8,637,976	11,230,978	2,905,047
Interest and Fiscal Charges	1,830,823	2,085,801	2,057,441	1,924,401	1,794,537
Bond Issuance Costs	0	0	0	300,690	0
<i>Total Expenditures</i>	<u>59,610,545</u>	<u>58,369,944</u>	<u>63,338,398</u>	<u>69,364,113</u>	<u>56,726,956</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(6,574,723)</u>	<u>(5,334,524)</u>	<u>(11,129,409)</u>	<u>(15,487,039)</u>	<u>(4,500,853)</u>
Other Financing Sources (Uses)					
Bonds Issued	0	0	0	10,520,000	0
Refunding Bonds Issued	0	0	0	0	0
Notes Issued	7,771,000	7,771,000	7,771,000	5,374,000	8,311,000
Loans Received	0	0	0	0	0
Premium	0	0	0	57,987	5,367
Sale of Assets	0	0	0	0	0
Inception of Capital Lease	0	2,175,159	4,110,632	1,375,314	0
Current Refunding	0	(7,771,000)	0	0	(3,973,000)
Payment to Refunded Bond Escrow Agent	0	0	0	(4,844,725)	0
Reimbursements Received	0	0	0	0	0
Transfers In	4,000,770	13,561,547	3,077,261	3,631,000	1,969,098
Transfers Out	(4,118,272)	(11,696,386)	(2,786,509)	(3,571,806)	(2,419,098)
<i>Total Other Financing Sources (Uses)</i>	<u>7,653,498</u>	<u>4,040,320</u>	<u>12,172,384</u>	<u>12,541,770</u>	<u>3,893,367</u>
<i>Restatements</i>	<u>0</u>	<u>0</u>	<u>1,795,248</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>\$1,078,775</u>	<u>(\$1,294,204)</u>	<u>\$2,838,223</u>	<u>(\$2,945,269)</u>	<u>(\$607,486)</u>
Debt Service as a Percentage of Noncapital Expenditures	23.8%	11.7%	18.5%	20.7%	9.3%

	2005	2004	2003	2002	2001
\$	12,388,236	\$12,388,112	\$10,332,736	\$11,320,813	\$12,210,830
	241,480	100,617	0	0	0
	17,785,152	16,842,902	16,626,831	16,615,806	16,989,915
	3,479,982	3,432,921	3,776,654	2,684,835	2,584,971
	1,159,966	939,434	718,147	698,661	765,485
	1,385,746	1,478,391	1,594,776	1,235,195	1,163,004
	13,989,782	12,359,013	12,180,349	12,821,281	11,344,560
	91,836	84,302	196,560	167,359	115,561
	830,725	396,491	483,266	839,181	1,166,804
	510,219	402,279	408,462	1,137,725	325,033
	<u>51,863,124</u>	<u>48,424,462</u>	<u>46,317,781</u>	<u>47,520,856</u>	<u>46,666,163</u>
	7,215,127	7,601,675	8,335,408	7,132,996	6,137,933
	10,598,682	10,662,735	10,118,491	17,408,734	21,757,271
	9,573,450	9,304,473	9,394,378		
	4,258,873	4,286,363	3,532,193	3,137,717	3,074,905
	2,057,427	2,175,057	2,337,498	1,912,861	2,252,170
	6,359,746	5,656,644	6,060,535	6,420,753	5,519,228
	4,094,876	4,328,373	4,340,840	4,172,822	3,840,908
	1,912,849	1,962,346	1,930,211	1,904,606	1,869,277
	6,132,047	5,422,606	2,848,800	3,510,525	3,810,178
	9,353,547	5,652,579	2,007,312	1,737,223	4,230,000
	1,738,257	1,505,688	1,597,061	1,633,780	1,494,977
	225,403	306,388	110,619	0	0
	<u>63,520,284</u>	<u>58,864,927</u>	<u>52,613,346</u>	<u>48,972,017</u>	<u>53,986,847</u>
	<u>(11,657,160)</u>	<u>(10,440,465)</u>	<u>(6,295,565)</u>	<u>(1,451,161)</u>	<u>(7,320,684)</u>
	6,495,637	4,265,000	5,219,000	0	8,225,000
	7,335,000	0	0	0	0
	4,228,000	7,064,800	3,555,500	0	0
	0	0	0	0	232,560
	241,575	30,823	120,589	0	0
	5,500	7,592	0	0	70,447
	10,137	0	173,991	474,393	353,690
	0	0	0	0	0
	(7,380,660)	0	0	0	0
	0	0	0	0	1,020,332
	3,970,791	2,620,130	2,127,437	2,464,843	3,527,402
	<u>(4,007,982)</u>	<u>(3,125,130)</u>	<u>(2,327,437)</u>	<u>(5,479,086)</u>	<u>(6,189,198)</u>
	<u>10,897,998</u>	<u>10,863,215</u>	<u>8,869,080</u>	<u>(2,539,850)</u>	<u>7,240,233</u>
	<u>0</u>	<u>213,371</u>	<u>(1,159,504)</u>	<u>(2,285)</u>	<u>713,104</u>
	<u>(\$759,162)</u>	<u>\$636,121</u>	<u>\$1,414,011</u>	<u>(\$3,993,296)</u>	<u>\$632,653</u>
	19.0%	13.6%	7.5%	7.4%	11.0%

