

**CITY OF LAKEWOOD
CUYAHOGA COUNTY, OHIO**

SINGLE AUDIT REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2011**

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



Dave Yost • Auditor of State

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

We have reviewed the *Independent Auditor's Report* of the City of Lakewood, Cuyahoga County, prepared by James G. Zupka, CPA, Inc., for the audit period January 1, 2011 through December 31, 2011. 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

November 7, 2012

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**CITY OF LAKEWOOD, OHIO
SINGLE AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2011**

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

*Certified Public Accountants
5240 East 98th Street
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Ohio Society of Certified Public Accountants

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lakewood, Cuyahoga County, Ohio, as of and for the year ended December 31, 2011, which collectively comprise the City of Lakewood, Ohio's basic financial statements and have issued our report thereon dated July 12, 2012, wherein we noted the City implemented Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The implementation of GASB Statement No. 54 and the recognition of assets held for resale resulted in the restatement of the December 31, 2010 fund balances of the governmental funds. In addition, the December 31, 2010 net assets of the governmental activities, business-type activities, and the Sewer Fund were restated as a result of adjustments to accounting loss on refundings, payments in lieu of property taxes, and assets held for resale. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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


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

Compliance and Other Matters

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

We noted certain matters that we reported to management of the City of Lakewood, Ohio, in a separate letter dated July 12, 2012.

This report is intended solely for the information and use of management, members of City Council, members of the Audit Committee, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


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

July 12, 2012

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

Certified Public Accountants

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**REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT
ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

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

Compliance

We have audited the City of Lakewood, Cuyahoga County, Ohio's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City of Lakewood, Ohio's major federal programs for the year ended December 31, 2011. The City of Lakewood, Ohio's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of Lakewood, Ohio's management. Our responsibility is to express an opinion on the City of Lakewood, Ohio's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Lakewood, Ohio's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City of Lakewood, Ohio's compliance with those requirements.

In our opinion, the City of Lakewood, Ohio, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011.

Internal Control Over Compliance

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


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

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

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lakewood, Ohio, as of and for the year ended December 31, 2011, and have issued our report thereon dated July 12, 2012, which contained unqualified opinions on those financial statements, wherein we noted the City implemented Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The implementation of GASB Statement No. 54 and the recognition of assets held for resale resulted in the restatement of the December 31, 2010 fund balances of the governmental funds. In addition, the December 31, 2010 net assets of the governmental activities, business-type activities, and the Sewer Fund were restated as a result of adjustments to accounting loss on refundings, payments in lieu of property taxes, and assets held for resale. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended solely for the information and use of management, members of City Council, members of the Audit Committee, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


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

July 12, 2012

CITY OF LAKEWOOD, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Number	Expenditures
<u>U.S. Department of Housing and Urban Development</u>			
<i>Direct Programs</i>			
<u>Community Development Block Grant Cluster</u>			
Community Development Block Grant	14.218	B-10-MC-39-0007	* \$ 2,091,009
ARRA - Community Development Block Grant-R	14.253	B-09-MY-39-0007	<u>34,402</u>
Total Community Development Block Grant Cluster			<u>2,125,411</u>
Emergency Shelter Grant	14.231	S-10-MC-39-0007	<u>77,257</u>
ARRA - Homelessness Prevention and Rapid Re-Housing Program Grant	14.257	S-10-MY-39-0007	<u>295,317</u>
<i>Total Direct Programs</i>			<u>2,497,985</u>
<u>Passed Through Cuyahoga County Housing Consortium</u>			
HOME Investment Partnerships Program Grant	14.239	CE-0400-354-01	<u>196,459</u>
<u>Passed Through Ohio Department of Development</u>			
Neighborhood Stabilization Program Grant	14.228	A-Z-08-282-1	* <u>46,717</u>
<i>Total Passed Through Programs</i>			<u>243,176</u>
Total U.S. Department of Housing and Urban Development			<u>2,741,161</u>
<u>U.S. Department of Justice</u>			
<i>Direct Program</i>			
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.804	2010-JG-A02-T12428	<u>44,594</u>
Total U. S. Department of Justice			<u>44,594</u>
<u>U.S. Department of Energy</u>			
<i>Direct Program</i>			
ARRA - Energy Efficiency Block Grant	81.128	DE-SC000-2669	<u>192,208</u>
Total U.S. Department of Energy			<u>192,208</u>
<u>U.S. Department of Health and Human Services</u>			
<u>Passed Through Western Reserve Area Agency on Aging</u>			
Special Programs for the Aging - Title III	93.044	n/a	<u>97,470</u>
Medical Assistance Program (Passport Services)	93.778	n/a	<u>34,824</u>
Total U.S. Department of Health and Human Services			<u>132,294</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 3,110,257</u>

* Includes program income.

See notes to the Schedule of Expenditures of Federal Awards

CITY OF LAKEWOOD, OHIO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011

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, 2011, the gross amount of loans outstanding under this program is \$1,831,512. The Emergency Shelter Grant and the Homelessness Prevention and Rapid Re-Housing Program Grant are directly received by the City. HUD's HOME Program grant is passed through the Cuyahoga County Housing Authority Consortium.

CITY OF LAKEWOOD, OHIO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011
(CONTINUED)

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

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

NOTE 6: FOOD DISTRIBUTION

Meals received from the Western Reserve Agency on Aging are reported in the Schedule at the value of \$3.54 per meal served. Of the value of an individual meal served, the U.S. Department of Health and Human Services allocates \$3.54 per meal. For the year ended December 31, 2011, the City served 20,660 and 23,156 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, 2011**

1. SUMMARY OF AUDITOR'S RESULTS

2011(i)	Type of Financial Statement Opinion	Unqualified
2011(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2011(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2011(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2011(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2011(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
2011(v)	Type of Major Programs' Compliance Opinions	Unqualified
2011(vi)	Are there any reportable findings under .510?	No
2011(vii)	Major Programs (list): Community Development Block Grant - CFDA #14.218 ARRA - Community Development Block Grant-R - CFDA #14.253	
2011(viii)	Dollar Threshold: A/B Programs	Type A: \$300,000 Type B: All Others
2011(ix)	Low Risk Auditee?	No

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

**CITY OF LAKEWOOD, OHIO
STATUS OF PRIOR FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2011**

The prior audit report, as of December 31, 2010, 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 ENDED
DECEMBER 31, 2011



VISIT OUR WEBSITE WWW.ONELAKEWOOD.COM



City of Lakewood, Ohio



Comprehensive Annual Financial Report

For the Year Ended December 31, 2011

Issued by:

City of Lakewood
Department of Finance

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

INTRODUCTION SECTION

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City of Lakewood, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2011
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Jennifer R. Pae
Director of Finance

July 12, 2012

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, 2011.

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

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

The independent public accounting firm of James G. Zupka, C.P.A., Inc., has issued an unqualified ("clean") opinion on the City of Lakewood's financial statements for the year ended December 31, 2011. 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 computer information services.

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

The Department of Public Safety consists of the Division of Police, the Division of Fire and the Division of Housing and Building. The Mayor serves as the ex-officio Director of Public Safety and appoints the chiefs of the Divisions of Police and Fire. 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 2011 unemployment rate was 7.0 percent, while neighboring Cleveland's unemployment rate was around 8.2 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 2012. The City benefitted from new retail and office assets that yielded job retention and expansion in 2011 that will carry forward into 2012. The City's largest employers held steady or had significant 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 2011 for the fourth year in a row, in stark contrast to regional and national trends with Detroit Avenue having single digit vacancy for the first time in more than ten years. The City's population density and lower rents provided a value option for retail growth in addition to the readily available service retail workforce. The City expects that retail occupancy will continue to trend upward in 2012 with the expansion of existing retailers.

The City continues to invest strategically in small business via storefront renovation grants and in 2011 revamped the sign regulations to improve the ease of access for business to good physical advertising.

Commercial Office

The City's commercial office sector experienced major renovations and new construction that began in 2009 and 2010 were completed in 2011. The INA and Bailey buildings continue to fill office space by retaining Lakewood office tenants and attracting new tenants to the City. Lakewood Center North, the City's largest office building, saw significant vacancy in 2011 and is working to resolve ownership status and reposition itself to attract new tenants.

Industrial

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

Residential

The City has been able to enhance its residential rehabilitation programs and be assertive in demolishing long standing nuisance properties in 2011, thanks to ongoing federal dollars through the Neighborhood Stabilization Program (NSP). The City emphasized aggressive enforcement of building standards and incentives to acquire and rehabilitate vacant or foreclosed homes. In 2011, the City began the process to acquire and rehabilitate single family homes on Cranford, Marlowe, Gladys and Lakewood Avenues and will have these properties on the Market by the end of 2012. Additionally, the City partnered with Habitat for Humanity to construct two new single family homes on sites that were formerly occupied by blighted structures. Construction will commence in 2012.

Foreclosures and distressed properties remained a nationwide problem in 2011, but the City completed a City wide exterior conditions survey of all 13,000 one and two family properties. The result of the survey clarified that more than 85 percent of the community's housing stock was in good physical condition and financially stable. The remaining 14 percent are being systematically addressed through a proactive code enforcement and rehabilitation strategy called Housing Forward. The strategy will be fully implemented in 2012 and grew out of partnerships with agencies like the Landbank, the Cuyahoga County Department of Development and Cleveland Housing Network and LakewoodAlive. Investment properties represent two-thirds of foreclosure activity in Lakewood, giving promise to the relative stability of owner-occupied doubles and single family homes. Encouraged by federal and local incentives, first time homebuyers have seen a flurry of activity throughout 2011.

