

**CITY OF LAKEWOOD  
CUYAHOGA COUNTY, OHIO**

**SINGLE AUDIT REPORT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2014**

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





# Dave Yost • Auditor of State

City Council  
City of Lakewood  
12650 Detroit Ave  
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, 2014 through December 31, 2014. 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

June 19, 2015

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**CITY OF LAKEWOOD, OHIO  
SINGLE AUDIT REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2014**

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

*Certified Public Accountants*

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

*Garfield Hts., Ohio 44125*

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

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

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

The Honorable David Yost  
Auditor of State  
State of Ohio

We have audited, in accordance with the 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, 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 (the City), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City of Lakewood, Ohio's basic financial statements, and have issued our report thereon dated April 27, 2015.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Lakewood, Ohio's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the City of Lakewood, Ohio's internal control.

*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 City's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Lakewood, Ohio's financial statements are free from 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*.

## Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Lakewood, Ohio's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Lakewood, Ohio's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

James G. Zupka, CPA, President  
CPA, President

Digitally signed by James G. Zupka, CPA,  
President  
DN: cn=James G. Zupka, CPA, President,  
o=James G. Zupka, CPA, Inc.,  
ou=Accounting,  
email=jgzcpa@sbcglobal.net, c=US  
Date: 2015.05.21 08:09:52 -0400

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

April 27, 2015

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

*Certified Public Accountants*

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

*Garfield Hts., Ohio 44125*

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

**REPORT ON COMPLIANCE FOR  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY OMB CIRCULAR A-133**

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

The Honorable David Yost  
Auditor of State  
State of Ohio

**Report on Compliance for Each Major Federal Program**

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 the City of Lakewood, Cuyahoga County, Ohio's major federal program for the year ended December 31, 2014. The City of Lakewood, Ohio's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the City of Lakewood, Ohio's major federal program based on our audit of the types of compliance requirements referred to above. 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 on compliance for its major federal program. However, our audit does not provide a legal determination of the City of Lakewood, Ohio's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the City of Lakewood, Ohio, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2014.

### **Report on Internal Control Over Compliance**

Management of the City of Lakewood, Ohio, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Lakewood, Ohio's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major federal program 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have also 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, 2014, and the related notes to the financial statements, which collectively comprise the City of Lakewood, Ohio's basic financial statements. We issued our report thereon dated April 27, 2015, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

James G. Zupka  
CPA, President

Digitally signed by James G. Zupka, CPA,  
President  
DN: cn=James G. Zupka, CPA, President,  
o=James G. Zupka, CPA, Inc., ou=Accounting,  
email=jgzcpa@sbglobal.net, c=US  
Date: 2015.05.21 08:10:39 -0400

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

April 27, 2015

**CITY OF LAKEWOOD  
CUYAHOGA COUNTY, OHIO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

<b>Federal Grantor/ Pass-Through Grantor/ Program Title</b>	Federal CFDA Number	Pass-Through Entity Number	Expenditures
<b><u>U.S. Department of Housing and Urban Development</u></b>			
<i><u>Direct Programs</u></i>			
<i><u>Community Development Block Grant Cluster</u></i>			
Community Development Block Grant	14.218	B-10-MC-39-0007	* \$ 3,054,579
Total Community Development Block Grant Cluster			<u>3,054,579</u>
Emergency Shelter Grant	14.231	S-10-MC-39-0007	<u>162,623</u>
<i>Total Direct Programs</i>			<u>3,217,202</u>
<i><u>Passed Through Cuyahoga County Housing Consortium</u></i>			
HOME Investment Partnerships Program Grant	14.239	CE-0400-354-01	* <u>216,751</u>
<i><u>Passed Through Ohio Department of Development</u></i>			
Neighborhood Stabilization Program Grant	14.228	A-Z-08-282-1	* <u>25,582</u>
<i>Total Passed Through Programs</i>			<u>242,333</u>
<b>Total U.S. Department of Housing and Urban Development</b>			<u>3,459,535</u>
<b><u>U.S. Department of Justice</u></b>			
<i><u>Direct Program</u></i>			
JLEO-Joint Law Enforcement Operations-Overtime Reimbursement	16.111	n/a	<u>9,513</u>
<b>Total U. S. Department of Justice</b>			<u>9,513</u>
<b><u>U.S. Department of Transportation</u></b>			
<i><u>Passed Through Ohio Department of Transportation</u></i>			
Detroit Avenue Streetscape	20.205	PID 87617	<u>11,514</u>
<b>Total U.S. Department of Transportation</b>			<u>11,514</u>
<b><u>U.S. Department of Health and Human Services</u></b>			
<i><u>Passed Through Western Reserve Area Agency on Aging</u></i>			
Special Programs for the Aging - Title III	93.044	n/a	<u>68,624</u>
Medical Assistance Program (Passport Services)	93.778	n/a	<u>22,248</u>
<b>Total U.S. Department of Health and Human Services</b>			<u>90,872</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 3,571,434</u>

\* Includes program income.

See notes to the Schedule of Expenditures of Federal Awards.

**CITY OF LAKEWOOD  
CUYAHOGA COUNTY, OHIO  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

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**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE 2: SUBRECIPIENTS**

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

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

**NOTE 3: MATCHING REQUIREMENTS**

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

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

The City has established a revolving loan program to provide low-interest loans to persons from low to moderate income households to rehabilitate their homes. The U.S. Department of Housing and Urban Development (HUD) grants monies for these loans directly to the City. The initial loan of these monies is recorded as a disbursement on the accompanying Schedule. Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as disbursements on this Schedule. These loans are collateralized by mortgages on the property. At December 31, 2014, the gross amount of loans outstanding under this program is \$1,599,011. 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  
CUYAHOGA COUNTY, OHIO  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2014  
(CONTINUED)**

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**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**

The U.S. Department of Health and Human Services allocated \$68,624 to the City for the Congregate Meal Program and the Home Delivered Meal Program, and these funds were passed through the Western Reserve Area Agency on Aging. Meals received from the Western Reserve Area Agency on Aging are valued at \$4.24 for the Congregate Meal Program per meal served and \$4.43 for the Home Delivered Meal Program per meal served. For the year ended December 31, 2014, the City served 15,564 and 24,490 meals through the City's Office on Aging Congregate Meal Program and Home Delivered Meal Program, respectively.

**CITY OF LAKEWOOD, OHIO  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 OMB CIRCULAR A-133 & .505  
 DECEMBER 31, 2014**

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

2014(i)	Type of Financial Statement Opinion	Unmodified
2014(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2014(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2014(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2014(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2014(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2014(v)	Type of Major Programs' Compliance Opinions	Unmodified
2014(vi)	Are there any reportable findings under .510(a)?	No
2014(vii)	Major Programs (list):  Community Development Block Grant - CFDA #14.218	
2014(viii)	Dollar Threshold: A/B Programs	Type A: \$300,000 Type B: All Others
2014(ix)	Low Risk Auditee?	Yes

**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, 2014**

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The prior audit report, as of December 31, 2013, included no citations or instances of noncompliance. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

# City of Lakewood, Ohio

## Comprehensive Annual Financial Report

*For the Year Ending December 31, 2014*



[www.onelakewood.com](http://www.onelakewood.com)

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# CITY OF LAKEWOOD, OHIO



## COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED

DECEMBER 31, 2014

Issued by:

City of Lakewood  
Department of Finance

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

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# **INTRODUCTORY SECTION**

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**City of Lakewood, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2014*  
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*Comprehensive Annual Financial Report*  
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12650 DETROIT AVENUE • 44107 • 216/529-6092 • FAX 216/529-6806

Jennifer R. Pae  
Director of Finance

April 27, 2015

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, 2014.

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 unmodified (“clean”) opinion on the City of Lakewood’s financial statements for the year ended December 31, 2014. 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, debt issuance, cash management, risk management, income tax collection, utility billing, vital statistics, and information technology.

**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. The chiefs have exclusive control of assignment of duties and stationing of all other officers and employees of their respective divisions. The Division of Building and Housing is under the Department of Public Safety, but is overseen by the Director of Planning and Development.

**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 2014 unemployment rate was 4.8 percent, compared to the Cuyahoga County rate of 6.0 percent. Throughout the year, all Cuyahoga County communities experienced unemployment trends that decreased from the previous year. Trends continue to suggest that unemployment rates will hold steady or slightly decrease in 2015. The City benefitted from new retail and office assets that yielded job retention and expansion in 2014 that will carry forward into 2015. The City's largest employers continue to remain steady and show modest job growth. Since most of the City's homeowners work outside the City, the regional economy has the largest impact on household income.

## **Retail**

The City's retail occupancy increased in 2014 for the seventh year in a row. Detroit Avenue continues to have a strong retention rate and occupancy at over 90%. However, in the past year Madison Avenue experienced its biggest gains in recent history.

Madison on the Move, the City's investment and coordinated partnership strategy developed in 2012 began to show results in 2014. The City committed to focusing \$300,000 in annual storefront renovation grants on Madison projects as well as a \$4 million infrastructure project to resurface the roadway and install new traffic signals for the entire 2.3 miles of the corridor. That work coupled with partnerships with LakewoodAlive, the Lakewood Chamber of Commerce and local merchants such as the Uptown section, the effort to promote Madison existing amenities and investment opportunities. During the year seven building were purchased for rehab and six new businesses opened on Madison.

In 2014, more than 20 new retailers and restaurants either opened or undertook a major expansion and renovation, including: Fears Confection, Only in the Clev, Bevy in Birdtown, Birdtown Beverage, Forage, Beat Cycles, Sacred Hour Spa and 16-Bit Barcade.

## **Commercial Office and Industrial**

Lakewood's tech sector is holding strong and seeing gains with growth companies such as Decision Desk, Onyx and NetworkinGuys. Industrial companies make up a relatively small portion of Lakewood's business community. However, companies such as GrafTech, Tempest and Ferry Cap & Screw continue to thrive and are annually steady performers in the market.

## **Residential**

Clifton Pointe townhomes began construction in July 2012 and a second phase began construction in 2013. All 22 units were sold by the end of 2014. The two phases combined represent approximately \$9 million in new residential construction. McKinley Place Townhomes were designed in 2014 and recently approved with a likely start date of June 2015. The reuse of a former school site will turn the nearly three acre property into 40 for sale units.

The City continues its proactive code enforcement program, Housing Forward, and is consistently improving the condition of Lakewood's housing stock. In addition to educating property owners on best practices to improve their homes, the City is making significant effort to connect these owners to resources for improvements through the Division of Community Development. In 2014 approximately 70 properties were improved using the City's low interest loan and grant programs.

## **Major Initiatives**

During 2014, the City continued the visioning and strategic planning that began in 2013 as detailed in that year's Comprehensive Annual Financial Report.

The following reflects the Vision, Mission, Values, Focus, and Goals developed in 2013.

**Vision**            *What the City Wants to Be / Achieve*

A Unique Destination to Live, Work, Play and Grow for Generations to Come.

**Mission**            *Defines the City's Purpose / Describes Why It Exists*

Deliver exceptional essential services and promote a high quality of life for residents, visitors and businesses.

**Values**            *Beliefs that Are Shared Among the Stakeholders of an Organization*

- We constantly challenge the status quo.
- We lead collaboratively.
- We make sustainable investments.
- We exhibit personal integrity in every decision.

**Focus**            *What Should We Be Investing in Terms of Time, Energy and Resources?*

- Economic Development
- Vibrant Neighborhood
- Safe and Secure City
- Sound Governance

**Goals**            *Broad, Intangible, Abstract Desired State*

### **Economic Development**

- Grow and Diversify Lakewood's Economic Base
- Improve and Maintain Infrastructure and Enhance Connectivity
- Improve the Visual Impression of the Community

### **Vibrant Neighborhoods**

- Build Volunteer Capacity
- Build Strong Families
- Focus on the City's Role as Collaborator, Advocate, Assessor and Convener of Human Services as identified in the Human Services Summit
- Preserve and Enhance Neighborhood Quality
- Provide Inviting Public Spaces

### Safe and Secure City

- Continue to Aggressively Protect Our Citizens and Their Property
- Identify Solutions to Automobile Speeding Behavior
- Communicate and Share Safety Information Amongst Neighbors
- Prepare and Train for Unexpected Events (weather, accidents, disasters, etc.)

### Sound Governance

- Adopt a Sustainable Budget
- Encourage and Promote a Culture of Continuous Improvement
- Improve Fiscal Viability
- Improve Stewardship of Assets
- Inspire Strong Relationships
- Leverage Technology to Improve Performance
- Maintain and Support an Educated and Trained Workforce
- Provide Exceptional Customer Service
- Set the Standard for Environmental Stewardship

The following Objectives were developed for 2014 and beyond based on the City's focus and goals (those with asterisks "\*" align with the City of Lakewood's Community Vision <http://vision.onelakewood.com/>)

- Economic Development

- *Grow and Diversify Lakewood's Economic Base*

- Position Lakewood Hospital for viability in 2027 and beyond\*
    - Improve public knowledge of development trends and processes, market Lakewood effectively to attract high quality development projects\*

- *Improve and Maintain Infrastructure and Enhance Connectivity*

- Continue traffic and street improvements of Madison Ave.
    - Implement Sidewalk Improvement Plan\*
    - Implement Bicycle Plan\*
    - Explore new transportation options to fill the service gap left in the absence of the RTA Circulator\*
    - Provide a safe and inviting pedestrian experience

- *Improve the Visual Impression of the Community*

- Manage our urban forest\*

- *Promote Commercial Space Development and Utilization*

- Commercial Space Development and Utilization on Madison Avenue

- Vibrant Neighborhoods

- *Build Strong Families*

- Engage and connect families and caregivers raising young children with each other and community resources
    - Develop parent education opportunities through partnerships with various community agencies

- *Focus on the City's Role as Collaborator, Advocate, Assessor and Convener of Human Services as identified in the Human Services Summit*

- Clarify resources currently available through Lakewood Family Collaborative

- *Preserve and Enhance Neighborhood Quality*
  - Finish Phase 1 of the Housing Strategy\*
  - Develop Multi-Tenant Rental Unit Improvement Programs along Madison Avenue
  - Educate all landlords through existing training seminars\*
- *Provide Inviting Public Spaces*
  - Implement Parks Master Plan\*
- Sound Governance
  - *Adopt a Sustainable Budget*
    - Live-within our financial needs as a city (5+ year forecast)
    - Build financial strength sufficient to invest in our future
  - *Encourage and Promote a Culture of Continuous Improvement*
    - Continue LEAN training and implementation of Lean project teams
    - Maintain and Support an Educated and Trained Workforce
  - *Improve Fiscal Viability*
    - Identify, protect, and collect existing revenues
  - *Improve Stewardship of Assets*
    - Reduce property insurance claims by implementing improved internal controls
    - Ensure adequate controls and oversight of City Property and assets
    - Optimize utilization of City Facilities and Equipment
  - *Leverage Technology to Improve Performance*
    - Improve Document Management
    - Enhance Compliance with Public Records Laws
    - Improve Data System Integration
    - Continue successful implementation of the Automated Meter Reading System
    - Upgrade Scheduling and Timekeeping System
    - Upgrade Fleet Management System
  - *Set the Standard for Environmental Stewardship*
    - Recycling Expansion\*
    - Advance EPA Long-Term Control Plan\*
- Safe & Secure City
  - *Continue to Aggressively Protect Our Citizens and Their Property*
    - Maintain appropriate public safety staffing levels\*
    - Expand the number of private and city owned security cameras\*
    - Improve the sharing of alerts, crime data, and information
    - Encourage emergency [preparedness for all citizens
  - *Identify solutions to automobile speeding behavior*
    - Explore traffic calming designs\*
    - Focus traffic enforcement around schools and destinations\*

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

In addition to the City's Community Vision (<http://vision.onelakewood.com/>) and the 2014 and Beyond Strategic Plan, 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 heads of other City departments affected thereby. 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 expected funding sources. The funding sources are reconciled to estimated balances and revenues to ensure that proper resources will be available for the project when a contract is signed.

## **Recognition, Awards and Acknowledgements**

### ***Recognition:***

- Once again, Scene Magazine named Lakewood as the Best Suburb in their Best of Cleveland April 24, 2014 article.  
*"Compare and contrast present-day Detroit Avenue with that of, say, the 1990s. Whole different world, complete with gems like the Root and Dan Deagan's Humble wine bar. And do check out what's happening at Lakewood Park later this year (the best place to catch a sunset). Lakewood boasts the densest population between New York City and Chicago, and the city also lays claim to a very large number of residents living within a relatively small area."*
- The real estate blog Movoto named Lakewood in its ["Most Exciting Places In Ohio" ranking](#), ahead of other cities that include Oxford, Cleveland Heights, Sandusky and Kent. The website used five criteria to measure the most exciting places in the Buckeye State: nightlife; live music venues; active life options; number of fast food restaurants (the fewer the better); percentage of residents aged 18 to 34 (the more the better); and population density (the higher the better).
- Earlier this year, the [Movoto Real Estate blog put Lakewood at No. 7 for its top-10 list of Most Exciting Small Cities in America](#). Others on that list included Hoboken, NJ, Lancaster, PA, and Sarasota, FL. Then, the [real estate website named Lakewood as one of the top places in the country to retire](#).
- *Ohio Magazine* selected Lakewood as one of the Best Hometowns in Ohio. Lakewood will be one of five communities recognized in the November 2014 issue of the magazine. Since 2006, *Ohio Magazine* has annually recognized places that reflect the values that make our state a great place to live: community spirit, education, entertainment, health and safety, businesses environment and cultural heritage. Each year, nominations are accepted from readers and website visitors. The Ohio Magazine editorial staff researches the communities and makes the final selections.

### ***Awards:***

- On October 20, 2014, Cuyahoga County recently named Lakewood as the overall winner of the inaugural Community Health Challenge. The city scored the highest overall point total amongst participating communities. A total of 9 communities participated in the Community Health Challenge, in addition to taking advantage of resources provided by challenge partners. The Community Health Challenge is a countywide competition to drive improvements to health and well-being across Cuyahoga County, which ranked 65th out of Ohio's 88 counties in the 2014 County Health Rankings.

- The City of Lakewood received the Auditor of State Award with Distinction for its 2013 Comprehensive Annual Financial Report. A representative from the state auditor’s office stopped by Lakewood City Hall to present the award to city officials on Monday, December 1, 2014. The award is presented to the top 5 percent of governments that meet specific criteria during their financial audit. The Auditor of State Award with Distinction is given to entities that file an annual CAFR and timely financial reports, as well as receive a “clean” audit report. The clean audit report means that Lakewood’s financial audit did not contain findings for recovery, material citations, material weaknesses, significant deficiencies, Single Audit findings or any questioned costs.
- 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, 2013. This was the 32<sup>nd</sup> consecutive year 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. 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



Government Finance Officers Association

**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, 2013**

Executive Director/CEO

**City of Lakewood, Ohio**  
*Elected Officials*  
*December 31, 2014*

Mayor..... Michael Summers  
Municipal Court Judge..... Patrick Carroll  
City Council At Large..... Thomas Bullock  
City Council At Large..... Cindy Marx  
City Council At Large..... Ryan Nowlin

City Council by Wards:

Ward 1..... David Anderson  
Ward 2..... Sam O’Leary  
Ward 3..... Shawn Juris  
Ward 4..... Mary Louise Madigan, Council President

**City of Lakewood, Ohio**

*Appointed Officials*

*December 31, 2014*

**Office of Council**

Clerk of Council..... Mary Hagan

**Municipal Court**

Clerk of Court ..... Terri O’Neill

Magistrates.....David Briggs, Jerome Dowling, and Regis McGann

**Department of Law**

Director of Law ..... Kevin Butler

**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..... Scott Gilman

Chief of Police ..... Timothy Malley

**Department of Human Services**

Director of Human Services.....Antoinette Gelsomino

**Department of Planning and Community Development**

Director of Planning and Development .....Dru Siley

**City of Lakewood, Ohio**  
*Organizational Chart*  
*December 31, 2014*

CITIZENS

CITY  
COUNCIL

MAYOR

MUNICIPAL  
COURT JUDGE

At Large

Term expires 12/31/15  
Michael P. Summers

Term expires 12/31/15  
Judge Patrick Carroll

Thomas Bullock (Term expires 12/31/17)  
 Cindy Marx (Term expires 12/31/17)  
 Ryan Nowlin (Term expires 12/31/17)

Ward I (Term expires 12/31/15)

David Anderson

Ward II (Term expires 12/31/15)

Sam O' Leary

Ward III (Term expires 12/31/15)

Shawn Juris

Ward IV (Term expires 12/31/15)

Mary Louise Madigan, President

HUMAN  
SERVICES

FINANCE

LAW

PLANNING &  
DEVELOPMENT

PUBLIC  
WORKS

PUBLIC  
SAFETY

Director Antoinette  
Gelsomino

Director Jennifer R. Pae

Director Kevin Butler

Director Dru Siley

Director Joseph Beno

Chief Timothy Malley, Police  
 Chief Scott Gilman, Fire

# **FINANCIAL SECTION**

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

*Certified Public Accountants*

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

*Garfield Hts., Ohio 44125*

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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 David Yost  
Auditor of State  
State of Ohio

**Report on the Financial Statements**

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 (the City), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## *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, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, the Police and Fire Pension Fund, and the Community Development Block Grant Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## *Other Matters*

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis in the table of contents 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Lakewood, Ohio's basic financial statements. 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 basic 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic 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.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 27, 2015, 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* in considering the City of Lakewood, Ohio's internal control over financial reporting and compliance.



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

April 27, 2015

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**City of Lakewood, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2014*  
*Unaudited*

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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, 2014. 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 2014 are as follows:

- Overall, governmental activities revenues of \$52,462,441 exceeded the expenses which came in at \$51,904,899 resulting in an increase in net position by \$2,028,357 for the year 2014. The total governmental activities' net position was \$72,869,281 compared to \$70,840,924 in the previous year.
- Overall, business-type activities revenues of \$22,269,647 exceeded the expenses which came in at \$16,816,377 resulting in an increase in net position by \$3,982,455 for the year 2014. The total business-type activities' net position was \$68,227,818 compared to \$64,245,363 in the previous year.
- The City issued bond anticipation notes during 2014 to rollover the 2013 bond anticipation notes, and additional resources for roadway improvements to seven streets, traffic design improvements to Madison Avenue, Franklin Blvd. and Hilliard Road, various park improvements, construction of a new salt dome, sidewalk improvements, Wes End sewer improvements and Edgewater Drive sewer improvements.
- The City is committed to providing the Citizens of Lakewood with the highest quality of services while maintaining efficiency and cost effectiveness. The City actively pursues grants to offset costs of providing services and to offer new programs.

**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 Position and Statement of Activities provide 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.

**City of Lakewood, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2014*  
*Unaudited*

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The Statement of Net Position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual being reported as net position. Over time, increases or decreases in net position 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 position changed during the recent fiscal year. All changes in net position 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 and workers' compensation internal service funds.

The government-wide financial statements can be found starting on page 19 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 maintains various 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 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.

**City of Lakewood, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2014*  
*Unaudited*

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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 six 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 and workers' compensation. 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 enterprise 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 29-32 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 33 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 34-77 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 79-154 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 2014?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources 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.

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These two statements report the City's net position and the changes in net position. The change in net position 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 Position and the Statement of Activities are divided into the following categories:

- Assets
- Deferred Outflows of Resources
- Liabilities
- Deferred Inflows of Resources
- Net Position (Assets and Deferred Outflows of Resources minus Liabilities and Deferred Inflows of Resources)
- Program Revenues and Expenses
- General Revenues
- Net Position Beginning of Year and Year End

**The City of Lakewood as a Whole**

Recall that the Statement of Net Position looks at the City as a whole. The following provides a summary of the City's net position for 2014 compared to 2013.

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
<b>ASSETS</b>						
Current and other assets	\$62,656,852	\$59,936,680	\$22,575,242	\$18,068,271	\$85,232,094	\$78,004,951
Capital assets, net	74,120,518	71,187,091	84,620,884	82,878,580	158,741,402	154,065,671
<b>Total Assets</b>	<b>136,777,370</b>	<b>131,123,771</b>	<b>107,196,126</b>	<b>100,946,851</b>	<b>243,973,496</b>	<b>232,070,622</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferral on Refunding	307,388	396,137	74,088	92,551	381,476	488,688
<b>LIABILITIES</b>						
Current and other liabilities	4,130,155	3,085,339	2,122,359	1,191,635	6,252,514	4,276,974
Long-term liabilities:						
Due within one year	17,062,256	12,154,220	4,530,376	2,482,613	21,592,632	14,636,833
Due in more than one year	31,628,083	33,888,161	30,969,196	31,685,064	62,597,279	65,573,225
<b>Total Liabilities</b>	<b>52,820,494</b>	<b>49,127,720</b>	<b>37,621,931</b>	<b>35,359,312</b>	<b>90,442,425</b>	<b>84,487,032</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Property Taxes	10,920,685	11,035,311	1,420,465	1,434,727	12,341,150	12,470,038
Payments in Lieu of Taxes	474,298	515,953	0	0	474,298	515,953
<b>Total Deferred Inflows of Resources</b>	<b>11,394,983</b>	<b>11,551,264</b>	<b>1,420,465</b>	<b>1,434,727</b>	<b>12,815,448</b>	<b>12,985,991</b>
<b>NET POSITION</b>						
Net Investment in						
Capital Assets	39,149,696	36,587,631	49,186,022	49,781,404	88,335,718	86,369,035
Restricted	13,194,532	8,595,431	1,172,175	1,173,015	14,366,707	9,768,446
Unrestricted	20,525,053	25,657,862	17,869,621	13,290,944	38,394,674	38,948,806
<b>Total Net Position</b>	<b>\$72,869,281</b>	<b>\$70,840,924</b>	<b>\$68,227,818</b>	<b>\$64,245,363</b>	<b>\$141,097,099</b>	<b>\$135,086,287</b>

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As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$141,097,099 at the close of 2014.

The largest portion of the City's total net position (63 percent) reflects investments in capital assets (e.g. land, land improvements, buildings and improvements, furniture and equipment, vehicles, and various infrastructure), less any related debt to acquire those assets that is still outstanding along with any related deferred outflows/inflows of resources. 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 \$11,902,874 from 2013 to 2014, while the City's total liabilities increased by \$5,955,393. Total net position increased \$6,010,812 with governmental activities comprising \$2,028,357 and business-type activities comprising \$3,982,455 of that amount.

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

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
<b>REVENUES</b>						
Program Revenues:						
Charges for services	\$8,116,829	\$7,592,738	\$20,204,031	\$19,805,223	\$28,320,860	\$27,397,961
Operating grants and contributions	5,459,955	6,100,590	0	0	5,459,955	6,100,590
Capital grants and contributions	1,094,386	209,364	120,628	128,720	1,215,014	338,084
<b>Total Program Revenues</b>	<b>14,671,170</b>	<b>13,902,692</b>	<b>20,324,659</b>	<b>19,933,943</b>	<b>34,995,829</b>	<b>33,836,635</b>
General Revenues:						
Property taxes	11,164,103	11,706,098	1,447,720	1,519,408	12,611,823	13,225,506
Municipal income taxes	21,954,834	21,122,681	0	0	21,954,834	21,122,681
Payments in lieu of taxes	494,754	467,984	0	0	494,754	467,984
Grants and entitlements	3,722,984	10,929,532	218,529	219,013	3,941,513	11,148,545
Investment income	49,548	13,857	18,351	5,055	67,899	18,912
All other revenues	405,048	216,560	260,388	225,511	665,436	442,071
<b>Total General Revenues</b>	<b>37,791,271</b>	<b>44,456,712</b>	<b>1,944,988</b>	<b>1,968,987</b>	<b>39,736,259</b>	<b>46,425,699</b>
<b>Total Revenues</b>	<b>52,462,441</b>	<b>58,359,404</b>	<b>22,269,647</b>	<b>21,902,930</b>	<b>74,732,088</b>	<b>80,262,334</b>
<b>EXPENSES</b>						
Program Expenses:						
Security of persons and property:						
Police and Others	13,662,669	12,670,338	0	0	13,662,669	12,670,338
Fire	10,238,188	10,099,908	0	0	10,238,188	10,099,908
Public health services	1,867,088	1,866,759	0	0	1,867,088	1,866,759
Leisure time activities	2,527,405	2,121,447	0	0	2,527,405	2,121,447
Community environment	5,954,990	4,910,641	0	0	5,954,990	4,910,641
Basic utility services	3,561,708	3,383,635	0	0	3,561,708	3,383,635
Transportation	3,199,757	2,605,700	0	0	3,199,757	2,605,700
General government	9,439,522	8,498,246	0	0	9,439,522	8,498,246
Interest and fiscal charges	1,453,572	1,481,371	0	0	1,453,572	1,481,371
Water	0	0	9,852,335	9,059,160	9,852,335	9,059,160
Sewer	0	0	6,182,538	6,061,044	6,182,538	6,061,044
Parking Facilities	0	0	319,581	300,332	319,581	300,332
Winterhurst Ice Rink	0	0	461,923	429,550	461,923	429,550
<b>Total Expenses</b>	<b>51,904,899</b>	<b>47,638,045</b>	<b>16,816,377</b>	<b>15,850,086</b>	<b>68,721,276</b>	<b>63,488,131</b>
Change in Net Position before Transfers	557,542	10,721,359	5,453,270	6,052,844	6,010,812	16,774,203
Transfers	1,470,815	1,514,708	(1,470,815)	(1,514,708)	0	0
Change in Net Position	2,028,357	12,236,067	3,982,455	4,538,136	6,010,812	16,774,203
Net Position - Beginning of Year	70,840,924	58,604,857	64,245,363	59,707,227	135,086,287	118,312,084
<b>Net Position - End of Year</b>	<b>\$72,869,281</b>	<b>\$70,840,924</b>	<b>\$68,227,818</b>	<b>\$64,245,363</b>	<b>\$141,097,099</b>	<b>\$135,086,287</b>

**Governmental Activities**

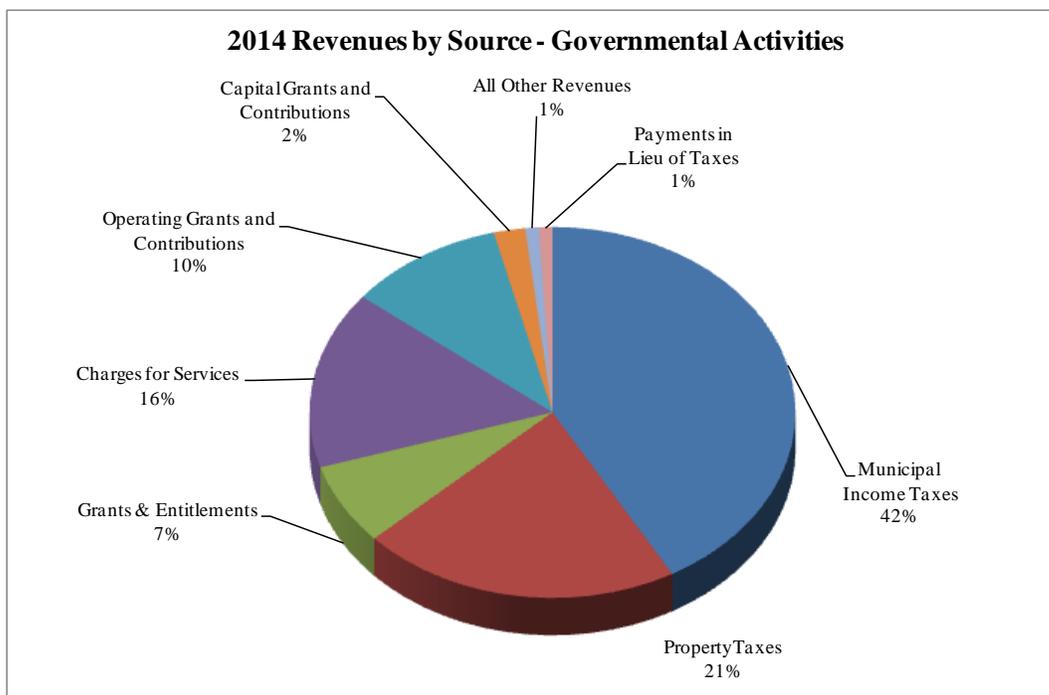
Several types of revenues fund the City's governmental activities, with the City's municipal income tax being the biggest contributor. The income tax rate was 1.5 percent in 2014. Both residents and non-residents who work inside the City are subject to the income tax.

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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 2014 was \$21,954,834. Of the \$52,462,441 in total governmental revenues, income tax accounts for 42 percent of that total. Property taxes and payment in lieu of taxes of \$11,658,857 account for 22 percent of total revenues. Operating/capital grants and contributions, and general revenues from grants and entitlements account for 19 percent of total revenues, and charges for services, investment income and other revenue make up the remaining 16 percent.

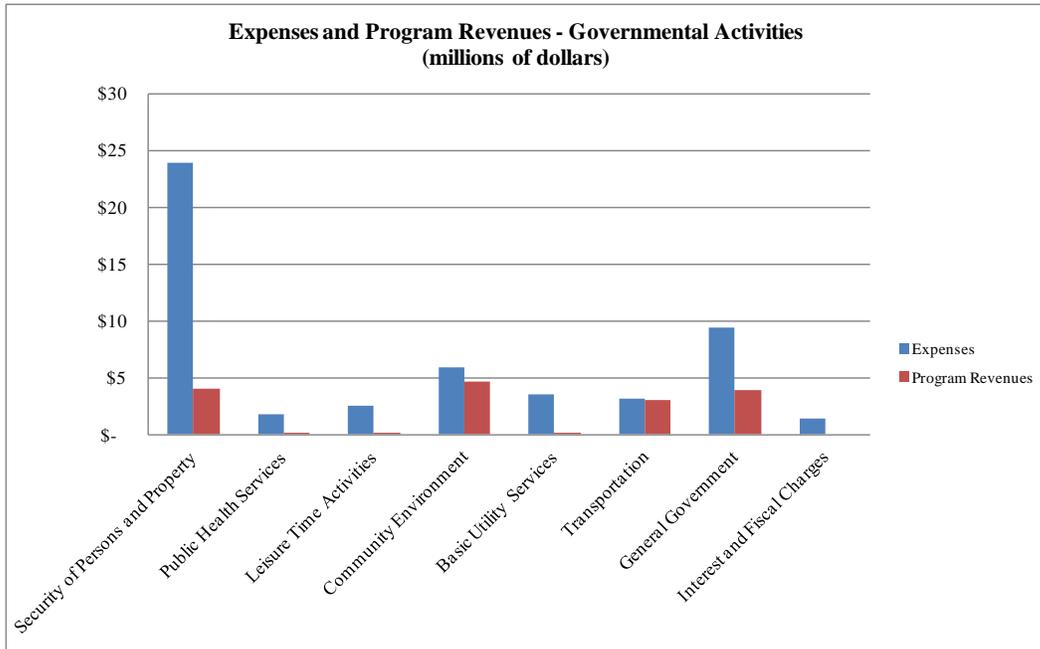
General revenues from grants and entitlements, such as local government funds, are also revenue generators. The City monitors its sources of revenues very closely for fluctuations, especially income tax.