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
2010	\$728,076,240	\$167,461,630	\$2,558,679,629	\$12,391,260	\$14,080,977
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

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		
\$0	\$0	\$907,929,130	\$2,572,760,606	35.29%	\$17.40
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

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

	2010	2009	2008	2007	2006
Charter Millage					
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
Total Charter Millage	\$17.4000	\$17.4000	\$17.4000	\$17.4000	\$17.4000
Overlapping Rates by Taxing District					
Lakewood City School District					
Residential/Agricultural Real	\$56.4019	\$48.8809	\$45.9650	\$45.5754	\$49.5692
Commercial/Industrial and Public Utility Real	69.8953	62.3184	61.3095	60.4273	65.9849
General Business and Public Utility Personal	115.4000	107.9000	107.2000	106.9000	107.4000
Cuyahoga County Commissioners (1)					
Residential/Agricultural Real	16.3660	15.8789	15.1504	15.1210	14.1728
Commercial/Industrial and Public Utility Real	15.9620	15.5327	15.4894	14.3558	15.2977
General Business and Public Utility Personal	16.5500	16.2500	16.2500	16.3500	16.4500
Special Taxing Districts (2)					
Residential/Agricultural Real	4.1657	4.1608	3.8697	3.8656	4.2827
Commercial/Industrial and Public Utility Real	4.3529	4.3492	4.3243	4.2874	4.7054
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

2005	2004	2003	2002	2001
\$3.4700	\$3.4700	\$3.4700	\$3.4700	\$3.4700
8.6500	8.6500	8.6500	8.6500	8.6500
1.6800	1.6800	1.6800	1.6100	1.6100
1.6000	1.6000	1.6000	1.5700	1.5700
2.0000	2.0000	2.0000	2.0000	2.0000
<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.3000</u>	<u>\$17.3000</u>
\$49.5065	\$43.6947	\$47.5575	\$40.7340	\$40.8205
65.6697	59.6364	61.6842	54.3405	54.4686
107.4000	101.6000	100.2500	93.4500	93.5500
13.4245	13.4429	12.4609	11.3814	11.3966
14.6624	14.7364	12.8764	12.0023	11.9297
16.4500	16.4500	14.6500	14.6500	14.6500
4.2776	3.5972	2.8193	2.8193	2.8227
4.6776	4.1416	3.1081	3.0767	3.0190
5.3500	5.0500	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
2010	\$16,154,477	\$15,383,763	95.23%	\$641,045	\$16,024,808	99.20%	\$1,214,467	7.52%
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