Major Initiatives

In late 2011, the City of Lakewood Administration developed the following Government Objectives that will be used as the guideline for initiatives and improvements within City Hall and throughout the community:

1. Continue to provide core services that meet the needs of all our citizens.
 - a. Support and improve Police, Fire, EMS, Refuse, Streets and other Public Works.
 - b. Use technology to create focus and alignment of City resources, such as SharePoint and GIS.
 - c. Continued accountability and stewardship of City assets.
2. Right-size our local government in response to severe revenue reductions imposed by the State of Ohio.
 - a. Reengage CitiStat using a Lean / Kaizen focus.
 - b. Leverage normal attrition to reshape our organization.
 - c. Prepare for the 2013 collective bargaining discussions.
 - d. Continue to explore shared service and collaboration opportunities with neighboring communities and other services providers.
 - e. Pursue aggressive collection of accounts receivable.
3. Improve ease and speed of customer access to information, answers, concerns and opportunities.
 - a. Improve skills with existing technologies.
 - b. Identify, review and train employees to address citizens' needs.
 - c. Use emerging media to more effectively communicate both externally and internally.
 - d. Develop document management strategies.
4. Strengthen our housing stock.
 - a. Escalate proactive code enforcement.
 - b. Utilize housing survey results to create focus and compliance.
 - c. Improve performance of interdepartmental housing intervention team.
 - d. Continue implementation of landlord performance initiatives.
 - e. Provide more resources to the property investment initiative to expedite appropriate action.
5. Strengthen our commercial corridors with products and services that support Lakewood citizens.
 - a. Attract appropriate investment.
 - b. Support current investments.
 - c. Support the Main Street strategies of Lakewood Alive.
6. Aggressively protect our citizens and their property.
 - a. Maintain appropriate public safety manpower levels.
 - b. Focus on criminal and property nuisance behaviors.
 - c. Leverage technology to improve effectiveness.
 - i. Video surveillance in public spaces.
 - ii. Enhance vehicle communication technology and training to support our first responders.
 - d. Identify more creative solutions to automobile speeding behaviors.
7. Engage our citizens as active participants in opportunities and threats.
 - a. Create an effective coordination of volunteers of citizens in need to support basic needs such as shelter, food, and day-to-day support.
 - b. Promote and develop healthier and more sustainable community initiatives.

8. Address regulatory compliance deadlines imposed by Federal Agencies.
 - a. EPA: Storm water runoff compliance.
 - b. FCC: Public safety narrow band radio compliance.
9. Vigorously work with our citizens and partners to address major changes in healthcare law and marketplace forces.
 - a. Create appropriate forums to explain, discuss and create consensus regarding Lakewood Hospital.

Long-Term Financial Planning

According to Article VIII, Section 3 of the City of Lakewood Second Amended Charter, the Director of Finance shall annually prepare and submit to the Mayor and Council a recommended five-year financial plan for the City's operating and capital needs. The Director's recommended financial plan shall be prepared after consultation with the Mayor and 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: In Scene Magazine's March 30, 2011 issue Lakewood was named the Best Suburb in their Best of Cleveland 2011 article. "Nowhere in Northeast Ohio do so many cultures mesh so harmoniously as they do in Lakewood. It's the perfect gathering place thanks in no small part to its wonderful restaurants, its rollicking bars and clubs, and its quirky small businesses that line every major street. And it's the perfect home thanks to its bountiful and hardy old houses and apartments, for its overachieving schools, its bucolic parks and its pervasive sense of neighborhood pride and unity," states Scene Magazine.

Lakewood also received the Best Playground for Kids and the Best Skate Park designations. "Expansive Lakewood Park, perched on a bluff overlooking Lake Erie in the center of town, is a wonderland of kid enticements, from the wooden playground with the pirate ship, to the region's best Skate Park, to the regular family friendly parties, concerts, and movies that take place during summer weekends and evenings," states Scene.

Awards: The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Lakewood for its Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2010. This was the 29th 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.

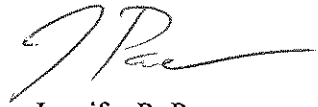
Acknowledgements: This Comprehensive Annual Financial Report was prepared by the Finance Department with the dedicated services of its entire staff, as well as with support of numerous departments throughout the City. In addition, we would like to thank the members of City Council for their continuing 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., and the Auditor of State, David Yost and his Local Government Services staff for their involvement and support in putting together the GASB 34 statements. We would also like to thank the auditor's staff for their efforts and professional conduct throughout the audit engagement.

Respectfully submitted,



Michael P. Summers
Mayor



Jennifer R. Pae
Director of Finance

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Lakewood
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Davison

President

Jeffrey R. Green

Executive Director

CITY OF LAKEWOOD, OHIO
2011 Elected Officials

Mayor..... Michael Summers
Municipal Court Judge.....Patrick Carroll
City Council At Large.....Ryan Nowlin
City Council At Large.....Brian Powers
City Council At Large..... Monique Smith

City Council by Wards:

Ward 1..... David Anderson
Ward 2..... Thomas Bullock
Ward 3.....Shawn Juris
Ward 4..... Mary Louise Madigan, Council President

CITY OF LAKEWOOD, OHIO
2011 Appointed Officials

Office of Council

Clerk of Council..... Mary Hagan

Municipal Court

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

Department of Law

Director of Law 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

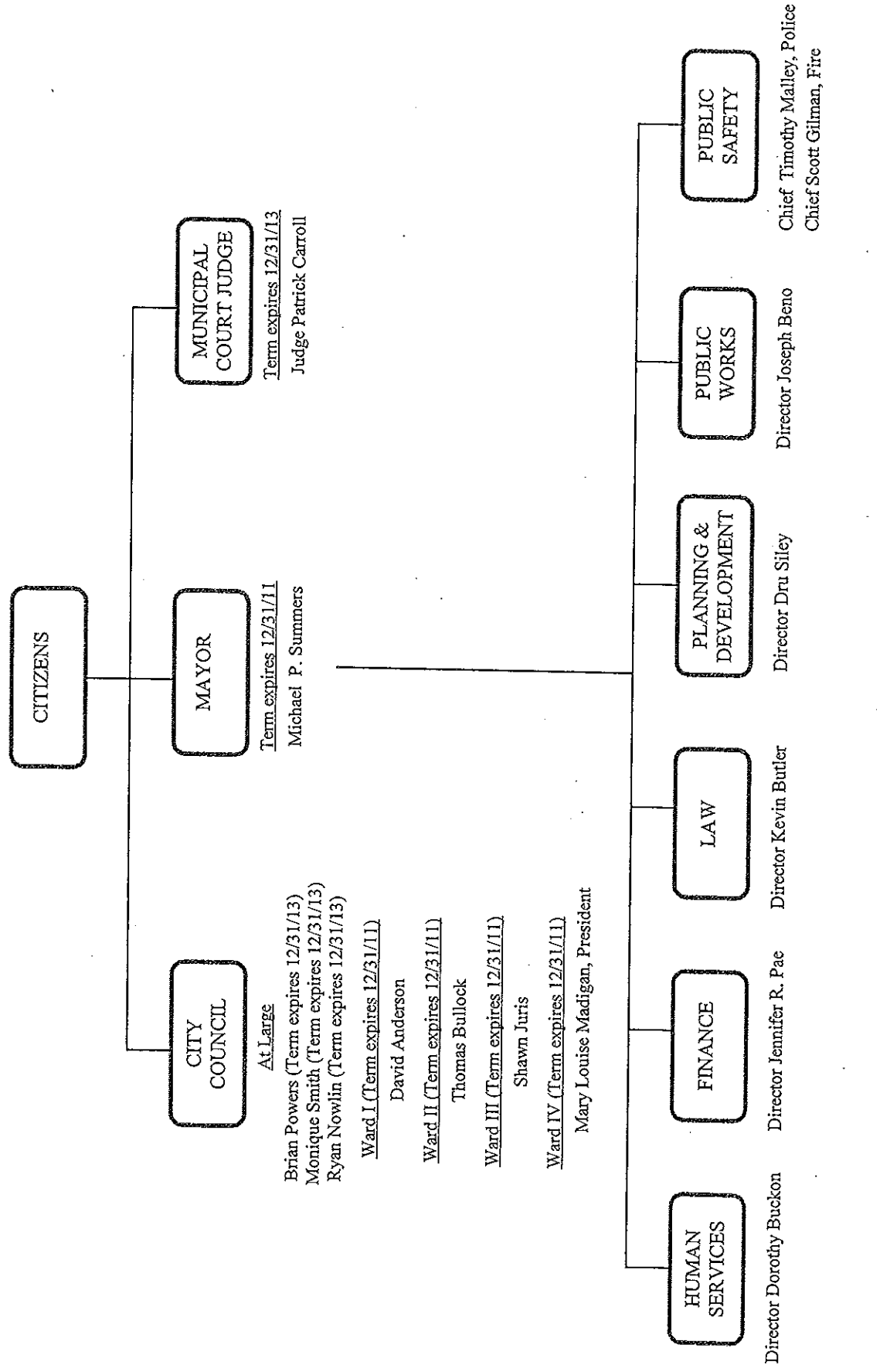
Department of Human Services

Director of Human Services..... Dorothy Buckon

Department of Planning and Community Development

Director of Planning and DevelopmentDru Siley

CITY OF LAKEWOOD, OHIO
 Organizational Chart
 as of December 31, 2011



FINANCIAL SECTION

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

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

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

The Honorable Dave Yost
Auditor of State
State of Ohio

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lakewood, Cuyahoga County, Ohio, as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Lakewood, Ohio's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.