During the year the City realized a change in several revenue sources. Grants and entitlements experienced the largest decrease of \$7,206,548, which was due to the recognition of the settlement of a significant estate tax within in the City for 2013 but minimal amounts in 2014 (on an accrual basis). Property taxes experienced a decrease of \$541,995 due to a reduction in assessed value of real property. Capital grants and contributions increased \$885,022 due to an increase in grant revenue from the Ohio Department of Transportation.

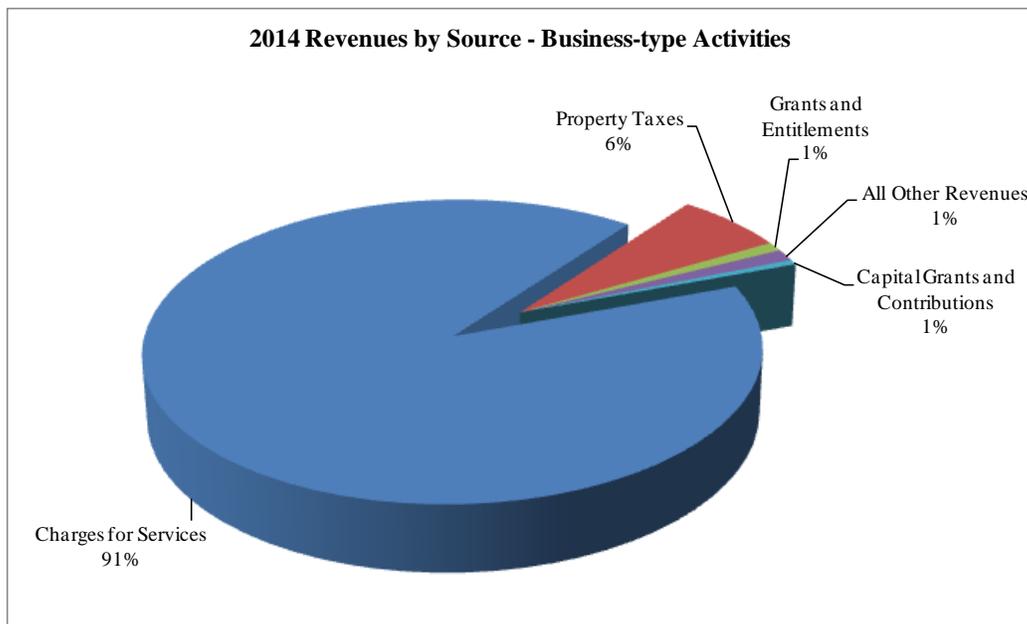
Total expenses of governmental activities for 2014 were \$51,904,899. The largest program function for the City relates to Security of Persons and Property, which includes the Police and Fire departments. Total Security of Persons and Property accounted for program expenses of \$23,900,857, which is 46 percent of the program expenses for governmental activities. General Government is the next largest program expense at 18 percent, followed by Community Environment expenses of 11 percent.

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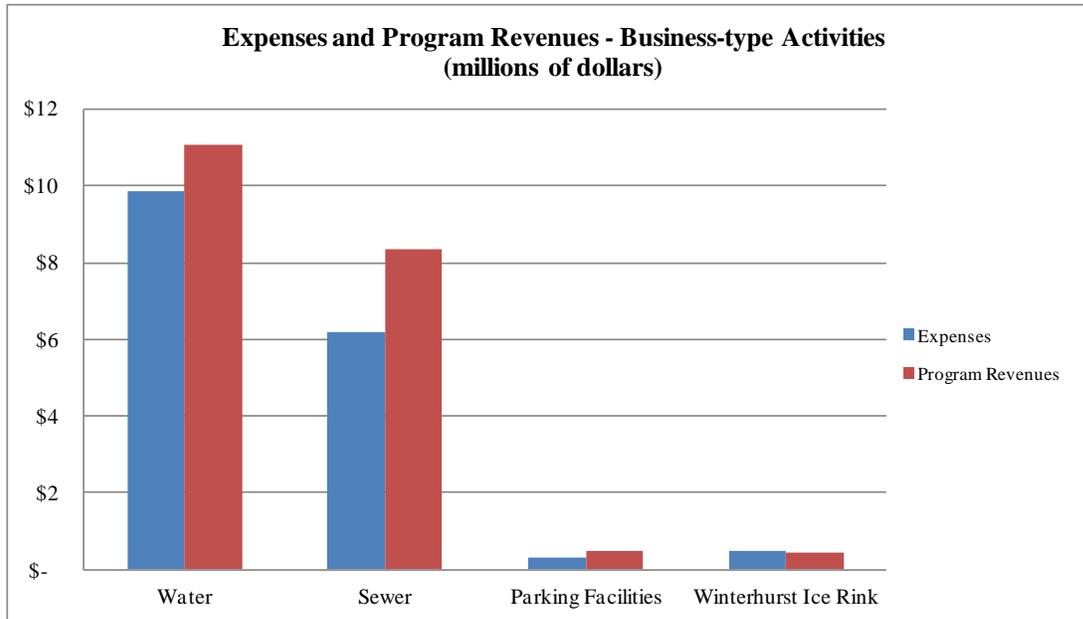
**Business-Type Activities**

Business-type activities increased the City's net position by \$3,982,455. The increase is due primarily to increased charges for services from an increase in water and sewer rates coupled with the City's efforts to keep expenses in line with revenues. Total expenses of business-type activities were \$16,816,377, with the Water Department comprising 59 percent of that amount followed by the Sewer Department at 37 percent.



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

As noted earlier, the City 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, unassigned 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 22. These funds are accounted for using the modified accrual basis of accounting.

As of December 31, 2014, the City's governmental funds reported combined ending fund balances of \$29,675,624, a \$3,061,352 increase from 2013. Of that amount, \$8,133,955 constitutes unassigned fund balances, which are available for spending at the government's discretion. The remainder of fund balance is classified as nonspendable, restricted, committed or assigned to indicate that it is not available for new spending and will be used for loans and to liquidate contracts and purchases of the prior period.

The General Fund had total revenues of \$37,899,786 and expenditures of \$36,469,596 (not including other financing sources and uses) leaving a decrease in fund balance after other financing sources and uses of \$2,890,530. This decrease is primarily due to decreased intergovernmental revenues coupled with higher expenditures and a significant increase in transfers out due to the City transferring \$5,000,000 to its Land Acquisition Fund in 2014.

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The General Fund is the chief operating fund of the City. At the end of the current year, the unassigned fund balance of the General Fund was \$8,165,507, while the total fund balance reached \$15,137,624. As a measure of the General Fund's liquidity, it is useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents approximately 19 percent of total General Fund expenditures (including other financing uses), while total fund balance represents 34 percent of that same amount.

The Police and Fire Pension Fund had total revenues of \$2,763,287 and expenditures of \$2,767,055 with a net change in fund balance after other financing uses of (\$3,768). The decrease is insignificant compared to the fund balance at year end.

The Community Development Block Grant Fund had total revenues of \$2,436,692 and expenditures of \$2,749,422 with a net change in fund balance of (\$312,730). The decrease was mainly due to the City recognizing more expenditures than the grant revenues recorded during 2014.

The Debt Service Fund had total revenues of \$3,226,979, expenditures of \$9,466,085, and a net change in fund balance after other financing sources and uses of \$471,194. The fund balance's increase was due to the City's efforts to maintain total revenues exceeding total expenditures during 2014. The Debt Service Fund pays for the principal and interest payments on the City's general debt obligations.

***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 position of all enterprise funds at the end of the year amounted to \$17,869,621. The City's Water and Sewer Funds experienced increases in net position during 2014. The City's efforts to keep utility rates sufficient to cover expenses are evident in the increases in net position for 2014.

**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 2014, 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 legal level of budgetary control is at the object level (i.e. personnel costs). Adjustments to the budget can only be made within a department and then within each category. 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 \$34,769,513 and \$42,569,513, respectively. The main difference between the original and final budgeted revenues was related to the City receiving a significant estate tax settlement in 2014. Actual revenues were \$43,574,649. The main differences between budgeted and actual revenues are property taxes, income taxes, intergovernmental revenue, and licenses, permits, and fees.

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Original General Fund budgeted expenditures were \$37,893,206 and the final amended budget was \$46,657,791. The largest increase in between the Original and Final amended budget was related to transfers out increasing by \$6,500,001. Actual General Fund expenditures were \$45,405,055 or \$1,252,736 less than budgeted due to operating expenditures less than estimated in all programs of the General Fund. The City's ending unencumbered cash balance in the General Fund of \$6,962,291 was \$2,257,872 above the final budgeted amount of \$4,704,419.

**Capital Assets and Debt Administration**

**Capital Assets** - The City's investment in capital assets for governmental and business-type activities as of December 31, 2014, amounts to \$158,741,402 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, land improvements, furniture and equipment, vehicles, roads, traffic signals, sidewalks, curbing, water lines, and sewer lines.

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$6,139,702	\$6,139,702	\$78,140	\$78,140	\$6,217,842	\$6,217,842
Construction in progress	3,080,680	1,687,277	3,754,120	1,475,916	6,834,800	3,163,193
<b>Total Non-Depreciable</b>	<b>9,220,382</b>	<b>7,826,979</b>	<b>3,832,260</b>	<b>1,554,056</b>	<b>13,052,642</b>	<b>9,381,035</b>
Land improvements	2,558,445	2,428,165	788,851	832,900	3,347,296	3,261,065
Buildings and improvements	11,324,128	10,728,983	12,050,513	12,082,499	23,374,641	22,811,482
Furniture and equipment	2,159,750	1,793,152	3,818,498	3,859,599	5,978,248	5,652,751
Vehicles	6,962,158	6,933,185	1,781,281	1,827,131	8,743,439	8,760,316
Infrastructure:						
Roads	35,223,767	34,640,018	0	0	35,223,767	34,640,018
Traffic Signals	3,547,697	3,691,503	0	0	3,547,697	3,691,503
Sidewalks	2,231,174	2,239,409	0	0	2,231,174	2,239,409
Curbing	893,017	905,697	0	0	893,017	905,697
Water Lines	0	0	38,944,585	39,448,060	38,944,585	39,448,060
Sewer Lines	0	0	23,404,896	23,274,335	23,404,896	23,274,335
<b>Total Depreciable, Net of Depreciation</b>	<b>64,900,136</b>	<b>63,360,112</b>	<b>80,788,624</b>	<b>81,324,524</b>	<b>145,688,760</b>	<b>144,684,636</b>
<b>Total Capital Assets, Net of Depreciation</b>	<b>\$74,120,518</b>	<b>\$71,187,091</b>	<b>\$84,620,884</b>	<b>\$82,878,580</b>	<b>\$158,741,402</b>	<b>\$154,065,671</b>

The total increase in the City's capital assets for the current fiscal year was \$4,675,731, a \$2,933,427 increase for governmental activities and a \$1,742,304 increase for business-type activities. The most significant increase in capital assets came in the construction in progress category within the governmental activities. The most significant increase in capital assets came in the construction in progress category within the business-type activities.

See Note 10 of the Basic Financial Statements for additional information on the City's capital assets.

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**Debt** – As of December 31, 2014, the City had \$77,951,766 in bonds, notes, loans, and capital leases outstanding. Of this amount, \$19,322,848 is due within one year.

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
General Obligation Notes - Long-term	\$10,209,711	\$6,214,028	\$1,844,918	\$0	\$12,054,629	\$6,214,028
General Obligation Notes - Short-term	365,000	228,000	500,000	0	865,000	228,000
General Obligation Bonds	25,000,846	27,467,700	5,955,404	6,596,126	30,956,250	34,063,826
Revenue Bonds	0	0	20,587,776	21,535,898	20,587,776	21,535,898
OPWC Loan	123,200	154,000	2,395,609	2,743,324	2,518,809	2,897,324
Capital Leases	6,632,198	5,943,223	4,337,104	2,922,079	10,969,302	8,865,302
<b>Total Outstanding Debt</b>	<b>\$42,330,955</b>	<b>\$40,006,951</b>	<b>\$35,620,811</b>	<b>\$33,797,427</b>	<b>\$77,951,766</b>	<b>\$73,804,378</b>

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

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 City's overall legal debt margin was \$56,845,934 at December 31, 2014.

See Notes 12, 13, and 14 of the Basic Financial Statements for additional information on the City's debt.

**Current Financial Related Activities**

On January 15, 2015, the Lakewood Hospital Association (LHA) and the Lakewood Hospital Foundation (LHF) signed a Letter of Intent with Cleveland Clinic. This proposal includes a \$120 million investment in Lakewood to transition from the current model to a future one which will modernize healthcare and deliver a more sustainable way to meet the long-term needs of the Lakewood community. Under the proposal, which will require approval by Lakewood City Council, a health and wellness campus will be created. As part of this, Cleveland Clinic will construct, own and operate an estimated \$34 million, 62,000-square-foot family health center, which will include a full-service emergency department, to replace Lakewood Hospital in the future. The new facility will include primary care and specialty programs concentrated on diabetes, geriatrics and cardiac care, among others, in addition to radiology and lab services. It is the intent to keep Lakewood Hospital open and running until Avon Hospital opens in September 2016. Lakewood Hospital's emergency department will remain open and many outpatient services will continue to be provided until the new family health center with its own emergency department opens in Lakewood.

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**General Fund and Lakewood Hospital Fund Impact**

Currently, Lakewood Hospital is the city's largest employer with over 1,100 employees. In 2014, Lakewood Hospital collected \$950,000 in employee payroll tax withholding. The proposed facility is estimated to employ 250 generating approximately \$215,000 in employee payroll tax withholding to the General Fund or a net estimated reduction of \$735,000.

The biggest financial impact to the Lakewood Hospital Fund from the lease to run the hospital with Lakewood Hospital Association is the annual lease payment, which will be \$1.15 million in 2015, since there is a step up of \$25,000 every three years. However, the largest current revenue into the Lakewood Hospital Fund is EMS transport fees, which were nearly \$1.3 million in 2014. These will not go away, and will only increase over time.

The largest expenditure out of this fund is the salaries and benefits for the 9 Paramedics and 7 Firefighter/EMTs, which totaled approximately \$1.4 million in 2014. In order for this fund to be sustainable (expenditures do not exceed revenues), the salaries and benefits of the 7 Firefighters/EMTs will be shifted to the General Fund (approximately a \$750,000 impact) and move the City's annual Cuyahoga County Health Department payment to the General Fund (\$205,000). All being said, the changes in the Lakewood Hospital Fund should have an approximately \$955,000 impact on the General Fund beginning in 2016.

**Contacting the City's Finance Department**

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City's finances and show accountability for all money it receives, spends, or invests. If you have any questions about this report or need financial information, contact the Director of Finance, Jennifer R. Pae, 12650 Detroit Ave., Lakewood, Ohio 44107, telephone (216) 529-6092, e-mail [jennifer.pae@lakewoodoh.net](mailto:jennifer.pae@lakewoodoh.net), or visit the City's website at [www.onelakewood.com](http://www.onelakewood.com).

## **Basic Financial Statements**

**City of Lakewood, Ohio**  
*Statement of Net Position*  
*December 31, 2014*

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Equity in Pooled Cash and Cash Equivalents	\$27,510,110	\$15,668,292	\$43,178,402
Cash and Cash Equivalents:			
In Segregated Accounts	549,691	7,457	557,148
With Fiscal Agents	891,895	106,943	998,838
Held by Trustee	0	1,172,175	1,172,175
Materials and Supplies Inventory	462,911	471,005	933,916
Accounts Receivable	731,517	3,791,105	4,522,622
Less: Allowance for Doubtful Accounts	0	(76,116)	(76,116)
Accrued Interest Receivable	14,024	4,725	18,749
Intergovernmental Receivable	3,212,534	97,999	3,310,533
Internal Balances	148,449	(148,449)	0
Prepaid Items	299,856	0	299,856
Municipal Income Taxes Receivable	14,296,077	0	14,296,077
Property Taxes Receivable	11,383,251	1,480,106	12,863,357
Special Assessments Receivable	456,240	0	456,240
Payments in Lieu of Taxes Receivable	536,336	0	536,336
Loans Receivable	1,599,011	0	1,599,011
Assets Held for Resale	564,950	0	564,950
Nondepreciable Capital Assets	9,220,382	3,832,260	13,052,642
Depreciable Capital Assets	64,900,136	80,788,624	145,688,760
<b>Total Assets</b>	<u>136,777,370</u>	<u>107,196,126</u>	<u>243,973,496</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferral on Refunding	307,388	74,088	381,476
<b>Total Deferred Outflows of Resources</b>	<u>307,388</u>	<u>74,088</u>	<u>381,476</u>
<b>LIABILITIES</b>			
Accounts Payable	1,630,235	1,328,652	2,958,887
Accrued Wages and Benefits	1,188,385	133,225	1,321,610
Intergovernmental Payable	583,749	35,227	618,976
Accrued Interest Payable	200,053	117,798	317,851
Retainage Payable	162,733	7,457	170,190
Notes Payable	365,000	500,000	865,000
Long-term Liabilities:			
Due within one year	17,062,256	4,530,376	21,592,632
Due in more than one year	31,628,083	30,969,196	62,597,279
<b>Total Liabilities</b>	<u>52,820,494</u>	<u>37,621,931</u>	<u>90,442,425</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	10,920,685	1,420,465	12,341,150
Payments in Lieu of Taxes	474,298	0	474,298
<b>Total Deferred Inflows of Resources</b>	<u>11,394,983</u>	<u>1,420,465</u>	<u>12,815,448</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	39,149,696	49,186,022	88,335,718
Restricted for:			
Capital Projects	5,307,076	0	5,307,076
Debt Service	2,513,589	976,525	3,490,114
Replacement and Improvement	0	195,650	195,650
Streets and Highways	1,457,981	0	1,457,981
Community Development	1,593,461	0	1,593,461
Indigent Drivers Alcohol Treatment	168,316	0	168,316
Other Purposes	2,154,109	0	2,154,109
Unrestricted	20,525,053	17,869,621	38,394,674
<b>Total Net Position</b>	<u>\$72,869,281</u>	<u>\$68,227,818</u>	<u>\$141,097,099</u>

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

**City of Lakewood, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2014

	<b>Program Revenues</b>			
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Primary Government:</b>				
<b>Governmental activities:</b>				
Security of Persons and Property:				
Police and Others	\$13,662,669	\$1,681,145	\$74,584	\$0
Fire	10,238,188	2,312,807	37,612	0
Public Health Services	1,867,088	73,542	97,273	64,473
Leisure Time Activities	2,527,405	0	17,088	0
Community Environment	5,954,990	1,355,395	3,312,684	0
Basic Utility Services	3,561,708	43,038	0	0
Transportation	3,199,757	85,435	1,903,634	1,029,913
General Government	9,439,522	2,565,467	17,080	0
Interest and Fiscal Charges	1,453,572	0	0	0
<b>Total Governmental activities</b>	<b>51,904,899</b>	<b>8,116,829</b>	<b>5,459,955</b>	<b>1,094,386</b>
<b>Business-type activities:</b>				
Water	9,852,335	11,023,493	0	36,000
Sewer	6,182,538	8,275,152	0	84,628
Parking Facilities	319,581	464,973	0	0
Winterhurst Ice Rink	461,923	440,413	0	0
<b>Total Business-type activities</b>	<b>16,816,377</b>	<b>20,204,031</b>	<b>0</b>	<b>120,628</b>
<b>Total Primary Government</b>	<b>\$68,721,276</b>	<b>\$28,320,860</b>	<b>\$5,459,955</b>	<b>\$1,215,014</b>

**General Revenues:**

Property Taxes levied for:

- General Purposes
- Debt Service Purpose
- Police and Fire Pension
- Sewer

Municipal Income Taxes levied for:

- General Purposes
- Payments in Lieu of Taxes
- Grants & Entitlements not restricted to specific programs
- Investment Income
- Gain on Sale of Assets
- All Other Revenues

Transfers

- Total General Revenues and Transfers
- Change in Net Position
- Net Position - Beginning of Year
- Net Position - End of Year**

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

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**Net (Expense) Revenue and Changes in Net Position**

<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
(\$11,906,940)	\$0	(\$11,906,940)
(7,887,769)	0	(7,887,769)
(1,631,800)	0	(1,631,800)
(2,510,317)	0	(2,510,317)
(1,286,911)	0	(1,286,911)
(3,518,670)	0	(3,518,670)
(180,775)	0	(180,775)
(6,856,975)	0	(6,856,975)
(1,453,572)	0	(1,453,572)
<u>(37,233,729)</u>	<u>0</u>	<u>(37,233,729)</u>
0	1,207,158	1,207,158
0	2,177,242	2,177,242
0	145,392	145,392
0	(21,510)	(21,510)
<u>0</u>	<u>3,508,282</u>	<u>3,508,282</u>
<u>(37,233,729)</u>	<u>3,508,282</u>	<u>(33,725,447)</u>
6,255,782	0	6,255,782
2,532,060	0	2,532,060
2,376,261	0	2,376,261
0	1,447,720	1,447,720
21,954,834	0	21,954,834
494,754	0	494,754
3,722,984	218,529	3,941,513
49,548	18,351	67,899
17,237	0	17,237
387,811	260,388	648,199
1,470,815	(1,470,815)	0
<u>39,262,086</u>	<u>474,173</u>	<u>39,736,259</u>
2,028,357	3,982,455	6,010,812
70,840,924	64,245,363	135,086,287
<u>\$72,869,281</u>	<u>\$68,227,818</u>	<u>\$141,097,099</u>

**City of Lakewood, Ohio**  
*Balance Sheet*  
**Governmental Funds**  
*December 31, 2014*

	General	Police and Fire Pension	Community Development Block Grant	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Equity in Pooled Cash and Cash Equivalents	\$10,918,923	\$869,960	\$76,702	\$1,868,313	\$10,878,977	\$24,612,875
Cash and Cash Equivalents:						
In Segregated Accounts	312,466	0	0	0	237,225	549,691
With Fiscal Agents	891,895	0	0	0	0	891,895
Materials and Supplies Inventory	405,798	0	0	0	57,113	462,911
Accrued Interest Receivable	12,734	0	0	1,224	66	14,024
Accounts Receivable	307,363	0	0	0	424,154	731,517
Interfund Receivable	333,000	0	0	0	0	333,000
Intergovernmental Receivable	1,434,760	160,720	9,553	170,028	1,437,473	3,212,534
Prepaid Items	298,170	0	1,686	0	0	299,856
Municipal Income Taxes Receivable	14,296,077	0	0	0	0	14,296,077
Property Taxes Receivable	6,378,884	2,427,376	0	2,576,991	0	11,383,251
Special Assessments Receivable	59,090	0	0	267,300	129,850	456,240
Payments in Lieu of Taxes Receivable	0	0	0	0	536,336	536,336
Loans Receivable	0	0	1,599,011	0	0	1,599,011
Assets Held for Resale	500,000	0	0	0	64,950	564,950
<b>Total Assets</b>	<b>\$36,149,160</b>	<b>\$3,458,056</b>	<b>\$1,686,952</b>	<b>\$4,883,856</b>	<b>\$13,766,144</b>	<b>\$59,944,168</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts Payable	\$511,579	\$0	\$139,630	\$0	\$979,026	\$1,630,235
Accrued Wages and Benefits	1,043,591	0	18,161	0	126,633	1,188,385
Intergovernmental Payable	128,901	395,116	4,588	0	31,552	560,157
Retainage Payable	0	0	0	0	162,733	162,733
Interfund Payable	264,334	0	216,602	0	36,836	517,772
Notes Payable	0	0	0	0	365,000	365,000
<b>Total Liabilities</b>	<b>1,948,405</b>	<b>395,116</b>	<b>378,981</b>	<b>0</b>	<b>1,701,780</b>	<b>4,424,282</b>
<b>Deferred Inflows of Resources:</b>						
Property Taxes and Payments in Lieu of Taxes	6,126,549	2,329,629	0	2,464,507	474,298	11,394,983
Unavailable Revenue - Delinquent Property Taxes and Payments in Lieu of Taxes	252,335	95,683	0	101,226	62,038	511,282
Unavailable Revenue - Income Taxes	11,557,112	0	0	0	0	11,557,112
Unavailable Revenue - Other	1,127,135	162,784	0	448,586	642,380	2,380,885
<b>Total Deferred Inflows of Resources</b>	<b>19,063,131</b>	<b>2,588,096</b>	<b>0</b>	<b>3,014,319</b>	<b>1,178,716</b>	<b>25,844,262</b>
<b>Fund Balances:</b>						
Nonspendable	1,203,968	0	1,686	0	57,113	1,262,767
Restricted	0	474,844	1,306,285	1,869,537	4,789,255	8,439,921
Committed	0	0	0	0	6,070,832	6,070,832
Assigned	5,768,149	0	0	0	0	5,768,149
Unassigned (Deficit)	8,165,507	0	0	0	(31,552)	8,133,955
<b>Total Fund Balances</b>	<b>15,137,624</b>	<b>474,844</b>	<b>1,307,971</b>	<b>1,869,537</b>	<b>10,885,648</b>	<b>29,675,624</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$36,149,160</b>	<b>\$3,458,056</b>	<b>\$1,686,952</b>	<b>\$4,883,856</b>	<b>\$13,766,144</b>	<b>\$59,944,168</b>

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

**City of Lakewood, Ohio**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Position of Governmental Activities  
 December 31, 2014*

**Total Governmental Funds Balance** \$29,675,624

*Amounts reported for Governmental Activities in the Statement of Net Position  
 are different because:*

Capital Assets used in Governmental Activities are not financial resources  
 and, therefore, are not reported in the funds 74,120,518

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

Delinquent property taxes	\$449,244	
Delinquent payments in lieu of taxes	62,038	
Municipal income taxes	11,557,112	
Special assessments	456,240	
Intergovernmental	<u>1,924,645</u>	
Total		14,449,279

In the Statement of Activities, interest is accrued on outstanding  
 bonds, whereas in Governmental funds, an interest expenditure  
 is reported when due. (200,053)

Internal Service funds are used by management to charge the costs  
 of certain activities, such as insurance to individual funds. The assets  
 and liabilities of the Internal Service funds are included in Governmental  
 Activities in the Statement of Net Position.

Net position	2,642,296	
Claims payable	<u>564,568</u>	
Total		3,206,864

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

Long-term notes payable	(10,187,000)	
General obligation bonds	(24,785,751)	
Unamortized debt premiums	(237,806)	
Deferrals on refunding	307,388	
OPWC loans	(123,200)	
Capital leases	(6,632,198)	
Claims payable	(564,568)	
Compensated absences	<u>(6,159,816)</u>	
Total		<u>(48,382,951)</u>

**Net Position of Governmental Activities** \$72,869,281

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

**City of Lakewood, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
**Governmental Funds**  
*For the Year Ended December 31, 2014*

	General	Police	Community	Debt	Other	Total
		and Fire	Development		Governmental	Governmental
		Pension	Block	Service	Funds	Funds
			Grant			
<b>REVENUES</b>						
Property Taxes	\$6,376,854	\$2,422,171	\$0	\$2,580,629	\$0	\$11,379,654
Municipal Income Taxes	21,158,365	0	0	0	0	21,158,365
Payments in Lieu of Taxes	0	0	0	0	489,379	489,379
Intergovernmental	4,802,820	341,116	2,436,692	423,325	3,418,704	11,422,657
Interest	45,050	0	0	4,498	0	49,548
Fees, Licenses, and Permits	2,203,740	0	0	0	0	2,203,740
Fines and Forfeitures	1,677,451	0	0	0	235,973	1,913,424
Charges for Services	1,537,706	0	0	0	2,399,334	3,937,040
Contributions and Donations	0	0	0	0	62,312	62,312
Special Assessments	0	0	0	0	73,672	73,672
All Other Revenues	97,800	0	0	218,527	197,095	513,422
<b>Total Revenues</b>	<b>37,899,786</b>	<b>2,763,287</b>	<b>2,436,692</b>	<b>3,226,979</b>	<b>6,876,469</b>	<b>53,203,213</b>
<b>EXPENDITURES</b>						
Security of Persons and Property:						
Police and Other	10,795,790	1,413,499	0	0	130,029	12,339,318
Fire	6,280,541	1,353,556	0	0	1,846,873	9,480,970
Public Health Services	526,334	0	0	0	1,216,300	1,742,634
Leisure Time Activities	2,141,599	0	0	0	0	2,141,599
Community Environment	2,119,697	0	2,749,422	0	928,159	5,797,278
Basic Utility Services	3,068,909	0	0	0	0	3,068,909
Transportation	0	0	0	0	1,915,695	1,915,695
General Government	8,660,593	0	0	0	178,365	8,838,958
Capital Outlay	1,548,891	0	0	0	3,952,584	5,501,475
Debt Service:						
Principal Retirement	1,133,298	0	0	8,417,459	304,582	9,855,339
Interest and Fiscal Charges	193,944	0	0	1,008,442	212,520	1,414,906
Debt Issuance Costs	0	0	0	40,184	0	40,184
<b>Total Expenditures</b>	<b>36,469,596</b>	<b>2,767,055</b>	<b>2,749,422</b>	<b>9,466,085</b>	<b>10,685,107</b>	<b>62,137,265</b>
Excess of Revenues (Under) Expenditures	1,430,190	(3,768)	(312,730)	(6,239,106)	(3,808,638)	(8,934,052)
<b>OTHER FINANCING SOURCES (USES)</b>						
Sale of Capital Assets	0	0	0	0	17,237	17,237
Inception of Capital Lease	1,881,855	0	0	0	0	1,881,855
Bond Anticipation Notes Issued	0	0	0	6,202,000	3,985,000	10,187,000
Premium on Debt Issuance	0	0	0	78,314	0	78,314
Transfers In	1,327,242	0	0	2,014,152	5,680,000	9,021,394
Transfers Out	(7,529,817)	0	0	(1,584,166)	(76,413)	(9,190,396)
<b>Total Other Financing Sources (Uses)</b>	<b>(4,320,720)</b>	<b>0</b>	<b>0</b>	<b>6,710,300</b>	<b>9,605,824</b>	<b>11,995,404</b>
Net Change in Fund Balances	(2,890,530)	(3,768)	(312,730)	471,194	5,797,186	3,061,352
Fund Balances - Beginning of Year	18,028,154	478,612	1,620,701	1,398,343	5,088,462	26,614,272
<b>Fund Balances - End of Year</b>	<b>\$15,137,624</b>	<b>\$474,844</b>	<b>\$1,307,971</b>	<b>\$1,869,537</b>	<b>\$10,885,648</b>	<b>\$29,675,624</b>

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

**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, 2014

**Net Change in Fund Balances-Total Governmental Funds** \$3,061,352

*Amounts reported for Governmental Activities in the Statement of Activities  
are different because:*

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

Capital Outlay	\$6,419,886	
Depreciation	(2,487,499)	
Total		3,932,387

In the Statement of Activities, only the loss on the disposal of capital assets is reported, whereas, in the Governmental Funds, the proceeds from the disposals increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets. (998,960)

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

Delinquent property taxes	(215,551)	
Delinquent payments in lieu of taxes	5,375	
Municipal income taxes	796,469	
Special assessments	346,784	
Intergovernmental	(1,691,086)	
Total		(758,009)

Other financing sources in the Governmental funds increase long-term liabilities in the Statement of Net Position. These sources were attributed to the inception of capital leases and the issuance of Bond Anticipation Notes and the respective premiums issued. (12,147,169)

Repayment of principal on capital leases, bonds, and loans are expenditures in the Governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 9,855,339

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in Governmental funds.