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>2010</u>		
Taxpayer	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Cleveland Electric Illuminating Company	\$10,226,600	1.14 %
14600 Detroit Avenue	5,057,510	0.57
Lakewood Senior Campus	3,437,960	0.38
Lakewood Senior Citizens Inc.	2,262,440	0.25
Wildcat II, LLC	2,026,630	0.23
Marine Towers	2,011,980	0.23
12000 Edgewater Ltd.	1,901,930	0.21
Lakewood Heath Care	1,863,930	0.21
Castlewood Association	1,820,010	0.20
One Lakewood Company LLC	1,811,260	0.20
Lakewood Association Limited Partnership	1,750,700	0.20
Lake Shore Association	1,723,610	0.19
Total	<u>\$35,894,560</u>	<u>4.01 %</u>
Total Real Property Assessed Valuation	<u>\$895,537,870</u>	

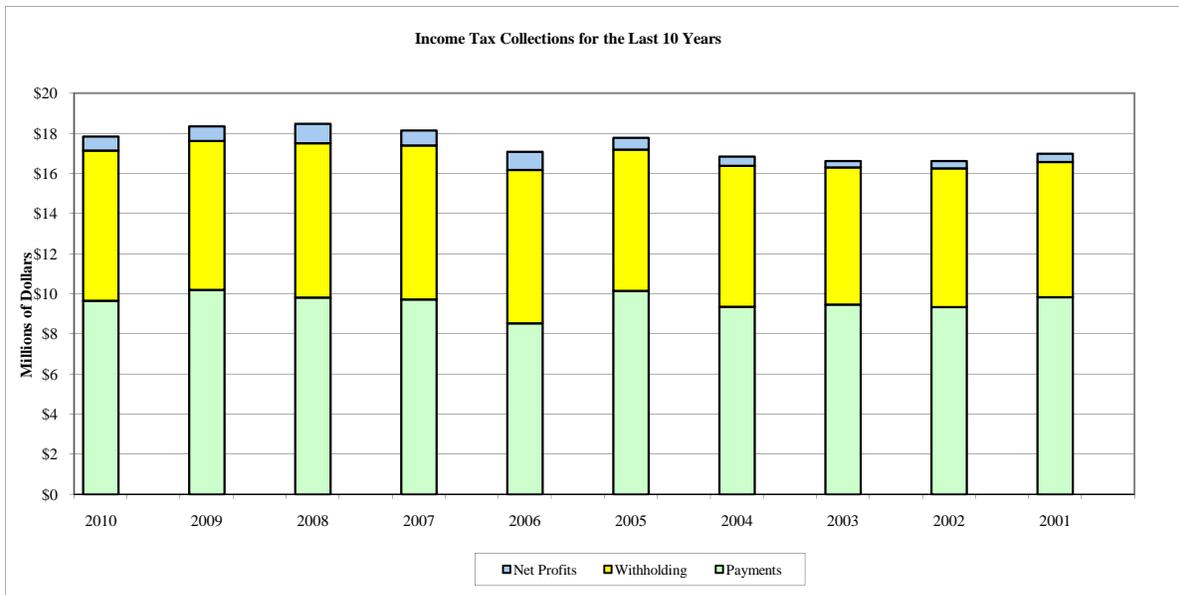
<u>2001</u>		
Taxpayer	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Cleveland Electric Illuminating Company	\$7,938,210	1.04 %
Ohio Bell Telephone Company	5,354,180	0.70
Lakewood Operating Associates	2,275,000	0.30
Lakewood Senior Citizens, Inc.	2,159,750	0.28
Marine Towers	2,030,000	0.27
Castlewood Association	1,931,020	0.25
Fame-Midamco Company	1,766,980	0.23
Shoreham Apartments	1,649,340	0.22
Lakewood Association L.P.	1,609,060	0.21
Lakewood Heath Care	1,575,810	0.21
Total	<u>\$28,289,350</u>	<u>3.71 %</u>
Total Real Property Assessed Valuation	<u>\$762,218,690</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
2010	1.50%	\$17,850,439	\$9,656,284	54.10	\$7,484,885	41.93	\$709,270	3.97
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	5.27
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