In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lakewood, Ohio, as of December 31, 2011, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Police and Fire Pension, and Community Development Block Grant funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, the City implemented Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The implementation of GASB Statement No. 54 and the recognition of assets held for resale resulted in the restatement of the December 31, 2010 fund balances of the governmental funds. In addition, the December 31, 2010 net assets of the governmental activities, business-type activities, and the Sewer Fund were restated as a result of adjustments to accounting loss on refundings, payments in lieu of property taxes, and assets held for resale.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 12, 2012, on our consideration of the City of Lakewood, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

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


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

July 12, 2012

City of Lakewood, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2011

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, 2011. 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 2011 are as follows:

- Overall, governmental activities revenues of \$52,367,672 exceeded the expenses which came in at \$46,915,611 resulting in an increase in net assets by \$6,493,815 for the year 2011. The total net assets were \$108,982,640 compared to \$99,869,840 in the previous year.
- The City issued \$1,948,000 in notes to facilitate roadway improvements to nine streets and traffic signalization upgrades on Detroit Avenue.
- During 2011 the City issued \$12,320,000 in general obligation bonds, of which \$7,770,000 were from previous note issuances and \$4,550,000 to refund various purpose and sewer bonds.
- 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 Assets 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.

The Statement of Net Assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets serve as useful indicators of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net assets changed during the recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

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

The government-wide financial statements can be found starting on page 17 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All City funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information is useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements.

By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Lakewood maintains thirty-two 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 twenty-eight non-major governmental funds are combined into a single fund, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

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

Proprietary Funds. The City maintains 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 27-30 of this report.

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

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

Notes to the Financial Statements. The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 32-71 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 72-150 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 2011?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by the private sector. The basis of this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

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

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

The City of Lakewood as a Whole

Recall that the Statement of Net Assets looks at the City as a whole. The following provides a summary of the City's net assets for 2011 compared to 2010.

Table 1 Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2011	2010 Restated	2011	2010 Restated	2011	2010 Restated
Assets						
Current and Other Assets	\$46,239,493	\$42,565,030	\$16,018,876	\$14,503,800	\$62,258,369	\$57,068,830
Capital Assets, Net	68,643,190	65,858,943	81,715,024	81,983,649	150,358,214	147,842,592
<i>Total Assets</i>	<u>114,882,683</u>	<u>108,423,973</u>	<u>97,733,900</u>	<u>96,487,449</u>	<u>212,616,583</u>	<u>204,911,422</u>
Liabilities						
Current Liabilities	15,227,224	14,982,326	3,016,971	3,377,896	18,244,195	18,360,222
Long Term Liabilities						
Due within One Year	6,404,596	6,357,575	2,714,609	3,177,642	9,119,205	9,535,217
Due in More than one Year	40,689,442	41,016,466	35,581,101	36,129,677	76,270,543	77,146,143
<i>Total Liabilities</i>	<u>62,321,262</u>	<u>62,356,367</u>	<u>41,312,681</u>	<u>42,685,215</u>	<u>103,633,943</u>	<u>105,041,582</u>
Net Assets						
Invested in Capital Assets, Net of Related Debt	32,219,436	29,616,097	43,819,639	43,114,193	76,039,075	72,730,290
Restricted for:						
Capital Projects	737,334	948,539	0	0	737,334	948,539
Debt Service	879,576	1,015,271	1,090,028	1,328,713	1,969,604	2,343,984
Replacement and Improvement	0	0	195,493	195,474	195,493	195,474
Other Purposes	5,130,754	5,985,448	0	0	5,130,754	5,985,448
Unrestricted	13,594,321	8,502,251	11,316,059	9,163,854	24,910,380	17,666,105
<i>Total Net Assets</i>	<u>\$52,561,421</u>	<u>\$46,067,606</u>	<u>\$56,421,219</u>	<u>\$53,802,234</u>	<u>\$108,982,640</u>	<u>\$99,869,840</u>

As noted earlier, net assets serve over time as a useful indicator of a government's financial position. Assets exceeded liabilities by \$108,982,640 at the close of 2011.

The largest portion of the City's net assets (70 percent) reflects investments in capital assets (e.g. land, buildings, infrastructure, machinery and equipment), less any related debt to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Total assets increased by \$7,705,161 from 2010 to 2011, while the City's total liabilities decreased by \$1,407,639. Total net assets increased \$9,112,800 with governmental net assets comprising \$6,493,815 and business-type activities comprising \$2,618,985 of that amount.

In order to further understand what makes up the changes in net assets for the current year, the following table gives readers further details regarding the results of activities for 2011 compared to 2010.

Table 2 Changes in Net Assets

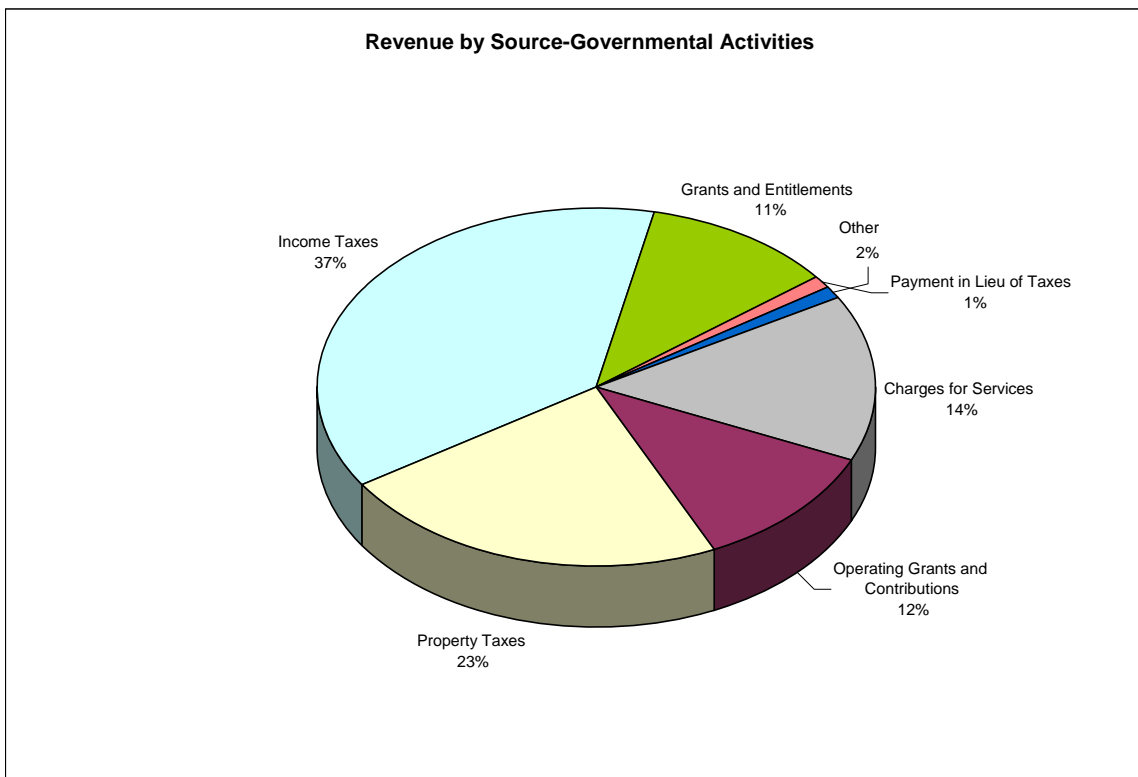
	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues						
Program Revenues:						
Charges for Services	\$7,486,105	\$7,200,114	\$18,057,084	\$17,915,429	\$25,543,189	\$25,115,543
Operating Grants and Contributions	6,331,323	8,042,302	246,194	283,595	6,577,517	8,325,897
Capital Grants and Contributions	0	0	106,096	0	106,096	0
Total Program Revenues	<u>13,817,428</u>	<u>15,242,416</u>	<u>18,409,374</u>	<u>18,199,024</u>	<u>32,226,802</u>	<u>33,441,440</u>
General Revenues:						
Property Taxes	11,974,497	12,250,984	1,556,497	1,590,695	13,530,994	13,841,679
Payment in Lieu of Taxes	355,641	341,399	0	0	355,641	341,399
Income Taxes	19,474,728	19,686,732	0	0	19,474,728	19,686,732
Grants and Entitlements	5,997,696	6,727,090	0	0	5,997,696	6,727,090
Investment Income	8,792	68,060	2,474	16,338	11,266	84,398
Proceeds from Sale of Capital Assets	25,308	0	0	0	25,308	0
Miscellaneous	713,582	436,670	162,210	78,032	875,792	514,702
Total General Revenues	<u>38,550,244</u>	<u>39,510,935</u>	<u>1,721,181</u>	<u>1,685,065</u>	<u>40,271,425</u>	<u>41,196,000</u>
Total Revenues	<u>52,367,672</u>	<u>54,753,351</u>	<u>20,130,555</u>	<u>19,884,089</u>	<u>72,498,227</u>	<u>74,637,440</u>
Expenses						
General Government	7,529,571	8,423,969	0	0	7,529,571	8,423,969
Security of Persons and Property						
Police	11,617,633	12,272,317	0	0	11,617,633	12,272,317
Fire	9,426,271	9,526,516	0	0	9,426,271	9,526,516
Public Health Services	2,136,807	2,383,427	0	0	2,136,807	2,383,427
Transportation	1,948,825	3,092,325	0	0	1,948,825	3,092,325
Community Environment	5,804,830	6,819,791	0	0	5,804,830	6,819,791
Basic Utility Services	3,393,665	3,472,641	0	0	3,393,665	3,472,641
Leisure Time Activities	3,222,378	1,831,789	0	0	3,222,378	1,831,789
Interest and Fiscal Charges	1,835,631	1,788,103	0	0	1,835,631	1,788,103
Water	0	0	9,652,083	9,665,155	9,652,083	9,665,155
Sewer	0	0	5,896,702	6,012,674	5,896,702	6,012,674
Parking Facilities	0	0	349,501	386,946	349,501	386,946
Winterhurst Ice Rink	0	0	571,530	736,397	571,530	736,397
Total Expenses	<u>46,915,611</u>	<u>49,610,878</u>	<u>16,469,816</u>	<u>16,801,172</u>	<u>63,385,427</u>	<u>66,412,050</u>
Increase in Net Assets before Transfers	5,452,061	5,142,473	3,660,739	3,082,917	9,112,800	8,225,390
Transfers	1,041,754	1,073,981	(1,041,754)	(1,073,981)	0	0
Restatement	0	125,961	0	(52,500)	0	73,461
Increase in Net Assets	<u>6,493,815</u>	<u>6,342,415</u>	<u>2,618,985</u>	<u>1,956,436</u>	<u>9,112,800</u>	<u>8,298,851</u>
Net Assets Beginning of Year	<u>46,067,606</u>	<u>39,725,191</u>	<u>53,802,234</u>	<u>51,845,798</u>	<u>99,869,840</u>	<u>91,570,989</u>
Net Assets End of Year	<u>\$52,561,421</u>	<u>\$46,067,606</u>	<u>\$56,421,219</u>	<u>\$53,802,234</u>	<u>\$108,982,640</u>	<u>\$99,869,840</u>

Governmental Activities

Several types of revenues fund the City's governmental activities, with the City income tax being the biggest contributor. The income tax rate was 1.5 percent in 2011. Both residents and non-residents who work inside the City are subject to the income tax.