Compensated absences	(418,637)	
Accrued interest on bonds	(14,559)	
Amortization of bond premiums	104,826	
Amortization of loss on refunding	(88,749)	
Total		(417,119)

Internal Service funds are used by management to charge costs to certain activities, such as insurance to individual funds. The net revenue (expense) of Internal Service funds are reported in the Governmental Activities. (499,464)

**Change in Net Position of Governmental Activities** \$2,028,357

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

**City of Lakewood, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances –  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2014*

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Property Taxes	\$6,161,096	\$6,161,096	\$6,376,854	\$215,758
Municipal Income Taxes	20,466,000	20,466,000	20,857,676	391,676
Charges for Services	1,330,074	1,330,074	1,529,828	199,754
Licenses, Permits and Fees	1,912,406	1,912,406	2,203,740	291,334
Fines and Forfeitures	1,439,121	1,439,121	1,607,008	167,887
Intergovernmental	2,646,398	10,446,398	10,552,825	106,427
Interest	35,000	35,000	72,007	37,007
Miscellaneous	90,918	90,918	91,711	793
<i>Total Revenues</i>	<u>34,081,013</u>	<u>41,881,013</u>	<u>43,291,649</u>	<u>1,410,636</u>
<b>Expenditures</b>				
<b>Current:</b>				
General Government	10,996,948	12,483,174	11,708,371	774,803
Security of Persons and Property	17,351,662	17,129,364	17,025,146	104,218
Public Health Services	647,095	534,637	520,054	14,583
Community Environment	2,815,261	3,135,024	3,079,425	55,599
Basic Utility Services	3,071,311	3,188,974	3,154,327	34,647
Leisure Time Activities	1,981,113	2,156,801	2,114,915	41,886
<i>Total Expenditures</i>	<u>36,863,390</u>	<u>38,627,974</u>	<u>37,602,238</u>	<u>1,025,736</u>
<i>Excess of Revenues Over Expenditures</i>	<u>(2,782,377)</u>	<u>3,253,039</u>	<u>5,689,411</u>	<u>2,436,372</u>
<b>Other Financing Sources (Uses)</b>				
Advance In	688,500	688,500	283,000	(405,500)
Advance Out	0	(500,000)	(273,000)	227,000
Transfers Out	(1,029,816)	(7,529,817)	(7,529,817)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(341,316)</u>	<u>(7,341,317)</u>	<u>(7,519,817)</u>	<u>(178,500)</u>
<i>Net Change in Fund Balance</i>	(3,123,693)	(4,088,278)	(1,830,406)	2,257,872
<i>Fund Balance Beginning of Year</i>	5,666,378	5,666,378	5,666,378	0
<i>Prior Year Encumbrances Appropriated</i>	3,126,319	3,126,319	3,126,319	0
<i>Fund Balance End of Year</i>	<u>\$5,669,004</u>	<u>\$4,704,419</u>	<u>\$6,962,291</u>	<u>\$2,257,872</u>

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

**City of Lakewood, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances –  
 Budget (Non-GAAP Basis) and Actual  
 Police and Fire Pension Fund  
 For the Year Ended December 31, 2014*

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Property Taxes	\$2,662,471	\$2,336,371	\$2,422,171	\$85,800
Intergovernmental	10,100	345,800	341,116	(4,684)
<i>Total Revenues</i>	<u>2,672,571</u>	<u>2,682,171</u>	<u>2,763,287</u>	<u>81,116</u>
<b>Expenditures</b>				
<b>Current:</b>				
Security of Persons and Property	2,788,709	2,775,000	2,731,947	43,053
<i>Excess of Revenues Over (Under) Expenditures</i>	(116,138)	(92,829)	31,340	124,169
<b>Other Financing Uses</b>				
Transfers Out	(452,888)	0	0	0
<i>Net Change in Fund Balance</i>	(569,026)	(92,829)	31,340	124,169
<i>Fund Balance Beginning of Year</i>	<u>838,620</u>	<u>838,620</u>	<u>838,620</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$269,594</u></u>	<u><u>\$745,791</u></u>	<u><u>\$869,960</u></u>	<u><u>\$124,169</u></u>

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

**City of Lakewood, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances –  
 Budget (Non-GAAP Basis) and Actual  
 Community Development Block Grant Fund  
 For the Year Ended December 31, 2014*

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$3,100,000	\$3,100,000	\$2,707,918	(\$392,082)
<b>Expenditures</b>				
<b>Current:</b>				
Community Environment	3,185,971	3,129,968	3,058,915	71,053
<i>Excess of Revenues Over (Under) Expenditures</i>	(85,971)	(29,968)	(350,997)	(321,029)
<b>Other Financing Sources</b>				
Advances In	0	0	215,000	215,000
<i>Net Change in Fund Balance</i>	(85,971)	(29,968)	(135,997)	(106,029)
<i>Fund Balance Beginning of Year</i>	212,699	212,699	212,699	0
<i>Fund Balance End of Year</i>	<u>\$126,728</u>	<u>\$182,731</u>	<u>\$76,702</u>	<u>(\$106,029)</u>

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

**City of Lakewood, Ohio**  
*Statement of Net Position*  
*Proprietary Funds*  
*December 31, 2014*

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Governmental</b>
	<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Nonmajor Funds</b>	<b>Total</b>	<b>Internal Service Funds</b>
<b>ASSETS</b>					
<b>Current Assets:</b>					
Equity in Pooled Cash and Cash Equivalents	\$6,576,790	\$8,652,641	\$438,861	\$15,668,292	\$2,897,235
Cash and Cash Equivalents:					
In Segregated Accounts	2,242	5,215	0	7,457	0
With Fiscal Agents	32,935	74,008	0	106,943	0
Materials and Supplies Inventory	26,464	358,292	86,249	471,005	0
Accrued Interest Receivable	4,725	0	0	4,725	0
Accounts Receivable	1,946,524	1,555,387	289,194	3,791,105	0
Less: Allowance for Doubtful Accounts	(43,116)	(33,000)	0	(76,116)	0
Interfund Receivable	0	0	0	0	333,221
Intergovernmental Receivable	0	97,999	0	97,999	0
Property Taxes Receivable	0	1,480,106	0	1,480,106	0
<b>Total Current Assets</b>	<b>8,546,564</b>	<b>12,190,648</b>	<b>814,304</b>	<b>21,551,516</b>	<b>3,230,456</b>
<b>Noncurrent Assets:</b>					
<b>Restricted Assets:</b>					
Equity in Pooled Cash and Cash Equivalents	699,049	473,126	0	1,172,175	0
<b>Capital Assets:</b>					
Land	0	1,010	77,130	78,140	0
Construction in Progress	1,990,709	1,763,411	0	3,754,120	0
Depreciable Assets, Net of Depreciation	40,609,857	34,984,465	5,194,302	80,788,624	0
<b>Total Noncurrent Assets</b>	<b>43,299,615</b>	<b>37,222,012</b>	<b>5,271,432</b>	<b>85,793,059</b>	<b>0</b>
<b>Total Assets</b>	<b>51,846,179</b>	<b>49,412,660</b>	<b>6,085,736</b>	<b>107,344,575</b>	<b>3,230,456</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferral on Refunding	0	44,447	29,641	74,088	0
<b>Total Deferred Outflows of Resources</b>	<b>0</b>	<b>44,447</b>	<b>29,641</b>	<b>74,088</b>	<b>0</b>
<b>LIABILITIES</b>					
<b>Current Liabilities:</b>					
Accounts Payable	661,949	506,671	160,032	1,328,652	0
Accrued Wages and Benefits	35,000	92,435	5,790	133,225	0
Retainage Payable	2,242	5,215	0	7,457	0
Intergovernmental Payable	9,457	24,264	1,506	35,227	23,592
Interfund Payable	9,613	27,234	111,602	148,449	0
Compensated Absences Payable	29,989	117,693	1,061	148,743	0
Accrued Interest Payable	39,720	76,017	2,061	117,798	0
Claims Payable	0	0	0	0	465,192
General Obligation Bonds Payable	0	533,223	126,376	659,599	0
Notes Payable	0	2,340,000	0	2,340,000	0
Revenue Bonds Payable	534,039	465,000	0	999,039	0
OPWC Loans Payable	313,229	34,486	0	347,715	0
Capital Leases Payable	224,420	180,185	130,675	535,280	0
<b>Total Current Liabilities</b>	<b>1,859,658</b>	<b>4,402,423</b>	<b>539,103</b>	<b>6,801,184</b>	<b>488,784</b>
<b>Noncurrent Liabilities:</b>					
Compensated Absences Payable	58,576	165,587	5,855	230,018	0
Claims Payable	0	0	0	0	99,376
General Obligation Bonds Payable	0	4,790,414	510,309	5,300,723	0
Revenue Bonds Payable	9,000,937	10,587,800	0	19,588,737	0
OPWC Loans Payable	1,849,529	198,365	0	2,047,894	0
Capital Leases Payable	2,348,385	1,090,129	363,310	3,801,824	0
<b>Total Noncurrent Liabilities</b>	<b>13,257,427</b>	<b>16,832,295</b>	<b>879,474</b>	<b>30,969,196</b>	<b>99,376</b>
<b>Total Liabilities</b>	<b>15,117,085</b>	<b>21,234,718</b>	<b>1,418,577</b>	<b>37,770,380</b>	<b>588,160</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property Taxes	0	1,420,465	0	1,420,465	0
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>1,420,465</b>	<b>0</b>	<b>1,420,465</b>	<b>0</b>
<b>NET POSITION</b>					
Net Investment in Capital Assets	28,362,962	16,652,657	4,170,403	49,186,022	0
<b>Restricted for:</b>					
Debt Service	503,399	473,126	0	976,525	0
Replacement and Improvement	195,650	0	0	195,650	0
Unrestricted	7,667,083	9,676,141	526,397	17,869,621	2,642,296
<b>Total Net Position</b>	<b>\$36,729,094</b>	<b>\$26,801,924</b>	<b>\$4,696,800</b>	<b>\$68,227,818</b>	<b>\$2,642,296</b>

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

**City of Lakewood, Ohio**  
*Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Proprietary Funds*  
*For the Year Ended December 31, 2014*

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Governmental Activities</b>
	<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Nonmajor Funds</b>	<b>Total</b>	<b>Internal Service Funds</b>
<b>OPERATING REVENUES</b>					
Charges for Services	\$10,774,950	\$8,106,354	\$905,386	\$19,786,690	\$3,192,312
Miscellaneous	32,888	150,000	77,500	260,388	780,674
<b>Total Operating Revenues</b>	<b>10,807,838</b>	<b>8,256,354</b>	<b>982,886</b>	<b>20,047,078</b>	<b>3,972,986</b>
<b>OPERATING EXPENSES</b>					
Salaries	1,070,837	2,557,121	119,109	3,747,067	0
Property Taxes	0	0	106,513	106,513	0
Materials and Supplies	236,994	181,334	26,153	444,481	0
Utilities	57,172	238,767	304,377	600,316	0
Contractual Services	518,645	881,244	8,729	1,408,618	137,660
Purchased Water	6,354,368	0	0	6,354,368	0
Depreciation	616,486	849,231	112,024	1,577,741	0
Claims	0	0	0	0	5,974,607
Other	479,083	713,698	51,484	1,244,265	0
<b>Total Operating Expense</b>	<b>9,333,585</b>	<b>5,421,395</b>	<b>728,389</b>	<b>15,483,369</b>	<b>6,112,267</b>
Operating Income (Loss)	1,474,253	2,834,959	254,497	4,563,709	(2,139,281)
<b>NONOPERATING REVENUES (EXPENSES)</b>					
(Loss) on Sale of Capital Assets	0	(9,161)	(4,340)	(13,501)	0
Interest	18,225	126	0	18,351	0
Interest and Fiscal Charges	(518,750)	(751,982)	(48,775)	(1,319,507)	0
Property Taxes	0	1,447,720	0	1,447,720	0
Intergovernmental	0	218,529	0	218,529	0
Special Assessments	248,543	168,798	0	417,341	0
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(251,982)</b>	<b>1,074,030</b>	<b>(53,115)</b>	<b>768,933</b>	<b>0</b>
Capital Contributions from Grants	36,000	84,628	0	120,628	0
Transfers In	0	50,213	256,924	307,137	1,639,817
Transfers Out	(15,252)	(1,678,200)	(84,500)	(1,777,952)	0
Change in Net Position	1,243,019	2,365,630	373,806	3,982,455	(499,464)
Net Position - Beginning of Year	35,486,075	24,436,294	4,322,994	64,245,363	3,141,760
<b>Net Position - End of Year</b>	<b>\$36,729,094</b>	<b>\$26,801,924</b>	<b>\$4,696,800</b>	<b>\$68,227,818</b>	<b>\$2,642,296</b>

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

**City of Lakewood, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2014

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Governmental</b>
	<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Nonmajor Funds</b>	<b>Total</b>	<b>Internal</b>
					<b>Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash Received from Charges for Services	\$10,750,234	\$8,040,570	\$866,704	\$19,657,508	\$3,249,881
Cash Received from Other Operating Sources	32,888	150,000	77,500	260,388	780,674
Cash Payments for Employee Services and Benefits	(1,069,071)	(2,537,458)	(127,989)	(3,734,518)	0
Cash Payments for Goods and Services	(7,105,927)	(1,276,033)	(430,708)	(8,812,668)	(190,433)
Cash Payments for Claims	0	0	0	0	(5,932,290)
Cash Payments for Other Operating Expenses	(479,083)	(713,698)	(51,484)	(1,244,265)	0
Net Cash Provided by (Used in) Operating Activities	<u>2,129,041</u>	<u>3,663,381</u>	<u>334,023</u>	<u>6,126,445</u>	<u>(2,092,168)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Intergovernmental Revenue	0	219,994	0	219,994	0
Property Taxes	0	1,477,012	0	1,477,012	0
Special Assessments	166,962	45,807	0	212,769	0
Advances In	0	0	50,000	50,000	0
Advances Out	0	0	(125,000)	(125,000)	0
Transfers In	0	50,213	256,924	307,137	1,639,817
Transfers Out	(15,252)	(1,678,200)	(84,500)	(1,777,952)	0
Net Cash Provided by Noncapital Financing Activities	<u>151,710</u>	<u>114,826</u>	<u>97,424</u>	<u>363,960</u>	<u>1,639,817</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Capital Grants Received	36,000	128,624	0	164,624	0
Principal Paid on Debt	(1,015,279)	(1,156,408)	(245,103)	(2,416,790)	0
Interest Paid on Debt	(515,245)	(740,147)	(48,071)	(1,303,463)	0
Payments for Capital Acquisitions	(55,252)	(711,313)	(14,957)	(781,522)	0
Bond Anticipation Notes issued	0	2,340,000	0	2,340,000	0
Premium on Debt Issued	0	16,958	0	16,958	0
Net Cash (Used in) Capital and Related Financing Activities	<u>(1,549,776)</u>	<u>(122,286)</u>	<u>(308,131)</u>	<u>(1,980,193)</u>	<u>0</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest on Investments	14,237	126	0	14,363	0
Net Cash Provided by Investing Activities	<u>14,237</u>	<u>126</u>	<u>0</u>	<u>14,363</u>	<u>0</u>
Net Increase (Decrease) in Cash and Cash Equivalents	745,212	3,656,047	123,316	4,524,575	(452,351)
Cash and Cash Equivalents - Beginning of Year	6,532,869	5,474,935	315,545	12,323,349	3,349,586
<b>Cash and Cash Equivalents - End of Year</b>	<u><u>\$7,278,081</u></u>	<u><u>\$9,130,982</u></u>	<u><u>\$438,861</u></u>	<u><u>\$16,847,924</u></u>	<u><u>\$2,897,235</u></u>

(Continued)

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

**City of Lakewood, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds (continued)*  
For the Year Ended December 31, 2014

	<u>Business-Type Activities - Enterprise Funds</u>				<u>Governmental</u>
	<u>Water</u>	<u>Sewer</u>	<u>Nonmajor</u>	<u>Total</u>	<u>Internal</u>
	<u>Fund</u>	<u>Fund</u>	<u>Funds</u>	<u>Total</u>	<u>Service</u>
					<u>Funds</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS)</b>					
<b>TO NET CASH PROVIDED BY (USED IN)</b>					
<b>OPERATING ACTIVITIES</b>					
Operating Income (Loss)	\$1,474,253	\$2,834,959	\$254,497	\$4,563,709	(\$2,139,281)
Adjustments:					
Depreciation	616,486	849,231	112,024	1,577,741	0
(Increase) Decrease in Assets:					
Accounts Receivable	(24,716)	(65,784)	(38,682)	(129,182)	0
Interfund Receivable	0	0	0	0	57,569
Materials and Supplies Inventory	(12,137)	(143,900)	4,303	(151,734)	0
Increase (Decrease) in Liabilities:					
Accounts Payable	73,389	169,212	10,761	253,362	(19,164)
Accrued Wages and Benefits	636	7,351	1,637	9,624	0
Compensated Absences Payable	3,595	15,304	(10,388)	8,511	0
Interfund Payable	(2,628)	(4,782)	(282)	(7,692)	0
Intergovernmental Payable	163	1,790	153	2,106	(33,609)
Claims Payable	0	0	0	0	42,317
<b>Net Cash Provided by (Used In) Operating Activities</b>	<u>\$2,129,041</u>	<u>\$3,663,381</u>	<u>\$334,023</u>	<u>\$6,126,445</u>	<u>(\$2,092,168)</u>
<b><u>Schedule of Noncash Investing, Capital, and Financing Activities:</u></b>					
Intergovernmental receivable reversal related to 2013	\$0	(\$43,996)	\$0	(\$43,996)	\$0

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

**City of Lakewood, Ohio**  
*Statement of Fiduciary Assets and Liabilities*  
*Fiduciary Funds*  
*December 31, 2014*

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	<u>Agency Funds</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$1,416,525</u>
<b>Liabilities</b>	
Deposits Held and Due to Others	<u>\$1,416,525</u>

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

## **Notes to the Basic Financial Statements**

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*

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

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

***Reporting Entity***

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

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

The City is associated with the West Shore Council of Governments, a jointly governed organization. Additional information is included in Note 19.

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 more significant of the City's accounting policies are described below.

***A. Basis of Presentation***

The City's basic financial statements consist of government-wide statements, including a statement of net position 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, 2014*  
(Continued)

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

**Government-wide Financial Statements** - The statement of net position 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. As a general rule, the activity of the internal service fund is eliminated to avoid “doubling up” revenues and expenses. An exception to this general rule is that interfund services provided and used are not eliminated in the process of consolidation. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City’s governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient for 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-type activity is self-financing or draws from the general revenues of the City.

**Fund Financial Statements** - During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. 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 Funds** - 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 deferred outflows of resources compared to liabilities and deferred inflows of resources is reported as fund balance. The following are the City’s major governmental funds:

*General Fund* – The General Fund accounts for and reports 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.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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

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

*Community Development Block Grant Fund* - The Community Development Block Grant Fund accounts for and reports revenues received from the federal government restricted for costs prescribed under the Community Development Block Grant program.

*Debt Service Fund* - The Debt Service Fund accounts for and reports restricted property taxes levied for the 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, committed, or assigned to a particular purpose.

**Proprietary Funds** - Proprietary fund reporting focuses on the determination of operating income, changes in net position, 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.

The other enterprise funds are used to account for off-street parking services and to account for the operations of the City's ice rink facility.

*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 two internal service funds account for workers' compensation costs and a self insurance program for employee hospitalization and medical benefits.

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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

***C. Measurement Focus***

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

**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 deferred outflows of resources along with current liabilities and deferred inflows of resources generally are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources along with all liabilities and deferred inflows of resources associated with the operation of these funds are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Fund Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. 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 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 outflows/inflows of resources, and in the presentation of expenses versus expenditures.

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements, and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (see Note 8). Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

**Deferred Outflows/Inflows of Resources** - In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources include a deferral on refunding reported in the government-wide statement of net position. A deferral on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenues. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2014, but which were levied to finance year 2015 operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes (\$449,244) and payment in lieu of taxes (\$62,038), income taxes (\$11,557,112), intergovernmental grants and entitlements (\$1,924,645), and special assessments (\$456,240). These amounts are deferred and recognized as inflows of resources in the period the amounts become available.

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

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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

***E. Cash and Cash Equivalents***

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the City's records. Each fund's 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".

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 position 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.

The City has invested in the State Treasury Asset Reserve of Ohio (STAROhio) and money market mutual funds during 2014. STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's net asset value per share which is the price the investment could be sold for on December 31, 2014.

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 2014 amounted to \$45,050 that includes \$28,430 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.

***F. 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.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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

***G. Inventory***

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

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental funds when consumed. Inventories of the proprietary funds are expensed when used.

Inventory consists of expendable supplies held for consumption.

***H. Assets Held for Resale***

Assets held for resale represents assets consisting of homes purchased and repaired which will be resold through Planning and Development.

***I. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2014, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

***J. Capital Assets***

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. 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.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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

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 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 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 Position, 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.

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.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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

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

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, compensated absences, and special termination benefits 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 and long-term loans are recognized as a liability on the governmental fund financial statements when due.

***N. Fund Balance***

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

***Nonspendable*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amounts of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

***Restricted*** Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City ordinances).

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party, such as citizens, public interest groups, or the judiciary, to use resources created by enabling legislation only for the purposes specified by the legislation.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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

**Committed** The committed fund balance classification includes amounts that can be used only for specific purposes imposed by formal action (ordinance) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

**Assigned** Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance, typically the finance director, or by State Statute.

**Unassigned** Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**O. Net Position**

Net Position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The net investment in capital assets component of net position 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. The restricted component of net position is reported when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position that is restricted for other purposes includes police and fire pensions, Lakewood Hospital, litter control, juvenile programs, and an emergency shelter program. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted components of net position are available.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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

***P. Operating Revenues and Expenses***

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services 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.

***Q. Contributions of Capital***

Contributions of capital in governmental and proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

***R. Interfund Activity***

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. 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 financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditure/expenses to the funds that initially paid for them are not presented on the financial statements.

***S. 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.

***T. 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.

***U. Extraordinary and Special Items***

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2014.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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

***V. Estimates***

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

***W. 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 resolution, 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 control has been established by Council at the personal service 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 budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during 2014.

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

**Note 3 – Changes in Accounting Principles**

GASB Statement Number 67, *Financial Reporting for Pension Plans-an amendment of GASB Statement No. 25*. The objective of this Statement is to improve financial reporting by state and local governmental pension plans. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2013 and have been implemented by the City.

GASB Statement Number 69, *Government Combinations and Disposals of Government Operations*. The objective of this Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2013 and have been implemented by the City.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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**Note 3 – Changes in Accounting Principles (Continued)**

GASB Statement Number 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. The objective of this Statement is to improve the recognition, measurement, and disclosure guidance for state and local governments that have extended or received financial guarantees that are nonexchange transactions. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2013 and have been implemented by the City.

These GASB Statements did not have an effect on the City's financial statements.

**Note 4 – Compliance and Accountability**

**Accountability**

Fund balances at December 31, 2014 included the following individual fund deficits:

	<u>Deficit</u>
Nonmajor Governmental Funds:	
Emergency Shelter Grant	\$5,341
HOME Investment Program	<u>26,211</u>
Total	<u><u>\$31,552</u></u>

The General Fund is liable for any deficits in this fund and provides transfers when cash is required not when accruals occur. The deficit fund balance presented above resulted from adjustments for accrued liabilities in accordance with generally accepted accounting principles (GAAP).

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
(Continued)

**Note 5 – Budgetary Basis of Accounting**

While the City is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP basis), the budgetary basis as provided by law is based upon accounting for transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual presented for the General Fund and the major special revenue funds are 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:

- Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- Encumbrances are treated as expenditures (budget basis) rather than as a part of restricted, committed, and assigned fund balances (GAAP basis);
- Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis); and
- The Community Festival Fund is included in the General Fund (GAAP basis), but has a separate legally adopted budget (budget basis).

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

	<u>General</u>	<u>Police and Fire Pension</u>	<u>Community Development Block Grant</u>
Net Change in Fund Balance - GAAP Basis	(\$2,890,530)	(\$3,768)	(\$312,730)
Net Adjustment:			
Revenue Accruals	2,187,066	0	271,226
Advances In	283,000	0	215,000
Expenditure Accruals	2,854,953	35,108	(309,493)
Advances Out	(273,000)	0	0
Funds with Separate Legally Adopted Budgets:			
Community Festival	(241)	0	0
Outstanding Encumbrances	(3,991,654)	0	0
Net Change in Fund Balance - Budgetary Basis	<u>(\$1,830,406)</u>	<u>\$31,340</u>	<u>(\$135,997)</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
(Continued)

**Note 6 – Fund Balance**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

<b>Fund Balances</b>	<b>General</b>	<b>Police and Fire Pension</b>	<b>Community Development Block Grant</b>	<b>Debt Service</b>	<b>Other Governmental Funds</b>	<b>Total</b>
<i>Nonspendable</i>						
Prepaid Items	\$298,170	\$0	\$1,686	\$0	\$0	\$299,856
Materials and Supplies Inventory	405,798	0	0	0	57,113	462,911
Assets held for Resale	500,000	0	0	0	0	500,000
<b>Total Nonspendable</b>	<b>1,203,968</b>	<b>0</b>	<b>1,686</b>	<b>0</b>	<b>57,113</b>	<b>1,262,767</b>
<i>Restricted for</i>						
Streets and Highway Improvements	0	0	0	0	989,343	989,343
Police and Fire Pension	0	474,844	0	0	0	474,844
Community Development	0	0	1,306,285	0	0	1,306,285
Senior Programs	0	0	0	0	76,465	76,465
Law Enforcement	0	0	0	0	208,913	208,913
Lakewood Municipal Court	0	0	0	0	539,564	539,564
Family to Family	0	0	0	0	10,513	10,513
FEMA	0	0	0	0	2,781	2,781
Neighborhood Stabilization	0	0	0	0	372,931	372,931
Litter Control Projects	0	0	0	0	5,709	5,709
Debt Service Payments	0	0	0	1,869,537	195,294	2,064,831
Capital Improvements	0	0	0	0	2,387,742	2,387,742
<b>Total Restricted</b>	<b>0</b>	<b>474,844</b>	<b>1,306,285</b>	<b>1,869,537</b>	<b>4,789,255</b>	<b>8,439,921</b>
<i>Committed to</i>						
Lakewood Hospital Operations	0	0	0	0	975,398	975,398
Land Acquisition	0	0	0	0	5,000,000	5,000,000
Other Purposes	0	0	0	0	95,434	95,434
<b>Total Committed</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,070,832</b>	<b>6,070,832</b>
<i>Assigned to</i>						
Fiscal Year 2015 Appropriations	1,773,609	0	0	0	0	1,773,609
Community Festival Projects	2,886	0	0	0	0	2,886
Purchases on Order	3,991,654	0	0	0	0	3,991,654
<b>Total Assigned</b>	<b>5,768,149</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,768,149</b>
<i>Unassigned (Deficit)</i>	8,165,507	0	0	0	(31,552)	8,133,955
<b>Total Fund Balances</b>	<b>\$15,137,624</b>	<b>\$474,844</b>	<b>\$1,307,971</b>	<b>\$1,869,537</b>	<b>\$10,885,648</b>	<b>\$29,675,624</b>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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**Note 7 - 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 withdraw able 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 other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any Federal government agency or instrumentality including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All Federal agency securities shall be direct issuances of Federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and that the term of the agreement must not exceed 30 days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) and (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasury Asset Reserve of Ohio (STAR Ohio);

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
(Continued)

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**Note 7 - Deposits and Investments (Continued)**

7. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts; and
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.

The City may also invest any monies not required to be used for a period of 6 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 5 years from the date of purchase, unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

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

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

**Deposits**

***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, \$9,120,860 of the City's bank balance of \$30,260,047 was uninsured but collateralized. 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.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
(Continued)

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**Note 7 - Deposits and Investments (Continued)**

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, 2014, the City had investments in STAROhio with a fair value of \$6,696,612 with a weighted average maturity of 54 days; investments in various municipal bond securities with a total fair value of \$3,860,869 and had maturities of less than two years; investments in various U.S. debt securities with a total fair value of \$2,990,660 and had maturities of less than three years; and investments in negotiable certificates of deposit with a total fair value of \$1,990,119 and had maturities of less than three years. In addition, investments held in money market mutual funds with a trustee and fiscal agent had fair values of \$1,172,175 and \$998,838, respectively. Both money market mutual funds had an average maturity of less than one year.

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

**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 highest credit rating of the municipal bond securities was AAA by Standard & Poor's and the lowest credit rating was A- by Standard & Poor's. The credit rating for the U.S debt securities was AA+ by Standard & Poor's. The negotiable certificates of deposit were not rated. The credit ratings for the two money market mutual funds were AAAM by Standard & Poor's. The City has no investment policy that addresses credit risk.

**Custodial Credit Risk:** Custodial credit risk for investments is the risk that in the event of bank failure, the City will not be able to recover investments or collateral securities that are in possession of an outside party. At year end, the City's investment in negotiable certificates of deposit of \$1,990,119 was fully covered by the FDIC.

**Note 8 - Receivables**

Receivables at December 31, 2014, consisted primarily of 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.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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**Note 8 – Receivables (Continued)**

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 \$43,116 in the Water Fund and \$33,000 in the Sewer Fund.

Loans receivable to be collected in more than one-year amount to \$1,599,011 in the Community Development Block Grant Fund.

Special assessments expected to be collected in more than one-year amount to \$456,240 in the various governmental funds. The amount of delinquent special assessments outstanding at December 31, 2014 was \$15,272.

**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 2014 for real and public utility property taxes represents collections of 2013 taxes.

2014 real property taxes are levied after October 1, 2014 on the assessed value as of January 1, 2014, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2014 real property taxes are collected in and intended to finance 2015 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.

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. 2014 public utility property taxes which became a lien December 31, 2013, are levied after October 1, 2014, and are collected in 2015 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2014, was \$17.40 per \$1,000 of assessed value. The assessed values of real property, public utility tangible property upon which 2014 property tax receipts were based, are as follows:

Category	Assessed Value
Real Estate:	
Residential and Agricultural	\$ 682,865,970
Commercial/Industrial/Public Utility	154,516,560
Public Utility	15,184,670
Total Assessed Value	\$ 852,567,200

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

**Note 8 – Receivables (Continued)**

The Cuyahoga County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Lakewood. The County Fiscal Officer periodically remits to the City its portion of the taxes. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies, which are measurable as of December 31, 2014, and for which there is an enforceable legal claim. In the governmental funds, the entire receivable has been deferred since current taxes were not levied to finance 2014 operations, and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On the accrual basis, collectible delinquent property taxes have been recorded as revenue while on the modified accrual basis the revenue has been 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 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:

	Amount
<b>Governmental Activities:</b>	
Homestead and Rollback	\$ 764,596
Local Government	872,772
Gasoline Tax	664,237
Federal Grant Reimbursements	22,224
Motor Vehicle License Registration	121,586
State Grant Reimbursements	270,356
County Grant Reimbursements	363,712
Permissive Motor Vehicle License Tax	23,803
Liquor Permit/Cigarette/Hotel Taxes	10,970
Lakewood Board of Education	96,866
Other	1,412
<i>Total Governmental Activities</i>	3,212,534
 <b>Business-Type Activities:</b>	
Homestead and Rollback	97,999
<i>Total Business-Type Activities</i>	97,999
<i>Total Entity-wide</i>	\$ 3,310,533

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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**Note 8 – Receivables (Continued)**

***D. Payments in Lieu of Taxes***

According to State law, the City has established several tax incremental financing districts within the City under which the City has granted property tax exemptions and agreed to construct certain infrastructure improvements. The property owners have agreed to make payments to the City to help pay the costs of the infrastructure improvements. The amount of those payments generally reflects all or a portion of the property taxes which the property owners would have paid of the property had not been declared exempt. The property owners' contractual promise to make these payments in lieu of taxes generally continues until the costs of the improvement have been paid or the agreement expires, whichever occurs first. Future development by these or others may result in subsequent agreement to make payment in lieu of taxes and may therefore spread the costs of the improvements to a larger number of property owners.

**Note 9 - 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, 2014.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
(Continued)

**Note 10 - Capital Assets**

Capital asset activity for the year ended December 31, 2014, was as follows:

	Balance December 31, 2013	Additions	Deletions	Balance December 31, 2014
<b>Governmental Activities</b>				
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$6,139,702	\$0	\$0	\$6,139,702
Construction in Progress	1,687,277	4,935,444	(3,542,041)	3,080,680
<i>Total Capital Assets, Not Being Depreciated</i>	<u>7,826,979</u>	<u>4,935,444</u>	<u>(3,542,041)</u>	<u>9,220,382</u>
<i>Buildings</i>				
<i>Capital Assets, Being Depreciated:</i>				
Land Improvements	5,098,660	279,411	0	5,378,071
Buildings and Improvements	16,724,327	820,629	(26,000)	17,518,956
Furniture and Equipment	4,516,713	552,623	(6,439)	5,062,897
Vehicles	15,071,539	1,210,932	(2,417,026)	13,865,445
<i>Infrastructure:</i>				
Roads	48,046,531	2,140,897	(999,157)	49,188,271
Traffic Signals	6,271,775	0	0	6,271,775
Sidewalks	3,368,867	21,991	0	3,390,858
Curbing	1,434,304	0	0	1,434,304
<i>Total Capital Assets, Being Depreciated</i>	<u>100,532,716</u>	<u>5,026,483</u>	<u>(3,448,622)</u>	<u>102,110,577</u>
<i>Less Accumulated Depreciation:</i>				
Land Improvements	(2,670,495)	(149,131)	0	(2,819,626)
Buildings	(5,995,344)	(224,180)	24,696	(6,194,828)
Furniture and Fixtures	(2,723,561)	(181,404)	1,818	(2,903,147)
Vehicles	(8,138,354)	(793,666)	2,028,733	(6,903,287)
<i>Infrastructure:</i>				
Roads	(13,406,513)	(952,406)	394,415	(13,964,504)
Traffic Signals	(2,580,272)	(143,806)	0	(2,724,078)
Sidewalks	(1,129,458)	(30,226)	0	(1,159,684)
Curbing	(528,607)	(12,680)	0	(541,287)
<i>Total Accumulated Depreciation</i>	<u>(37,172,604)</u>	<u>(2,487,499)</u> *	<u>2,449,662</u>	<u>(37,210,441)</u>
Total Capital Assets, Being Depreciated, Net	<u>63,360,112</u>	<u>2,538,984</u>	<u>(998,960)</u>	<u>64,900,136</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$71,187,091</u>	<u>\$7,474,428</u>	<u>(\$4,541,001)</u>	<u>\$74,120,518</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
(Continued)

**Note 10 - Capital Assets (Continued)**

	Balance December 31, 2013	Additions	Deletions	Balance December 31, 2014
<b>Business-Type Activities</b>				
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$78,140	\$0	\$0	\$78,140
Construction in Progress	1,475,916	2,925,374	(647,170)	3,754,120
<i>Total Capital Assets, Not Being Depreciated</i>	<u>1,554,056</u>	<u>2,925,374</u>	<u>(647,170)</u>	<u>3,832,260</u>
<i>Capital Assets, Being Depreciated:</i>				
Land Improvements	2,025,447	0	0	2,025,447
Buildings	17,892,332	195,456	0	18,087,788
Furniture and Equipment	9,753,702	252,118	0	10,005,820
Vehicles	3,153,207	146,924	(204,064)	3,096,067
Infrastructure:				
Water Lines	54,353,317	28,979	0	54,382,296
Sewer Lines	30,784,914	431,865	0	31,216,779
<i>Total Capital Assets, Being Depreciated</i>	<u>117,962,919</u>	<u>1,055,342</u>	<u>(204,064)</u>	<u>118,814,197</u>
Less Accumulated Depreciation:				
Land Improvements	(1,192,547)	(44,049)	0	(1,236,596)
Buildings	(5,809,833)	(227,442)	0	(6,037,275)
Furniture and Fixtures	(5,894,103)	(293,219)	0	(6,187,322)
Vehicles	(1,326,076)	(179,273)	190,563	(1,314,786)
Infrastructure:				
Water Lines	(14,905,257)	(532,454)	0	(15,437,711)
Sewer Lines	(7,510,579)	(301,304)	0	(7,811,883)
<i>Total Accumulated Depreciation</i>	<u>(36,638,395)</u>	<u>(1,577,741) *</u>	<u>190,563</u>	<u>(38,025,573)</u>
Total Capital Assets, Being Depreciated, Net	<u>81,324,524</u>	<u>(522,399)</u>	<u>(13,501)</u>	<u>80,788,624</u>
<b>Business-Type Activities Capital Assets, Net</b>	<u><u>\$82,878,580</u></u>	<u><u>\$2,402,975</u></u>	<u><u>(\$660,671)</u></u>	<u><u>\$84,620,884</u></u>

\* Depreciation expense was charged to governmental and business-type functions as follows:

Governmental Activities		Business-Type Activities	
Security of Persons and Property - Police	\$140,838	Water Fund	\$616,486
Security of Persons and Property - Fire	265,807	Sewer Fund	849,231
Public Health Services	28,554	Parking Facilities Fund	27,023
Leisure Time Activities	279,762	Winterhurst Ice Rink Fund	85,001
Community Environment	8,162	Total Depreciation Expense	<u>\$1,577,741</u>
Basic Utility Services	274,749		
Transportation	1,341,334		
General Government	148,293		
Total Depreciation Expense	<u>\$2,487,499</u>		

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
(Continued)

**Note 11 – 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, 2014, the aggregate principal amount of conduit debt obligation outstanding for Lakewood Hospital was \$5,160,000.