(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	
2010	\$26,987,433	1.05 %	\$517.68	\$0	\$246,400	\$5,574,518	\$7,771,000	
2009	30,278,657	1.18	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	
Business-Type Activities								
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)
2010	\$9,169,988	\$24,610,322	\$0	\$1,224,164	\$3,864,982	\$79,448,807	6.36 %	\$1,524.02
2009	10,268,175	25,865,737	0	1,382,897	4,241,837	86,530,904	6.37	1,659.87
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

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

	2010	2009	2008	2007	2006
Overall Legal Debt Limit (10.5% of Assessed Valuation)	\$95,332,559	\$49,936,102	\$103,199,469	\$103,525,987	\$94,469,704
Net Debt Applicable to Debt Limit	<u>34,466,401</u>	<u>37,460,332</u>	<u>42,690,007</u>	<u>42,039,762</u>	<u>41,051,785</u>
Overall Legal Debt Margin (10.5% of Assessed Valuation)	<u>\$60,866,158</u>	<u>\$12,475,770</u>	<u>\$60,509,462</u>	<u>\$61,486,225</u>	<u>\$53,417,919</u>
Legal Debt Margin as a Percentage of Debt Limit	<u>63.85%</u>	<u>24.98%</u>	<u>58.63%</u>	<u>59.39%</u>	<u>56.55%</u>
Unvoted Legal Debt Limit (5.5% of Assessed Valuation)	\$49,936,102	\$53,486,976	\$54,056,865	\$54,227,898	\$49,484,131
Net Debt Applicable to Debt Limit	<u>34,466,401</u>	<u>37,460,332</u>	<u>42,690,007</u>	<u>42,039,762</u>	<u>41,051,785</u>
Unvoted Legal Debt Margin (5.5% of Assessed Valuation)	<u>\$15,469,701</u>	<u>\$16,026,644</u>	<u>\$11,366,858</u>	<u>\$12,188,136</u>	<u>\$8,432,346</u>
Legal Debt Margin as a Percentage of Debt Limit	<u>30.98%</u>	<u>29.96%</u>	<u>21.03%</u>	<u>22.48%</u>	<u>17.04%</u>

Legal Debt Margin Calculation for the Year Ended December 31, 2010

	Overall Margin Within 10.5%	Unvoted Margin Within 5.5%
Assessed property value	<u>\$907,929,130</u>	<u>\$907,929,130</u>
Debt Limitation (percentage of assessed property value)	\$95,332,559	\$49,936,102
Gross Indebtedness:	73,572,481	73,572,481
Less: General Obligation Bonds	(4,240,000)	(4,240,000)
General Obligation Bonds - Enterprise Funds	(9,256,665)	(9,256,665)
Revenue Bonds	(24,827,246)	(24,827,246)
Debt Service Fund	<u>(782,169)</u>	<u>(782,169)</u>
Net Debt Applicable to Debt Limit	<u>34,466,401</u>	<u>34,466,401</u>
Legal Debt Margin Within Limitations	<u>\$60,866,158</u>	<u>\$15,469,701</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.

2005	2004	2003	2002	2001
\$94,702,170	\$95,005,332	\$84,487,541	\$85,094,577	\$85,562,200
<u>48,932,958</u>	<u>41,781,567</u>	<u>38,818,600</u>	<u>37,203,200</u>	<u>24,323,464</u>
<u>\$45,769,212</u>	<u>\$53,223,765</u>	<u>\$45,668,941</u>	<u>\$47,891,377</u>	<u>\$61,238,736</u>
48.33%	56.02%	54.05%	56.28%	71.57%
\$49,605,898	\$49,764,698	\$44,255,379	\$44,573,350	\$44,818,295
<u>48,932,958</u>	<u>41,781,567</u>	<u>38,818,600</u>	<u>37,203,200</u>	<u>24,323,464</u>
<u>\$672,940</u>	<u>\$7,983,131</u>	<u>\$5,436,779</u>	<u>\$7,370,150</u>	<u>\$20,494,831</u>
1.36%	16.04%	12.29%	16.53%	45.73%