However, residents of the City are granted a credit for income taxes paid to other municipalities to a maximum of one-half of one percent of income earned outside the City. The income tax revenue for 2011 was \$19,474,728. Of the \$52,367,672 in total governmental revenues, income tax accounts for 37 percent of that total. Property taxes and payment in lieu of taxes of \$12,330,138 account for 24 percent of total revenues. Operating grants and contributions, and general revenues from grants and entitlements account for 23 percent of total revenues, and charges for services, investment income and other revenue make up the remaining 16 percent.

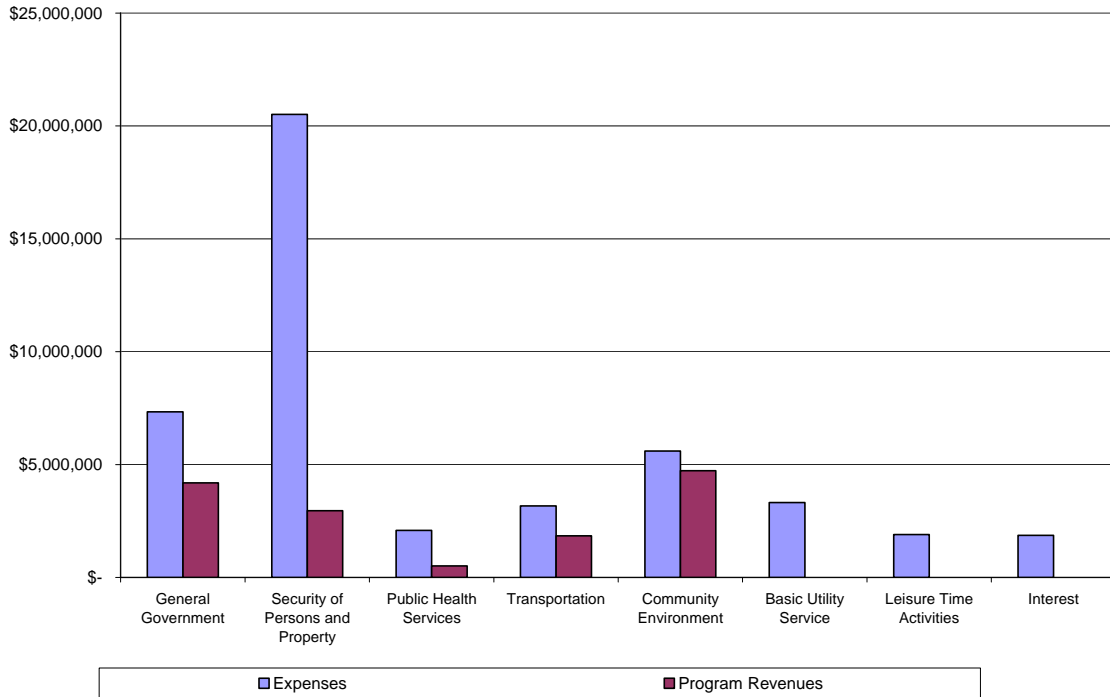
General revenues from grants and entitlements, such as local government funds, are also revenue generators. The City monitors its sources of revenues very closely for fluctuations, especially income tax.



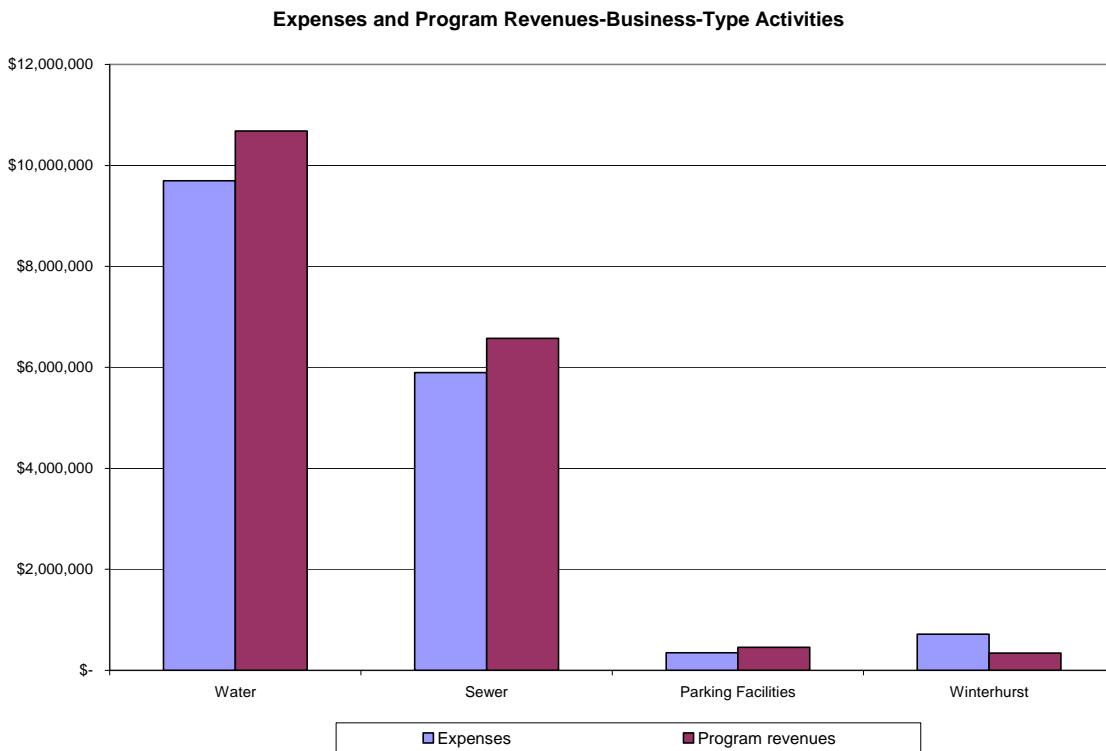
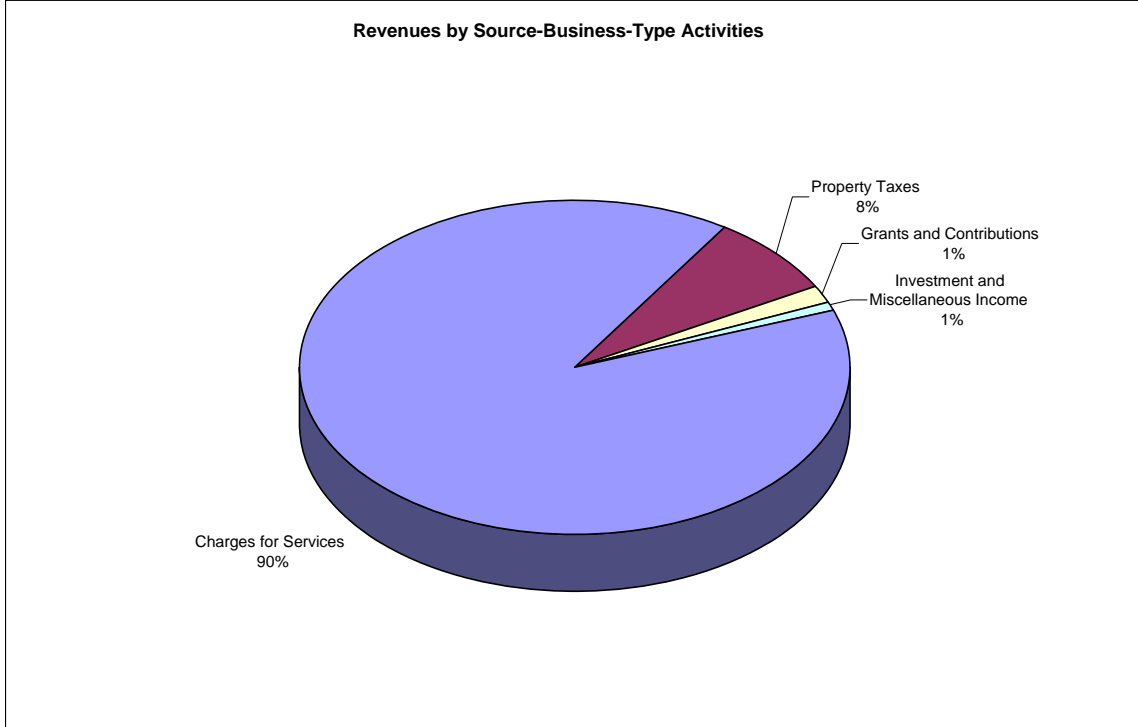
During the year the City realized a change in several revenue sources. Investment income decreased due to lower interest rates available for investment purposes. Governmental operating grants and contributions decreased \$1,710,979 due to decreased collections of grants and entitlements, which was due to monies received from the American Recovery and Reinvestment Act (ARRA) that were not received during 2011. Property taxes decreased \$276,487 due to the revaluation of property values by the County Fiscal Officer.