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, 2014, the aggregate principal amount of conduit debt obligation outstanding for St. Edward High School was \$8,440,000. 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 12- Short-Term Obligations**

The original issue date, interest rate, original issuance amount and maturity date for the City’s short-term obligations follows:

	Balance December 31, 2013	Additions	Deletions	Balance December 31, 2014
<b>Notes Payable</b>				
<i>Governmental Activities</i>				
2013 Various Purpose - 1.00%	\$228,000	\$0	\$228,000	\$0
2014 Various Purpose - 1.00%	0	365,000	0	365,000
<i>Total Governmental Activities</i>	<u>228,000</u>	<u>365,000</u>	<u>228,000</u>	<u>365,000</u>
<i>Business-Type Activities</i>				
2014 Various Purpose - 1.00%	0	500,000	0	500,000
<b>Total Notes Payable</b>	<u>\$228,000</u>	<u>\$865,000</u>	<u>\$228,000</u>	<u>\$865,000</u>

On April 14, 2014, the City issued \$12,892,000 in various purpose bond anticipation notes at an annual interest rate of 1.0 percent that will mature on April 10, 2015. \$6,202,000 of the proceeds was used to retire the outstanding 2013 various purposes bond anticipation notes, and \$6,690,000 of the proceeds were used to provide resources for future capital improvement projects. \$865,000 of these notes is considered short-term and the remaining \$12,027,000 is considered long-term.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
(Continued)

**Note 13- 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:

	Original Issue Date	Interest Rate	Original Issue Amount	Date of Maturity
<b>Governmental Activities</b>				
<i>Notes</i>				
Various Purpose	2013	1.000%	6,202,000	April 15, 2014
Various Purpose	2014	1.000%	10,187,000	April 10, 2015
<b>General Obligation Bonds</b>				
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 Refunding-2005	2007	4.00-5.25%	10,520,000	December 1, 2026
Various Purpose Refunding-2011	2011	2.00-5.00%	3,075,268	December 1, 2028
Various Purpose	2011	2.00-5.00%	7,770,000	December 1, 2028
Various Purpose Refunding-2012	2012	2.00-5.00%	3,097,660	December 1, 2023
<b>Tax Increment Financing</b>				
Rockport Square Development	2004	4.40-5.95%	4,265,000	July 1, 2024
Vedda Printing	2005	3.00-5.00%	400,000	December 1, 2025
<b>OPWC Loan</b>				
Forest and Clifton Road	1999	0%	616,000	December 1, 2019
<b>Business-Type Activities</b>				
<i>Notes</i>				
<i>Sewer</i>				
Various Purpose	2014	1.00%	\$1,840,000	April 10, 2015
<b>Revenue Bonds</b>				
<i>Water</i>				
Water Main Improvements	1995	4.40-6.60%	\$2,850,000	December 1, 2020
Water Main Improvements	2005	3.00-5.00%	609,829	December 1, 2025
Water Main Improvements	2006	4.00-4.50%	10,285,000	December 1, 2031
<i>Sewer</i>				
Sewer Construction	2006	4.00-4.50%	14,320,000	December 1, 2031
<b>General Obligation Bonds</b>				
<i>Sewer</i>				
Sewer Construction	2005	3.00-5.00%	3,811,430	December 1, 2025
Sewer Construction Refunding	2005	3.00-5.00%	2,145,000	December 1, 2015
Sewer Construction Refunding	2012	2.00%	2,347,340	December 1, 2023
<i>Winterhurst</i>				
Winterhurst Recreational Facility	2005	3.00-5.00%	203,276	December 1, 2025
Winterhurst Recreational Facility Refunding	2011	2.00-5.00%	929,732	December 1, 2028
<i>Parking</i>				
Meter Replacement	2007	4.00-5.25%	355,000	December 1, 2026
<b>OPWC Loans</b>				
<i>Water</i>				
Water Main Replacements	1999	0%	1,248,464	December 1, 2019
Water Main Replacements	2001	0%	1,944,012	December 1, 2021
Water Main Replacements	2003	0%	994,614	July 1, 2023
Water Main Replacements	2003	0%	1,592,840	July 1, 2023
Belle Avenue Improvements	2003	0%	484,637	December 1, 2023
<i>Sewer</i>				
West Clifton Storm Sewer Rehab.	2000	0%	115,101	December 1, 2020
Edgewater Drive-Sewer Separation	2002	0%	604,258	December 1, 2022

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
(Continued)

**Note 13- Long-Term Obligations (Continued)**

	Balance December 31, 2013	Additions	Deletions	Balance December 31, 2014	Amount Due in One Year
<i>Governmental Activities</i>					
<b>Notes Payable</b>					
Various Purpose - 2013	\$6,202,000	\$0	\$6,202,000	\$0	\$0
Various Purpose - 2014	0	10,187,000	0	10,187,000	10,187,000
Unamortized Premium	12,028	78,314	67,631	22,711	0
<i>Total Notes Payable</i>	<u>6,214,028</u>	<u>10,265,314</u>	<u>6,269,631</u>	<u>10,209,711</u>	<u>10,187,000</u>
<b>General Obligation Bonds</b>					
Various Purpose Refunding-2005	1,445,000	0	705,000	740,000	740,000
Unamortized Premium	23,851	0	16,833	7,018	0
Various Purpose-2005	2,267,714	0	361,083	1,906,631	380,745
Unamortized Premium	41,385	0	3,625	37,760	0
Various Purpose Refunding-2007	7,905,000	0	710,000	7,195,000	745,000
Unamortized Premium	37,693	0	2,899	34,794	0
Rockport Square Development-2004	3,315,000	0	225,000	3,090,000	235,000
Unamortized Premium	16,999	0	1,536	15,463	0
Vedda Printing-2005	275,000	0	20,000	255,000	20,000
Unamortized Premium	424	0	37	387	0
Various Purpose-2011	7,755,000	0	5,000	7,750,000	5,000
Unamortized Premium	4,013	0	1,003	3,010	0
Various Purpose Refunding-2011	1,263,126	0	284,107	979,019	303,304
Unamortized Premium	45,903	0	3,060	42,843	0
Various Purpose Refunding-2012	2,989,570	0	119,469	2,870,101	122,313
Unamortized Premium	82,022	0	8,202	73,820	0
<i>Total General Obligation Bonds</i>	<u>27,467,700</u>	<u>0</u>	<u>2,466,854</u>	<u>25,000,846</u>	<u>2,551,362</u>
<b>Other Long-Term Obligations</b>					
OPWC Loan-Forest and Clifton Road-1999	154,000	0	30,800	123,200	30,800
Claims Payable	522,251	5,974,607	5,932,290	564,568	465,192
Compensated Absences Payable	5,741,179	2,440,726	2,022,089	6,159,816	2,520,849
Capital Lease Payable	5,943,223	1,881,855	1,192,880	6,632,198	1,307,053
<i>Total Other Long-Term Obligations</i>	<u>12,360,653</u>	<u>10,297,188</u>	<u>9,178,059</u>	<u>13,479,782</u>	<u>4,323,894</u>
<i>Total Governmental Activities</i>	<u>\$46,042,381</u>	<u>\$20,562,502</u>	<u>\$17,914,544</u>	<u>\$48,690,339</u>	<u>\$17,062,256</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
(Continued)

**Note 13- Long-Term Obligations (Continued)**

	Balance December 31, 2013	Additions	Deletions	Balance December 31, 2014	Amount Due in One Year
<i>Business-Type Activities</i>					
<b>Notes</b>					
<i>Sewer</i>					
Various Purpose - 2014	\$0	\$1,840,000	\$0	\$1,840,000	\$1,840,000
Unamortized Premium	0	16,958	12,040	4,918	0
<i>Total Notes Payable</i>	<u>0</u>	<u>1,856,958</u>	<u>12,040</u>	<u>1,844,918</u>	<u>1,840,000</u>
<b>Revenue Bonds</b>					
<i>Water</i>					
Water Main Improvements-1995	1,390,000	0	165,000	1,225,000	175,000
Water Main Improvements-2005	420,850	0	27,252	393,598	29,039
Unamortized Premium	321	0	29	292	0
Water Main Improvements-2006	8,305,000	0	320,000	7,985,000	330,000
Unamortized Discount	(88,043)	0	(5,031)	(83,012)	0
Unamortized Premium	14,952	0	854	14,098	0
<i>Sewer</i>					
Sewer Construction-2006	11,580,000	0	445,000	11,135,000	465,000
Unamortized Discount	(122,786)	0	(7,016)	(115,770)	0
Unamortized Premium	35,604	0	2,034	33,570	0
<i>Total Revenue Bonds</i>	<u>21,535,898</u>	<u>0</u>	<u>948,122</u>	<u>20,587,776</u>	<u>999,039</u>
<b>General Obligation Bonds</b>					
<i>Sewer</i>					
Sewer Construction Refunding-2005	450,000	0	220,000	230,000	230,000
Unamortized Premium	7,308	0	5,156	2,152	0
Sewer Construction-2005	3,051,155	0	197,580	2,853,575	210,536
Unamortized Premium	2,360	0	207	2,153	0
Sewer Construction Refunding Bonds- 2012	2,265,430	0	90,531	2,174,899	92,687
Unamortized Premium	62,155	0	6,215	55,940	0
<i>Winterhurst</i>					
Recreational Facility Bonds -2005	140,283	0	9,084	131,199	9,680
Unamortized Premium	104	0	10	94	0
Recreational Facility Refunding Bonds- 2011	381,874	0	85,893	295,981	91,696
Unamortized Premium	13,878	0	925	12,953	0
<i>Parking</i>					
Meter Replacement-2007	220,000	0	25,000	195,000	25,000
Unamortized Premium	1,579	0	121	1,458	0
<i>Total General Obligation Bonds</i>	<u>\$6,596,126</u>	<u>\$0</u>	<u>\$640,722</u>	<u>\$5,955,404</u>	<u>\$659,599</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
(Continued)

**Note 13- Long-Term Obligations (Continued)**

	Balance December 31, 2013	Additions	Deletions	Balance December 31, 2014	Amount Due in One Year
<b>OPWC Loans</b>					
<i>Water Fund</i>					
Water Main Repl. -1999	\$312,111	\$0	\$62,423	\$249,688	\$62,423
Water Main Repl. -2001	680,402	0	97,201	583,201	97,201
Water Main Repl. -2003	472,440	0	49,731	422,709	49,731
Water Main Repl. -2003	756,600	0	79,642	676,958	79,642
Belle Avenue Impr. -2003	254,434	0	24,232	230,202	24,232
<i>Sewer</i>					
West Clifton Storm Sewer Rehabilitation-2000	25,634	0	4,273	21,361	4,273
Edgewater Drive-Sewer Separation-2002	241,703	0	30,213	211,490	30,213
<b>Total OPWC Loans</b>	<b>2,743,324</b>	<b>0</b>	<b>347,715</b>	<b>2,395,609</b>	<b>347,715</b>
<b>Other Long-Term Obligations</b>					
Compensated Absences Payable	370,250	155,243	146,732	378,761	148,743
Capital Leases Payable	2,922,079	1,898,760	483,735	4,337,104	535,280
<b>Total Other Long-Term Obligations</b>	<b>3,292,329</b>	<b>2,054,003</b>	<b>630,467</b>	<b>4,715,865</b>	<b>684,023</b>
<b>Total Business-Type Activities</b>	<b>\$34,167,677</b>	<b>\$3,910,961</b>	<b>\$2,579,066</b>	<b>\$35,499,572</b>	<b>\$4,530,376</b>

**Governmental Activities**

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

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 was considered defeased and the liability for the refunded bonds has been removed from the basic financial statements. As of December 31, 2014, \$740,000 of the defeased debt remained outstanding.

On May 30, 2007, the City issued \$10,875,000 in general obligation bonds, \$10,520,000 of which was 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.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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**Note 13 - Long-Term Obligations (Continued)**

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.

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. In the event that insufficient funds are collected, the shortfall will be the responsibility of the developer, per the master agreement.

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.

On February 9, 2011, the City issued general obligation bonds, in the amount of \$12,320,000, to refund bonds previously issued in fiscal years 1998 and 2003 for various purposes in the amount of \$4,320,000 and to pay off the \$7,770,000 2010 various purpose notes. The bonds were issued with interest rates varying from 2 percent to 5 percent. The bonds were issued for a seventeen year period with final maturity on December 1, 2028. The bonds will be retired through the Debt Service, Water and Winterhurst Funds.

The bonds were sold at a premium of \$87,222. Proceeds were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded 1998 Various Purpose bonds. As a result, \$4,445,100 of these bonds was considered defeased and the liability for the refunded bonds has been removed from the City's financial statements. The amount still outstanding at December 31, 2014 is \$1,275,000.

The City issued a \$1,948,000 various purpose bond anticipation note on April 21, 2011 at 1.50 percent that matured April 19, 2012. The proceeds were used for street and traffic signal improvements. This bond anticipation note was retired through the City's issuances of \$7,973,000 various purpose and refunding bond anticipation notes on April 18, 2012 at 1.125 percent that matured on October 18, 2012. A portion of the notes were used retire the \$1,948,000 notes and the remainder was used to refund previously issued Various Purpose 2003 bonds, \$3,427,889 in governmental activities and \$2,597,111 in business-type activities. All of the notes were considered long-term.

The refunding portion of the bond anticipation notes were sold at a premium of \$21,750. Proceeds were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded 2003 Various Purpose bonds. As a result, \$6,025,000 of these bonds was considered defeased and the liability for the refunded bonds has been removed from the City's financial statements. The amount was called on May 18, 2012 and therefore are no longer outstanding at December 31, 2014 is \$5,045,000.

On April 16, 2013, the City issued \$6,430,000 in various purpose and refunding bond anticipation notes at 1.0 percent that will mature April 15, 2014. \$3,948,000 of the proceeds was used to retire previously issued notes. \$6,202,000 of these notes are considered long term and the remaining \$228,000 is considered short term.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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**Note 13 - Long-Term Obligations (Continued)**

On April 14, 2014, the City issued \$12,892,000 in various purpose and refunding bond anticipation notes at 1.0 percent that will mature April 15, 2014. \$6,202,000 of the proceeds was used to retire previously issued notes, and \$6,690,000 of the proceeds was used to provide resources for capital improvement improvements within the Governmental Activities and Sewer Fund. \$865,000 of these notes is considered short-term and the remaining \$12,027,000 is considered long-term.

The City issued \$5,445,000 in various purpose bonds on October 17, 2012 at 2.00 percent. These bonds were issued to retire the \$6,025,000 refunding bond anticipation notes which matured on October 18, 2012. The bonds were issued for an eleven year period with final maturity on December 1, 2023. The bonds will be retired from the City's Debt Service and Sewer Funds, \$3,097,661 and \$2,347,339, respectively.

**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, and Parking Facilities Enterprise Funds.

**Business-Type Activities**

The revenue bonds, general obligation bonds, and OPWC loans reported in the Enterprise Funds will be paid from revenues derived by the City from water, sewer and ice rink user charges. The OPWC 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, 2014, were \$122,014. At December 31, 2014, \$1,225,000 of the debt remained outstanding.

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. As of December 31, 2014, none of the defeased debt remained outstanding.

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, 2014, were \$195,650 for replacement and improvement and \$44,109 for debt service.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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**Note 13 - Long-Term Obligations (Continued)**

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, 2014, were \$337,276 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, 2014, were \$473,126 restricted for debt service.

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.

See the information provided above in regards to 2014 bond anticipation notes issued partially for Sewer projects. A portion of the Sewer's bond anticipation notes, \$500,000, were considered short-term while the remaining \$1,840,000 is considered long-term.

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 \$15,650,236. Principal and interest paid for the current year were \$1,282,304, total net revenues were \$2,357,507, and total revenues were \$11,074,606.

The City has pledged future revenues to repay the revenue bonds 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 \$16,267,435. Principal and interest paid for the current year were \$977,899, total net revenues were \$4,071,643, and total revenues were \$8,643,807.

The City's overall legal debt margin was \$56,845,934 at December 31, 2014.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
(Continued)

**Note 13 - Long-Term Obligations (Continued)**

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2014, are as follows:

	<b>Governmental Activities</b>					
	General Obligation Bonds		OPWC Loans	Total		
	Principal	Interest	Principal	Principal	Interest	
2015	\$2,551,362	\$1,039,077	\$30,800	\$2,582,162	\$1,039,077	
2016	1,894,521	926,721	30,800	1,925,321	\$926,721	
2017	1,882,707	856,101	30,800	1,913,507	856,101	
2018	2,172,874	785,892	30,800	2,203,674	785,892	
2019	2,249,903	705,108	0	2,249,903	705,108	
2020-2024	9,925,184	2,178,531	0	9,925,184	2,178,531	
2025-2028	4,109,200	469,685	0	4,109,200	469,685	
	<u>\$24,785,751</u>	<u>\$6,961,115</u>	<u>\$123,200</u>	<u>\$24,908,951</u>	<u>\$6,961,115</u>	

	<b>Business Type Activities</b>						
	Revenue Bonds		General Obligation Bonds		OPWC Loans	Total	
	Principal	Interest	Principal	Interest	Principal	Principal	Interest
2015	\$999,039	\$913,621	\$659,599	\$197,821	\$347,715	\$2,006,353	\$1,111,442
2016	1,040,380	870,131	600,099	169,706	347,714	1,988,193	1,039,837
2017	1,086,273	825,093	611,020	151,564	347,714	2,045,007	976,657
2018	1,137,614	778,035	529,513	132,992	347,714	2,014,841	911,027
2019	1,188,954	727,527	546,143	116,855	285,291	2,020,388	844,382
2020-2024	5,702,554	2,877,401	2,602,262	322,475	719,461	9,024,277	3,199,876
2025-2029	6,553,784	1,585,772	332,018	14,526	0	6,885,802	1,600,298
2030-2031	3,030,000	205,875	0	0	0	3,030,000	205,875
	<u>\$20,738,598</u>	<u>\$8,783,455</u>	<u>\$5,880,654</u>	<u>\$1,105,939</u>	<u>\$2,395,609</u>	<u>\$29,014,861</u>	<u>\$9,889,394</u>

**Note 14 – Leases**

**A. Capital Leases**

In 2014, the City entered into a lease for the acquisition of police vehicles, refuse vehicles, street vehicles, and water meters for various City departments. In prior years, the City entered into leases for the acquisition of police cruisers, fire vehicles, forestry vehicles, computer hardware, copier equipment, and building HVAC improvements. The assets of such agreement are recorded in the Governmental Activities and Business-Type Activities as shown on the Statement of Net Position. 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, 2014:

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
(Continued)

**Note 14 – Leases (Continued)**

	Governmental Activities	Business-Type Activities
Building and Improvements	\$2,100,000	\$1,200,000
Equipment Machinery and Furniture	319,076	310,125
Vehicles	6,996,459	1,311,350
Total Capital Leases, being depreciated	9,415,535	2,821,475
Less Accumulated Depreciation		
Building and Improvements	1,470,000	840,000
Equipment Machinery and Furniture	223,354	137,128
Vehicles	3,457,506	633,726
Total Accumulated Depreciation	5,150,860	1,610,854
Capital Leases, Net	\$4,264,675	\$1,210,621
	Governmental Activities	Business-Type Activities
2015	\$1,491,678	\$659,121
2016	1,437,685	658,455
2017	1,400,579	658,620
2018	1,097,316	570,596
2019	451,878	479,077
2020-2024	1,336,443	1,414,270
2025-2029	0	491,615
Total minimum lease payments	7,215,579	4,931,754
Less: amount representing interest	(583,381)	(594,650)
Total	\$6,632,198	\$4,337,104

**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.

**Note 15 - 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 excess umbrella coverage of \$10,000,000 per occurrence, which has a \$10,000,000 aggregate limit per year.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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**Note 15 - Risk Management (Continued)**

Errors and omissions for public officials and police professional liability are \$1,000,000 per occurrence, and have a \$2,000,000 annual aggregate. Vehicles are covered for \$1,000,000 per each occurrence, no aggregate, with a \$5,000 deductible for comprehensive, \$5,000 deductible for collision.

The boiler and machinery is covered at \$116,174,111 with a \$10,000 deductible for all property.

Coverage for the City's buildings, furniture, fixtures, and contents has a limit of \$116,174,111, with a \$10,000 deductible. Inland marine coverage for all City property that moves has coverage of \$3,751,867 with a \$500 deductible and EDP equipment is covered at \$1,285,815 with a \$500 deductible.

Network Risk Insurance Policy covers Cyber liability at \$1,000,000 annual aggregate, with a \$5,000 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, 2014, \$443,408 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:

	2014	2013
Estimated claims payable January 1	\$378,000	\$264,031
Plus: Current year claims	5,739,783	5,050,220
Less: Claim payments	(5,674,375)	(4,936,251)
Estimated claims payable December 31	\$443,408	\$378,000

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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**Note 15 - Risk Management (Continued)**

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, 2014, \$121,160 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:

	2014	2013
Estimated claims payable January 1	\$144,251	\$133,446
Plus: Current year claims	234,824	330,684
Less: Claim payments	(257,915)	(319,879)
Estimated claims payable December 31	\$121,160	\$144,251

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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**Note 16 - Defined Benefit Pension Plans**

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

The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension 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 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 the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting [www.opers.org/investments/cafr.shtml](http://www.opers.org/investments/cafr.shtml), by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling (614) 222-5601 or (800) 222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2014, the members of all three plans were required to contribute 10.00 percent of their earnable salaries. The City's contribution rate was 14.00 percent of earnable salary. The pension allocation for the Traditional and Combined Plans was 12.00 percent during calendar year 2014. The City's required pension contributions for the Traditional Pension and Combined Plans for the years ended December 31, 2014, 2013, and 2012 were \$1,734,499, \$1,825,696, and \$1,448,627, respectively; 92.77 percent has been contributed for 2014, and 100.00 percent has been contributed for 2013 and 2012.

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

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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**Note 16 - Defined Benefit Pension Plans (Continued)**

***B. Ohio Police and Fire Pension Fund (Continued)***

From January 1, 2014 thru July 1, 2014, Plan members were required to contribute 10.75 percent of their annual covered salary. From July 2, 2014 thru December 31, 2014, Plan members were required to contribute 11.50 percent of their annual covered salary. Throughout 2014, the City was required to contribute 19.50 percent and 24.00 percent for police officers and firefighters, respectively.

The portion of the City's contributions to fund pension obligations from January 1, 2014 thru December 31, 2014 for police officers and firefighters was 19.00 percent and 23.50 percent, respectively. The City's contributions for pension obligations to the OP&F for police and firefighters were \$1,364,389 and \$1,315,141 for the year ended December 31, 2014, \$1,102,164 and \$1,085,702 for the year ended December 31, 2013, and \$896,221 and \$936,402 for the year ended December 31, 2012, respectively. 91.31 percent has been contributed for police and 92.59 percent has been contributed for firefighters for 2014. The full amount has been contributed for 2013 and 2012.

**Note 17 – Post-Employment Benefits**

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

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

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program, and Medicare Part B premium reimbursement, to qualifying benefit recipients 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.

In order to qualify for post-employment health care coverage, age and service retirees under the Traditional Pension and Combined Plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45. OPERS' eligibility requirements for post-employment health care coverage changed for those retiring on and after January 1, 2015. Please see the Plan Statement in the OPERS 2013 CAFR for details.

The Ohio Revised Code permits, but does not mandate, OPERS to provide the OPEB Plan to its eligible benefit recipients. Authority to establish and amend health care coverage is provided in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting [www.opers.org/investments/cafr.shtml](http://www.opers.org/investments/cafr.shtml), by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling (614) 222-5601 or (800) 222-7377.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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**Note 17 – Post-Employment Benefits (Continued)**

**A. Ohio Public Employees Retirement System (Continued)**

*Funding Policy* - The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care coverage. The 2014 local government employer contribution rate was 14.00 percent of earnable salary. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.00 percent of earnable salaries for local government employers. Active members do not fund the OPEB Plan.

OPERS' Post-employment Health Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post employment health care. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 2.00 percent during calendar year 2014. Effective January 1, 2015, the portion of employer contributions allocated to health care remains at 2.00 percent for both plans, as recommended by OPERS actuary. The OPERS Board of Trustees is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The City's actual employer contributions for December 31, 2014, 2013 and 2012 which were used to fund post-employment benefits were \$288,967, \$140,438, and \$579,518, respectively; 92.77 percent has been contributed for 2014, and 100.00 percent has been contributed for 2013 and 2012.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4.00 percent of the employer contributions toward the health care fund after the end of the transition period.

**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 statutory survivor benefit or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No. 45.

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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**Note 17 – Post-Employment Benefits (Continued)**

***B. Ohio Police and Fire Pension Fund (Continued)***

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, OH 43215-5164. That report is also available on OP&F's website at [www.op-f.org](http://www.op-f.org).

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 Trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was 0.50 percent of covered payroll from January 1, 2014 thru December 31, 2014. 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 is limited by the provisions of the Sections 115 and 401(h).

The OP&F Board of Trustees also is 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 \$36,421 and \$28,210 for the year ended December 31, 2014, \$246,029 and \$188,052 for the year ended December 31, 2013, and \$474,683 and \$366,614 for the year ended December 31, 2012, respectively. 91.31 percent has been contributed for police and 92.59 percent has been contributed for firefighters for 2014. The full amount has been contributed for 2013 and 2012.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
(Continued)

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**Note 18 - Other Employee Benefits**

***A. Compensated Absences***

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

In addition, employees of the City accumulate compensatory time for a portion of overtime hours worked based upon time and a half for police and fire department employees, and time and a half for other union employees. Employees are entitled to receive payments for their accumulated hours upon retirement or other termination from the City's payroll. Police and fire department employees can receive, on a 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. Minnesota Life Insurance Company provides life insurance and accidental death and dismemberment insurance to the City's employees.

**Note 19 - 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 2014, the City contributed \$93,800.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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**Note 20 – Construction Contractual and Other Commitments**

***A. Construction Contractual Commitments***

The following were significant contractual commitments outstanding at December 31, 2014.

Project	Contract Amount	Amount Paid	Amount Remaining
Park Improvements	\$800,000	\$160,521	\$639,479
Waterline Improvements	3,050,000	76,755	2,973,245
Wastewater Improvements	7,219,500	1,326,998	5,892,502
Totals	<u>\$11,069,500</u>	<u>\$1,564,274</u>	<u>\$9,505,226</u>

***B. Other Commitments***

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end are components of fund balance for subsequent year expenditures and may be reported as part of restricted, committed, or assigned classifications of fund balance. As of December 31, 2014, the City's commitments for encumbrances in the governmental funds were as follows:

Major Fund:	<u>Encumbrances Outstanding</u>
General	<u>\$3,991,654</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
(Continued)

**Note 21 – 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 General Fund, Street and Highway Fund, Lakewood Hospital Fund, Water Fund, Sewer Fund, Parking Fund and Winterhurst Fund to the Debt Service fund were to cover debt payments and the transfer from General Fund to Land Acquisition Fund was for future land acquisition. The transfers from the Debt Service Fund to the General Fund and the Winterhurst Fund were necessary to record the capital lease debt payments in the funds that originally recorded the leases. The transfer from Other Governmental Funds in the amount of \$50,213 was to close out a grant fund.

<b>TRANSFERS IN</b>	<b>TRANSFERS OUT</b>						Total Entity-wide
	Governmental activities			Business-Type Activities			
	Major Funds		Other Governmental Funds	Major Funds		Other Enterprise Funds	
	General	Debt Service		Water	Sewer		
<i>Governmental Activities</i>							
<u>Major Funds:</u>							
General	\$0	\$1,327,242	\$0	\$0	\$0	\$0	\$1,327,242
Debt Service	210,000	0	26,200	15,252	1,678,200	84,500	2,014,152
<u>Nonmajor Funds:</u>							
Office on Aging	680,000	0	0	0	0	0	680,000
Land Acquisition	5,000,000	0	0	0	0	0	5,000,000
Total Governmental Activities	5,890,000	1,327,242	26,200	15,252	1,678,200	84,500	9,021,394
<i>Business-Type Activities</i>							
<u>Major Fund:</u>							
Sewer	\$0	\$0	\$50,213	\$0	\$0	\$0	\$50,213
<u>Nonmajor Fund:</u>							
Winterhurst	0	256,924	0	0	0	0	256,924
Total Business-Type Activities	0	256,924	50,213	0	0	0	307,137
<i>Internal Service Funds</i>							
Hospitalization	1,628,080	0	0	0	0	0	1,628,080
Workers' Compensation	11,737	0	0	0	0	0	11,737
Total Entity-wide	\$7,529,817	\$1,584,166	\$76,413	\$15,252	\$1,678,200	\$84,500	\$10,968,348

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
(Continued)

**Note 21 – Interfund Transfers and Balances (Continued)**

***B. Interfund Receivables and Payables***

Interfund receivables and payables are due to the timing of the receipt of grant monies by the major and nonmajor funds and short-term advances from the General Fund. 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, 2014, consist of the following:

Interfund Payable	Interfund Receivable			
	General	Workers' Compensation	Hospitalization	Total
<b><i>Governmental Funds</i></b>				
<b>Major Funds:</b>				
General	\$0	\$17,280	\$247,054	\$264,334
Community Development Block Grant	215,000	105	1,497	216,602
<b>Nonmajor Funds:</b>				
Street and Highway	0	733	10,481	11,214
Office on Aging	0	576	8,235	8,811
Lakewood Hospital	0	576	8,235	8,811
Emergency Shelter Grant	6,000	0	0	6,000
Family to Family	2,000	0	0	2,000
<i>Total Governmental Funds</i>	<u>223,000</u>	<u>19,270</u>	<u>275,502</u>	<u>517,772</u>
<b><i>Proprietary Funds</i></b>				
<b>Major Funds:</b>				
Water	0	629	8,984	9,613
Sewer	0	1,780	25,454	27,234
<b>Nonmajor Funds:</b>				
Parking Facilities	0	105	1,497	1,602
Winterhurst	110,000	0	0	110,000
<i>Total Proprietary Funds</i>	<u>110,000</u>	<u>2,514</u>	<u>35,935</u>	<u>148,449</u>
<b>Total</b>	<u><u>\$333,000</u></u>	<u><u>\$21,784</u></u>	<u><u>\$311,437</u></u>	<u><u>\$666,221</u></u>

**Note 22 - Subsequent Events**

On January 15, 2015, a letter of intent was submitted by the Lakewood Hospital Association, the Cleveland Clinic Foundation, and the Lakewood Hospital Foundation to Lakewood City Council with the proposal of the creation of a family health center run by the Cleveland Clinic, and the establishment of a community wellness foundation.

Since that time, Lakewood City Council has hired the firm of Thompson Hine LLP as outside counsel, as well as, held numerous public hearings to learn about the issues at hand.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2014*  
*(Continued)*

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**Note 22 - Subsequent Events (Continued)**

Lakewood City Council is still in its due diligence phase to study the proposal. No negotiations have taken place or decisions have been made at time of publication of the 2014 CAFR document. Any financial projections at this point would be purely speculative.

On April 14, 2015, the City issued \$17,375,000 in various purpose and refunding bond anticipation notes at 1.0 percent that will mature April 7, 2016. \$12,025,000 of the proceeds were used to retire the outstanding 2014 various purposes bond anticipation notes, and \$5,350,000 of the proceeds were used to provide resources for future capital improvement projects.



## **Combining Statements**

## *Fund Descriptions – Nonmajor Governmental Funds*

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### *Non-Major Special Revenue Funds*

Special Revenue funds are established to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. A description of the City's special revenue funds follows:

Street and Highway Fund	To account for and report restricted 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 and report grants received from the Ohio Department of Aging restricted for the various programs assisting the senior citizens in the City.
Lakewood Hospital Fund	To account for and report ambulance service fees committed 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 and report grants received from United States Department of Energy restricted for costs associated with energy savings in municipal buildings.
Homeless Prevention Fund	To account for and report received from the Department of Development restricted for providing individuals with financial assistance and services.
Neighborhood Stabilization Fund	To account for and report grants received from the United States Department of Housing and Urban Development (HUD) restricted for assisting communities in purchasing for demolition or rehab housing structures in the City.
FEMA Fund	To account for and report grants received from the Federal government restricted to provide safety programs for the City and reimbursements in 2014 for Super Storm Sandy (federal declaration in October 2012).
Litter Control Grant Fund	To account for and report grants received from Ohio Department of Natural Resources restricted to assist with community cleanup and litter enforcement projects within the City.
Law and Drug Enforcement Trust Fund	To account for and report seized in the commitment of a felony and awarded to the City. Restricted for the purchases of equipment for use in the Police Department.
Federal Forfeiture Fund	To account for and report federal forfeitures restricted for specific law enforcement purposes.

*Fund Descriptions – Nonmajor Governmental Funds*

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Indigent Drivers Alcohol Treatment Fund	To account for and report fines from persons convicted of “Driving while under the influence of alcohol (D.U.I.)” that are restricted for the rehabilitation of D.U.I. indigent citizens.
Enforcement and Education Fund	To account for and report fines imposed by the Courts which are used for programs aimed at further education and enforcement of D.U.I. laws, restricted for education and enforcement of D.U.I. laws.
Political Subdivision Fund	To account for and report fines imposed by the Courts which are restricted cost related to housing the D.U.I offender.
Computer Research and Maintenance Fund	To account for and report fines imposed by the Courts which are restricted to provide computerized research services and maintenance of the Court’s computer system.
Court Special Projects Fund	To account for and report fines imposed by the Courts which are restricted for Special Projects of the Lakewood Municipal Court.
Court Probation Services Fund	To account for and report fines imposed by the Courts which are restricted used for the operations of the Probation Department of the Lakewood Municipal Court.
Indigent Drivers Interlock and Alcohol Monitoring Fund (IDIAM)	To account for and report State grants received and restricted to cover costs of immobilizing or disabling devices for indigent defendants.
Emergency Shelter Grant Fund	To account for and report grants received from the United States Department of Housing and Urban Development (HUD) and restricted to funds the renovation, rehabilitation or conversion of buildings for use as emergency shelters for the homeless.
HOME Investment Program Fund	To account for and report grants from the United States Department of Housing and Urban Development (HUD) restricted to help first-time homebuyers with low and moderate income to purchase a new home.
Help-to-Others Fund	To account for and report camp registrations fees and donations committed to fund a youth program that promotes volunteerism.
Juvenile Diversion Fund	To account for and report grants received from Cuyahoga County restricted to establish or expand community policing programs.

## *Fund Descriptions – Nonmajor Governmental Funds*

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Family to Family Fund                      To account for and report grants received from Cuyahoga County restricted to fund wrap around services targeting identified at-risk youth and families.

Community Festival Fund                      To account for and report donations used for various community activities held during the year. This fund is included with the General Fund for GAAP reporting as it does not have a restricted or committed revenue source.

### *Nonmajor Debt Service Fund*

Debt Service funds are established to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest and to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. A description of the City's debt service fund follows:

Tax Increment Financing (TIF)                      To account for and report all restricted tax increment  
Bond Retirement Fund                      financing activities.

### *Non-Major Capital Project Funds*

Capital Project funds are established to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. A description of the City's capital project funds follows:

Permanent Capital Improvement Fund                      To account for and report note proceeds restricted for acquisition of equipment and the construction of general capital assets of the City.

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

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

City Park Improvement Fund                      To account for and report donations committed to the improvement of the City Park.