City of Lakewood, Ohio

Computation of Direct and Overlapping Debt Attributable to Governmental Activities

December 31, 2010

	<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	\$26,987,433	100.00 %	\$26,987,433
Notes Payable	7,771,000	100.00	7,771,000
Loans Payable	246,400	100.00	246,400
Capital Leases	<u>5,574,518</u>	100.00	<u>5,574,518</u>
Total Direct Debt	<u>40,579,351</u>		<u>40,579,351</u>
<u>Overlapping Debt:</u>			
Payable from Property Taxes			
Cuyahoga County Bonds	141,947,000	3.04	4,315,190
Regional Transit Authority Bonds	157,545,585	3.04	4,789,386
Lakewood City School District Bonds	123,184,894	100.00	123,184,894
Payable from Other Sources			
Cuyahoga County Capital Leases	20,863,000	3.04	634,235
Cuyahoga County Loans	4,103,000	3.04	124,731
Cuyahoga County Revenue Bonds	88,220,000	3.04	2,681,888
Lakewood City School District Capital Leases	<u>484,964</u>	100.00	<u>484,964</u>
Total Overlapping Debt	<u>536,348,443</u>		<u>136,215,288</u>
Total	<u><u>\$576,927,794</u></u>		<u><u>\$176,794,639</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 2010 collection year.

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City of Lakewood, Ohio

Pledged Revenue Coverage

Water

Last Ten Years

	2010	2009	2008	2007	2006
Net Available Revenue:					
Gross Revenues (1)	\$10,777,249	\$10,385,783	\$10,536,724	\$11,484,184	\$8,803,103
Less: Operating Expenses (2)	8,468,811	7,812,615	8,042,899	8,470,561	7,364,732
Net Available Revenue	<u>\$2,308,438</u>	<u>\$2,573,168</u>	<u>\$2,493,825</u>	<u>\$3,013,623</u>	<u>\$1,438,371</u>
Debt Service OPWC Loans:					
Principal	313,229	313,229	313,230	313,230	313,229
OPWC Coverage	<u>7.37</u>	<u>8.21</u>	<u>7.96</u>	<u>9.62</u>	<u>4.59</u>
Debt Service - Revenue Bonds:					
Principal	919,125	868,232	837,338	876,890	550,998
Interest	575,314	608,689	650,747	598,677	249,923
Revenue Bond Coverage	<u>1.54</u>	<u>1.74</u>	<u>1.68</u>	<u>2.04</u>	<u>1.80</u>
Total Debt Service:					
Principal	1,232,354	1,181,461	1,150,568	1,190,120	864,227
Interest	575,314	608,689	650,747	598,677	249,923
Total Coverage	<u>1.28</u>	<u>1.44</u>	<u>1.38</u>	<u>1.68</u>	<u>1.29</u>

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

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

<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
\$8,857,697	\$8,584,588	\$8,520,217	\$8,803,266	\$8,651,628
<u>7,770,689</u>	<u>7,481,671</u>	<u>7,085,228</u>	<u>8,156,070</u>	<u>7,084,088</u>
<u>\$1,087,008</u>	<u>\$1,102,917</u>	<u>\$1,434,989</u>	<u>\$647,196</u>	<u>\$1,567,540</u>
313,229	301,113	224,310	239,436	111,023
<u>3.47</u>	<u>3.66</u>	<u>6.40</u>	<u>2.70</u>	<u>14.12</u>
510,000	490,000	530,000	85,000	340,000
251,585	251,785	246,383	159,957	305,442
<u>1.43</u>	<u>1.49</u>	<u>1.85</u>	<u>2.64</u>	<u>2.43</u>
823,229	791,113	754,310	324,436	451,023
251,585	251,785	246,383	159,957	305,442
<u>1.01</u>	<u>1.06</u>	<u>1.43</u>	<u>1.34</u>	<u>2.07</u>