Total expenses of governmental activities for 2011 were \$46,915,611. The largest program function for the City relates to Security of Persons and Property, which includes the Police and Fire departments. Security of Persons and Property accounted for program expenses of \$21,043,904, which is 45 percent of the program expenses for governmental activities. General Government is the next largest program expense at 16 percent, followed by Community Environment expenses of 12 percent.

Expenses and Program Revenues-Governmental Activities



Business-Type activities. Business-type activities increased the City's net assets by \$2,618,985. The increase is due primarily to increased charges for services from an increase in water and sewer rates, and an increase in capital grants and contributions. Total expenses of business-type activities were \$16,469,816, with the Water Department comprising 59 percent of that amount followed by the Sewer Department at 36 percent.



Financial Analysis of the Government's Funds

As noted earlier, the City of Lakewood uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, 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 20. These funds are accounted for using the modified accrual basis of accounting.

As of December 31, 2011, the City's governmental funds reported combined ending fund balances of \$15,760,879 a \$1,460,726 increase from 2010. Of that amount, \$7,136,959 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 \$36,182,580 and expenditures of \$34,478,177 leaving an increase in fund balance after other financing sources and uses of \$2,338,162. This increase is primarily due to lower expenditures as the result of cost cutting measures implemented.

The General Fund is the chief operating fund of the City. At the end of the current year, the unassigned fund balance of the General Fund was \$7,168,275, while the total fund balance reached \$8,902,970. 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 21 percent of total General Fund expenditures, while total fund balance represents 26 percent of that same amount.

The Police and Fire Pension Fund had total revenues of \$2,972,005 and expenditures of \$2,739,800 with a net change in fund balance after other financing sources and uses of (\$198,795). The decrease is due to a reduction in property tax collections and an increase in expenditures.

The Community Development Block Grant Fund had total revenues of \$1,991,010 and expenditures of \$2,162,706 with a net change in fund balance of (\$171,696). The decrease was due to a reduction in allocations from Housing and Urban Development.

The Debt Service Fund had total revenues of \$3,207,686, expenditures of \$11,919,014, and a positive fund balance after other financing sources and uses of \$593,434. The fund balance decreased due to a reduction in property tax and homestead and rollback collections. The Debt Service Fund pays for the principal and interest payments on the City's general long-term debt.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net assets of all enterprise funds at the end of the year amounted to \$11,316,059. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund. During the course of 2011, 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 \$35,986,325. Actual revenues were \$36,389,448. The main differences between budgeted and actual revenues are property taxes, income tax revenues, and intergovernmental revenue. Due to economic factors during the year, property taxes, income taxes, charges for services and fines and forfeitures increased in 2011. Original General Fund budgeted expenditures were \$35,849,462 and the final amended budget was \$34,829,621. Actual General Fund expenditures were \$33,960,294 or \$869,327 less than budgeted due to operating expenditures less than originally estimated in all programs of the General Fund. The City's ending unencumbered cash balance in the General Fund of \$4,325,078 was \$1,126,046 above the final budgeted amount of \$3,199,032.

Capital Assets and Debt Administration

Table 3 Capital Assets (net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$6,139,702	\$6,139,702	\$78,150	\$78,150	\$6,217,852	\$6,217,852
Construction in Progress	3,019,337	2,278,670	1,487,342	1,544,762	4,506,679	3,823,432
Land Improvements	2,442,122	2,520,246	1,407,961	1,468,204	3,850,083	3,988,450
Buildings and Improvements	10,645,439	9,578,399	11,820,827	12,082,626	22,466,266	21,661,025
Furniture and Equipment	1,872,598	1,900,931	3,876,925	3,508,268	5,749,523	5,409,199
Vehicles	6,683,089	6,757,180	1,232,722	1,097,960	7,915,811	7,855,140
Infrastructure:						
Roads	33,139,948	31,947,511	0	0	33,139,948	31,947,511
Traffic Signals	1,657,419	1,757,694	0	0	1,657,419	1,757,694
Sidewalks	2,112,223	2,034,339	0	0	2,112,223	2,034,339
Curbing	931,313	944,271	0	0	931,313	944,271
Water Lines	0	0	38,324,049	38,302,949	38,324,049	38,302,949
Sewer Lines	0	0	23,487,048	23,900,730	23,487,048	23,900,730
Total Capital Assets	<u>\$68,643,190</u>	<u>\$65,858,943</u>	<u>\$81,715,024</u>	<u>\$81,983,649</u>	<u>\$150,358,214</u>	<u>\$147,842,592</u>

Capital Assets

The City of Lakewood's Investment in Capital Assets for its governmental and business type activities as of December 31, 2011, amounts to \$150,358,214 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, furniture and equipment, vehicles, roads, traffic signals, sidewalks, curbing, water lines, and sewer lines. The total increase in the City's capital assets for the current fiscal year was \$2,515,622, a \$2,784,247 increase for governmental activities and a (\$268,625) decrease for business-type activities. The most significant increase in capital assets came in the construction in progress of roadways in the governmental activities.

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

Long Term Obligations

As of December 31, 2011, the City had \$85,389,748 in bonds, notes, loans, capital leases, claims payable and compensated absences outstanding. Of this amount, \$9,119,205 is due within one year.

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

Table 4 Long Term Liabilities

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
General Obligation Notes	\$1,948,000	\$7,771,000	\$0	\$0	\$1,948,000	\$7,771,000
General Obligation Bonds	32,266,849	27,304,917	8,224,427	9,222,488	40,491,276	36,527,405
Revenue Bonds	0	0	23,304,460	24,610,322	23,304,460	24,610,322
OPWC Loans	215,600	246,400	3,438,754	3,786,469	3,654,354	4,032,869
OWDA Loans	0	0	48,108	78,513	48,108	78,513
Capital Leases	6,122,214	5,574,518	2,879,636	1,224,164	9,001,850	6,798,682
Claims Payable	778,258	861,927	0	0	778,258	861,927
Compensated Absences	5,763,117	5,615,278	400,325	385,360	6,163,442	6,000,638
Total	\$47,094,038	\$47,374,040	\$38,295,710	\$39,307,316	\$85,389,748	\$86,681,356

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

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

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

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

The City's overall legal debt margin was \$61,734,085 at December 31, 2011.

See Note 12 of the Basic Financial Statements for additional information on the City's debt.

Current Financial Related Activities

The City's elected and appointed officials have made it a priority to submit and pass a "structurally" balanced General Fund budget since 2008. This reverses the decades-long trend of using the year-end fund balance to make up the projected expenditures versus revenue gap. This has been done by reducing expenditures namely through the reduction of nearly 200 full and part-time positions throughout all City divisions beginning in 2008, as well as through scaling back benefits and salary increases for non-union employees and as negotiated with all of the City's seven collective bargaining units.

In 2011, the City updated its Financial Policies and Guidelines document. These financial policies guide the City through everyday fiscal matters, and in short and long-term budgetary planning. They provide guidelines for evaluating both current activities and proposals for future programs. The document was developed by the City administration and the Audit Committee, and then reviewed and approved by City Council on November 8, 2010.

The City has committed itself to financial excellence, which is proven with the Aa2 bond rating by Moody's Investor Service, as well as being a recipient of the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting for the past 29 years.

Contacting the City's Finance Department

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

Basic Financial Statements

City of Lakewood, Ohio

Statement of Net Assets

December 31, 2011

	Governmental Activities	Business - Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$13,005,084	\$7,306,930	\$20,312,014
Cash and Cash Equivalents in Segregated Accounts	528,468	25,654	554,122
Cash and Cash Equivalents with Fiscal Agents	778,594	1,682,763	2,461,357
Cash and Cash Equivalents Held by Trustee	0	1,170,164	1,170,164
Accounts Receivable	811,054	3,351,901	4,162,955
Allowance for Doubtful Accounts	0	(70,600)	(70,600)
Intergovernmental Receivable	3,935,113	104,644	4,039,757
Materials and Supplies Inventory	568,467	437,850	1,006,317
Prepaid Items	233,740	0	233,740
Income Taxes Receivable	10,897,017	0	10,897,017
Property Taxes Receivable	12,044,939	1,565,030	13,609,969
Assets Held for Resale	166,029	0	166,029
Loans Receivable	1,831,512	0	1,831,512
Special Assessments Receivable	170,845	0	170,845
Payments in Lieu of Taxes Receivable	428,409	0	428,409
Internal Balances	154,855	(154,855)	0
Deferred Charges	685,367	599,395	1,284,762
Nondepreciable Capital Assets	9,159,039	1,565,492	10,724,531
Depreciable Capital Assets, Net	59,484,151	80,149,532	139,633,683
<i>Total Assets</i>	<u>114,882,683</u>	<u>97,733,900</u>	<u>212,616,583</u>
Liabilities			
Accounts Payable	658,012	978,440	1,636,452
Retainage Payable	42,113	25,654	67,767
Accrued Wages and Benefits	1,055,046	103,714	1,158,760
Intergovernmental Payable	1,146,868	48,469	1,195,337
Matured Compensated Absences Payable	69,952	1,167	71,119
Deferred Revenue	12,093,632	1,724,170	13,817,802
Accrued Interest Payable	161,601	135,357	296,958
Long-Term Liabilities:			
Due Within One Year	6,404,596	2,714,609	9,119,205
Due in More than One Year	40,689,442	35,581,101	76,270,543
<i>Total Liabilities</i>	<u>62,321,262</u>	<u>41,312,681</u>	<u>103,633,943</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	32,219,436	43,819,639	76,039,075
Restricted for:			
Capital Projects	737,334	0	737,334
Debt Service	879,576	1,090,028	1,969,604
Replacement and Improvement	0	195,493	195,493
Street and Highway	775,551	0	775,551
Community Development	1,625,289	0	1,625,289
Indigent Drivers Alcohol Treatment	144,883	0	144,883
Other Purposes	2,585,031	0	2,585,031
Unrestricted	13,594,321	11,316,059	24,910,380
<i>Total Net Assets</i>	<u>\$52,561,421</u>	<u>\$56,421,219</u>	<u>\$108,982,640</u>