**City of Lakewood, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2014*

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>ASSETS</b>				
Equity in Pooled Cash and Cash Equivalents	\$2,713,377	\$195,294	\$7,970,306	\$10,878,977
Cash and Cash Equivalents:				
In Segregated Accounts	80,035	0	157,190	237,225
Materials and Supplies Inventory	57,113	0	0	57,113
Accrued Interest Receivable	66	0	0	66
Accounts Receivable	424,154	0	0	424,154
Intergovernmental Receivable	850,782	0	586,691	1,437,473
Special Assessments Receivable	129,850	0	0	129,850
Payments in Lieu of Taxes Receivable	0	536,336	0	536,336
Assets Held for Resale	64,950	0	0	64,950
<b>Total Assets</b>	<b><u>\$4,320,327</u></b>	<b><u>\$731,630</u></b>	<b><u>\$8,714,187</u></b>	<b><u>\$13,766,144</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$258,636	\$0	\$720,390	\$979,026
Accrued Wages and Benefits	126,633	0	0	126,633
Intergovernmental Payable	31,552	0	0	31,552
Retainage Payable	5,543	0	157,190	162,733
Interfund Payable	36,836	0	0	36,836
Notes Payable	0	0	365,000	365,000
<b>Total Liabilities</b>	<b><u>459,200</u></b>	<b><u>0</u></b>	<b><u>1,242,580</u></b>	<b><u>1,701,780</u></b>
<b>Deferred Inflows of Resources:</b>				
Property Taxes and Payments in Lieu of Taxes	0	474,298	0	474,298
Unavailable Revenue - Delinquent Payments in Lieu of Taxes	0	62,038	0	62,038
Unavailable Revenue - Other	642,380	0	0	642,380
<b>Total Deferred Inflows of Resources</b>	<b><u>642,380</u></b>	<b><u>536,336</u></b>	<b><u>0</u></b>	<b><u>1,178,716</u></b>
<b>Fund Balances:</b>				
Nonspendable	57,113	0	0	57,113
Restricted	2,206,219	195,294	2,387,742	4,789,255
Committed	986,967	0	5,083,865	6,070,832
Unassigned (Deficit)	(31,552)	0	0	(31,552)
<b>Total Fund Balance</b>	<b><u>3,218,747</u></b>	<b><u>195,294</u></b>	<b><u>7,471,607</u></b>	<b><u>10,885,648</u></b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b><u>\$4,320,327</u></b>	<b><u>\$731,630</u></b>	<b><u>\$8,714,187</u></b>	<b><u>\$13,766,144</u></b>

**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2014*

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>REVENUES</b>				
Payments in Lieu of Taxes	\$0	\$489,379	\$0	\$489,379
Intergovernmental	2,793,019	32,497	593,188	3,418,704
Fines and Forfeitures	235,973	0	0	235,973
Charges for Services	2,399,334	0	0	2,399,334
Contributions and Donations	62,312	0	0	62,312
Special Assessments	73,672	0	0	73,672
All Other Revenues	178,058	0	19,037	197,095
<b>Total Revenues</b>	<u>5,742,368</u>	<u>521,876</u>	<u>612,225</u>	<u>6,876,469</u>
<b>EXPENDITURES</b>				
Security of Persons and Property:				
Police	130,029	0	0	130,029
Fire	1,846,873	0	0	1,846,873
Public Health Services	1,216,300	0	0	1,216,300
Community Environment	928,159	0	0	928,159
Transportation	1,915,695	0	0	1,915,695
General Government	178,365	0	0	178,365
Capital Outlay	0	0	3,952,584	3,952,584
Debt Service:				
Principal Retirement	59,582	245,000	0	304,582
Interest and Fiscal Charges	13,503	199,017	0	212,520
<b>Total Expenditures</b>	<u>6,288,506</u>	<u>444,017</u>	<u>3,952,584</u>	<u>10,685,107</u>
Excess of Revenues Over (Under) Expenditures	<u>(546,138)</u>	<u>77,859</u>	<u>(3,340,359)</u>	<u>(3,808,638)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	17,237	0	0	17,237
Bond Anticipation Notes Issued	0	0	3,985,000	3,985,000
Transfer In	680,000	0	5,000,000	5,680,000
Transfer Out	(76,413)	0	0	(76,413)
<b>Total Other Financing Sources (Uses)</b>	<u>620,824</u>	<u>0</u>	<u>8,985,000</u>	<u>9,605,824</u>
Net Change in Fund Balances	74,686	77,859	5,644,641	5,797,186
Fund Balances - Beginning of Year	3,144,061	117,435	1,826,966	5,088,462
<b>Fund Balances - End of Year</b>	<u>\$3,218,747</u>	<u>\$195,294</u>	<u>\$7,471,607</u>	<u>\$10,885,648</u>

**City of Lakewood, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2014*

	<u>Street and Highway</u>	<u>Litter Control Grant</u>	<u>Law and Drug Enforcement Trust</u>	<u>Federal Forfeiture</u>	<u>Indigent Drivers Alcohol Treatment</u>
<b>ASSETS</b>					
Equity in Pooled Cash and Cash Equivalents	\$860,990	\$5,709	\$143,459	\$3,142	\$178,736
Cash and Cash Equivalents:					
In Segregated Accounts	5,543	0	0	0	0
Materials and Supplies Inventory	57,113	0	0	0	0
Accrued Interest Receivable	0	0	0	66	0
Accounts Receivable	0	0	280	0	785
Intergovernmental Receivable	809,626	0	0	0	0
Special Assessments Receivable	113,951	0	0	0	0
Assets held for Resale	0	0	0	0	0
<b>Total Assets</b>	<u>\$1,847,223</u>	<u>\$5,709</u>	<u>\$143,739</u>	<u>\$3,208</u>	<u>\$179,521</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$106,626	\$0	\$550	\$0	\$11,205
Accrued Wages and Benefits	39,264	0	0	0	0
Intergovernmental Payable	11,639	0	0	0	0
Retainage Payable	5,543	0	0	0	0
Interfund Payable	11,214	0	0	0	0
<b>Total Liabilities</b>	<u>174,286</u>	<u>0</u>	<u>550</u>	<u>0</u>	<u>11,205</u>
<b>Deferred Inflows of Resources:</b>					
Unavailable Revenue - Other	626,481	0	0	0	0
<b>Total Deferred Inflows of Resources</b>	<u>626,481</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances:</b>					
Nonspendable	57,113	0	0	0	0
Restricted	989,343	5,709	143,189	3,208	168,316
Committed	0	0	0	0	0
Unassigned (Deficit)	0	0	0	0	0
<b>Total Fund Balances (Deficit)</b>	<u>1,046,456</u>	<u>5,709</u>	<u>143,189</u>	<u>3,208</u>	<u>168,316</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$1,847,223</u>	<u>\$5,709</u>	<u>\$143,739</u>	<u>\$3,208</u>	<u>\$179,521</u>

(Continued)

**City of Lakewood, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2014*

	<b>Enforcement and Education</b>	<b>Political Subdivision</b>	<b>Computer Research and Maintenance</b>	<b>Court Special Projects</b>
<b>ASSETS</b>				
Equity in Pooled Cash and Cash Equivalents	\$33,652	\$16,945	\$36,745	\$240,860
Cash and Cash Equivalents:				
In Segregated Accounts	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
Accrued Interest Receivable	0	0	0	0
Accounts Receivable	375	50	2,363	9,870
Intergovernmental Receivable	0	0	0	0
Special Assessments Receivable	0	0	0	0
Assets held for Resale	0	0	0	0
<b>Total Assets</b>	<b>\$34,027</b>	<b>\$16,995</b>	<b>\$39,108</b>	<b>\$250,730</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$0	\$0	\$126	\$498
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	0	0	0	0
Retainage Payable	0	0	0	0
Interfund Payable	0	0	0	0
<b>Total Liabilities</b>	<b>0</b>	<b>0</b>	<b>126</b>	<b>498</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable Revenue - Other	0	0	0	0
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balances:</b>				
Nonspendable	0	0	0	0
Restricted	34,027	16,995	38,982	250,232
Committed	0	0	0	0
Unassigned (Deficit)	0	0	0	0
<b>Total Fund Balances (Deficit)</b>	<b>34,027</b>	<b>16,995</b>	<b>38,982</b>	<b>250,232</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$34,027</b>	<b>\$16,995</b>	<b>\$39,108</b>	<b>\$250,730</b>

<b>Court Probation Services</b>	<b>Indigent Drivers Interlock and Alcohol Monitoring</b>	<b>Emergency Shelter Grant</b>	<b>HOME Investment Program</b>	<b>Neighborhood Stabilization</b>	<b>Office on Aging</b>	<b>Lakewood Hospital</b>
\$6,059	\$71,679	\$5,400	\$29,950	\$307,981	\$130,258	\$610,272
0	0	0	0	0	0	74,492
0	0	0	0	0	0	0
0	0	0	0	0	0	0
4,435	559	0	0	0	0	405,437
0	0	0	0	0	12,671	0
0	0	0	0	0	0	15,899
0	0	0	0	64,950	0	0
<u>\$10,494</u>	<u>\$72,238</u>	<u>\$5,400</u>	<u>\$29,950</u>	<u>\$372,931</u>	<u>\$142,929</u>	<u>\$1,106,100</u>
\$511	\$0	\$4,741	\$56,161	\$0	\$28,527	\$43,067
0	0	0	0	0	23,073	53,009
187	0	0	0	0	6,053	9,916
0	0	0	0	0	0	0
0	0	6,000	0	0	8,811	8,811
<u>698</u>	<u>0</u>	<u>10,741</u>	<u>56,161</u>	<u>0</u>	<u>66,464</u>	<u>114,803</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>15,899</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>15,899</u>
0	0	0	0	0	0	0
9,796	72,238	0	0	372,931	76,465	0
0	0	0	0	0	0	975,398
0	0	(5,341)	(26,211)	0	0	0
<u>9,796</u>	<u>72,238</u>	<u>(5,341)</u>	<u>(26,211)</u>	<u>372,931</u>	<u>76,465</u>	<u>975,398</u>
<u>\$10,494</u>	<u>\$72,238</u>	<u>\$5,400</u>	<u>\$29,950</u>	<u>\$372,931</u>	<u>\$142,929</u>	<u>\$1,106,100</u>

(Continued)

**City of Lakewood, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2014*

	<u>Help-to- Others</u>	<u>Juvenile Diversion</u>	<u>Family to Family</u>	<u>FEMA</u>	<u>Total Nonmajor Special Revenue Funds</u>
<b>ASSETS</b>					
Equity in Pooled Cash and Cash Equivalents	\$11,569	\$10,527	\$6,663	\$2,781	\$2,713,377
Cash and Cash Equivalents:					
In Segregated Accounts	0	0	0	0	80,035
Materials and Supplies Inventory	0	0	0	0	57,113
Accrued Interest Receivable	0	0	0	0	66
Accounts Receivable	0	0	0	0	424,154
Intergovernmental Receivable	0	3,006	25,479	0	850,782
Special Assessments Receivable	0	0	0	0	129,850
Assets held for Resale	0	0	0	0	64,950
<b>Total Assets</b>	<u>\$11,569</u>	<u>\$13,533</u>	<u>\$32,142</u>	<u>\$2,781</u>	<u>\$4,320,327</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$0	\$557	\$6,067	\$0	\$258,636
Accrued Wages and Benefits	0	1,087	10,200	0	126,633
Intergovernmental Payable	0	395	3,362	0	31,552
Retainage Payable	0	0	0	0	5,543
Interfund Payable	0	0	2,000	0	36,836
<b>Total Liabilities</b>	<u>0</u>	<u>2,039</u>	<u>21,629</u>	<u>0</u>	<u>459,200</u>
<b>Deferred Inflows of Resources:</b>					
Unavailable Revenue - Other	0	0	0	0	642,380
<b>Total Deferred Inflows of Resources</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>642,380</u>
<b>Fund Balances:</b>					
Nonspendable	0	0	0	0	57,113
Restricted	0	11,494	10,513	2,781	2,206,219
Committed	11,569	0	0	0	986,967
Unassigned (Deficit)	0	0	0	0	(31,552)
<b>Total Fund Balances (Deficit)</b>	<u>11,569</u>	<u>11,494</u>	<u>10,513</u>	<u>2,781</u>	<u>3,218,747</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$11,569</u>	<u>\$13,533</u>	<u>\$32,142</u>	<u>\$2,781</u>	<u>\$4,320,327</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, 2014*

	<b>Street and Highway</b>	<b>Litter Control Grant</b>	<b>Law and Drug Enforcement Trust</b>	<b>Federal Forfeiture</b>	<b>Indigent Drivers Alcohol Treatment</b>
<b>REVENUES</b>					
Intergovernmental	\$1,906,790	\$0	\$9,899	\$0	\$7,980
Fines and Forfeitures	0	0	7,742	0	13,244
Charges for Services	0	0	0	0	0
Contributions and Donations	0	0	0	0	0
Special Assessments	60,565	0	0	0	0
All Other Revenues	88,844	0	54,710	0	0
<b>Total Revenues</b>	<b>2,056,199</b>	<b>0</b>	<b>72,351</b>	<b>0</b>	<b>21,224</b>
<b>EXPENDITURES</b>					
Security of Persons and Property					
Police and Other	0	0	109,048	6,082	0
Fire	0	0	0	0	0
Public Health Services	0	0	0	0	0
Community Environment	0	0	0	0	0
Transportation	1,915,695	0	0	0	0
General Government	0	0	0	0	25,199
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
<b>Total Expenditures</b>	<b>1,915,695</b>	<b>0</b>	<b>109,048</b>	<b>6,082</b>	<b>25,199</b>
Excess of Revenues Over (Under) Expenditures	140,504	0	(36,697)	(6,082)	(3,975)
<b>OTHER FINANCING SOURCES</b>					
Sale of Capital Assets	0	0	17,237	0	0
Transfers In	0	0	0	0	0
Transfers Out	(25,000)	0	0	0	0
<b>Total Other Financing Sources</b>	<b>(25,000)</b>	<b>0</b>	<b>17,237</b>	<b>0</b>	<b>0</b>
Net Change in Fund Balances	115,504	0	(19,460)	(6,082)	(3,975)
Fund Balances - Beginning of Year	930,952	5,709	162,649	9,290	172,291
<b>Fund Balances - End of Year</b>	<b>\$1,046,456</b>	<b>\$5,709</b>	<b>\$143,189</b>	<b>\$3,208</b>	<b>\$168,316</b>

(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, 2014*

	<b>Enforcement and Education</b>	<b>Political Subdivision</b>	<b>Computer Research and Maintenance</b>	<b>Court Special Projects</b>	<b>Court Probation Services</b>
<b>REVENUES</b>					
Intergovernmental	\$0	\$0	\$0	\$0	\$0
Fines and Forfeitures	3,650	977	31,797	135,619	34,569
Charges for Services	0	0	0	0	0
Contributions and Donations	0	0	0	0	0
Special Assessments	0	0	0	0	0
All Other Revenues	700	0	0	0	0
<b>Total Revenues</b>	<b>4,350</b>	<b>977</b>	<b>31,797</b>	<b>135,619</b>	<b>34,569</b>
<b>EXPENDITURES</b>					
Security of Persons and Property					
Police and Other	14,899	0	0	0	0
Fire	0	0	0	0	0
Public Health Services	0	0	0	0	0
Community Environment	0	0	0	0	0
Transportation	0	0	0	0	0
General Government	0	0	20,306	86,225	45,039
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
<b>Total Expenditures</b>	<b>14,899</b>	<b>0</b>	<b>20,306</b>	<b>86,225</b>	<b>45,039</b>
Excess of Revenues Over (Under) Expenditures	(10,549)	977	11,491	49,394	(10,470)
<b>OTHER FINANCING SOURCES</b>					
Sale of Capital Assets	0	0	0	0	0
Transfers In	0	0	0	0	0
Transfers Out	0	0	0	0	0
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Net Change in Fund Balances	(10,549)	977	11,491	49,394	(10,470)
Fund Balances - Beginning of Year	44,576	16,018	27,491	200,838	20,266
<b>Fund Balances - End of Year</b>	<b>\$34,027</b>	<b>\$16,995</b>	<b>\$38,982</b>	<b>\$250,232</b>	<b>\$9,796</b>

<b>Indigent Drivers Interlock and Alcohol Monitoring</b>	<b>Emergency Shelter Grant</b>	<b>HOME Investment Program</b>	<b>Energy Efficiency Block Grant</b>	<b>Neighborhood Stabilization</b>	<b>Homeless Prevention</b>	<b>Office on Aging</b>	<b>Lakewood Hospital</b>
\$0	\$162,623	\$219,555	\$0	\$5,001	\$0	\$111,324	\$0
8,375	0	0	0	0	0	0	0
0	0	0	0	0	0	71,892	2,312,807
0	0	0	0	0	0	62,312	0
0	0	0	0	0	0	0	13,107
0	0	0	0	0	0	0	6,346
<u>8,375</u>	<u>162,623</u>	<u>219,555</u>	<u>0</u>	<u>5,001</u>	<u>0</u>	<u>245,528</u>	<u>2,332,260</u>
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	1,833,176
0	0	0	0	0	0	875,274	341,026
0	148,696	274,176	0	98,938	155	0	0
0	0	0	0	0	0	0	0
1,596	0	0	0	0	0	0	0
0	0	0	0	0	0	0	59,582
0	0	0	0	0	0	0	13,503
<u>1,596</u>	<u>148,696</u>	<u>274,176</u>	<u>0</u>	<u>98,938</u>	<u>155</u>	<u>875,274</u>	<u>2,247,287</u>
<u>6,779</u>	<u>13,927</u>	<u>(54,621)</u>	<u>0</u>	<u>(93,937)</u>	<u>(155)</u>	<u>(629,746)</u>	<u>84,973</u>
0	0	0	0	0	0	0	0
0	0	0	0	0	0	680,000	0
0	0	0	(50,213)	0	0	0	(1,200)
0	0	0	(50,213)	0	0	680,000	(1,200)
<u>6,779</u>	<u>13,927</u>	<u>(54,621)</u>	<u>(50,213)</u>	<u>(93,937)</u>	<u>(155)</u>	<u>50,254</u>	<u>83,773</u>
<u>65,459</u>	<u>(19,268)</u>	<u>28,410</u>	<u>50,213</u>	<u>466,868</u>	<u>155</u>	<u>26,211</u>	<u>891,625</u>
<u>\$72,238</u>	<u>(\$5,341)</u>	<u>(\$26,211)</u>	<u>\$0</u>	<u>\$372,931</u>	<u>\$0</u>	<u>\$76,465</u>	<u>\$975,398</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, 2014*

	<b>Help-to- Others</b>	<b>Juvenile Diversion</b>	<b>Family to Family</b>	<b>FEMA</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>REVENUES</b>					
Intergovernmental	\$0	\$37,235	\$318,915	\$13,697	\$2,793,019
Fines and Forfeitures	0	0	0	0	235,973
Charges for Services	14,635	0	0	0	2,399,334
Contributions and Donations	0	0	0	0	62,312
Special Assessments	0	0	0	0	73,672
All Other Revenues	25,428	2,030	0	0	178,058
<b>Total Revenues</b>	<b>40,063</b>	<b>39,265</b>	<b>318,915</b>	<b>13,697</b>	<b>5,742,368</b>
<b>EXPENDITURES</b>					
Security of Persons and Property					
Police and Other	0	0	0	0	130,029
Fire	0	0	0	13,697	1,846,873
Public Health Services	0	0	0	0	1,216,300
Community Environment	34,601	41,918	329,675	0	928,159
Transportation	0	0	0	0	1,915,695
General Government	0	0	0	0	178,365
Debt Service:					
Principal Retirement	0	0	0	0	59,582
Interest and Fiscal Charges	0	0	0	0	13,503
<b>Total Expenditures</b>	<b>34,601</b>	<b>41,918</b>	<b>329,675</b>	<b>13,697</b>	<b>6,288,506</b>
Excess of Revenues Over (Under) Expenditures	5,462	(2,653)	(10,760)	0	(546,138)
<b>OTHER FINANCING SOURCES</b>					
Sale of Capital Assets	0	0	0	0	17,237
Transfers In	0	0	0	0	680,000
Transfers Out	0	0	0	0	(76,413)
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>620,824</b>
Net Change in Fund Balances	5,462	(2,653)	(10,760)	0	74,686
Fund Balances - Beginning of Year	6,107	14,147	21,273	2,781	3,144,061
<b>Fund Balances - End of Year</b>	<b>\$11,569</b>	<b>\$11,494</b>	<b>\$10,513</b>	<b>\$2,781</b>	<b>\$3,218,747</b>

**City of Lakewood, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2014*

	<b>Permanent Capital Improvement</b>	<b>Land Acquisition</b>	<b>City Park Improvement</b>	<b>Tax Increment Financing Capital Improvement</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>ASSETS</b>					
Equity in Pooled Cash and Cash Equivalents	\$2,663,230	\$ 5,000,000	\$83,865	\$223,211	\$7,970,306
Cash and Cash Equivalents:					
In Segregated Accounts	135,472	0	0	21,718	157,190
Intergovernmental Receivable	586,691	0	0	0	586,691
<b>Total Assets</b>	<b>\$3,385,393</b>	<b>\$5,000,000</b>	<b>\$83,865</b>	<b>\$244,929</b>	<b>\$8,714,187</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$720,390	\$0	\$0	\$0	\$720,390
Retainage Payable	135,472	0	0	21,718	157,190
Notes Payable	365,000	0	0	0	365,000
<b>Total Liabilities</b>	<b>1,220,862</b>	<b>0</b>	<b>0</b>	<b>21,718</b>	<b>1,242,580</b>
<b>Fund Balances:</b>					
Restricted	2,164,531	0	0	223,211	2,387,742
Committed	0	5,000,000	83,865	0	5,083,865
<b>Total Fund Balances</b>	<b>2,164,531</b>	<b>5,000,000</b>	<b>83,865</b>	<b>223,211</b>	<b>7,471,607</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$3,385,393</b>	<b>\$ 5,000,000</b>	<b>\$83,865</b>	<b>\$244,929</b>	<b>\$8,714,187</b>

**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2014*

	<b>Permanent Capital Improvement</b>	<b>Land Acquisition</b>	<b>City Park Improvement</b>	<b>Tax Increment Financing Capital Improvement</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>REVENUES</b>					
Intergovernmental	\$593,188	\$0	\$0	\$0	\$593,188
All Other Revenues	0	0	19,037	0	19,037
<b>Total Revenues</b>	<b>593,188</b>	<b>0</b>	<b>19,037</b>	<b>0</b>	<b>612,225</b>
<b>EXPENDITURES</b>					
Capital Outlay	3,946,557	0	6,027	0	3,952,584
<b>Total Expenditures</b>	<b>3,946,557</b>	<b>0</b>	<b>6,027</b>	<b>0</b>	<b>3,952,584</b>
Excess of Revenues (Under) Expenditures	(3,353,369)	0	13,010	0	(3,340,359)
<b>OTHER FINANCING SOURCES</b>					
Bond Anticipation Notes Issued	3,985,000	0	0	0	3,985,000
Transfer In	0	5,000,000	0	0	5,000,000
<b>Total Other Financing Sources</b>	<b>3,985,000</b>	<b>5,000,000</b>	<b>0</b>	<b>0</b>	<b>8,985,000</b>
Net Change in Fund Balances	631,631	5,000,000	13,010	0	5,644,641
Fund Balances - Beginning of Year	1,532,900	0	70,855	223,211	1,826,966
<b>Fund Balances - End of Year</b>	<b>\$2,164,531</b>	<b>\$5,000,000</b>	<b>\$83,865</b>	<b>\$223,211</b>	<b>\$7,471,607</b>

## *Fund Descriptions – Nonmajor Proprietary Funds*

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### *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 and report the off-street parking services provided by the City.

Winterhurst Ice Rink Fund

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

Workers' Compensation Fund

To account for and report workers' compensation costs incurred under the State's retrospectively rated workers' compensation program.

**City of Lakewood, Ohio**  
*Combining Statement of Net Position*  
*Nonmajor Enterprise Funds*  
*December 31, 2014*

	<b>Parking Facilities</b>	<b>Winterhurst Ice Rink</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>ASSETS</b>			
<b>Current Assets:</b>			
Equity in Pooled Cash and Cash Equivalents	\$408,228	\$30,633	\$438,861
Materials and Supplies Inventory	86,249	0	86,249
Accounts Receivable	0	289,194	289,194
<b>Total Current Assets</b>	<b>494,477</b>	<b>319,827</b>	<b>814,304</b>
<b>Noncurrent Assets:</b>			
Capital Assets:			
Land	77,120	10	77,130
Depreciable Capital Assets, Net of Depreciation	550,625	4,643,677	5,194,302
<b>Total Noncurrent Assets</b>	<b>627,745</b>	<b>4,643,687</b>	<b>5,271,432</b>
<b>Total Assets</b>	<b>1,122,222</b>	<b>4,963,514</b>	<b>6,085,736</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferral on Refunding	0	29,641	29,641
<b>Total Deferred Outflows of Resources</b>	<b>0</b>	<b>29,641</b>	<b>29,641</b>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts Payable	53,370	106,662	160,032
Accrued Wages	5,790	0	5,790
Intergovernmental Payable	1,506	0	1,506
Interfund Payable	1,602	110,000	111,602
Compensated Absences Payable	1,061	0	1,061
Accrued Interest Payable	685	1,376	2,061
General Obligation Bonds Payable	25,000	101,376	126,376
Capital Leases Payable	2,025	128,650	130,675
<b>Total Current Liabilities</b>	<b>91,039</b>	<b>448,064</b>	<b>539,103</b>
<b>Noncurrent Liabilities:</b>			
Compensated Absences Payable	5,855	0	5,855
General Obligation Bonds Payable	171,458	338,851	510,309
Capital Leases Payable	7,100	356,210	363,310
<b>Total Noncurrent Liabilities</b>	<b>184,413</b>	<b>695,061</b>	<b>879,474</b>
<b>Total Liabilities</b>	<b>275,452</b>	<b>1,143,125</b>	<b>1,418,577</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	422,162	3,748,241	4,170,403
Unrestricted	424,608	101,789	526,397
<b>Total Net Position</b>	<b>\$846,770</b>	<b>\$3,850,030</b>	<b>\$4,696,800</b>

**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Nonmajor Enterprise Funds*  
*For the Year Ended December 31, 2014*

	<b>Parking Facilities</b>	<b>Winterhurst Ice Rink</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>OPERATING REVENUES</b>			
Charges for Services	\$464,973	\$440,413	\$905,386
Miscellaneous	0	77,500	77,500
<b>Total Operating Revenues</b>	<b>464,973</b>	<b>517,913</b>	<b>982,886</b>
<b>OPERATING EXPENSES</b>			
Salaries	119,109	0	119,109
Property Taxes	48,900	57,613	106,513
Materials and Supplies	26,153	0	26,153
Utilities	25,383	278,994	304,377
Contractual Services	8,729	0	8,729
Depreciation	27,023	85,001	112,024
Other	51,484	0	51,484
<b>Total Operating Expense</b>	<b>306,781</b>	<b>421,608</b>	<b>728,389</b>
Operating Income (Loss)	158,192	96,305	254,497
<b>NONOPERATING REVENUES (EXPENSES)</b>			
(Loss) on Sale of Capital Assets	(4,340)	0	(4,340)
Interest and Fiscal Charges	(8,460)	(40,315)	(48,775)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(12,800)</b>	<b>(40,315)</b>	<b>(53,115)</b>
Transfers In	0	256,924	256,924
(Transfers Out)	(4,500)	(80,000)	(84,500)
Change in Net Position	140,892	232,914	373,806
Net Position - Beginning of Year	705,878	3,617,116	4,322,994
<b>Net Position - End of Year</b>	<b>\$846,770</b>	<b>\$3,850,030</b>	<b>\$4,696,800</b>

**City of Lakewood, Ohio**  
*Combining Statement of Cash Flows*  
*Nonmajor Enterprise Funds*  
*For the Year Ended December 31, 2014*

	<b>Parking Facilities</b>	<b>Winterhurst Ice Rink</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Customers	\$464,973	\$401,731	\$866,704
Cash Received from Other Operating Sources	0	77,500	77,500
Cash Payments for Employee Services and Benefits	(127,989)	0	(127,989)
Cash Payments for Goods and Services	(104,433)	(326,275)	(430,708)
Cash Payments for Other Operating Expenses	(51,484)	0	(51,484)
Net Cash Provided by Operating Activities	<u>181,067</u>	<u>152,956</u>	<u>334,023</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Advances In	0	50,000	50,000
Advances Out	0	(125,000)	(125,000)
Transfers In	0	256,924	256,924
Transfers Out	(4,500)	(80,000)	(84,500)
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>(4,500)</u>	<u>101,924</u>	<u>97,424</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Principal Paid on Debt	(27,555)	(217,548)	(245,103)
Interest Paid on Debt	(8,695)	(39,376)	(48,071)
Payments for Capital Acquisitions	(14,957)	0	(14,957)
Net Cash Used in Capital and Related Financing Activities	<u>(51,207)</u>	<u>(256,924)</u>	<u>(308,131)</u>
Net Decrease in Cash and Cash Equivalents	125,360	(2,044)	123,316
Cash and Cash Equivalents - Beginning of Year	<u>282,868</u>	<u>32,677</u>	<u>315,545</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u><u>\$408,228</u></u>	<u><u>\$30,633</u></u>	<u><u>\$438,861</u></u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating Income	\$158,192	\$96,305	\$254,497
Adjustments:			
Depreciation	27,023	85,001	112,024
(Increase) Decrease in Assets:			
Accounts Receivable	0	(38,682)	(38,682)
Materials and Supplies Inventory	4,303	0	4,303
Increase (Decrease) in Liabilities:			
Accounts Payable	429	10,332	10,761
Accrued Wages and Benefits	1,637	0	1,637
Compensated Absences Payable	(10,388)	0	(10,388)
Interfund Payable	(282)	0	(282)
Intergovernmental Payable	153	0	153
Net Cash Provided by Operating Activities	<u><u>\$181,067</u></u>	<u><u>\$152,956</u></u>	<u><u>\$334,023</u></u>

**City of Lakewood, Ohio**  
*Combining Statement of Net Position*  
*Nonmajor Internal Service Funds*  
*December 31, 2014*

	<u>Hospitalization</u>	<u>Workers' Compensation</u>	<u>Total Nonmajor Internal Service Funds</u>
<b>ASSETS</b>			
<b>Current Assets:</b>			
Equity in Pooled Cash and Cash Equivalents	\$2,331,100	\$566,135	\$2,897,235
Interfund Receivable	311,437	21,784	333,221
<b>Total Assets</b>	<u>2,642,537</u>	<u>587,919</u>	<u>3,230,456</u>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Intergovernmental Payable	0	23,592	23,592
Claims Payable	443,408	21,784	465,192
<b>Total Current Liabilities</b>	<u>443,408</u>	<u>45,376</u>	<u>488,784</u>
<b>Noncurrent Liabilities:</b>			
Claims Payable	0	99,376	99,376
<b>Total Liabilities</b>	<u>443,408</u>	<u>144,752</u>	<u>588,160</u>
<b>NET POSITION</b>			
Unrestricted	2,199,129	443,167	2,642,296
<b>Total Net Position</b>	<u>\$2,199,129</u>	<u>\$443,167</u>	<u>\$2,642,296</u>

**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Nonmajor Internal Service Funds*  
*For the Year Ended December 31, 2014*

	<u>Hospitalization</u>	<u>Workers'</u> <u>Compensation</u>	<u>Total</u> <u>Nonmajor</u> <u>Internal</u> <u>Service</u> <u>Funds</u>
<b>OPERATING REVENUES</b>			
Charges for Services	\$2,939,900	\$252,412	\$3,192,312
Miscellaneous	780,674	0	780,674
<b>Total Operating Revenues</b>	<u>3,720,574</u>	<u>252,412</u>	<u>3,972,986</u>
<b>OPERATING EXPENSES</b>			
Contractual Services	35,813	101,847	137,660
Claims	5,739,783	234,824	5,974,607
<b>Total Operating Expense</b>	<u>5,775,596</u>	<u>336,671</u>	<u>6,112,267</u>
Operating (Loss)	<u>(2,055,022)</u>	<u>(84,259)</u>	<u>(2,139,281)</u>
Transfers In	<u>1,628,080</u>	<u>11,737</u>	<u>1,639,817</u>
Change in Net Position	<u>(426,942)</u>	<u>(72,522)</u>	<u>(499,464)</u>
Net Position - Beginning of Year	<u>2,626,071</u>	<u>515,689</u>	<u>3,141,760</u>
<b>Net Position - End of Year</b>	<u><u>\$2,199,129</u></u>	<u><u>\$443,167</u></u>	<u><u>\$2,642,296</u></u>

**City of Lakewood, Ohio**  
*Combining Statement of Cash Flows*  
*Nonmajor Internal Service Funds*  
*For the Year Ended December 31, 2014*

	<u>Hospitalization</u>	<u>Workers' Compensation</u>	<u>Total Nonmajor Internal Service Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Customers and Users	\$3,006,463	\$243,418	\$3,249,881
Other Cash Receipts	780,674	0	780,674
Cash Payments for Goods and Services	(54,977)	(135,456)	(190,433)
Cash Payments for Claims	(5,674,375)	(257,915)	(5,932,290)
Net Cash Used in Operating Activities	<u>(1,942,215)</u>	<u>(149,953)</u>	<u>(2,092,168)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers In	<u>1,628,080</u>	<u>11,737</u>	<u>1,639,817</u>
Net Cash Provided by Noncapital Financing Activities	<u>1,628,080</u>	<u>11,737</u>	<u>1,639,817</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(314,135)	(138,216)	(452,351)
Cash and Cash Equivalents - Beginning of Year	<u>2,645,235</u>	<u>704,351</u>	<u>3,349,586</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u><u>\$2,331,100</u></u>	<u><u>\$566,135</u></u>	<u><u>\$2,897,235</u></u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH USED IN OPERATING ACTIVITIES</b>			
Operating (Loss)	(\$2,055,022)	(\$84,259)	(\$2,139,281)
Adjustments:			
(Increase) Decrease in Assets:			
Interfund Receivable	66,563	(8,994)	57,569
Increase (Decrease) in Liabilities:			
Accounts Payable	(19,164)	0	(19,164)
Intergovernmental Payable	0	(33,609)	(33,609)
Claims Payable	65,408	(23,091)	42,317
Net Cash Used in Operating Activities	<u><u>(1,942,215)</u></u>	<u><u>(149,953)</u></u>	<u><u>(2,092,168)</u></u>

## *Fund Descriptions – Fiduciary Funds*

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### *Fiduciary Funds*

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Agency funds are purely custodial (assets equals liabilities) and thus do not involve measurement of results of operations.