City of Lakewood, Ohio
Pledged Revenue Coverage
Sewer
Last Eight Years

	2010	2009	2008	2007	2006
Net Available Revenue:					
Gross Revenues (1)	\$6,443,136	\$5,821,972	\$6,220,187	\$7,628,335	\$6,081,419
Less: Operating Expenses (2)	4,207,534	4,264,238	4,720,506	5,900,144	5,217,728
Net Available Revenue	<u>\$2,235,602</u>	<u>\$1,557,734</u>	<u>\$1,499,681</u>	<u>\$1,728,191</u>	<u>\$863,691</u>
Debt Service OWDA Loans:					
Principal	29,138	27,925	26,761	25,647	24,578
Interest	4,861	5,533	6,696	7,811	8,879
OWDA Coverage	<u>65.75</u>	<u>46.56</u>	<u>44.82</u>	<u>51.65</u>	<u>25.81</u>
Debt Service - OPWC Loans:					
Principal	34,485	34,485	34,487	34,487	0
OPWC Coverage	<u>64.83</u>	<u>45.17</u>	<u>43.49</u>	<u>50.11</u>	<u>0</u>
Debt Service - Revenue Bonds:					
Principal	375,000	360,000	350,000	310,000	0
Interest	566,463	580,863	594,862	365,088	0
Revenue Bond Coverage	<u>2.37</u>	<u>1.66</u>	<u>1.59</u>	<u>2.56</u>	<u>0</u>
Total Debt Service:					
Principal	438,623	422,410	411,248	370,134	24,578
Interest	571,324	586,396	601,558	372,899	8,879
Total Coverage	<u>2.21</u>	<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

<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>
2010	52,131	\$1,249,163,022	\$23,962	\$44,268	35.4
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

(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)
39.0%	5,903	8.60%	\$907,929,130
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

City of Lakewood, Ohio
Principal Employers- Based on Income Tax Withheld
Current Year and Nine Years Ago

2010

Employer

Lakewood Hospital
Lakewood Board of Education
City of Lakewood
The MF Cachat Co
New York Life Insurance Company
AT&T
Ferry Cap & Set Screw Co.
Riser Foods Company
Graftech International Holdings
First Federal Saving and Loan Association of Lakewood
Hinkley Lighting Inc.

2001

Employer

Lakewood Hospital
Lakewood Board of Education
City of Lakewood
Lake Erie Screw Corporation
Bonnie Bell
New York Life Insurance Company
Aristocrat Lakewood
Advanced Ceramic Corporation
First Federal Savings and Loan
UCAR Carbon Company
United Transportation Union

The presentation of this information has changed due to the way in which income tax withholding is reported to the City. This withholding closely matches information as presented prior to 2010.