See accompanying notes to the basic financial statements

City of Lakewood, Ohio
Statement of Activities
For the Year Ended December 31, 2011

	Expenses	Program Revenues		
		Charges For Services and Operating Assessments	Operating Grants and Contributions	Capital Grants, Contributions, and Assessments
Governmental Activities				
General Government	\$7,529,571	\$3,024,201	\$765,886	\$0
Security of Persons and Property				
Police	11,617,633	257,705	432,224	0
Fire	9,426,271	2,263,974	900	0
Public Health Services	2,136,807	293,641	217,458	0
Transportation	1,948,825	4,360	1,833,219	0
Community Environment	5,804,830	1,642,224	3,081,636	0
Basic Utility Services	3,393,665	0	0	0
Leisure Time Activities	3,222,378	0	0	0
Interest and Fiscal Charges	1,835,631	0	0	0
<i>Total Governmental Activities</i>	<u>46,915,611</u>	<u>7,486,105</u>	<u>6,331,323</u>	<u>0</u>
Business-Type Activities				
Water	9,652,083	10,683,491	0	80,560
Sewer	5,896,702	6,573,925	246,194	25,536
Parking Facilities	349,501	456,607	0	0
Winterhurst Ice Rink	571,530	343,061	0	0
<i>Total Business-Type Activities</i>	<u>16,469,816</u>	<u>18,057,084</u>	<u>246,194</u>	<u>106,096</u>
<i>Totals</i>	<u>\$63,385,427</u>	<u>\$25,543,189</u>	<u>\$6,577,517</u>	<u>\$106,096</u>

General Revenues

Property Taxes Levied for:

 General Purposes

 Police and Fire Pension

 Debt Purposes

 Sewer Purposes

Payment in Lieu of Taxes

Municipal Income Taxes Levied for

 General Purposes

Grants and Entitlements not Restricted to
 Specific Programs

Investment Earnings

Gain from Sale of Capital Assets

Miscellaneous

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Assets

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

Net Assets End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and
Changes in Net Assets

Governmental Activities	Business-Type Activities	Total
(\$3,739,484)	\$0	(\$3,739,484)
(10,927,704)	0	(10,927,704)
(7,161,397)	0	(7,161,397)
(1,625,708)	0	(1,625,708)
(111,246)	0	(111,246)
(1,080,970)	0	(1,080,970)
(3,393,665)	0	(3,393,665)
(3,222,378)	0	(3,222,378)
(1,835,631)	0	(1,835,631)
(33,098,183)	0	(33,098,183)
0	1,111,968	1,111,968
0	948,953	948,953
0	107,106	107,106
0	(228,469)	(228,469)
0	1,939,558	1,939,558
(33,098,183)	1,939,558	(31,158,625)
6,581,357	0	6,581,357
2,608,762	0	2,608,762
2,784,378	0	2,784,378
0	1,556,497	1,556,497
355,641	0	355,641
19,474,728	0	19,474,728
5,997,696	0	5,997,696
8,792	2,474	11,266
25,308	0	25,308
713,582	162,210	875,792
38,550,244	1,721,181	40,271,425
1,041,754	(1,041,754)	0
39,591,998	679,427	40,271,425
6,493,815	2,618,985	9,112,800
46,067,606	53,802,234	99,869,840
\$52,561,421	\$56,421,219	\$108,982,640

City of Lakewood, Ohio

Balance Sheet

Governmental Funds

December 31, 2011

	General Fund	Police and Fire Pension Fund	Community Development Block Grant Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Equity in Pooled Cash and Cash Equivalents	\$5,428,139	\$1,801,497	\$68,153	\$593,434	\$2,615,135	\$10,506,358
Cash and Cash Equivalents:						
In Segregated Accounts	245,236	0	4,935	0	278,297	528,468
With Fiscal Agents	778,594	0	0	0	0	778,594
Accounts Receivable	299,119	0	0	0	511,935	811,054
Intergovernmental Receivable	2,660,243	171,616	68,881	181,557	852,816	3,935,113
Materials and Supplies Inventory	399,665	0	0	0	168,802	568,467
Prepaid Items	231,969	0	1,771	0	0	233,740
Income Taxes Receivable	10,897,017	0	0	0	0	10,897,017
Property Taxes Receivable	6,755,627	2,566,468	0	2,722,844	0	12,044,939
Assets Held for Resale	0	0	51,390	0	114,639	166,029
Loans Receivable	0	0	1,831,512	0	0	1,831,512
Special Assessments Receivable	32,862	0	0	0	137,983	170,845
Payments in Lieu of Taxes Receivable	0	0	0	0	428,409	428,409
Interfund Receivable	373,000	0	0	0	0	373,000
<i>Total Assets</i>	<u>\$28,101,471</u>	<u>\$4,539,581</u>	<u>\$2,026,642</u>	<u>\$3,497,835</u>	<u>\$5,108,016</u>	<u>\$43,273,545</u>
Liabilities and Fund Balances						
Liabilities						
Accounts Payable	\$335,636	\$0	\$49,237	\$0	\$214,130	\$599,003
Retainage Payable	0	0	4,935	0	37,178	42,113
Accrued Wages and Benefits	909,255	0	13,826	0	131,965	1,055,046
Intergovernmental Payable	179,479	736,889	7,372	0	54,413	978,153
Matured Compensated Absences Payable	63,591	0	0	0	6,361	69,952
Deferred Revenue	17,388,789	2,738,084	0	2,904,401	1,084,762	24,116,036
Interfund Payable	321,751	0	248,823	0	81,789	652,363
<i>Total Liabilities</i>	<u>19,198,501</u>	<u>3,474,973</u>	<u>324,193</u>	<u>2,904,401</u>	<u>1,610,598</u>	<u>27,512,666</u>
Fund Balances						
Nonspendable	631,634	0	1,771	0	168,802	802,207
Restricted	0	1,064,608	1,700,678	593,434	2,506,518	5,865,238
Committed	0	0	0	0	853,414	853,414
Assigned	1,103,061	0	0	0	0	1,103,061
Unassigned (Deficit)	7,168,275	0	0	0	(31,316)	7,136,959
<i>Total Fund Balances</i>	<u>8,902,970</u>	<u>1,064,608</u>	<u>1,702,449</u>	<u>593,434</u>	<u>3,497,418</u>	<u>15,760,879</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$28,101,471</u>	<u>\$4,539,581</u>	<u>\$2,026,642</u>	<u>\$3,497,835</u>	<u>\$5,108,016</u>	<u>\$43,273,545</u>

See accompanying notes to the basic financial statements

City of Lakewood, Ohio
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 December 31, 2011*

Total Governmental Fund Balances \$15,760,879

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

Capital assets used in governmental activities are not financial resources and therefore
 are not reported in the funds: 68,643,190

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

Property Taxes	500,356	
Municipal Income Taxes	8,671,310	
Intergovernmental	2,800,533	
Payments in Lieu of Taxes	50,205	
Total		12,022,404

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

Net Assets	1,926,962	
Claims Payable	778,258	
Total		2,705,220

In the statement of activities, interest is accrued on the outstanding bonds, where as
 in governmental funds, an interest expenditure is reported when due. (161,601)

In the statement of activities, bond issuance costs are amortized over the term of the bonds,
 whereas in the governmental funds, a bond issuance expenditures is reported when bonds
 are issued 685,367

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

Notes Payable	(1,948,000)	
General Obligation Bonds	(32,266,849)	
OPWC Loans	(215,600)	
Capital Lease Payable	(6,122,214)	
Compensated Absences Payable	(5,763,117)	
Claims Payable	(778,258)	
Total		(47,094,038)