### *Agency Funds*

Deposits

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

**City of Lakewood, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
*For the Year Ended December 31, 2014*

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	<u>Balance</u> <u>12/31/2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2014</u>
<b>Deposits</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$1,187,355</u>	<u>\$31,492,064</u>	<u>\$31,262,894</u>	<u>\$1,416,525</u>
<b>Liabilities</b>				
Deposits Held and Due to Others	<u>\$1,187,355</u>	<u>\$31,492,064</u>	<u>\$31,262,894</u>	<u>\$1,416,525</u>

**Individual Fund Schedules of Revenues, Expenditures/Expenses  
And Changes in Fund Balances/Fund 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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$6,161,096	\$6,376,854	\$215,758
Municipal Income Taxes	20,466,000	20,857,676	391,676
Charges for Services	1,330,074	1,529,828	199,754
Licenses, Permits and Fees	1,912,406	2,203,740	291,334
Fines and Forfeitures	1,439,121	1,607,008	167,887
Intergovernmental	10,446,398	10,552,825	106,427
Interest	35,000	72,007	37,007
Miscellaneous	90,918	91,711	793
<i>Total Revenues</i>	<u>41,881,013</u>	<u>43,291,649</u>	<u>1,410,636</u>
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Council			
Salaries	121,651	121,543	108
Fringe Benefits	26,495	25,692	803
Professional Services	8,500	7,922	578
Communications	420	232	188
Materials and Supplies	900	835	65
Other	4,008	3,952	56
Total Council	<u>161,974</u>	<u>160,176</u>	<u>1,798</u>
Municipal Court			
Salaries	888,758	818,140	70,618
Fringe Benefits	145,769	120,743	25,026
Travel and Transportation	2,400	1,411	989
Professional Services	56,200	43,512	12,688
Communications	46,500	40,674	5,826
Materials and Supplies	19,750	14,287	5,463
Other	22,650	16,249	6,401
Total Municipal Court	<u>1,182,027</u>	<u>1,055,016</u>	<u>127,011</u>

*(continued)*

**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, 2014  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Civil Service			
Salaries	\$55,331	\$55,292	\$39
Fringe Benefits	15,520	15,443	77
Professional Services	20,000	19,765	235
Communications	690	557	133
Materials and Supplies	105	87	18
Other	30	28	2
Total Civil Service	<u>91,676</u>	<u>91,172</u>	<u>504</u>
Mayor's Office			
Salaries	170,486	168,014	2,472
Fringe Benefits	48,004	46,913	1,091
Travel and Transportation	1,327	1,055	272
Professional Services	8,600	8,522	78
Communications	2,710	1,867	843
Materials and Supplies	4,035	3,514	521
Other	500	431	69
Total Mayor's Office	<u>235,662</u>	<u>230,316</u>	<u>5,346</u>
Human Resources			
Salaries	168,498	168,431	67
Fringe Benefits	46,413	46,243	170
Professional Services	22,300	20,410	1,890
Communications	1,150	915	235
Materials and Supplies	3,700	3,001	699
Other	2,300	1,717	583
Total Human Resources	<u>244,361</u>	<u>240,717</u>	<u>3,644</u>

*(continued)*

**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, 2014  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Community Relations			
Salaries	\$54,117	\$54,096	\$21
Fringe Benefits	17,369	17,230	139
Professional Services	5,500	4,866	634
Communications	4,610	4,001	609
Contractual Services	5,000	5,000	0
Materials and Supplies	2,235	527	1,708
Capital Outlay	276	276	0
Other	1,250	1,023	227
Total Community Relations	<u>90,357</u>	<u>87,019</u>	<u>3,338</u>
Public Works Administration			
Salaries	17,059	17,059	0
Fringe Benefits	9,921	9,625	296
Travel and Transportation	225	52	173
Professional Services	1,715	1,623	92
Communications	1,425	844	581
Materials and Supplies	1,570	895	675
Other	500	456	44
Total Public Works Administration	<u>32,415</u>	<u>30,554</u>	<u>1,861</u>
Buildings and Facilities-Security			
Salaries	90,000	87,832	2,168
Fringe Benefits	13,905	13,570	335
Total Buildings and Facilities	<u>103,905</u>	<u>101,402</u>	<u>2,503</u>

*(continued)*

**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, 2014  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Fleet Management</b>			
Salaries	\$611,340	\$603,872	\$7,468
Fringe Benefits	186,960	184,217	2,743
Travel and Transportation	313	313	0
Professional Services	20,000	18,648	1,352
Communications	2,010	1,717	293
Contractual Services	21,000	18,083	2,917
Materials and Supplies	602,757	586,800	15,957
Capital Outlay	64,000	63,194	806
Other	5,450	5,087	363
<b>Total Fleet Management</b>	<b>1,513,830</b>	<b>1,481,931</b>	<b>31,899</b>
<b>Engineering</b>			
Salaries	112,550	112,549	1
Fringe Benefits	44,290	42,689	1,601
Travel and Transportation	1,205	1,090	115
Professional Services	2,010	1,297	713
Communications	3,425	2,292	1,133
Contractual Services	25,000	23,121	1,879
Materials and Supplies	2,585	1,912	673
Other	2,680	2,503	177
<b>Total Engineering</b>	<b>193,745</b>	<b>187,453</b>	<b>6,292</b>
<b>Finance</b>			
Salaries	375,523	375,522	1
Fringe Benefits	116,565	114,994	1,571
Travel and Transportation	1,050	825	225
Professional Services	68,626	54,320	14,306
Communications	6,050	5,026	1,024
Materials and Supplies	3,785	2,852	933
Other	3,950	2,940	1,010
<b>Total Finance</b>	<b>575,549</b>	<b>556,479</b>	<b>19,070</b>

*(continued)*

**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, 2014  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Income Tax</b>			
Salaries	\$401,277	\$397,185	\$4,092
Fringe Benefits	113,265	112,037	1,228
Travel and Transportation	710	430	280
Professional Services	65,317	60,293	5,024
Communications	56,100	54,678	1,422
Contractual Services	1,400	1,400	0
Materials and Supplies	4,725	3,336	1,389
Refunds	433,613	418,518	15,095
Other	84,280	81,307	2,973
<b>Total Income Tax</b>	<b>1,160,687</b>	<b>1,129,184</b>	<b>31,503</b>
<b>Information Systems</b>			
Salaries	278,668	277,470	1,198
Fringe Benefits	69,722	67,661	2,061
Professional Services	65,100	64,681	419
Communications	9,900	8,523	1,377
Contractual Services	66,000	64,649	1,351
Materials and Supplies	60,150	57,851	2,299
Capital Outlay	761,959	760,570	1,389
Other	236,400	235,253	1,147
<b>Total Information Systems</b>	<b>1,547,899</b>	<b>1,536,658</b>	<b>11,241</b>
<b>General Administration</b>			
Salaries	120,839	119,324	1,515
Fringe Benefits	24,762	23,370	1,392
Professional Services	100,950	98,523	2,427
Communications	2,600	2,260	340
Contractual Services	5,000	3,665	1,335
Materials and Supplies	3,525	949	2,576
Insurance	1,130,000	1,129,889	111
Other	3,507,555	2,997,836	509,719
<b>Total General Administration</b>	<b>4,895,231</b>	<b>4,375,816</b>	<b>519,415</b>

*(continued)*

**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, 2014  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Law			
Salaries	\$325,080	\$322,801	\$2,279
Fringe Benefits	78,763	77,846	917
Travel and Transportation	883	703	180
Professional Services	26,950	24,245	2,705
Communications	3,310	2,447	863
Materials and Supplies	14,120	13,165	955
Other	4,750	3,271	1,479
Total Law	<u>453,856</u>	<u>444,478</u>	<u>9,378</u>
<i>Total General Government</i>	<u>12,483,174</u>	<u>11,708,371</u>	<u>774,803</u>
Security of Persons and Property:			
Police			
Salaries	7,624,052	7,610,164	13,888
Fringe Benefits	933,429	927,642	5,787
Professional Services	19,715	19,120	595
Communications	64,608	61,210	3,398
Contractual Services	109,399	108,678	721
Materials and Supplies	229,650	226,060	3,590
Capital Outlay	30,015	30,014	1
Other	49,596	45,880	3,716
Total Police	<u>9,060,464</u>	<u>9,028,768</u>	<u>31,696</u>
Police Communications			
Salaries	533,765	529,597	4,168
Fringe Benefits	166,430	164,309	2,121
Professional Services	750	750	0
Other	20,460	20,047	413
Total Police Communications	<u>721,405</u>	<u>714,703</u>	<u>6,702</u>

*(continued)*

**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, 2014  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
School Guards			
Salaries	\$156,000	\$140,645	\$15,355
Fringe Benefits	27,738	23,671	4,067
Other	550	400	150
Total School Guards	<u>184,288</u>	<u>164,716</u>	<u>19,572</u>
Fire			
Salaries	5,404,943	5,395,617	9,326
Fringe Benefits	628,365	626,958	1,407
Travel and Transportation	5,400	3,040	2,360
Professional Services	13,609	11,705	1,904
Communications	25,300	22,029	3,271
Contractual Services	27,510	25,776	1,734
Materials and Supplies	103,558	94,090	9,468
Other	99,628	88,161	11,467
Total Fire	<u>6,308,313</u>	<u>6,267,376</u>	<u>40,937</u>
Street Lighting			
Other	<u>624,000</u>	<u>623,063</u>	<u>937</u>
Animal Control			
Salaries	125,650	124,805	845
Fringe Benefits	46,889	46,302	587
Communications	1,150	1,093	57
Contractual Services	1,525	1,405	120
Materials and Supplies	4,764	3,409	1,355
Capital Outlay	41,055	41,054	1
Other	9,861	8,452	1,409
Total Animal Control	<u>230,894</u>	<u>226,520</u>	<u>4,374</u>
Total Security of Persons and Property	<u>17,129,364</u>	<u>17,025,146</u>	<u>104,218</u>

*(continued)*

**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, 2014  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Public Health Services:</b>			
Support of Prisoners			
Salaries	\$105,814	\$103,080	\$2,734
Fringe Benefits	24,693	23,924	769
Professional Services	45,000	43,398	1,602
Contractual Services	82,500	77,445	5,055
Materials and Supplies	39,800	37,013	2,787
Capital Outlay	61,352	61,351	1
Other	1,000	640	360
Total Support of Prisoners	<u>360,159</u>	<u>346,851</u>	<u>13,308</u>
Human Services Administration			
Salaries	136,711	135,874	837
Fringe Benefits	36,097	35,864	233
Communications	733	575	158
Materials and Supplies	210	200	10
Other	727	690	37
Total Human Services Administration	<u>174,478</u>	<u>173,203</u>	<u>1,275</u>
<i>Total Public Health Services</i>	<u>534,637</u>	<u>520,054</u>	<u>14,583</u>
<b>Community Environment:</b>			
Housing and Building			
Salaries	660,668	656,010	4,658
Fringe Benefits	221,613	220,200	1,413
Travel and Transportation	593	586	7
Professional Services	19,350	9,935	9,415
Communications	15,400	12,813	2,587
Materials and Supplies	4,673	3,063	1,610
Other	21,907	18,881	3,026
Total Housing and Building	<u>944,204</u>	<u>921,488</u>	<u>22,716</u>

*(continued)*

**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, 2014  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Forestry			
Salaries	\$223,000	\$217,373	\$5,627
Fringe Benefits	73,221	72,169	1,052
Professional Services	750	265	485
Communications	600	419	181
Materials and Supplies	23,700	19,759	3,941
Capital Outlay	93,500	92,261	1,239
Other	3,650	2,523	1,127
Total Forestry	<u>418,421</u>	<u>404,769</u>	<u>13,652</u>
Child Care			
Salaries	30,000	29,551	449
Fringe Benefits	11,664	11,564	100
Communications	750	501	249
Materials and Supplies	635	283	352
Other	50	0	50
Total Child Care	<u>43,099</u>	<u>41,899</u>	<u>1,200</u>
Youth			
Salaries	91,725	89,470	2,255
Fringe Benefits	63,560	59,262	4,298
Communications	3,500	3,116	384
Materials and Supplies	1,450	1,056	394
Other	8,404	7,098	1,306
Total Youth	<u>168,639</u>	<u>160,002</u>	<u>8,637</u>

*(continued)*

**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, 2014  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Planning and Development			
Salaries	\$186,052	\$183,704	\$2,348
Fringe Benefits	57,827	57,395	432
Travel and Transportation	275	154	121
Professional Services	24,200	22,267	1,933
Communications	4,570	3,615	955
Contractual Services	2,500	1,753	747
Materials and Supplies	1,414	552	862
Other	1,283,823	1,281,827	1,996
Total Planning and Development	<u>1,560,661</u>	<u>1,551,267</u>	<u>9,394</u>
<i>Total Community Environment</i>	<u>3,135,024</u>	<u>3,079,425</u>	<u>55,599</u>
Basic Utility Services:			
Refuse and Recycling			
Salaries	1,520,856	1,511,681	9,175
Fringe Benefits	521,043	519,051	1,992
Communications	14,600	12,322	2,278
Contractual Services	847,133	832,877	14,256
Materials and Supplies	218,050	212,654	5,396
Capital Outlay	36,100	36,083	17
Other	31,192	29,659	1,533
Total Basic Utility Services	<u>3,188,974</u>	<u>3,154,327</u>	<u>34,647</u>
Leisure Time Activities:			
Parks			
Salaries	933,934	924,698	9,236
Fringe Benefits	316,626	312,006	4,620
Professional Services	3,600	3,511	89
Communications	14,790	12,301	2,489
Contractual Services	145,000	143,884	1,116
Materials and Supplies	188,475	180,298	8,177
Capital Outlay	199,623	197,237	2,386
Other	265,565	252,682	12,883
Total Parks	<u>2,067,613</u>	<u>2,026,617</u>	<u>40,996</u>

*(continued)*

**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, 2014  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Band Concerts</b>			
Salaries	\$3,305	\$3,305	\$0
Fringe Benefits	503	500	3
Professional Services	11,956	11,955	1
<b>Total Band Concerts</b>	<u>15,764</u>	<u>15,760</u>	<u>4</u>
<b>Museums</b>			
Contractual Services	17,705	17,704	1
Other	3,605	3,428	177
<b>Total Museums</b>	<u>21,310</u>	<u>21,132</u>	<u>178</u>
<b>July 4th Festival</b>			
Salaries	7,200	7,199	1
Fringe Benefits	1,113	1,111	2
Contractual Services	35,520	35,520	0
Materials and Supplies	2,381	2,374	7
<b>Total July 4th Festival</b>	<u>46,214</u>	<u>46,204</u>	<u>10</u>
<b>Tennis Courts</b>			
Other	5,900	5,202	698
<b>Total Tennis Courts</b>	<u>5,900</u>	<u>5,202</u>	<u>698</u>
<b>Total Leisure Time Activities</b>	<u>2,156,801</u>	<u>2,114,915</u>	<u>41,886</u>
<b>Total Expenditures</b>	<u>38,627,974</u>	<u>37,602,238</u>	<u>1,025,736</u>
<b>Excess of Revenues Over Expenditures</b>	<u>3,253,039</u>	<u>5,689,411</u>	<u>2,436,372</u>

*(continued)*

**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, 2014  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Other Financing Sources (Uses)</b>			
Advance In	\$688,500	\$283,000	(\$405,500)
Advance Out	(500,000)	(273,000)	227,000
Transfers Out	(7,529,817)	(7,529,817)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(7,341,317)</u>	<u>(7,519,817)</u>	<u>(178,500)</u>
<i>Net Change in Fund Balance</i>	(4,088,278)	(1,830,406)	2,257,872
<i>Fund Balance Beginning of Year</i>	5,666,378	5,666,378	0
<i>Prior Year Encumbrances Appropriated</i>	3,126,319	3,126,319	0
<i>Fund Balance End of Year</i>	<u><u>\$4,704,419</u></u>	<u><u>\$6,962,291</u></u>	<u><u>\$2,257,872</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Police and Fire Pension Fund  
 For the Year Ended December 31, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$2,336,371	\$2,422,171	\$85,800
Intergovernmental	345,800	341,116	(4,684)
<i>Total Revenues</i>	<u>2,682,171</u>	<u>2,763,287</u>	<u>81,116</u>
<b>Expenditures</b>			
<b>Current:</b>			
Security of Persons and Property:			
Fringe Benefits - Police	1,415,000	1,394,480	20,520
Fringe Benefits - Fire	1,360,000	1,337,467	22,533
<i>Total Expenditures</i>	<u>2,775,000</u>	<u>2,731,947</u>	<u>43,053</u>
<i>Net Change in Fund Balance</i>	(92,829)	31,340	124,169
<i>Fund Balance Beginning of Year</i>	<u>838,620</u>	<u>838,620</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$745,791</u></u>	<u><u>\$869,960</u></u>	<u><u>\$124,169</u></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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$3,100,000	\$2,707,918	(\$392,082)
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Salaries	379,202	361,957	17,245
Fringe Benefits	117,834	110,123	7,711
Travel and Transportation	2,025	867	1,158
Professional Services	35,750	29,588	6,162
Communications	3,625	2,114	1,511
Contractual Services	1,290,907	1,272,788	18,119
Materials and Supplies	1,094	341	753
Capital Outlay	1,078,445	1,062,893	15,552
Other	221,086	218,244	2,842
<i>Total Expenditures</i>	<u>3,129,968</u>	<u>3,058,915</u>	<u>71,053</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(29,968)	(350,997)	(321,029)
<b>Other Financing Sources</b>			
Advances In	0	215,000	215,000
<i>Net Change in Fund Balance</i>	(29,968)	(135,997)	(106,029)
<i>Fund Balance Beginning of Year</i>	212,699	212,699	0
<i>Fund Balance End of Year</i>	<u>\$182,731</u>	<u>\$76,702</u>	<u>(\$106,029)</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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$2,471,700	\$2,580,629	\$108,929
Intergovernmental	428,000	423,325	(4,675)
Interest	452	7,089	6,637
Miscellaneous	14,000	218,527	204,527
<i>Total Revenues</i>	<u>2,914,152</u>	<u>3,229,570</u>	<u>315,418</u>
<b>Expenditures</b>			
<b>Debt Service:</b>			
Principal Retirement	10,143,058	9,996,507	146,551
Interest and Fiscal Charges	1,319,794	1,241,560	78,234
Bond Issuance Costs	40,185	40,184	1
<i>Total Expenditures</i>	<u>11,503,037</u>	<u>11,278,251</u>	<u>224,786</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(8,588,885)</u>	<u>(8,048,681)</u>	<u>540,204</u>
<b>Other Financing Sources</b>			
General Obligation Notes Issued	6,430,000	6,202,000	(228,000)
Premium on General Obligation Notes Issued	0	78,314	78,314
Transfers In	2,461,083	2,014,152	(446,931)
<i>Total Other Financing Sources</i>	<u>8,891,083</u>	<u>8,294,466</u>	<u>(596,617)</u>
<i>Net Change in Fund Balance</i>	302,198	245,785	(56,413)
<i>Fund Balance Beginning of Year</i>	<u>1,626,172</u>	<u>1,626,172</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,928,370</u></u>	<u><u>\$1,871,957</u></u>	<u><u>(\$56,413)</u></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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$11,388,075	\$10,750,234	(\$637,841)
Intergovernmental	104,398	36,000	(68,398)
Interest	2,212	28,226	26,014
Special Assessments	92,167	166,962	74,795
Miscellaneous	0	32,888	32,888
<i>Total Revenues</i>	<u>11,586,852</u>	<u>11,014,310</u>	<u>(572,542)</u>
<b>Expenses</b>			
Salaries	835,596	820,944	14,652
Fringe Benefits	256,065	248,127	7,938
Professional Services	122,700	114,933	7,767
Communications	84,875	80,707	4,168
Contractual Services	13,250	9,833	3,417
Materials and Supplies	182,310	170,403	11,907
Capital Outlay	428,700	417,060	11,640
Purchased Water	6,435,000	6,310,483	124,517
Utilities	68,300	57,760	10,540
Other	485,806	479,083	6,723
Debt Service:			
Principal Retirement	1,173,950	1,015,278	158,672
Interest and Fiscal Charges	521,824	515,246	6,578
<i>Total Expenses</i>	<u>10,608,376</u>	<u>10,239,857</u>	<u>368,519</u>
<i>Excess of Revenues Under Expenses before Transfers</i>	978,476	774,453	(204,023)
Transfers Out	(15,252)	(15,252)	0
<i>Net Change in Fund Equity</i>	963,224	759,201	(204,023)
<i>Fund Equity Beginning of Year</i>	<u>6,532,945</u>	<u>6,532,945</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$7,496,169</u>	<u>\$7,292,146</u>	<u>(\$204,023)</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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$1,424,558	\$1,477,012	\$52,454
Intergovernmental	210,800	348,618	137,818
Charges for Services	8,955,526	8,037,458	(918,068)
Special Assessments	63,362	45,807	(17,555)
General Obligation Debt Issued	840,000	2,340,000	1,500,000
Premium on General Obligation Notes Issued	0	16,958	16,958
Interest	164	126	(38)
Miscellaneous	173,143	150,000	(23,143)
<i>Total Revenues</i>	<u>11,667,553</u>	<u>12,415,979</u>	<u>748,426</u>
<b>Expenses</b>			
Salaries	1,923,238	1,913,119	10,119
Fringe Benefits	627,561	623,357	4,204
Travel and Transportation	2,082	982	1,100
Professional Services	499,553	490,264	9,289
Communications	12,385	9,900	2,485
Contractual Services	368,000	354,064	13,936
Materials and Supplies	338,300	320,062	18,238
Capital Outlay	567,200	567,197	3
Utilities	275,000	245,859	29,141
Other	720,116	713,698	6,418
Debt Service:			
Principal Retirement	1,171,757	1,156,408	15,349
Interest and Fiscal Charges	744,065	740,147	3,918
<i>Total Expenses</i>	<u>7,249,257</u>	<u>7,135,057</u>	<u>114,200</u>
<i>Excess of Revenues Over Expenses before Transfers</i>	4,418,296	5,280,922	862,626
Transfers In	0	53,325	53,325
Transfers Out	(1,678,200)	(1,678,200)	0
<i>Net Change in Fund Equity</i>	2,740,096	3,656,047	915,951
<i>Fund Equity Beginning of Year</i>	<u>5,474,935</u>	<u>5,474,935</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$8,215,031</u></u>	<u><u>\$9,130,982</u></u>	<u><u>\$915,951</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Street and Highway Fund  
 For the Year Ended December 31, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$1,800,820	\$1,896,538	\$95,718
Special Assessments	12,141	60,565	48,424
Miscellaneous	120,648	88,844	(31,804)
<i>Total Revenues</i>	<u>1,933,609</u>	<u>2,045,947</u>	<u>112,338</u>
<b>Expenditures</b>			
<b>Current:</b>			
Transportation:			
Public Works:			
Salaries	970,956	959,238	11,718
Fringe Benefits	302,629	296,578	6,051
Professional Services	3,310	2,203	1,107
Communications	11,900	9,503	2,397
Contractual Services	68,550	66,863	1,687
Materials and Supplies	361,625	345,239	16,386
Capital Outlay	107,000	100,242	6,758
Other	47,575	41,852	5,723
<i>Total Expenditures</i>	<u>1,873,545</u>	<u>1,821,718</u>	<u>51,827</u>
<i>Excess of Revenues Under Expenditures</i>	60,064	224,229	164,165
<b>Other Financing Uses</b>			
Transfers Out	(25,000)	(25,000)	0
<i>Net Change in Fund Balance</i>	35,064	199,229	164,165
<i>Fund Balance Beginning of Year</i>	<u>667,304</u>	<u>667,304</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$702,368</u></u>	<u><u>\$866,533</u></u>	<u><u>\$164,165</u></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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$75,529	\$71,892	(\$3,637)
Intergovernmental	100,694	112,832	12,138
Contributions and Donations	66,228	62,312	(3,916)
<i>Total Revenues</i>	<u>242,451</u>	<u>247,036</u>	<u>4,585</u>
<b>Expenditures</b>			
<b>Current:</b>			
Public Health Services:			
Office on Aging:			
Salaries	566,758	560,552	6,206
Fringe Benefits	181,390	178,931	2,459
Professional Services	1,650	818	832
Communications	13,800	13,338	462
Contractual Services	23,000	21,447	1,553
Materials and Supplies	55,700	51,931	3,769
Other	44,800	36,854	7,946
<i>Total Expenditures</i>	<u>887,098</u>	<u>863,871</u>	<u>23,227</u>
<i>Excess of Revenues Under Expenditures</i>	(644,647)	(616,835)	27,812
<b>Other Financing Sources</b>			
Transfers In	680,000	680,000	0
<i>Net Change in Fund Balance</i>	35,353	63,165	27,812
<i>Fund Balance Beginning of Year</i>	<u>67,093</u>	<u>67,093</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$102,446</u></u>	<u><u>\$130,258</u></u>	<u><u>\$27,812</u></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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$2,425,000	\$2,434,209	\$9,209
Special Assessments	\$15,000	\$13,107	(1,893)
Intergovernmental	2,512	0	(2,512)
Miscellaneous	1,500	6,346	4,846
<i>Total Revenues</i>	<u>2,444,012</u>	<u>2,453,662</u>	<u>9,650</u>
<b>Expenditures</b>			
<b>Current:</b>			
Security of Persons and Property:			
Fire:			
Salaries	1,168,139	1,149,320	18,819
Fringe Benefits	278,255	273,445	4,810
Professional Services	84,150	81,796	2,354
Communications	5,350	5,125	225
Materials and Supplies	56,932	50,264	6,668
Capital Outlay	241,000	238,583	2,417
Other	23,500	16,041	7,459
<i>Total Security of Persons and Property</i>	<u>1,857,326</u>	<u>1,814,574</u>	<u>42,752</u>
Public Health Services:			
Health:			
Salaries	99,764	94,636	5,128
Fringe Benefits	33,859	31,459	2,400
Communications	950	938	12
Contractual Services	205,755	205,754	1
Materials and Supplies	1,200	841	359
Other	8,440	7,092	1,348
<i>Total Public Health Services</i>	<u>349,968</u>	<u>340,720</u>	<u>9,248</u>

*(continued)*

**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, 2014  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Debt Service:</b>			
Principal Retirement	60,496	59,582	914
Interest and Fiscal Charges	13,504	13,503	1
<i>Total Debt Service</i>	74,000	73,085	915
<i>Total Expenditures</i>	2,281,294	2,228,379	52,915
<i>Excess of Revenues Over Expenditures</i>	162,718	225,283	62,565
<b>Other Financing Uses</b>			
Transfers Out	(1,200)	(1,200)	0
<i>Net Change in Fund Balance</i>	161,518	224,083	62,565
<i>Fund Balance Beginning of Year</i>	460,681	460,681	0
<i>Fund Balance End of Year</i>	\$622,199	\$684,764	\$62,565

**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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>	0	0	0
<b>Other Financing Uses</b>			
Transfers Out	(50,213)	(50,213)	0
<i>Net Change in Fund Balance</i>	(50,213)	(50,213)	0
<i>Fund Balance Beginning of Year</i>	50,213	50,213	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Human Services:			
Contractual Services	155	155	0
<i>Net Change in Fund Balance</i>	(155)	(155)	0
<i>Fund Balance Beginning of Year</i>	155	155	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$225,000	\$5,201	(\$219,799)
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Planning and Development:			
Contractual Services	32,000	25,582	6,418
<i>Excess of Revenue Over (Under) Expenditures</i>	193,000	(20,381)	(213,381)
<b>Other Financing Sources</b>			
Sale of Assets	0	122,387	122,387
<i>Net Change in Fund Balance</i>	193,000	102,006	(90,994)
<i>Fund Balance Beginning of Year</i>	205,975	205,975	0
<i>Fund Balance End of Year</i>	\$398,975	\$307,981	(\$90,994)

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 FEMA Fund  
 For the Year Ended December 31, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$153,000	\$152,897	(\$103)
<b>Expenditures</b>			
<b>Current:</b>			
Security of Persons and Property:			
Fire:			
Capital Outlay	13,698	13,697	1
<i>Excess of Revenues Over (Under) Expenditures</i>	139,302	139,200	(102)
<b>Other Financing Uses</b>			
Advances Out	(138,000)	(138,000)	0
<i>Net Change in Fund Balance</i>	1,302	1,200	(102)
<i>Fund Balance Beginning of Year</i>	1,581	1,581	0
<i>Fund Balance End of Year</i>	\$2,883	\$2,781	(\$102)

**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, 2014*

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	5,709	5,709	0
<i>Fund Balance End of Year</i>	\$5,709	\$5,709	\$0

**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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$36,637	\$9,899	(\$26,738)
Fines and Forfeitures	8,535	8,081	(454)
Miscellaneous	0	54,710	54,710
<i>Total Revenues</i>	<u>45,172</u>	<u>72,690</u>	<u>27,518</u>
<b>Expenditures</b>			
<b>Current:</b>			
Security of Persons and Property:			
Police:			
Salaries	3,500	2,769	731
Fringe Benefits	21,100	19,982	1,118
Travel and Transportation	11,250	10,736	514
Professional Services	29,821	29,267	554
Contractual Services	200	130	70
Materials and Supplies	21,500	21,255	245
Other	24,539	24,539	0
<i>Total Expenditures</i>	<u>111,910</u>	<u>108,678</u>	<u>3,232</u>
<i>Excess of Revenue Under Expenditures</i>	(66,738)	(35,988)	30,750
<b>Other Financing Sources</b>			
Sale of Capital Assets	11,430	17,237	5,807
<i>Net Change in Fund Balance</i>	(55,308)	(18,751)	36,557
<i>Fund Balance Beginning of Year</i>	<u>162,210</u>	<u>162,210</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$106,902</u></u>	<u><u>\$143,459</u></u>	<u><u>\$36,557</u></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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$4,118	\$0	(\$4,118)
Interest	0	18	18
<i>Total Revenues</i>	<u>4,118</u>	<u>18</u>	<u>(4,100)</u>
<b>Expenditures</b>			
<b>Current:</b>			
Security of Persons and Property:			
Police:			
Capital Outlay	<u>6,200</u>	<u>5,962</u>	<u>238</u>
<i>Net Change in Fund Balance</i>	(2,082)	(5,944)	(3,862)
<i>Fund Balance Beginning of Year</i>	<u>9,281</u>	<u>9,281</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$7,199</u></u>	<u><u>\$3,337</u></u>	<u><u>(\$3,862)</u></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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$8,386	\$13,103	\$4,717
Intergovernmental	3,312	7,980	4,668
<i>Total Revenues</i>	<u>11,698</u>	<u>21,083</u>	<u>9,385</u>
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Municipal Court:			
Professional Services	13,500	12,941	559
Materials and Supplies	1,200	1,053	147
<i>Total Expenditures</i>	<u>14,700</u>	<u>13,994</u>	<u>706</u>
<i>Net Change in Fund Balance</i>	(3,002)	7,089	10,091
<i>Fund Balance Beginning of Year</i>	<u>171,647</u>	<u>171,647</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$168,645</u></u>	<u><u>\$178,736</u></u>	<u><u>\$10,091</u></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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$3,631	\$3,550	(\$81)
Intergovernmental	3,000	0	(3,000)
Miscellaneous	1,900	700	(1,200)
<i>Total Revenues</i>	<u>8,531</u>	<u>4,250</u>	<u>(4,281)</u>
<b>Expenditures</b>			
<b>Current:</b>			
Security of Persons and Property:			
Police:			
Materials and Supplies	15,520	14,899	621
<i>Net Change in Fund Balance</i>	(6,989)	(10,649)	(3,660)
<i>Fund Balance Beginning of Year</i>	44,301	44,301	0
<i>Fund Balance End of Year</i>	<u><u>\$37,312</u></u>	<u><u>\$33,652</u></u>	<u><u>(\$3,660)</u></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, 2014*

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$915	\$927	\$12
<b>Expenditures</b>	0	0	0
<i>Net Change in Fund Balance</i>	915	927	12
<i>Fund Balance Beginning of Year</i>	16,018	16,018	0
<i>Fund Balance End of Year</i>	\$16,933	\$16,945	\$12

**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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$28,269	\$31,829	\$3,560
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Municipal Court:			
Professional services	127	126	1
Contractual Services	23,439	22,844	595
Materials and Supplies	234	234	0
Capital Outlay	2,535	2,534	1
<i>Total Expenditures</i>	26,335	25,738	597
<i>Net Change in Fund Balance</i>	1,934	6,091	4,157
<i>Fund Balance Beginning of Year</i>	30,654	30,654	0
<i>Fund Balance End of Year</i>	\$32,588	\$36,745	\$4,157

**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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$116,702	\$135,835	\$19,133
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Municipal Court:			
Salaries	30,000	27,794	2,206
Fringe Benefits	5,000	4,276	724
Professional Services	2,000	1,400	600
Contractual Services	59,515	59,304	211
Materials and Supplies	8,985	8,984	1
<i>Total Expenditures</i>	105,500	101,758	3,742
<i>Net Change in Fund Balance</i>	11,202	34,077	22,875
<i>Fund Balance Beginning of Year</i>	206,783	206,783	0
<i>Fund Balance End of Year</i>	\$217,985	\$240,860	\$22,875

**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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$37,740	\$33,217	(\$4,523)
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Municipal Court:			
Salaries	38,999	36,973	2,026
Fringe Benefits	6,101	5,712	389
Travel and Transportation	304	303	1
Professional Services	4,200	4,200	0
<i>Total Expenditures</i>	49,604	47,188	2,416
<i>Net Change in Fund Balance</i>	(11,864)	(13,971)	(2,107)
<i>Fund Balance Beginning of Year</i>	20,030	20,030	0
<i>Fund Balance End of Year</i>	\$8,166	\$6,059	(\$2,107)

**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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$12,561	\$9,205	(\$3,356)
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Municipal Court:			
Professional Services	2,000	1,596	404
<i>Net Change in Fund Balance</i>	10,561	7,609	(2,952)
<i>Fund Balance Beginning of Year</i>	64,070	64,070	0
<i>Fund Balance End of Year</i>	\$74,631	\$71,679	(\$2,952)

**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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$199,000	\$162,623	(\$36,377)
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Planning and Development:			
Salaries	5,723	4,316	1,407
Fringe Benefits	884	684	200
Contractual Services	161,000	157,623	3,377
<i>Total Expenditures</i>	167,607	162,623	4,984
<i>Excess of Revenues Over (Under) Expenditures</i>	31,393	0	(31,393)
<b>Other Financing Sources (Uses)</b>			
Advances In	80,000	6,000	(74,000)
Advances Out	(5,000)	(5,000)	0
<i>Total Other Financing Sources (Uses)</i>	75,000	1,000	(74,000)
<i>Net Change in Fund Balance</i>	106,393	1,000	(105,393)
<i>Fund Balance Beginning of Year</i>	4,400	4,400	0
<i>Fund Balance End of Year</i>	\$110,793	\$5,400	(\$105,393)

**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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$541,573	\$233,554	(\$308,019)
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Planning and Development:			
Professional Services	1,000	112	888
Other	224,027	219,165	4,862
<i>Total Expenditures</i>	225,027	219,277	5,750
<i>Excess of Revenues Over Expenditures</i>	316,546	14,277	(302,269)
<b>Other Financing Sources</b>			
Advances In	135,000	0	(135,000)
<i>Net Change in Fund Balance</i>	451,546	14,277	(437,269)
<i>Fund Balance Beginning of Year</i>	15,673	15,673	0
<i>Fund Balance End of Year</i>	\$467,219	\$29,950	(\$437,269)