Source: City of Lakewood; Department of Income Tax

City of Lakewood, Ohio

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

Function/Program	2010	2009	2008	2007	2006	2005	2004
General Government							
Council	1.00	1.00	1.00	1.00	1.00	2.00	2.00
Court	20.00	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	1.00
Mayor's Office	2.00	2.00	2.00	2.00	2.00	2.00	3.00
Human Resources	3.00	3.00	3.00	3.00	4.00	4.00	3.00
Community Relations	1.00	1.00	1.00	2.00	2.00	1.00	1.00
Finance	6.00	7.00	7.00	7.00	7.00	6.00	8.00
Income Tax	4.00	3.00	4.00	6.00	7.00	5.00	2.00
Information System	4.00	4.00	4.00	6.00	6.00	6.00	6.00
Law	3.00	3.00	5.00	5.00	3.00	3.00	3.00
Planning & Development	6.00	6.00	5.00	3.00	3.00	3.00	2.00
Community Development	3.00	3.00	3.00	8.00	6.00	8.00	9.00
Security of Persons and Property							
Police	100.00	99.00	98.00	96.00	94.00	94.00	94.00
Police - Communications	10.00	11.00	11.00	12.00	11.00	10.00	11.00
Support of Prisoners	5.00	4.00	4.00	4.00	3.00	3.00	3.00
Fire	75.00	76.00	78.00	81.00	77.00	76.00	76.00
Emergency Medical Services	13.00	13.00	13.00	13.00	18.00	18.00	18.00
Housing & Building	15.00	16.00	14.00	19.00	22.00	21.00	19.00
Public Works							
Public Works Administration	2.00	2.00	2.00	3.00	3.00	3.00	3.00
Parking	2.00	3.00	3.00	3.00	3.00	3.00	3.00
Parks	13.00	11.00	13.00	16.00	16.00	16.00	15.00
Buildings & Facilities	2.00	2.00	3.00	4.00	5.00	5.00	5.00
Construction	4.00	4.00	4.00	4.00	4.00	5.00	8.00
Streets	15.00	12.00	13.00	16.00	17.00	19.00	21.00
Forestry	5.00	5.00	5.00	5.00	6.00	6.00	6.00
Traffic Signs	3.00	3.00	4.00	4.00	3.00	4.00	5.00
Refuse	35.00	35.00	43.00	46.00	52.00	51.00	53.00
Fleet	11.00	11.00	11.00	10.00	11.00	10.00	12.00
Communications	0.00	0.00	0.00	2.00	2.00	2.00	2.00
Water Administration	2.00	2.00	4.00	4.00	5.00	5.00	5.00
Water Distributions	6.00	7.00	8.00	9.00	8.00	6.00	8.00
Water Metering	6.00	6.00	6.00	6.00	6.00	6.00	7.00
Wastewater Collections	12.00	13.00	14.00	14.00	16.00	15.00	17.00
Wastewater Treatment	23.00	22.00	23.00	23.00	23.00	22.00	23.00
Engineering	4.00	4.00	4.00	6.00	6.00	5.00	5.00
Winterhurst	0.00	0.00	1.00	2.00	3.00	3.00	3.00
Human Services							
Human Services Administration	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Office on Aging IIIB	18.00	18.00	21.00	25.00	25.00	26.00	27.00
Office on Aging IIIC	0.00	0.00	0.00	7.00	7.00	7.00	7.00
Health	3.00	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	3.00
Early Childhood	1.00	1.00	1.00	2.00	2.00	2.00	2.00
Youth	8.00	10.00	10.00	12.00	11.00	9.00	9.00
Totals:	<u>452.00</u>	<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	2010	2009	2008
General Government			
<i>Clerk of Council</i>			
Number of ordinances passed	107	94	100
Number of resolutions passed	76	62	101
<i>Civil Service</i>			
Number of police and fire entry application processed	0	0	240
<i>Finance Department</i>			
Number of checks/ vouchers issued	8,924	9,291	11,014
Interest earnings for fiscal year (cash basis)	\$103,993	\$292,662	\$741,464
<i>Income Tax</i>			
Number of Annual withholding forms processed	22,794	22,142	22,709
Number of Business net profit forms processed	2,224	2,271	2,195
Public Works			
<i>Engineering</i>			
Dollar amount of Construction overseen by Engineer	\$3,925,960	\$3,501,473	\$3,443,940
<i>Forestry</i>			
Number of trees planted	272	259	206
<i>Parking Enforcement</i>			
Number of parking tickets	12,118	11,178	12,004
<i>Refuse</i>			
Collection of resident and business garbage in tons	16,296	17,010	19,990
<i>Water</i>			
Average (MCF) of water billed monthly (in thousands)	194,311	203,999	206,902
<i>Wastewater Collection</i>			
Average (MCF) of sewer billed monthly (in thousands)	194,311	203,999	206,902
<i>Wastewater Treatment</i>			
Influent flow in millions of gallons per year	2,520	2,771	3,324
Bio-solids wet tons per year	5,580	5,002	5,101