Net Assets of Governmental Activities \$52,561,421

See accompanying notes to the basic financial statements

City of Lakewood, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2011

	General Fund	Police and Fire Pension Fund	Community Development Block Grant Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Property Taxes	\$6,752,652	\$2,566,474	\$0	\$2,722,377	\$0	\$12,041,503
Payment in Lieu of Taxes	0	0	0	0	328,790	328,790
Municipal Income Taxes	18,766,179	0	0	0	0	18,766,179
Charges for Services	1,467,359	0	0	0	2,569,285	4,036,644
Licenses, Permits and Fees	1,630,554	0	0	0	0	1,630,554
Fines and Forfeitures	1,556,842	0	0	0	257,705	1,814,547
Intergovernmental	5,940,883	405,531	1,991,010	446,866	3,200,240	11,984,530
Contributions and Donations	0	0	0	0	99,351	99,351
Special Assessments	0	0	0	0	4,360	4,360
Interest	7,785	0	0	1,001	6	8,792
Miscellaneous	60,326	0	0	37,442	627,494	725,262
<i>Total Revenues</i>	<u>36,182,580</u>	<u>2,972,005</u>	<u>1,991,010</u>	<u>3,207,686</u>	<u>7,087,231</u>	<u>51,440,512</u>
Expenditures						
Current:						
General Government	7,456,344	0	0	807	234,804	7,691,955
Security of Persons and Property:						
Police	10,622,224	1,405,872	0	0	194,906	12,223,002
Fire	6,194,740	1,333,928	0	0	1,668,760	9,197,428
Public Health Services	589,405	0	0	0	1,679,174	2,268,579
Transportation	0	0	0	0	2,151,849	2,151,849
Community Environment	2,654,431	0	2,162,706	0	1,267,697	6,084,834
Basic Utility Services	3,331,914	0	0	0	0	3,331,914
Leisure Time Activities	1,732,556	0	0	0	0	1,732,556
Capital Outlay	711,538	0	0	0	2,311,271	3,022,809
Debt Service:						
Principal Retirement	939,630	0	0	10,547,118	200,000	11,686,748
Interest and Fiscal Charges	245,395	0	0	1,256,269	233,318	1,734,982
Bond Issuance Costs	0	0	0	114,820	0	114,820
<i>Total Expenditures</i>	<u>34,478,177</u>	<u>2,739,800</u>	<u>2,162,706</u>	<u>11,919,014</u>	<u>9,941,779</u>	<u>61,241,476</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,704,403</u>	<u>232,205</u>	<u>(171,696)</u>	<u>(8,711,328)</u>	<u>(2,854,548)</u>	<u>(9,800,964)</u>
Other Financing Sources (Uses)						
General Obligation Bonds Issued	0	0	0	10,845,268	0	10,845,268
General Obligation Notes Issued	0	0	0	0	1,948,000	1,948,000
Premium on General Obligation Bonds	0	0	0	62,105	0	62,105
Sale of Capital Assets	0	0	0	0	25,308	25,308
Inception of Capital Lease	1,487,326	0	0	0	0	1,487,326
Payment to Refunded Bond Escrow Agent	0	0	0	(3,048,069)	0	(3,048,069)
Transfers In	960,665	0	0	1,103,073	714,230	2,777,968
Transfers Out	(1,814,232)	(431,000)	0	(439,784)	(151,200)	(2,836,216)
<i>Total Other Financing Sources (Uses)</i>	<u>633,759</u>	<u>(431,000)</u>	<u>0</u>	<u>8,522,593</u>	<u>2,536,338</u>	<u>11,261,690</u>
<i>Net Change in Fund Balances</i>	<u>2,338,162</u>	<u>(198,795)</u>	<u>(171,696)</u>	<u>(188,735)</u>	<u>(318,210)</u>	<u>1,460,726</u>
<i>Fund Balances Beginning of Year</i>						
-Restated (See Note 3)	<u>6,564,808</u>	<u>1,263,403</u>	<u>1,874,145</u>	<u>782,169</u>	<u>3,815,628</u>	<u>14,300,153</u>
<i>Fund Balance End of Year</i>	<u>\$8,902,970</u>	<u>\$1,064,608</u>	<u>\$1,702,449</u>	<u>\$593,434</u>	<u>\$3,497,418</u>	<u>\$15,760,879</u>

See accompanying notes to the basic financial statements

City of Lakewood, Ohio
*Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2011*

Net Change in Fund Balances - Total Government Funds \$1,460,726

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	5,035,394	
Depreciation	(2,217,499)	
Total	2,817,895	2,817,895

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.

(33,648)

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

Property Taxes	(67,006)	
Income Taxes	708,549	
Intergovernmental	233,458	
Payments in Lieu of Taxes	26,851	
Total	901,852	901,852

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

Principal Retirement	11,686,748	
Payment to Refunding Bond Escrow Agent	3,048,069	
Total	14,734,817	14,734,817

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

Accrued Interest on Bonds	5,034	
Amortization of Bond Premium	35,016	
Amortization of Bond Issuance Costs	(57,737)	
Amortization of Loss on Refunding	(82,962)	
Total	(100,649)	(100,649)

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

General Obligation Notes Issued	(1,948,000)	
General Obligation Bonds Issued	(10,845,268)	
Premium on Bonds Issued	(62,105)	
Inception of Capital Lease	(1,487,326)	
Total	(14,342,699)	(14,342,699)

In the statement of activities, bond issuance costs are amortized over the term of the bonds, whereas in the governmental funds a bond issuance expenditure is reported when bonds are issued.

114,820

Some expenses reported in the statement of activities, such as compensated absences do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

(147,839)

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

1,088,540

Change in Net Assets of Governmental Activities \$6,493,815

See accompanying notes to the basic financial statements

City of Lakewood, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$6,570,575	\$6,570,575	\$6,752,652	\$182,077
Municipal Income Taxes	17,908,000	17,908,000	18,804,460	896,460
Charges for Services	1,309,775	1,309,775	1,329,385	19,610
Licenses, Permits and Fees	1,795,000	1,795,000	1,630,554	(164,446)
Fines and Forfeitures	1,466,300	1,466,300	1,545,090	78,790
Intergovernmental	6,710,425	6,710,425	6,276,003	(434,422)
Interest	60,000	60,000	7,785	(52,215)
Miscellaneous	166,250	166,250	43,519	(122,731)
<i>Total Revenues</i>	<u>35,986,325</u>	<u>35,986,325</u>	<u>36,389,448</u>	<u>403,123</u>
Expenditures				
Current:				
General Government	9,155,149	8,936,720	8,663,393	273,327
Security of Persons and Property	18,200,084	17,452,751	17,079,915	372,836
Public Health Services	769,742	595,836	566,907	28,929
Community Environment	2,507,398	2,689,753	2,623,693	66,060
Basic Utility Services	3,459,273	3,371,802	3,295,075	76,727
Leisure Time Activities	1,757,816	1,782,759	1,731,311	51,448
<i>Total Expenditures</i>	<u>35,849,462</u>	<u>34,829,621</u>	<u>33,960,294</u>	<u>869,327</u>
<i>Excess of Revenues Over Expenditures</i>	<u>136,863</u>	<u>1,156,704</u>	<u>2,429,154</u>	<u>1,272,450</u>
Other Financing Sources (Uses)				
Transfers In	150,000	150,000	0	(150,000)
Transfers Out	(1,202,958)	(2,038,593)	(2,038,592)	1
Advance Out	0	(316,595)	(313,000)	3,595
<i>Total Other Financing Sources (Uses)</i>	<u>(1,052,958)</u>	<u>(2,205,188)</u>	<u>(2,351,592)</u>	<u>(146,404)</u>
<i>Net Change in Fund Balance</i>	(916,095)	(1,048,484)	77,562	1,126,046
<i>Fund Balance Beginning of Year</i>	3,297,908	3,297,908	3,297,908	0
<i>Prior Year Encumbrances Appropriated</i>	949,608	949,608	949,608	0
<i>Fund Balance End of Year</i>	<u>\$3,331,421</u>	<u>\$3,199,032</u>	<u>\$4,325,078</u>	<u>\$1,126,046</u>

See accompanying notes to the basic financial statements

City of Lakewood, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Police and Fire Pension Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$2,485,996	\$2,485,996	\$2,566,474	\$80,478
Intergovernmental	546,430	546,430	405,531	(140,899)
<i>Total Revenues</i>	<u>3,032,426</u>	<u>3,032,426</u>	<u>2,972,005</u>	<u>(60,421)</u>
Expenditures				
Current:				
Security of Persons and Property	<u>2,625,773</u>	<u>2,625,000</u>	<u>2,599,632</u>	<u>25,368</u>
<i>Excess of Revenues Over Expenditures</i>	406,653	407,426	372,373	(35,053)
Other Financing Uses				
Transfers Out	<u>(431,000)</u>	<u>(431,000)</u>	<u>(431,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(24,347)	(23,574)	(58,627)	(35,053)
<i>Fund Balance Beginning of Year</i>	<u>1,860,124</u>	<u>1,860,124</u>	<u>1,860,124</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,835,777</u></u>	<u><u>\$1,836,550</u></u>	<u><u>\$1,801,497</u></u>	<u><u>(\$35,053)</u></u>

See accompanying notes to the basic financial statements

City of Lakewood, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Community Development Block Grant Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$2,936,435	\$2,136,435	\$2,072,006	(\$64,429)
Expenditures				
Current:				
Community Environment	<u>2,767,673</u>	<u>2,193,063</u>	<u>2,158,437</u>	<u>34,626</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	168,762	(56,628)	(86,431)	(29,803)
Other Financing Sources				
Advances In	<u>0</u>	<u>241,000</u>	<u>241,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	168,762	184,372	154,569	(29,803)
<i>Fund Deficit Beginning of Year</i>	<u>(81,481)</u>	<u>(81,481)</u>	<u>(81,481)</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$87,281</u></u>	<u><u>\$102,891</u></u>	<u><u>\$73,088</u></u>	<u><u>(\$29,803)</u></u>

See accompanying notes to the basic financial statements

City of Lakewood, Ohio
Statement of Fund Net Assets
Proprietary Funds
December 31, 2011