**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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$14,510	\$14,635	\$125
Miscellaneous	22,200	25,428	3,228
<i>Total Revenues</i>	<u>36,710</u>	<u>40,063</u>	<u>3,353</u>
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Youth:			
Salaries	27,000	25,936	1,064
Fringe Benefits	4,308	4,013	295
Communications	600	584	16
Materials and Supplies	4,215	3,903	312
Other	485	240	245
<i>Total Expenditures</i>	<u>36,608</u>	<u>34,676</u>	<u>1,932</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	102	5,387	5,285
<b>Other Financing Sources (Uses)</b>			
Advances In	10,000	0	10,000
Advances Out	(15,000)	(15,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(5,000)</u>	<u>(15,000)</u>	<u>10,000</u>
<i>Net Change in Fund Balance</i>	(4,898)	(9,613)	(4,715)
<i>Fund Balance Beginning of Year</i>	<u>21,182</u>	<u>21,182</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$16,284</u></u>	<u><u>\$11,569</u></u>	<u><u>(\$4,715)</u></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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$30,429	\$38,278	\$7,849
Miscellaneous	2,675	2,030	(645)
<i>Total Revenues</i>	<u>33,104</u>	<u>40,308</u>	<u>7,204</u>
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Youth Services:			
Salaries	32,828	31,176	1,652
Fringe Benefits	5,072	4,879	193
Professional Services	5,400	4,562	838
Travel and Transportation	13	13	0
<i>Total Expenditures</i>	<u>43,313</u>	<u>40,630</u>	<u>2,683</u>
<i>Net Change in Fund Balance</i>	(10,209)	(322)	9,887
<i>Fund Balance Beginning of Year</i>	<u>10,849</u>	<u>10,849</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$640</u></u>	<u><u>\$10,527</u></u>	<u><u>\$9,887</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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$357,431	\$319,025	(\$38,406)
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Child Care:			
Salaries	249,436	245,639	3,797
Fringe Benefits	44,852	43,443	1,409
Travel and Transportation	250	70	180
Professional Services	7,370	7,370	0
Communications	2,035	2,027	8
Contractual Services	219	183	36
Materials and Supplies	10,855	10,836	19
Other	14,731	14,537	194
<i>Total Expenditures</i>	<u>329,748</u>	<u>324,105</u>	<u>5,643</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	27,683	(5,080)	(32,763)
<b>Other Financing Sources</b>			
Advance In	92,000	2,000	(90,000)
<i>Net Change in Fund Balance</i>	119,683	(3,080)	(122,763)
<i>Fund Balance Beginning of Year</i>	9,743	9,743	0
<i>Fund Balance End of Year</i>	<u><u>\$129,426</u></u>	<u><u>\$6,663</u></u>	<u><u>(\$122,763)</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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Miscellaneous	\$4,000	\$4,300	\$300
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Mayor's Office:			
Salaries	3,500	3,500	0
Fringe Benefits	559	559	0
<i>Total Expenditures</i>	4,059	4,059	0
<i>Net Change in Fund Balance</i>	(59)	241	300
<i>Fund Balance Beginning of Year</i>	2,645	2,645	0
<i>Fund Balance End of Year</i>	\$2,586	\$2,886	\$300

**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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Payments in Lieu of Taxes	\$733,679	\$533,731	(\$199,948)
Intergovernmental	16,080	32,497	16,417
<i>Total Revenues</i>	<u>749,759</u>	<u>566,228</u>	<u>(183,531)</u>
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Other	40,873	40,872	1
<b>Debt Service:</b>			
Principal Retirement	245,000	245,000	0
Interest and Fiscal Charges	199,018	199,017	1
<i>Total Debt Service</i>	<u>444,018</u>	<u>444,017</u>	<u>1</u>
<i>Total Expenditures</i>	<u>484,891</u>	<u>484,889</u>	<u>2</u>
<i>Net Change in Fund Balance</i>	264,868	81,339	(183,529)
<i>Fund Balance Beginning of Year</i>	<u>113,955</u>	<u>113,955</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$378,823</u></u>	<u><u>\$195,294</u></u>	<u><u>(\$183,529)</u></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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$22,679	\$65,510	\$42,831
Miscellaneous	10,000	0	(10,000)
<i>Total Revenues</i>	<u>32,679</u>	<u>65,510</u>	<u>32,831</u>
<b>Expenditures</b>			
<b>Current:</b>			
Transportation			
Capital Outlay	<u>2,945,084</u>	<u>2,810,888</u>	<u>134,196</u>
Leisure Time Activities			
Capital Outlay	<u>312,511</u>	<u>312,510</u>	<u>1</u>
<i>Total Expenditures</i>	<u>3,257,595</u>	<u>3,123,398</u>	<u>134,197</u>
<i>Excess of Revenues Under Expenditures</i>	(3,224,916)	(3,057,888)	167,028
<b>Other Financing Sources</b>			
General Obligation Notes Issued	<u>3,700,000</u>	<u>4,350,000</u>	<u>650,000</u>
<i>Net Change in Fund Balance</i>	475,084	1,292,112	817,028
<i>Fund Balance Beginning of Year</i>	<u>1,506,590</u>	<u>1,506,590</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,981,674</u></u>	<u><u>\$2,798,702</u></u>	<u><u>\$817,028</u></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, 2014*

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	244,929	244,929	0
<i>Fund Balance End of Year</i>	\$244,929	\$244,929	\$0

**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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>	0	0	0
<i>Excess of Revenues Under Expenditures</i>	0	0	0
<b>Other Financing Sources</b>			
Transfers In	5,000,000	5,000,000	0
<i>Net Change in Fund Balance</i>	5,000,000	5,000,000	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$5,000,000	\$5,000,000	\$0

**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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Miscellaneous	\$13,298	\$19,037	\$5,739
<b>Expenditures</b>			
<b>Current:</b>			
Leisure Time Activities:			
Capital Outlay	13,000	12,311	689
<i>Net Change in Fund Balance</i>	298	6,726	6,428
<i>Fund Balance Beginning of Year</i>	77,139	77,139	0
<i>Fund Balance End of Year</i>	\$77,437	\$83,865	\$6,428

**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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$390,956	\$464,973	\$74,017
<b>Expenses</b>			
Salaries	95,482	94,238	1,244
Fringe Benefits	36,148	33,751	2,397
Professional Services	7,100	6,443	657
Communications	1,977	1,609	368
Contractual Services	2,500	2,472	28
Materials and Supplies	21,668	20,269	1,399
Capital Outlay	14,772	14,771	1
Utilities	25,860	25,138	722
Property Taxes	48,689	48,688	1
Other	51,711	51,484	227
Debt Service:			
Principal Retirement	28,408	27,555	853
Interest and Fiscal Charges	8,817	8,695	122
<i>Total Expenses</i>	<u>343,132</u>	<u>335,113</u>	<u>8,019</u>
<i>Excess of Revenues Over (Under) Expenses before Transfers</i>	47,824	129,860	82,036
Transfers Out	<u>(4,500)</u>	<u>(4,500)</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	43,324	125,360	82,036
<i>Fund Equity Beginning of Year</i>	<u>282,868</u>	<u>282,868</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$326,192</u></u>	<u><u>\$408,228</u></u>	<u><u>\$82,036</u></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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$327,797	\$401,731	\$73,934
Miscellaneous	77,282	77,500	218
<i>Total Revenues</i>	<u>405,079</u>	<u>479,231</u>	<u>74,152</u>
<b>Expenses</b>			
Property Taxes	57,154	57,153	1
Utilities	298,500	269,122	29,378
<i>Total Expenses</i>	<u>355,654</u>	<u>326,275</u>	<u>29,379</u>
<i>Excess of Revenues Over Expenses before Advances and Transfers</i>	49,425	152,956	103,531
Advance In	235,000	50,000	(185,000)
Advance Out	(125,000)	(125,000)	0
Transfer Out	(80,000)	(80,000)	0
<i>Total Other Financing Sources(Uses)</i>	<u>30,000</u>	<u>(155,000)</u>	<u>(185,000)</u>
<i>Net Change in Fund Equity</i>	79,425	(2,044)	(81,469)
<i>Fund Equity Beginning of Year</i>	<u>32,677</u>	<u>32,677</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$112,102</u></u>	<u><u>\$30,633</u></u>	<u><u>(\$81,469)</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Hospitalization Fund  
 For the Year Ended December 31, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$2,677,591	\$3,006,463	\$328,872
Miscellaneous	735,633	780,674	45,041
<i>Total Revenues</i>	<u>3,413,224</u>	<u>3,787,137</u>	<u>373,913</u>
<b>Expenses</b>			
Professional Services	55,000	54,977	23
Claims	6,018,000	5,674,375	343,625
<i>Total Expenses</i>	<u>6,073,000</u>	<u>5,729,352</u>	<u>343,648</u>
<i>Excess of Revenues Under Expenses before Transfers</i>	(2,659,776)	(1,942,215)	717,561
Transfers In	1,628,079	1,628,080	1
<i>Net Change in Fund Equity</i>	(1,031,697)	(314,135)	717,562
<i>Fund Equity Beginning of Year</i>	<u>2,645,235</u>	<u>2,645,235</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$1,613,538</u></u>	<u><u>\$2,331,100</u></u>	<u><u>\$717,562</u></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, 2014*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$253,451	\$243,418	(\$10,033)
Miscellaneous	4,083	0	(4,083)
<i>Total Revenues</i>	<u>257,534</u>	<u>243,418</u>	<u>(14,116)</u>
<b>Expenses</b>			
Professional Services	35,800	33,443	2,357
Workers' Compensation Premium	102,014	102,013	1
Workers' Compensation Claims	274,320	257,915	16,405
<i>Total Expenses</i>	<u>412,134</u>	<u>393,371</u>	<u>18,763</u>
<i>Excess of Revenues Over (Under) Expenses before Transfers</i>	(154,600)	(149,953)	4,647
Transfers In	11,737	11,737	0
<i>Net Change in Fund Equity</i>	(142,863)	(138,216)	4,647
<i>Fund Equity Beginning of Year</i>	704,351	704,351	0
<i>Fund Equity End of Year</i>	<u><u>\$561,488</u></u>	<u><u>\$566,135</u></u>	<u><u>\$4,647</u></u>

# **STATISTICAL SECTION**

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# City of Lakewood, Ohio

## Statistical Section

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

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S2 – S13
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue sources, property taxes and municipal income taxes.	S14 – S20
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S21 – S29
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	S30 – S31
<b>Operating Information</b> These schedules contain service data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	S32 – S39

**Sources:** Unless otherwise noted, the information in these schedules is derived from the basic financial statements for the relevant year.

## City of Lakewood, Ohio

*Net Position by Component  
Accrual Basis of Accounting  
Last Ten Years*

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Governmental Activities			
Net Investment in Capital Assets	\$39,149,696	\$36,587,631	\$35,009,349
Restricted:			
Capital Projects	5,307,076	981,966	969,500
Debt Service	2,513,589	1,993,423	975,150
Other Purposes	5,373,867	5,620,042	5,898,631
Unrestricted	<u>20,525,053</u>	<u>25,657,862</u>	<u>15,752,227</u>
<i>Total Governmental Activities Net Position</i>	<u>72,869,281</u>	<u>70,840,924</u>	<u>58,604,857</u>
Business - Type Activities			
Net Investment in Capital Assets	49,186,022	49,781,404	47,805,599
Restricted for Debt Service	976,525	977,430	976,717
Restricted for Replacement and Improvement	195,650	195,585	195,499
Unrestricted	<u>17,869,621</u>	<u>13,290,944</u>	<u>10,729,412</u>
<i>Total Business-Type Activities Net Position</i>	<u>68,227,818</u>	<u>64,245,363</u>	<u>59,707,227</u>
Primary Government			
Net Investment in Capital Assets	88,335,718	86,369,035	82,814,948
Restricted	14,366,707	9,768,446	9,015,497
Unrestricted	<u>38,394,674</u>	<u>38,948,806</u>	<u>26,481,639</u>
<i>Total Primary Government Net Position</i>	<u>\$141,097,099</u>	<u>\$135,086,287</u>	<u>\$118,312,084</u>

**Table 1**

<u>2011 Restated</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$32,219,436	\$29,616,097	\$26,631,390	\$19,375,518	\$17,864,648	\$16,735,176	\$15,964,667
737,334	948,539	1,656,877	3,187,407	3,092,758	5,935,384	4,895,203
194,209	1,038,625	658,864	679,404	1,543,403	587,899	1,128,628
5,130,754	6,279,579	5,316,658	4,237,737	4,660,608	5,108,771	5,388,015
<u>13,594,321</u>	<u>8,184,766</u>	<u>5,461,402</u>	<u>6,764,033</u>	<u>2,938,295</u>	<u>4,117,183</u>	<u>6,551,993</u>
<u>51,876,054</u>	<u>46,067,606</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>
43,819,639	43,114,193	41,950,480	41,695,569	37,309,591	34,117,056	25,918,138
1,090,028	1,328,713	1,214,966	1,194,934	1,109,163	923,400	0
195,493	195,474	193,550	195,417	193,550	186,270	561,240
<u>10,716,664</u>	<u>9,163,854</u>	<u>8,486,802</u>	<u>7,668,213</u>	<u>5,422,785</u>	<u>7,311,753</u>	<u>15,625,642</u>
<u>55,821,824</u>	<u>53,802,234</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>
76,039,075	72,730,290	65,317,220	61,071,087	55,174,239	50,852,232	41,882,805
7,347,818	9,790,930	7,823,235	9,494,899	10,599,482	12,741,724	11,973,086
<u>24,310,985</u>	<u>17,348,620</u>	<u>18,430,534</u>	<u>14,432,246</u>	<u>8,361,080</u>	<u>11,428,936</u>	<u>22,177,635</u>
<u>\$107,697,878</u>	<u>\$99,869,840</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>

# City of Lakewood, Ohio

## Changes in Net Position Accrual Basis of Accounting Last Ten Years

	2014	2013	2012	2011
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
General Government	\$2,565,467	\$4,696,630	\$3,933,477	\$3,024,201
Security of Persons and Property				
Police	1,681,145	41,793	233,865	257,705
Fire	2,312,807	2,375,131	2,346,537	2,263,974
Public Health Services	73,542	86,254	103,489	293,641
Transportation	85,435	48,369	219,863	4,360
Community Environment	1,355,395	344,561	972,416	1,642,224
Basic Utility Services	43,038	0	0	0
Subtotal - Charges for Services	<u>8,116,829</u>	<u>7,592,738</u>	<u>7,809,647</u>	<u>7,486,105</u>
Operating Grants and Contributions:				
General Government	17,080	3,312	0	765,886
Security of Persons and Property				
Police	74,584	6,946	30,417	432,224
Fire	37,612	427,779	0	900
Public Health Services	97,273	111,763	46,779	217,458
Transportation	1,903,634	1,890,684	1,874,122	1,833,219
Leisure Time Activities	17,088	0	99,639	0
Community Environment	3,312,684	3,660,106	2,824,142	3,081,636
Subtotal - Operating Grants and Contributions	<u>5,459,955</u>	<u>6,100,590</u>	<u>4,875,099</u>	<u>6,331,323</u>
Capital Grants and Contributions:				
Security of Persons and Property - Fire	0	0	91,166	0
Public Health Services	64,473	79,548	0	0
Community Environment	0	23,311	48,690	0
Transportation	1,029,913	106,505	75,390	0
	<u>1,094,386</u>	<u>209,364</u>	<u>215,246</u>	<u>0</u>
<i>Total Governmental Activities Program Revenues</i>	<u>14,671,170</u>	<u>13,902,692</u>	<u>12,899,992</u>	<u>13,817,428</u>
Business-Type Activities:				
Charges for Services:				
Water	11,023,493	11,273,817	11,209,329	10,683,491
Sewer	8,275,152	7,924,286	7,422,740	6,573,925
Parking Facilities	464,973	425,848	462,300	456,607
Winterhurst Ice Rink	440,413	181,272	372,284	343,061
Congregate Living	0	0	0	0
Subtotal - Charges for Services	<u>20,204,031</u>	<u>19,805,223</u>	<u>19,466,653</u>	<u>18,057,084</u>
Operating Grants and Contributions:				
Water	0	0	0	0
Sewer	0	0	0	246,194
Subtotal - Operating Grants and Contributions	<u>0</u>	<u>0</u>	<u>0</u>	<u>246,194</u>
Capital Grants and Contributions:				
Water	36,000	84,724	566,385	80,560
Sewer	84,628	43,996	0	25,536
Winterhurst Ice Rink	0	0	0	0
Subtotal - Capital Grants and Contributions	<u>120,628</u>	<u>128,720</u>	<u>566,385</u>	<u>106,096</u>
<i>Total Business-Type Activities Program Revenues</i>	<u>20,324,659</u>	<u>19,933,943</u>	<u>20,033,038</u>	<u>18,409,374</u>
<i>Total Primary Government Program Revenues</i>	<u>\$34,995,829</u>	<u>\$33,836,635</u>	<u>\$32,933,030</u>	<u>\$32,226,802</u>

**Table 2**

2010	2009	2008	2007	2006	2005
\$2,529,470	\$4,187,825	\$4,235,783	\$4,228,572	\$2,881,832	\$2,785,961
265,127	245,685	242,444	214,450	177,258	126,981
2,233,515	2,291,431	2,147,823	2,249,911	2,233,708	2,170,604
248,489	251,665	318,737	335,613	3,600	3,600
28,395	0	0	0	0	0
1,895,118	11,120	10,680	10,500	1,796,475	1,068,342
0	0	0	0	0	0
<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>
612,272	495,082	474,840	0	0	0
449,353	449,920	472,948	18,653	3,575	12,542
3,350	52,013	0	0	337,710	357,124
246,649	270,604	493,394	468,559	833,675	685,267
2,012,270	1,118,195	1,950,418	1,927,847	2,050,027	1,899,723
0	0	0	0	0	0
4,718,408	4,421,399	3,039,646	4,300,068	3,320,754	3,748,255
<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>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	584,601	3,579
0	0	0	0	584,601	3,579
<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>
10,759,734	9,456,618	10,298,731	10,143,589	8,395,321	8,661,772
6,157,686	5,545,675	5,947,043	5,184,560	4,107,108	4,318,539
434,510	404,180	332,999	292,127	290,561	294,385
563,499	371,631	427,031	793,387	686,619	725,506
0	0	0	0	0	0
<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>
0	416,013	74,859	1,044,113	0	0
283,595	272,358	152,949	310,993	0	0
<u>283,595</u>	<u>688,371</u>	<u>227,808</u>	<u>1,355,106</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	2,000,000	0	0	0
0	0	2,000,000	0	0	0
<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>\$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>

(continued)

# City of Lakewood, Ohio

## Changes in Net Position (continued) Accrual Basis of Accounting Last Ten Years

	2014	2013	2012	2011
<b>Expenses</b>				
Governmental Activities:				
General Government	\$9,439,522	\$8,498,246	\$9,204,662	\$7,529,571
Security of Persons and Property				
Police	13,662,669	12,670,338	11,844,579	11,617,633
Fire	10,238,188	10,099,908	9,936,091	9,426,271
Public Health Services	1,867,088	1,866,759	1,940,130	2,136,807
Transportation	3,199,757	2,605,700	2,536,751	1,948,825
Community Environment	5,954,990	4,910,641	4,773,590	5,804,830
Basic Utility Services	3,561,708	3,383,635	3,274,630	3,393,665
Leisure Time Activities	2,527,405	2,121,447	1,786,849	3,222,378
Interest and Fiscal Charges	1,453,572	1,481,371	1,632,156	1,835,631
<i>Total Governmental Activities Expenses</i>	<u>51,904,899</u>	<u>47,638,045</u>	<u>46,929,438</u>	<u>46,915,611</u>
Business-Type Activities				
Water	9,852,335	9,059,160	10,283,462	9,652,083
Sewer	6,182,538	6,061,044	5,674,713	5,896,702
Parking Facilities	319,581	300,332	392,765	349,501
Winterhurst Ice Rink	461,923	429,550	525,941	571,530
Congregate Living	0	0	0	0
<i>Total Business-Type Activities Expenses</i>	<u>16,816,377</u>	<u>15,850,086</u>	<u>16,876,881</u>	<u>16,469,816</u>
<i>Total Primary Government Expenses</i>	<u>68,721,276</u>	<u>63,488,131</u>	<u>63,806,319</u>	<u>63,385,427</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(37,233,729)	(33,735,353)	(34,029,446)	(33,098,183)
Business-Type Activities	3,508,282	4,083,857	3,156,157	1,939,558
<i>Total Primary Government Net Expense</i>	<u>(\$33,725,447)</u>	<u>(\$29,651,496)</u>	<u>(\$30,873,289)</u>	<u>(\$31,158,625)</u>

**Table 2**

2010	2009	2008	2007	2006	2005
\$8,423,969	\$7,675,451	\$7,620,762	\$9,599,299	\$8,110,235	\$7,851,426
12,272,317	12,754,885	12,371,712	12,035,903	11,907,585	10,686,045
9,526,516	10,131,056	10,289,314	11,028,498	10,241,053	9,949,694
2,383,427	2,505,999	3,280,667	4,211,759	4,784,768	4,310,861
3,092,325	2,866,754	2,969,914	3,480,710	2,655,600	2,880,797
6,819,791	6,474,889	5,622,461	6,798,564	6,628,671	6,417,757
3,472,641	3,998,734	4,700,773	5,450,051	5,026,300	4,340,798
1,831,789	1,839,517	2,020,450	2,159,191	1,955,303	2,097,492
1,788,103	2,127,913	2,064,970	1,898,099	1,936,679	1,781,467
49,610,878	50,375,198	50,941,023	56,662,074	53,246,194	50,316,337
9,665,155	9,038,465	9,289,887	9,612,007	8,403,497	8,539,662
6,012,674	5,751,453	6,585,346	7,606,437	5,734,921	5,022,961
386,946	253,274	305,295	419,733	482,642	300,901
736,397	552,929	740,804	732,973	1,257,948	969,391
0	0	0	0	0	64,297
16,801,172	15,596,121	16,921,332	18,371,150	15,879,008	14,897,212
66,412,050	65,971,319	67,862,355	75,033,224	69,125,202	65,213,549
(34,368,462)	(36,580,259)	(37,554,310)	(42,907,901)	(39,022,979)	(37,454,359)
1,397,852	870,354	2,312,280	(602,381)	(2,399,399)	(897,010)
(\$32,970,610)	(\$35,709,905)	(\$35,242,030)	(\$43,510,282)	(\$41,422,378)	(\$38,351,369)

(continued)

# City of Lakewood, Ohio

## Changes in Net Position (continued)

### Accrual Basis of Accounting

### Last Ten Years

	2014	2013	2012	2011
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	\$6,255,782	\$6,560,213	\$6,807,497	\$6,581,357
Police and Fire Pension	2,376,261	2,491,699	2,589,594	2,608,762
Debt Service	2,532,060	2,654,186	2,753,385	2,784,378
Payments in Lieu of Taxes	494,754	467,984	401,767	355,641
Municipal Income Taxes levied for:				
General Purposes	21,954,834	21,122,681	20,628,523	19,474,728
Grants and Entitlements not Restricted to				
Specific Programs	3,722,984	10,929,532	5,646,551	5,997,696
Investment Income	49,548	13,857	6,758	8,792
Gain from Sale of Capital Assets-Gov	17,237	0	130,124	25,308
Miscellaneous	387,811	216,560	611,500	713,582
<i>Total Governmental Activities</i>	<u>37,791,271</u>	<u>44,456,712</u>	<u>39,575,699</u>	<u>38,550,244</u>
Business-Type Activities				
Property Taxes Levied For:				
Sewer	1,447,720	1,519,408	1,581,775	1,556,497
Grants and Entitlements not Restricted to				
Specific Programs	218,529	219,013	229,477	0
Gain on Sale of Capital Assets	0	0	0	0
Investment Income	18,351	5,055	2,029	2,474
Miscellaneous	260,388	225,511	98,515	162,210
<i>Total Business-Type Activities</i>	<u>1,944,988</u>	<u>1,968,987</u>	<u>1,911,796</u>	<u>1,721,181</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>39,736,259</u>	<u>46,425,699</u>	<u>41,487,495</u>	<u>40,271,425</u>
<b>Transfers</b>				
Governmental Activities	1,470,815	1,514,708	1,182,550	1,041,754
Business-Type Activities	<u>(1,470,815)</u>	<u>(1,514,708)</u>	<u>(1,182,550)</u>	<u>(1,041,754)</u>
<b>Restatements</b>				
Governmental Activities	0	0	0	(685,367)
Business-Type Activities	0	0	0	(599,395)
<i>Total Restatements Activities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,284,762)</u>
<b>Change in Net Position</b>				
Governmental Activities	2,028,357	12,236,067	6,728,803	5,209,053
Business-Type Activities	<u>3,982,455</u>	<u>4,538,136</u>	<u>3,885,403</u>	<u>2,019,590</u>
<i>Total Primary Government Change in Net Position</i>	<u>\$6,010,812</u>	<u>\$16,774,203</u>	<u>\$10,614,206</u>	<u>\$7,228,643</u>

**Table 2**

2010	2009	2008	2007	2006	2005
\$6,857,844	\$7,404,532	\$7,464,079	\$7,676,479	\$6,880,029	\$6,982,259
2,608,762	2,810,315	2,823,756	2,911,150	2,613,672	2,589,687
2,784,378	2,973,092	2,987,313	3,079,771	2,765,061	2,590,336
341,399	308,520	340,341	368,523	241,589	241,480
19,686,732	19,314,348	19,348,017	18,246,523	16,955,457	16,537,268
6,727,090	6,345,651	5,668,748	6,482,563	6,729,258	7,713,363
68,060	214,275	533,257	1,130,083	1,479,546	830,725
0	0	0	0	0	0
436,670	606,457	550,472	295,266	364,274	246,757
<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>
1,590,695	1,712,714	1,724,040	1,775,081	1,593,691	1,579,441
0	0	0	0	205,895	212,063
0	0	0	0	0	180,250
16,338	58,952	237,593	636,665	565,729	230,974
78,032	533,806	51,808	20,087	17,543	2,113
<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>
41,196,000	42,282,662	41,729,424	42,622,191	40,411,744	39,936,716
1,073,981	2,084,161	534,752	332,842	(450,000)	(37,191)
<u>(1,073,981)</u>	<u>(2,084,161)</u>	<u>(534,752)</u>	<u>(332,842)</u>	<u>450,000</u>	<u>37,191</u>
125,961	0	1,447,962	0	0	962,608
<u>(52,500)</u>	<u>0</u>	<u>2,928,075</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>73,461</u>	<u>0</u>	<u>4,376,037</u>	<u>0</u>	<u>0</u>	<u>962,608</u>
6,342,415	5,481,092	4,144,387	(2,384,701)	(1,444,093)	1,202,933
<u>1,956,436</u>	<u>1,091,665</u>	<u>6,719,044</u>	<u>1,496,610</u>	<u>433,459</u>	<u>1,345,022</u>
<u>\$8,298,851</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>

# City of Lakewood, Ohio

## *Fund Balances, Governmental Funds Modified Accrual Basis of Accounting Last Ten Years*

	2014	2013	2012	2011	2010
<b>General Fund</b>					
Reserved	\$0	\$0	\$0	\$0	\$0
Unreserved	0	0	0	0	0
Nonspendable	1,203,968	1,177,098	646,379	631,634	647,847
Assigned	5,768,149	3,128,964	1,943,879	1,103,061	950,918
Unassigned	8,165,507	13,722,092	7,101,028	7,168,275	4,966,043
<b>Total General Fund</b>	<b>15,137,624</b>	<b>18,028,154</b>	<b>9,691,286</b>	<b>8,902,970</b>	<b>6,564,808</b>
<b>All Other Governmental Funds</b>					
Reserved	0	0	0	0	0
Unreserved, Undesignated (Deficit), Reported in:					
Special Revenue Funds	0	0	0	0	0
Debt Service Funds	0	0	0	0	0
Capital Projects Funds	0	0	0	0	0
Nonspendable	58,799	114,906	200,891	170,573	187,494
Restricted	8,439,921	7,521,893	6,115,764	5,865,238	7,043,077
Committed	6,070,832	968,587	786,167	853,414	663,681
Unassigned (Deficit)	(31,552)	(19,268)	(81,533)	(31,316)	(158,907)
<b>Total All Other Governmental Funds</b>	<b>14,538,000</b>	<b>8,586,118</b>	<b>7,021,289</b>	<b>6,857,909</b>	<b>7,735,345</b>
<b>Total Governmental Funds</b>	<b>\$29,675,624</b>	<b>\$26,614,272</b>	<b>\$16,712,575</b>	<b>\$15,760,879</b>	<b>\$14,300,153</b>

Note: During 2011, the City implemented GASB 54.

**Table 3**

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$1,156,884	\$11,114	\$69,864	\$94,715	\$294,921
3,642,880	5,489,730	1,986,309	3,212,313	3,724,852
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>4,799,764</u>	<u>5,500,844</u>	<u>2,056,173</u>	<u>3,307,028</u>	<u>4,019,773</u>
2,294,622	3,131,139	3,823,391	3,237,102	3,771,588
2,957,115	733,201	1,773,409	2,514,850	2,489,614
1,282,628	343,522	1,698,091	685,942	1,245,313
1,467,157	4,386,784	1,906,203	4,457,614	3,283,734
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>8,001,522</u>	<u>8,594,646</u>	<u>9,201,094</u>	<u>10,895,508</u>	<u>10,790,249</u>
<u>\$12,801,286</u>	<u>\$14,095,490</u>	<u>\$11,257,267</u>	<u>\$14,202,536</u>	<u>\$14,810,022</u>

# City of Lakewood, Ohio

## Changes in Fund Balances, Governmental Funds Modified Accrual Basis of Accounting Last Ten Years

	2014	2013	2012	2011	2010
<b>Revenues</b>					
Property Taxes	\$11,379,654	\$11,650,884	\$12,041,251	\$12,041,503	\$12,301,006
Payments in Lieu of Taxes	489,379	483,679	379,614	328,790	341,399
Municipal Income Taxes	21,158,365	20,119,636	19,542,235	18,766,179	17,850,439
Charges for Services	3,937,040	3,831,150	3,396,958	4,036,644	3,578,550
Fees, Licenses, and Permits	2,203,740	1,962,750	2,351,660	1,630,554	1,886,868
Fines and Forfeitures	1,913,424	1,695,082	1,811,478	1,814,547	1,690,587
Intergovernmental	11,422,657	15,904,055	10,383,636	11,984,530	14,727,449
Special Assessments	73,672	31,511	75,390	4,360	47,459
Interest	49,548	13,857	6,758	8,792	68,060
Contributions and Miscellaneous	575,734	901,706	936,797	824,613	544,005
<i>Total Revenues</i>	<u>53,203,213</u>	<u>56,594,310</u>	<u>50,925,777</u>	<u>51,440,512</u>	<u>53,035,822</u>
<b>Expenditures</b>					
Current:					
General Government	8,838,958	8,029,518	9,147,337	7,691,955	8,149,714
Security of Persons and Property					
Police and Other	12,339,318	11,955,911	12,000,737	12,223,002	12,069,033
Fire	9,480,970	9,355,592	9,299,325	9,197,428	9,282,338
Public Health Services	1,742,634	1,755,943	1,914,502	2,268,579	2,281,603
Transportation	1,915,695	1,880,557	1,768,040	2,151,849	1,867,759
Community Environment	5,797,278	4,829,707	4,559,327	6,084,834	6,727,225
Basic Utilities Services	3,068,909	2,966,538	3,012,214	3,331,914	3,150,020
Leisure Time Activities	2,141,599	1,768,169	1,510,669	1,732,556	1,542,088
Capital Outlay	5,501,475	2,446,578	3,870,084	3,022,809	760,521
Debt Service:					
Principal Retirement	9,855,339	7,457,812	11,002,721	11,686,748	11,949,421
Interest and Fiscal Charges	1,414,906	1,487,391	1,536,273	1,734,982	1,830,823
Bond Issuance Costs	40,184	18,201	81,512	114,820	0
<i>Total Expenditures</i>	<u>62,137,265</u>	<u>53,951,917</u>	<u>59,702,741</u>	<u>61,241,476</u>	<u>59,610,545</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(8,934,052)</u>	<u>2,642,393</u>	<u>(8,776,964)</u>	<u>(9,800,964)</u>	<u>(6,574,723)</u>
<b>Other Financing Sources (Uses)</b>					
General Obligation Bonds Issued	0	0	0	10,845,268	0
Refunding Bonds Issued	0	0	3,097,661	0	0
Bond Anticipation Notes	10,187,000	6,202,000	5,896,000	1,948,000	7,771,000
Refunding Bond Anticipation Notes	0	0	3,427,889	0	0
Premium on Debt Issuance	78,314	41,474	137,491	62,105	0
Sale of Capital Assets	17,237	11,656	130,124	25,308	0
Inception of Capital Lease	1,881,855	1,044,967	974,285	1,487,326	0
Current Refunding	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	(3,497,340)	(3,048,069)	0
Transfers In	9,021,394	4,573,048	4,286,718	2,777,968	4,000,770
Transfers Out	(9,190,396)	(4,613,841)	(4,724,168)	(2,836,216)	(4,118,272)
<i>Total Other Financing Sources (Uses)</i>	<u>11,995,404</u>	<u>7,259,304</u>	<u>9,728,660</u>	<u>11,261,690</u>	<u>7,653,498</u>
<i>Restatements</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>\$3,061,352</u>	<u>\$9,901,697</u>	<u>\$951,696</u>	<u>\$1,460,726</u>	<u>\$1,078,775</u>
Debt Service as a Percentage of Noncapital Expenditures	20.0%	17.4%	22.4%	23.9%	23.1%

**Table 4**

2009	2008	2007	2006	2005
\$13,194,723	\$13,257,834	\$13,502,272	\$12,316,987	\$12,388,236
308,520	340,341	368,523	241,589	241,480
18,355,581	18,480,218	18,143,485	17,080,608	17,785,152
3,598,946	3,033,174	3,494,517	3,597,914	3,479,982
1,823,254	1,971,510	2,035,413	1,930,932	1,159,966
1,592,897	1,710,782	1,458,771	1,535,840	1,385,746
13,197,654	11,824,139	13,239,249	13,184,935	13,989,782
24,642	240,001	123,219	105,230	91,836
214,275	533,257	1,130,083	1,479,546	830,725
724,928	817,733	381,542	752,522	510,219
<u>53,035,420</u>	<u>52,208,989</u>	<u>53,877,074</u>	<u>52,226,103</u>	<u>51,863,124</u>
7,875,387	7,930,675	8,607,515	7,261,972	7,215,127
12,220,039	12,139,328	11,678,468	11,484,234	10,598,682
9,662,410	10,088,610	10,567,772	10,080,039	9,573,450
2,428,498	3,352,685	4,089,118	4,501,420	4,258,873
1,704,157	1,980,543	2,617,950	1,770,566	2,057,427
6,250,805	5,669,977	6,787,327	6,619,518	6,359,746
3,699,636	4,466,994	5,089,792	4,661,348	4,094,876
1,513,654	1,733,290	1,944,398	1,809,858	1,912,849
6,842,067	5,280,879	4,525,704	3,838,417	6,132,047
4,087,490	8,637,976	11,230,978	2,905,047	9,353,547
2,085,801	2,057,441	1,924,401	1,794,537	1,738,257
0	0	300,690	0	225,403
<u>58,369,944</u>	<u>63,338,398</u>	<u>69,364,113</u>	<u>56,726,956</u>	<u>63,520,284</u>
<u>(5,334,524)</u>	<u>(11,129,409)</u>	<u>(15,487,039)</u>	<u>(4,500,853)</u>	<u>(11,657,160)</u>
0	0	10,520,000	0	6,495,637
0	0	0	0	7,335,000
7,771,000	7,771,000	5,374,000	8,311,000	4,228,000
0	0	0	0	0
0	0	57,987	5,367	241,575
0	0	0	0	5,500
2,175,159	4,110,632	1,375,314	0	10,137
(7,771,000)	0	0	(3,973,000)	0
0	0	(4,844,725)	0	(7,380,660)
13,561,547	3,077,261	3,631,000	1,969,098	3,970,791
<u>(11,696,386)</u>	<u>(2,786,509)</u>	<u>(3,571,806)</u>	<u>(2,419,098)</u>	<u>(4,007,982)</u>
<u>4,040,320</u>	<u>12,172,384</u>	<u>12,541,770</u>	<u>3,893,367</u>	<u>10,897,998</u>
<u>0</u>	<u>1,795,248</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(\$1,294,204)</u>	<u>\$2,838,223</u>	<u>(\$2,945,269)</u>	<u>(\$607,486)</u>	<u>(\$759,162)</u>
11.7%	18.5%	20.2%	9.3%	18.6%

# City of Lakewood, Ohio

## Assessed Valuations and Estimated Actual Values of Taxable Property

### Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value			Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU	Estimated Actual Value	Assessed Value	Estimated Actual Value
2014	\$682,865,970	\$154,516,560	\$2,392,521,514	\$15,184,670	\$17,255,307
2013	685,183,640	154,358,840	2,398,692,800	13,754,200	15,629,773
2012	721,599,290	163,222,160	2,528,061,286	12,758,240	14,498,000
2011	727,775,410	166,733,970	2,555,741,086	12,400,630	14,091,625
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

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). During 2011, the City did not include an assessed value for general business tangible personal property.