n/a - not available

2007	2006	2005	2004	2003	2002	2001
95	98	126	120	90	159	75
73	102	103	124	117	100	81
0	340	n/a	n/a	n/a	n/a	n/a
9,335	7,083	6,846	7,039	7,013	7,142	7,616
\$1,763,496	\$2,004,475	\$908,127	\$322,705	\$420,188	\$876,738	\$1,462,784
22,919	9,727	8,931	7,546	6,871	6,490	n/a
2,065	1,405	1,072	741	845	901	n/a
\$12,590,150	\$13,859,602	\$9,173,108	\$2,874,226	\$4,386,804	\$6,509,178	\$4,502,448
186	296	n/a	n/a	n/a	n/a	n/a
10,287	11,868	5,251	8,455	7,983	10,731	9,448
21,026	22,137	21,868	23,971	25,506	25,208	25,987
214,515	216,729	221,803	225,509	236,812	238,768	240,703
214,515	216,729	221,803	225,509	236,812	238,768	240,703
3,101	3,228	2,947	3,441	3,064	2,929	3,010
5,348	5,643	5,209	5,311	4,638	4,972	4,871

(continued)

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

Function/Program	2010	2009	2008
Security of Persons and Property			
<i>Police</i>			
Total calls for services	64,064	55,802	46,247
Number of citations issued	16,710	16,262	15,747
<i>Fire</i>			
Total calls for services-Fire	1,256	1,411	1,795
Total calls for services-EMS	5,208	5,251	5,006
Community Environment			
<i>Building Department</i>			
Estimated value of construction	\$25,472,201	\$18,660,849	\$34,568,567
Number of permits issued (all types)	2,552	2,216	2,683
Leisure Time Activities			
<i>Parks</i>			
Recreation Men's and Women's Leagues receipts	\$5,125	\$5,025	\$5,100
Recreation Youth Activities receipts	\$79,205	\$78,700	\$76,500

n/a - not available

(1) Information for some years is not available

2007	2006	2005	2004	2003	2002	2001
50,316	49,733	52,053	48,376	53,633	53,725	53,585
14,009	15,007	14,872	16,744	18,596	16,287	14,572
2,163	2,067	2,245	1,903	1,848	1,918	2,018
5,006	5,111	5,028	4,722	4,540	4,432	4,494
\$44,249,478	\$73,425,066	\$44,324,510	\$21,658,746	\$19,708,966	\$19,146,896	\$24,495,279
2,724	2,781	3,011	2,948	3,305	3,401	3,449
\$4,250	\$3,619	\$8,341	\$3,200	n/a	n/a	n/a
\$73,500	\$89,347	\$68,881	\$22,830	n/a	n/a	n/a

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

Function/Program	2010	2009	2008	2007	2006
Security of Persons and Property					
Police					
Stations	1	1	1	1	1
Vehicles	44	47	49	51	52
Fire					
Stations	3	3	3	3	3
Vehicles	17	17	18	17	18
Leisure Time Activities					
Parks					
Number of Parks	15	15	15	15	15
Number of Ice Rinks	2	2	2	2	2
Number of Skateboarding Areas	1	1	1	1	1
Number of Baseball Diamonds	5	5	5	5	5
Number of Soccer Fields	1	1	1	1	1
Transportation					
Service					
Streets (miles)	93	93	93	93	93
Street Lights	1,488	1,488	1,488	1,488	1,488
Water and Sewer					
Water Lines (miles)	112	112	112	112	112
Sanitary Sewers (miles)	75	75	75	75	75
Storm Sewers (miles)	66	66	66	66	66
Combined Sewers (miles)	25	25	25	25	25

2005	2004	2003	2002	2001
1	1	1	1	1
50	49	n/a	n/a	n/a
3	3	3	3	3
18	17	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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Dave Yost • 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 1, 2011