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; Fiscal Officer

**Table 5**

Tangible Personal Property		Total		Ratio	Tax Rate per \$1,000 of Assessed Value
General Business					
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$0	\$0	\$852,567,200	\$2,409,776,821	35.38 %	\$17.40
0	0	853,296,680	2,414,322,573	35.34	17.40
0	0	897,579,690	2,542,559,286	35.30	17.40
0	0	906,910,010	2,569,832,711	35.29	17.40
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

## City of Lakewood, Ohio

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

#### Last Ten Years

	2014	2013	2012	2011	2010
<b>Charter Millage</b>					
Sinking Fund	\$3.4700	\$3.4700	\$3.4700	\$3.4700	\$3.4700
1976 Charter/Current Expenses	8.6500	8.6500	8.6500	8.6500	8.6500
1976 Charter/Fire	1.6800	1.6800	1.6800	1.6800	1.6800
1976 Charter/Police	1.6000	1.6000	1.6000	1.6000	1.6000
1976 Charter/Sewer	2.0000	2.0000	2.0000	2.0000	2.0000
<b>Total Charter Millage</b>	<b>\$17.4000</b>	<b>\$17.4000</b>	<b>\$17.4000</b>	<b>\$17.4000</b>	<b>\$17.4000</b>
<b>Overlapping Rates by Taxing District</b>					
Lakewood City School District					
Residential/Agricultural Real	\$66.6502	\$66.5450	\$58.5508	\$56.6894	\$56.4019
Commercial/Industrial and Public Utility Real	80.8677	80.9159	72.8585	70.3761	69.8953
General Business and Public Utility Personal	123.2300	123.2300	115.4000	115.4000	115.4000
Cuyahoga County Council (1)					
Residential/Agricultural Real	18.1643	17.2639	16.4335	16.3035	16.3660
Commercial/Industrial and Public Utility Real	18.1228	17.1291	16.1672	15.9138	15.9620
General Business and Public Utility Personal	18.1800	17.2800	16.4500	16.4500	16.5500
Special Taxing Districts (2)					
Residential/Agricultural Real	4.6000	4.6000	4.3544	4.1938	4.1657
Commercial/Industrial and Public Utility Real	5.5100	5.5100	4.5847	4.3906	4.3529
General Business and Public Utility Personal	6.2500	6.2500	5.3500	5.3500	5.3500

Source: Cuyahoga County, Ohio; Fiscal Officer

**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

**Table 6**

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$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	1.6800	1.6800
1.6000	1.6000	1.6000	1.6000	1.6000
<u>2.0000</u>	<u>2.0000</u>	<u>2.0000</u>	<u>2.0000</u>	<u>2.0000</u>
<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>
\$48.8809	\$45.9650	\$45.5754	\$49.5692	\$49.5065
62.3184	61.3095	60.4273	65.9849	65.6697
107.9000	107.2000	106.9000	107.4000	107.4000
15.8789	15.1504	15.1210	14.1728	13.4245
15.5327	15.4894	14.3558	15.2977	14.6624
16.2500	16.2500	16.3500	16.4500	16.4500
4.1608	3.8697	3.8656	4.2827	4.2776
4.3492	4.3243	4.2874	4.7054	4.6776
5.3500	5.3500	5.3500	5.3500	5.3500

# City of Lakewood, Ohio

## Property Tax Levies and Collections

### Last Ten Years

**Table 7**

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
2014	\$15,384,597	\$14,499,281	94.25 %	\$507,587	\$15,006,868	97.54 %	\$1,006,208	6.54 %
2013	15,366,857	14,631,052	95.21	751,131	15,382,183	100.10	998,640	6.50
2012	16,076,676	15,291,655	95.12	688,402	15,980,057	99.40	1,224,804	7.62
2011	16,135,708	15,259,060	94.57	565,338	15,824,398	98.07	1,244,407	7.71
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

Source: Cuyahoga County, Ohio; Fiscal Officer

- (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. This City is currently unable to separate penalties and interest from the original tax levy.

**Note:** The County is aware of the requirement to report delinquent tax collections by levy year rather than by collection year. The County's current computer system tracks levy amounts by either current levy or delinquent levy. Once amounts become part of the delinquent levy, the ability to track information by levy year is lost. The County is looking at options to provide this information in the future.

# City of Lakewood, Ohio

## Principal Taxpayers – Real Estate Tax

2014 and 2005

Table 8

Taxpayer	2014	
	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Cleveland Electric Illuminating Company	\$13,015,970	1.55 %
Lakewood Senior Campus	2,958,180	0.35
Castlewood Association	2,097,280	0.25
Lakewood Senior Citizens Inc.	2,066,970	0.25
12000 Edgewater Dr Ltd	2,047,880	0.24
Marine Towers	2,014,360	0.24
LRC-G Lakewood, LLC	2,008,060	0.24
Fame-Midamco Co LLC	1,949,510	0.23
Shoreham Apartments	1,833,480	0.23
Lakewood Association L.P.	1,819,790	0.22
<b>Total</b>	<b>\$31,811,480</b>	<b>3.80 %</b>
<b>Total Real Property Assessed Valuation</b>	<b>\$837,382,530</b>	
Taxpayer	2005	
	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Cleveland Electric Illuminating Company	\$6,921,261	0.80 %
Ohio Bell Telephone Company	4,146,223	0.48
Lakewood Operating Associates	2,309,125	0.27
Lakewood Senior Citizens, Inc.	2,231,005	0.26
Marine Towers	2,096,990	0.24
Castlewood Association	1,994,744	0.23
Fame-Midamco Company	1,720,985	0.20
Lakewood Heath Care	1,690,850	0.20
Lakewood Association L.P.	1,641,200	0.19
Lakeshore Associates	1,596,350	0.19
<b>Total</b>	<b>\$26,348,733</b>	<b>3.06 %</b>
<b>Total Real Property Assessed Valuation</b>	<b>\$861,661,560</b>	

Source: Cuyahoga County, Ohio; Fiscal Officer

# City of Lakewood, Ohio

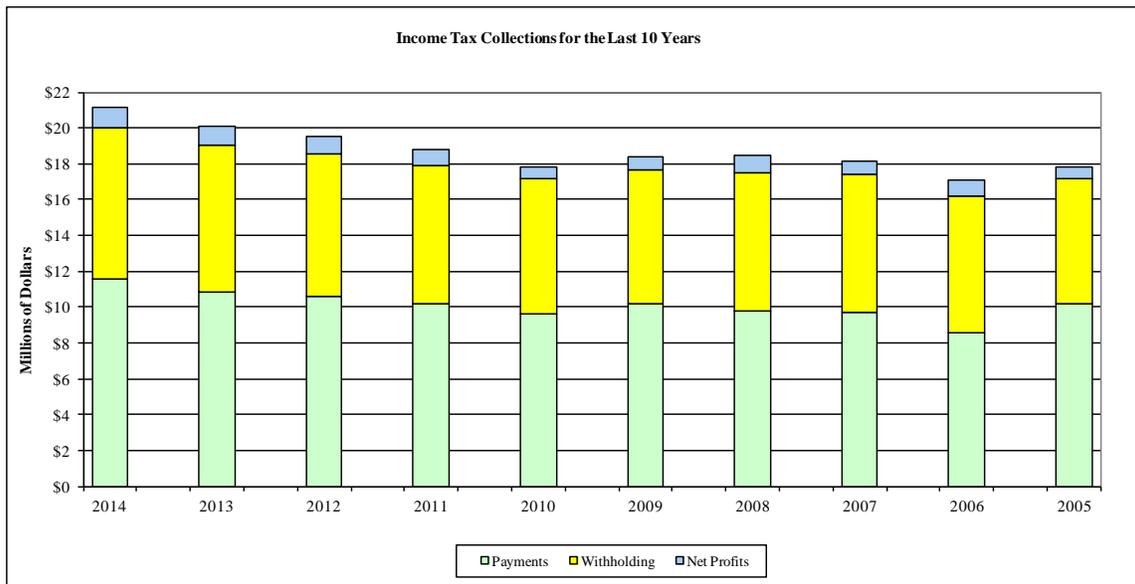
## Income Tax Revenue Base and Collections (Cash Basis)

### Last Ten Years

**Table 9**

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
2014	1.50%	\$21,158,365	\$11,535,541	54.52%	\$8,452,767	39.95%	\$1,170,057	5.53%
2013	1.50	20,119,636	10,877,178	54.06	8,175,944	40.64	1,066,514	5.30
2012	1.50	19,542,235	10,574,337	54.11	8,008,136	40.98	959,762	4.91
2011	1.50	18,766,179	10,191,507	54.31	7,696,981	41.02	877,691	4.67
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

- (1) Modified Accrual Basis
- (2) The City is statutorily prohibited from presenting individual taxpayer information.
- (3) The City's basic income tax rate may only be increased by a majority vote of City residents.



# City of Lakewood, Ohio

## Ratio of Outstanding Debt by Type

### Last Ten Years

**Table 10**

Year	Governmental Activities	Business Activities	Net General Bonded Debt		Net Debt as a Percentage of Estimated Taxable Value of Property (1)	Net General Bonded Debt Per Capita (2)	Other Governmental Activities Debt			
	General Obligation Bonds (4)	General Obligation Bonds (4)	Less: Amounts Restricted to Repaying Principal	Net General Bonded Debt			Special Assessment Bonds	OPWC Loans	Capital Leases	Long-term Bond Anticipation Notes
2014	\$24,693,458	\$5,881,316	(\$3,490,114)	\$27,084,660	1.12 %	\$519.55	\$0	\$123,200	\$6,632,198	\$10,209,711
2013	27,071,563	6,503,575	(2,970,853)	30,604,285	1.27	587.06	0	154,000	5,943,223	6,442,028
2012	29,444,981	7,153,314	(1,951,867)	34,646,428	1.36	664.60	0	184,800	6,015,960	3,956,143
2011	32,266,849	8,224,427	(1,284,237)	39,207,039	1.53	752.09	0	215,600	6,122,214	1,948,000
2010	27,304,917	9,222,488	(2,367,338)	34,160,067	1.33	655.27	0	246,400	5,574,518	7,771,000
2009	30,278,657	10,268,175	(1,873,830)	38,673,002	1.39	741.84	0	277,200	6,445,401	7,771,000
2008	33,476,781	11,315,719	(1,874,338)	42,918,162	1.52	757.66	0	308,000	5,143,663	8,529,620
2007	36,361,438	12,317,624	(2,652,566)	46,026,496	1.63	812.53	0	355,416	1,379,783	5,374,000
2006	33,481,011	12,849,249	(1,511,299)	44,818,961	1.72	791.21	0	419,437	22,322	8,505,000
2005	36,035,423	13,701,254	(1,128,628)	48,608,049	1.88	858.10	30,000	483,460	47,423	4,228,000

Year	Business-Type Activities					Total Debt (3)	Percentage of Personal Income (2)	Per Capita (2)
	General Obligation Bonds (4)	Revenue Bonds	Long-term Bond Anticipation Notes	Capital Leases	OPWC/OWDA Loans			
2014	\$5,881,316	\$20,587,776	\$1,844,918	\$4,337,104	\$2,395,609	\$76,705,290	5.36 %	\$1,471.39
2013	6,503,575	21,535,898	0	2,922,079	2,743,324	73,315,690	5.12	1,406.37
2012	7,153,314	22,443,126	0	2,541,600	3,107,421	74,847,345	5.23	1,435.76
2011	8,224,427	23,304,460	0	2,879,636	3,486,862	78,448,048	5.48	1,504.83
2010	9,222,488	24,610,322	0	1,224,164	3,864,982	79,818,791	5.58	1,409.08
2009	10,268,175	25,865,737	0	1,382,897	4,241,837	86,530,904	6.37	1,527.57
2008	11,315,719	27,055,258	494,380	1,535,792	4,617,473	92,476,686	6.81	1,632.54
2007	12,317,624	28,203,885	749,000	287,579	4,991,951	90,020,676	6.63	1,589.18
2006	12,849,249	29,472,065	1,408,000	0	5,365,315	91,522,399	6.74	1,615.69
2005	13,701,254	5,612,903	11,509,000	0	5,737,611	77,385,074	5.70	1,366.12

Source: Details regarding the City's outstanding debt can be found in the notes to the financial statements.  
(1) See S14-15 for taxable property value data.  
(2) See S30 for population and personal income data.  
(3) Includes general bonded debt, other governmental debt and business-type activities debt.  
(4) General obligation bonds are net of unamortized premiums/discounts and the deferral on refundings.

# City of Lakewood, Ohio

## Legal Debt Margin

### Last Ten Years

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Overall Legal Debt Limit (10.5% of Assessed Valuation)	\$89,488,056	\$89,596,151	\$94,245,867	\$95,225,551
Net Debt Applicable to Debt Limit	<u>32,642,122</u>	<u>31,554,491</u>	<u>32,392,911</u>	<u>33,491,466</u>
Overall Legal Debt Margin (10.5% of Assessed Valuation)	<u>\$56,845,934</u>	<u>\$58,041,660</u>	<u>\$61,852,956</u>	<u>\$61,734,085</u>
Legal Debt Margin as a Percentage of Debt Limit	<u>63.52%</u>	<u>64.78%</u>	<u>65.63%</u>	<u>64.83%</u>
Unvoted Legal Debt Limit (5.5% of Assessed Valuation)	\$46,874,696	\$46,931,317	\$49,366,883	\$49,880,051
Net Debt Applicable to Debt Limit	<u>32,642,122</u>	<u>31,554,491</u>	<u>32,392,911</u>	<u>33,491,466</u>
Unvoted Legal Debt Margin (5.5% of Assessed Valuation)	<u>\$14,232,574</u>	<u>\$15,376,826</u>	<u>\$16,973,972</u>	<u>\$16,388,585</u>
Legal Debt Margin as a Percentage of Debt Limit	<u>30.36%</u>	<u>32.76%</u>	<u>34.38%</u>	<u>32.86%</u>

#### Legal Debt Margin Calculation for the Year Ended December 31, 2014

	<u>Overall Margin Within 10.5%</u>	<u>Unvoted Margin Within 5.5%</u>
Assessed property value	<u>\$852,267,200</u>	<u>\$852,267,200</u>
Debt Limitation (percentage of assessed property value)	\$89,488,056	\$46,874,696
Gross Indebtedness:	66,815,911	66,815,911
Less: General Obligation Bonds	(3,345,000)	(3,345,000)
General Obligation Bonds - Enterprise Funds	(5,880,654)	(5,880,654)
Revenue Bonds	(20,738,598)	(20,738,598)
Notes Payable - Enterprise Funds	(2,340,000)	(2,340,000)
Debt Service Fund	<u>(1,869,537)</u>	<u>(1,869,537)</u>
Net Debt Applicable to Debt Limit	<u>32,642,122</u>	<u>32,642,122</u>
Legal Debt Margin Within Limitations	<u>\$56,845,934</u>	<u>\$14,232,574</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.

**Table 11**

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$95,332,559	\$102,111,500	\$103,199,469	\$103,525,987	\$94,469,704	\$94,702,170
<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>	<u>48,932,958</u>
<u>\$60,866,158</u>	<u>\$64,651,168</u>	<u>\$60,509,462</u>	<u>\$61,486,225</u>	<u>\$53,417,919</u>	<u>\$45,769,212</u>
<u>63.85%</u>	<u>63.31%</u>	<u>58.63%</u>	<u>59.39%</u>	<u>56.55%</u>	<u>48.33%</u>
\$49,936,102	\$53,486,976	\$54,056,865	\$54,227,898	\$49,484,131	\$49,605,898
<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>	<u>48,932,958</u>
<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>	<u>\$672,940</u>
<u>30.98%</u>	<u>29.96%</u>	<u>21.03%</u>	<u>22.48%</u>	<u>17.04%</u>	<u>1.36%</u>

## City of Lakewood, Ohio

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

December 31, 2014

Table 12

	Debt Attributable to Governmental Activities	Overlapping Percentage Applicable to Lakewood (1)	Amount of Direct and Overlapping Debt
<u>Direct:</u>			
City of Lakewood			
General Obligation Bonds (2)	\$24,693,458	100.00 %	\$24,693,458
Notes Payable - Long-term	10,209,711	100.00	10,209,711
Loans Payable	123,200	100.00	123,200
Capital Leases	6,632,198	100.00	6,632,198
Total Direct Debt	41,658,567		41,658,567
<u>Overlapping Debt:</u>			
Cuyahoga County	262,275,000	3.08	8,073,767
Regional Transit Authority	102,840,000	3.08	3,165,785
Lakewood City School District	154,183,386	100.00	154,183,386
Total Overlapping Debt	519,298,386		165,422,938
Total	\$560,956,953		\$207,081,505

Source: Cuyahoga County, Ohio; County Fiscal Officer

- (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 2014 collection year.
- (2) General obligation bonds are net of unamortized premiums/discounts and the deferral on refundings.



## City of Lakewood, Ohio

### *Pledged Revenue Coverage*

#### *Water*

#### ***Last Ten Years***

	2014	2013	2012	2011	2010
Net Available Revenue:					
Gross Revenues (1)	\$11,074,606	\$11,306,665	\$11,214,618	\$10,774,944	\$10,777,249
Less: Operating Expenses (2)	8,717,099	7,975,571	9,190,160	8,128,431	8,468,811
Net Available Revenue	<u>\$2,357,507</u>	<u>\$3,331,094</u>	<u>\$2,024,458</u>	<u>\$2,646,513</u>	<u>\$2,308,438</u>
Debt Service OPWC Loans:					
Principal	\$313,229	\$332,903	\$313,229	\$313,229	\$313,229
OPWC Coverage	<u>7.53</u>	<u>10.01</u>	<u>6.46</u>	<u>8.45</u>	<u>7.37</u>
Debt Service - Revenue Bonds:					
Principal	512,252	486,359	465,465	954,572	919,125
Interest	456,823	479,013	500,187	538,959	575,314
Revenue Bond Coverage	<u>2.43</u>	<u>3.45</u>	<u>2.10</u>	<u>1.77</u>	<u>1.54</u>
Total Debt Service:					
Principal	825,481	819,262	778,694	1,267,801	1,232,354
Interest	456,823	479,013	500,187	538,959	575,314
Total Coverage	<u>1.84</u>	<u>2.57</u>	<u>1.58</u>	<u>1.46</u>	<u>1.28</u>

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

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

**Table 13**

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

## City of Lakewood, Ohio

### *Pledged Revenue Coverage*

#### *Sewer*

#### ***Last Ten Years***

	2014	2013	2012	2011	2010
Net Available Revenue:					
Gross Revenues (1)	\$8,643,807	\$8,263,735	\$7,653,452	\$6,849,662	\$6,443,136
Less: Operating Expenses (2)	4,572,164	4,471,397	3,976,850	3,757,052	4,207,534
Net Available Revenue	<u>\$4,071,643</u>	<u>\$3,792,338</u>	<u>\$3,676,602</u>	<u>\$3,092,610</u>	<u>\$2,235,602</u>
Debt Service OWDA Loans:					
Principal	\$0	\$16,382	\$31,726	\$30,405	\$29,138
Interest	0	346	1,731	3,053	4,861
OWDA Coverage	<u>0.00</u>	<u>226.71</u>	<u>109.89</u>	<u>92.43</u>	<u>65.75</u>
Debt Service - OPWC Loans:					
Principal	34,486	34,486	34,486	34,486	34,485
OPWC Coverage	<u>118.07</u>	<u>109.97</u>	<u>106.61</u>	<u>89.68</u>	<u>64.83</u>
Debt Service - Revenue Bonds:					
Principal	445,000	430,000	405,000	390,000	375,000
Interest	498,413	515,613	535,863	551,463	566,463
Revenue Bond Coverage	<u>4.32</u>	<u>4.01</u>	<u>3.91</u>	<u>3.28</u>	<u>2.37</u>
Total Debt Service:					
Principal	479,486	480,868	471,212	454,891	438,623
Interest	498,413	515,959	537,594	554,516	571,324
Total Coverage	<u>4.16</u>	<u>3.80</u>	<u>3.64</u>	<u>3.06</u>	<u>2.21</u>

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

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

**Table 14**

2009	2008	2007	2006	2005
\$5,821,972	\$6,220,187	\$7,628,335	\$6,081,419	\$6,145,671
4,264,238	4,720,506	5,900,144	5,217,728	4,242,885
<u>\$1,557,734</u>	<u>\$1,499,681</u>	<u>\$1,728,191</u>	<u>\$863,691</u>	<u>\$1,902,786</u>
\$27,925	\$26,761	\$25,647	\$24,578	\$23,555
5,533	6,696	7,811	8,879	9,902
<u>46.56</u>	<u>44.82</u>	<u>51.65</u>	<u>25.81</u>	<u>56.87</u>
34,485	34,487	34,487	0	0
<u>45.17</u>	<u>43.49</u>	<u>50.11</u>	<u>0</u>	<u>0</u>
360,000	350,000	310,000	0	0
580,863	594,862	365,088	0	0
<u>1.66</u>	<u>1.59</u>	<u>2.56</u>	<u>0</u>	<u>0</u>
422,410	411,248	370,314	24,578	23,555
586,396	601,558	372,899	8,879	9,902
<u>1.54</u>	<u>1.48</u>	<u>2.33</u>	<u>25.81</u>	<u>56.87</u>

# City of Lakewood, Ohio

## Demographic and Economic Statistics

### Last Ten Years

**Table 15**

Year	Population (1)	Total Personal Income (5)	Personal Income Per Capita	Median Household Income (1)	Median Age (1)	Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (2)	Cuyahoga County Unemployment Rate (3)	Total Assessed Property Value (4)
2014	52,131	\$1,431,100,212	\$27,452	\$43,154	34.9	38.9%	5,192	6.0%	\$852,567,200
2013	52,131	1,431,100,212	27,452	43,154	34.9	38.9	5,833	7.2	853,296,680
2012	52,131	1,431,100,212	27,452	43,154	34.9	38.9	5,870	6.6	897,579,690
2011	52,131	1,431,100,212	27,452	43,154	34.9	38.9	5,667	7.1	906,910,010
2010	52,131	1,431,100,212	27,452	44,268	35.4	38.9	5,664	8.6	907,929,130
2009	56,646	1,357,351,452	23,962	40,527	34.2	35.9	5,665	9.0	972,490,480
2008	56,646	1,357,351,452	23,962	40,527	34.2	35.9	5,925	7.1	982,852,083
2007	56,646	1,357,351,452	23,962	40,527	34.2	35.9	5,755	6.1	985,961,781
2006	56,646	1,357,351,452	23,962	40,527	34.2	35.9	6,090	5.3	899,711,471
2005	56,646	1,357,351,452	23,962	40,527	34.2	35.9	6,229	5.4	901,925,425

(1) Source: U. S. Census

(2) Source: Lakewood City School District

(3) Ohio Department of Job and Family Services

(4) Source: Cuyahoga County Fiscal Officer

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

# City of Lakewood, Ohio

## Principal Employers – Based on Income Tax Dollars Withheld

### Current and Nine Years Ago

**Table 16**

2014			
Employer	Nature of Activity	Employees *	Percentage of Total City Employment
Lakewood Hospital	Health Care	1,688	14.01%
Lakewood Board of Education	School District	1,267	10.52
City of Lakewood	Municipality	432	3.59
New York Life Insurance Company	Insurance Company	390	3.24
The MF Cachat Company	Special Chemical Sales	58	0.48
First Federal Saving and Loan Association of Lakewood	Financial Institution	242	2.01
Graftech International Holdings	Graphite Industry	185	1.54
Ohio Bell Telephone Company	Public Utility	127	1.05
Riser Foods Company	Grocer	324	2.69
St. Edward High School	Private School	302	2.51
Total		5,015	41.64%
Total Employment within the City		12,045	
2005			
Employer	Nature of Activity	Employees **	
Lakewood Hospital	Health Care	1,378	
Lakewood Board of Education	School District	881	
City of Lakewood	Municipality	689	
New York Life Insurance Company	Insurance Company	232	
Aristocrat Lakewood	Health Care	168	
American Telephone and Telegraph	Public Utility	166	
First Federal Savings and Loan Assoc. of Lakewood	Financial Institution	147	
Galaxy Balloons	Manufacturing	137	
Advanced Energy Tech, Inc.	Manufacturing	123	
United States Post Office	Manufacturing	106	
Total		4,027	
Total Employment within the City		n/a	

Source: City of Lakewood; Department of Taxation

\* # of w-2's filed with the City

\*\* Based on actual number of employees

n/a - not available

# City of Lakewood, Ohio

## Full-Time City Employees by Function/Program

### Last Ten Years

**Table 17**

Function/Program	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>General Government</b>										
Council	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00
Court	15.00	15.00	16.00	20.00	20.00	20.00	20.00	22.00	19.00	19.00
Civil Service	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Mayor's Office	3.00	3.00	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Human Resources	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00
Community Relations	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	1.00
Finance	7.00	6.00	7.00	7.00	6.00	7.00	7.00	7.00	7.00	6.00
Income Tax	6.00	6.00	4.00	4.00	4.00	3.00	4.00	6.00	7.00	5.00
Information System	4.00	3.00	4.00	4.00	4.00	4.00	4.00	6.00	6.00	6.00
Utility Billing	2.00	2.00	2.00	3.00	2.00	2.00	4.00	4.00	5.00	5.00
Health/Vital Stats	2.00	2.00	2.00	2.00	3.00	3.00	3.00	8.00	11.00	10.00
Law	4.00	4.00	4.00	3.00	3.00	3.00	5.00	5.00	3.00	3.00
Planning and Development	5.00	5.00	5.00	5.00	6.00	6.00	5.00	3.00	3.00	3.00
Community Development	2.00	2.00	2.00	2.00	3.00	3.00	3.00	8.00	6.00	8.00
<b>Security of Persons and Property</b>										
Police	97.00	95.00	95.00	97.00	100.00	99.00	98.00	96.00	94.00	94.00
Police - Communications	10.00	11.00	11.00	10.00	10.00	11.00	11.00	12.00	11.00	10.00
Support of Prisoners	2.00	2.00	2.00	2.00	5.00	4.00	4.00	4.00	3.00	3.00
Fire	77.00	76.00	76.00	76.00	75.00	76.00	78.00	81.00	77.00	76.00
Emergency Medical Services	9.00	12.00	12.00	12.00	13.00	13.00	13.00	13.00	18.00	18.00
Housing and Building	15.00	13.00	12.00	13.00	15.00	16.00	14.00	19.00	22.00	21.00
Parking	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00
Animal Control	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
<b>Public Works</b>										
Public Works Administration	1.00	1.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00
Parks	17.00	18.00	12.00	13.00	13.00	11.00	13.00	16.00	16.00	16.00
Buildings and Facilities	0.00	0.00	1.00	1.00	2.00	2.00	3.00	4.00	5.00	5.00
Construction	0.00	0.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00
Streets	14.00	14.00	14.00	14.00	15.00	12.00	13.00	16.00	17.00	19.00
Forestry	4.00	4.00	4.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00
Traffic Signs	2.00	2.00	2.00	2.00	3.00	3.00	4.00	4.00	3.00	4.00
Refuse	29.00	30.00	30.00	32.00	35.00	35.00	43.00	46.00	52.00	51.00
Fleet	10.00	10.00	10.00	11.00	11.00	11.00	11.00	10.00	11.00	10.00
Communications	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	2.00	2.00
Water Distributions	5.00	6.00	6.00	6.00	6.00	7.00	8.00	9.00	8.00	6.00
Water Metering	5.00	5.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Wastewater Collections	12.00	11.00	12.00	11.00	12.00	13.00	14.00	14.00	16.00	15.00
Wastewater Treatment	22.00	23.00	23.00	22.00	23.00	22.00	23.00	23.00	23.00	22.00
Engineering	4.00	3.00	3.00	3.00	4.00	4.00	4.00	6.00	6.00	5.00
Winterhurst	0.00	0.00	0.00	0.00	0.00	0.00	1.00	2.00	3.00	3.00
<b>Human Services</b>										
Human Services Administration	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Office on Aging IIIB	11.00	11.00	12.00	16.00	18.00	18.00	21.00	25.00	25.00	26.00
Office on Aging IIIC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.00	7.00	7.00
Early Childhood	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00
Youth	6.00	6.00	6.00	8.00	8.00	10.00	10.00	12.00	11.00	9.00
<b>Totals:</b>	<b>416.00</b>	<b>415.00</b>	<b>417.00</b>	<b>432.00</b>	<b>452.00</b>	<b>452.00</b>	<b>475.00</b>	<b>527.00</b>	<b>536.00</b>	<b>527.00</b>

Source: City of Lakewood, Finance Department

(1) This table includes full-time employees and excludes part-time and seasonal employees as of December 31.



# City of Lakewood, Ohio

## Operating Indicators by Function/Program

### Last Ten Years

Function/Program	2014	2013	2012
<b>General Government</b>			
<i>Clerk of Council</i>			
Number of ordinances passed	59	50	86
Number of resolutions passed	94	70	79
<i>Civil Service</i>			
Number of police and fire entry application processed	0	67	169
<i>Finance Department</i>			
Number of checks/ vouchers issued	5,577	6,477	7,232
Interest earnings for fiscal year (cash basis)	\$107,466	\$15,300	\$8,787
<i>Income Tax</i>			
Number of Annual withholding forms processed	26,696	26,645	25,456
Number of Business net profit forms processed	2,451	2,397	2,399
<b>Public Works</b>			
<i>Engineering</i>			
Dollar amount of Construction overseen by Engineer	\$4,958,463	\$4,548,953	\$3,642,342
<i>Forestry</i>			
Number of trees planted	378	275	65
<i>Parking Enforcement</i>			
Number of parking tickets	13,155	4,568	4,743
<i>Refuse</i>			
Collection of resident and business garbage in tons	14,774	15,606	16,049
<i>Water</i>			
Average (MCF) of water billed monthly (in thousands)	172,472	185,803	190,425
<i>Wastewater Collection</i>			
Average (MCF) of sewer billed monthly (in thousands)	172,472	185,803	190,425
<i>Wastewater Treatment</i>			
Influent flow in millions of gallons per year	2,730	2,741	2,577
Bio-solids wet tons per year	4,737	5,303	4,750

n/a - not available

(1) Information for some years is not available

**Table 18**

2011	2010	2009	2008	2007	2006	2005
66	107	94	100	95	98	126
70	76	62	101	73	102	103
0	0	0	240	0	340	n/a
8,705	8,924	9,291	11,014	9,335	7,083	6,846
\$11,232	\$103,993	\$292,662	\$741,464	\$1,763,496	\$2,004,475	\$908,127
24,275	22,794	22,142	22,709	22,919	9,727	8,931
2,378	2,224	2,271	2,195	2,065	1,405	1,072
\$3,687,241	\$3,925,960	\$3,501,473	\$3,443,940	\$12,590,150	\$13,859,602	\$9,173,108
6	272	259	206	186	296	n/a
3,542	12,118	11,178	12,004	10,287	11,868	5,251
16,369	16,296	17,010	19,990	21,026	22,137	21,868
186,536	194,311	203,999	206,902	214,515	216,729	221,803
186,536	194,311	203,999	206,902	214,515	216,729	221,803
3,793	2,520	2,771	3,324	3,101	3,228	2,947
5,240	5,580	5,002	5,101	5,348	5,643	5,209

# City of Lakewood, Ohio

## Operating Indicators by Function/Program (continued)

### Last Ten Years

Function/Program	2014	2013	2012
<b>Security of Persons and Property</b>			
<i>Police</i>			
Total calls for services	54,430	42,601	54,480
Number of citations issued	9,476	7,543	8,411
<i>Fire</i>			
Total calls for services-Fire	1,406	1,828	1,585
Total calls for services-EMS	5,301	5,328	5,653
<b>Community Environment</b>			
<i>Building Department</i>			
Estimated value of construction	\$29,889,659	\$28,056,591	\$30,828,918
Number of permits issued (all types)	2,449	2,469	2,573
<b>Leisure Time Activities</b>			
<i>Parks</i>			
Recreation Men's and Women's Leagues receipts	\$5,798	\$5,675	\$5,405
Recreation Youth Activities receipts	\$78,569	\$79,841	\$80,522

n/a - not available

(1) Information for some years is not available

**Table 18**

2011	2010	2009	2008	2007	2006	2005
57,570	64,064	55,802	46,247	50,316	49,733	52,053
8,353	16,710	16,262	15,747	14,009	15,007	14,872
1,387	1,256	1,411	1,795	2,163	2,067	2,245
5,399	5,208	5,251	5,006	5,006	5,111	5,028
\$21,012,297	\$25,472,201	\$18,660,849	\$34,568,567	\$44,249,478	\$73,425,066	\$44,324,510
2,473	2,552	2,216	2,683	2,724	2,781	3,011
\$5,307	\$5,125	\$5,025	\$5,100	\$4,250	\$3,619	\$8,341
\$80,351	\$79,205	\$78,700	\$76,500	\$73,500	\$89,347	\$68,881

# City of Lakewood, Ohio

## Capital Assets Statistics by Function/Program

### Last Ten Years

Function/Program	2014	2013	2012	2011	2010
<b>Security of Persons and Property</b>					
<b>Police</b>					
Stations	1	1	1	1	1
Vehicles	49	49	45	44	44
<b>Fire</b>					
Stations	3	3	3	3	3
Vehicles	15	15	19	17	17
<b>Leisure Time Activities</b>					
<b>Parks</b>					
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
<b>Transportation</b>					
<b>Service</b>					
Streets (miles)	93	93	93	93	93
Street Lights	1,488	1,488	1,488	1,488	1,488
<b>Water and Sewer</b>					
Water Lines (miles)	112	112	112	112	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

Source: City of Lakewood

**Table 19**

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<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
1	1	1	1	1
47	49	51	52	50
3	3	3	3	3
17	18	17	18	18
15	15	15	15	14
2	2	2	2	2
1	1	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
112	112	112	112	111
75	75	75	75	75
66	66	66	66	66
25	25	25	25	25





# 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  
JULY 2, 2015