	Business Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Non Major Funds	Total	
Assets					
Current Assets					
Equity in Pooled Cash and					
Cash Equivalents	\$4,141,403	\$2,812,023	\$353,504	\$7,306,930	\$2,498,726
Cash and Cash Equivalents in Segregated Accounts	22,072	3,582	0	25,654	0
Cash and Cash Equivalents with Fiscal Agents	642,702	1,040,061	0	1,682,763	0
Accounts Receivable	1,842,674	1,235,770	273,457	3,351,901	0
Less: Allowance for Doubtful Accounts	(42,760)	(27,840)	0	(70,600)	0
Interfund Receivable	0	0	0	0	434,218
Intergovernmental Receivable	0	104,644	0	104,644	0
Materials and Supplies Inventory	22,697	332,121	83,032	437,850	0
Property Tax Receivable	0	1,565,030	0	1,565,030	0
<i>Total Current Assets</i>	<u>6,628,788</u>	<u>7,065,391</u>	<u>709,993</u>	<u>14,404,172</u>	<u>2,932,944</u>
Long-Term Assets (Net of Current Portion)					
Restricted Assets:					
Cash Equivalents Held by Trustee	699,689	470,475	0	1,170,164	0
Deferred Bond Issuance Costs	200,372	373,240	25,783	599,395	0
Nondepreciable Capital Assets	406,890	1,081,472	77,130	1,565,492	0
Depreciable Capital Assets, Net	39,767,309	35,081,641	5,300,582	80,149,532	0
Total Noncurrent Assets	<u>41,074,260</u>	<u>37,006,828</u>	<u>5,403,495</u>	<u>83,484,583</u>	<u>0</u>
<i>Total Assets</i>	<u>47,703,048</u>	<u>44,072,219</u>	<u>6,113,488</u>	<u>97,888,755</u>	<u>2,932,944</u>
Liabilities					
Current Liabilities					
Accounts Payable	727,604	101,910	148,926	978,440	59,009
Retainage Payable	22,072	3,582	0	25,654	0
Accrued Wages and Benefits	29,856	69,996	3,862	103,714	0
Intergovernmental Payable	14,245	32,332	1,892	48,469	168,715
Interfund Payable	14,669	34,230	105,956	154,855	0
Deferred Revenue	112,572	1,611,598	0	1,724,170	0
Claims Payable	0	0	0	0	434,218
Accrued Interest Payable	46,477	79,644	9,236	135,357	0
Compensated Absence Payable	57,317	70,876	14,107	142,300	0
Matured Compensated Absences Payable	0	1,167	0	1,167	0
Bonds Payable	465,464	1,152,182	237,417	1,855,063	0
Capital Leases Payable	62,785	155,549	119,471	337,805	0
OPWC Loans Payable	313,229	34,486	0	347,715	0
OWDA Loans Payable	0	31,726	0	31,726	0
<i>Total Current Liabilities</i>	<u>1,866,290</u>	<u>3,379,278</u>	<u>640,867</u>	<u>5,886,435</u>	<u>661,942</u>
Long-Term Liabilities (Net of Current Portion)					
Compensated Absence Payable	62,639	190,216	5,170	258,025	0
Bonds Payable	10,521,142	18,304,522	848,160	29,673,824	0
Claims Payable	0	0	0	0	344,040
Capital Leases Payable	576,580	1,227,262	737,989	2,541,831	0
OPWC Loans Payable	2,789,216	301,823	0	3,091,039	0
OWDA Loans Payable	0	16,382	0	16,382	0
Total Long Term Liabilities	<u>13,949,577</u>	<u>20,040,205</u>	<u>1,591,319</u>	<u>35,581,101</u>	<u>344,040</u>
Total Liabilities	<u>15,815,867</u>	<u>23,419,483</u>	<u>2,232,186</u>	<u>41,467,536</u>	<u>1,005,982</u>
Net Assets					
Invested in Capital Assets, Net of Related Debt	25,445,783	14,939,181	3,434,675	43,819,639	0
Restricted for Debt Service	550,673	530,119	9,236	1,090,028	0
Unrestricted for Replacement and Improvement	195,493	0	0	195,493	0
Unrestricted	5,695,232	5,183,436	437,391	11,316,059	1,926,962
<i>Total Net Assets</i>	<u>\$31,887,181</u>	<u>\$20,652,736</u>	<u>\$3,881,302</u>	<u>\$56,421,219</u>	<u>\$1,926,962</u>

See accompanying notes to the basic financial statements

City of Lakewood, Ohio
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2011

	<u>Business Type Activities - Enterprise Funds</u>				Governmental
	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Non Major Funds</u>	<u>Total</u>	<u>Activities - Internal Service Funds</u>
Operating Revenues					
Charges for Services	\$10,683,491	\$6,573,925	\$799,668	\$18,057,084	\$5,032,172
Miscellaneous	8,914	3,512	149,784	162,210	761,589
<i>Total Operating Revenues</i>	<u>10,692,405</u>	<u>6,577,437</u>	<u>949,452</u>	<u>18,219,294</u>	<u>5,793,761</u>
Operating Expenses					
Personal Services	1,097,043	2,459,642	155,841	3,712,526	0
Contractual Services	60,369	825,578	929	886,876	194,186
Materials and Supplies	137,918	333,889	137,004	608,811	0
Utilities	0	0	283,124	283,124	0
Depreciation	907,711	1,125,158	113,879	2,146,748	0
Workers' Compensation Premium	0	0	0	0	52,150
Claims	0	0	0	0	5,558,887
Miscellaneous	6,833,101	138,486	140,934	7,112,521	0
<i>Total Operating Expenses</i>	<u>9,036,142</u>	<u>4,882,753</u>	<u>831,711</u>	<u>14,750,606</u>	<u>5,805,223</u>
<i>Operating Income (Loss)</i>	<u>1,656,263</u>	<u>1,694,684</u>	<u>117,741</u>	<u>3,468,688</u>	<u>(11,462)</u>
Non Operating Revenues (Expenses)					
Interest	1,979	495	0	2,474	0
Intergovernmental	0	246,194	0	246,194	0
Interest and Fiscal Charges	(615,941)	(1,013,949)	(89,320)	(1,719,210)	0
Property Taxes	0	1,556,497	0	1,556,497	0
Special Assessments	80,560	25,536	0	106,096	0
<i>Total Non Operating Revenues (Expenses)</i>	<u>(533,402)</u>	<u>814,773</u>	<u>(89,320)</u>	<u>192,051</u>	<u>0</u>
<i>Income (Loss) before Transfers</i>	<u>1,122,861</u>	<u>2,509,457</u>	<u>28,421</u>	<u>3,660,739</u>	<u>(11,462)</u>
Transfers In	0	0	439,784	439,784	1,100,002
Transfers Out	(15,252)	(1,390,934)	(75,352)	(1,481,538)	0
<i>Change in Net Assets</i>	<u>1,107,609</u>	<u>1,118,523</u>	<u>392,853</u>	<u>2,618,985</u>	<u>1,088,540</u>
<i>Net Assets Beginning of Year</i>					
<i>(Restated - See Note 3)</i>	<u>30,779,572</u>	<u>19,534,213</u>	<u>3,488,449</u>	<u>53,802,234</u>	<u>838,422</u>
<i>Net Assets End of Year</i>	<u>\$31,887,181</u>	<u>\$20,652,736</u>	<u>\$3,881,302</u>	<u>\$56,421,219</u>	<u>\$1,926,962</u>

See accompanying notes to the basic financial statements

City of Lakewood, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2011

	Business Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Non Major Funds	Total	
Increase (Decrease) in Cash and Cash Equivalents					
Cash Flows from Operating Activities					
Cash Received from Customers	\$10,681,607	\$6,516,123	\$787,686	\$17,985,416	\$0
Cash Received from Transactions with Other Funds	0	0	0	0	5,080,251
Cash Received from Other Operating Sources	8,914	3,512	149,784	162,210	761,589
Cash Payments to Suppliers for Goods and Services	(333,841)	(921,463)	(313,573)	(1,568,877)	(88,902)
Cash Payments for Claims	0	0	0	0	(5,642,556)
Cash Payments for Premium	0	0	0	0	(90,728)
Cash Payments for Employee Services and Benefits	(1,098,002)	(2,505,473)	(156,612)	(3,760,087)	0
Cash Payments for Other Operating Expenses	(6,810,954)	(576,600)	(240,665)	(7,628,219)	0
<i>Net Cash Provided By Operating Activities</i>	<u>2,447,724</u>	<u>2,516,099</u>	<u>226,620</u>	<u>5,190,443</u>	<u>19,654</u>
Cash Flows from Noncapital Financing Activities					
Intergovernmental Revenue	0	247,275	0	247,275	0
Property Taxes	0	1,565,199	0	1,565,199	0
Special Assessments	80,560	25,536	0	106,096	0
Advance In	0	0	44,000	44,000	0
Transfers In	0	0	439,784	439,784	1,100,002
Transfers Out	(15,252)	(1,390,934)	(75,352)	(1,481,538)	0
<i>Net Cash Provided by Non- Capital Financing Activities</i>	<u>65,308</u>	<u>447,076</u>	<u>408,432</u>	<u>920,816</u>	<u>1,100,002</u>
Cash Flows from Capital and Related Financing Activities					
Acquisition of Capital Assets	(740,030)	(905,822)	0	(1,645,852)	0
Principal paid on Bonds	(954,572)	(1,213,527)	(276,584)	(2,444,683)	0
General Obligation Bonds Issued	0	545,000	929,732	1,474,732	0
Premium on General Obligation Bonds	0	8,464	16,653	25,117	0
Payment to Refunded Bond Escrow Agent	0	(537,244)	(921,509)	(1,458,753)	0
Principal paid on OPWC	(313,229)	(34,486)	0	(347,715)	0
Principal paid on OWDA	0	(30,405)	0	(30,405)	0
Principal paid on Leases	(36,723)	(109,389)	(113,460)	(259,572)	0
Interest paid on Bonds	(538,959)	(881,478)	(46,522)	(1,466,959)	0
Interest paid on OWDA	0	(3,053)	0	(3,053)	0
Interest paid on Leases	(13,531)	(24,575)	(37,176)	(75,282)	0
Bond Issuance Costs	0	(11,604)	(24,876)	(36,480)	0
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(2,597,044)</u>	<u>(3,198,119)</u>	<u>(473,742)</u>	<u>(6,268,905)</u>	<u>0</u>
Cash Flows from Investing Activities					
Interest	1,979	495	0	2,474	0
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(82,033)	(234,449)	161,310	(155,172)	1,119,656
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>4,945,197</u>	<u>3,520,529</u>	<u>192,194</u>	<u>8,657,920</u>	<u>1,379,070</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$4,863,164</u>	<u>\$3,286,080</u>	<u>\$353,504</u>	<u>\$8,502,748</u>	<u>\$2,498,726</u>

(continued)

City of Lakewood, Ohio
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended December 31, 2011

	<u>Business Type Activities - Enterprise Funds</u>			<u>Total</u>	<u>Governmental</u>
	<u>Water</u>	<u>Sewer</u>	<u>Non Major</u>		<u>Activities -</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities	<u>Fund</u>	<u>Fund</u>	<u>Funds</u>		<u>Internal Service</u>
					<u>Funds</u>
<i>Operating Income (Loss)</i>	\$1,656,263	\$1,694,684	\$117,741	\$3,468,688	(\$11,462)
Adjustments:					
Depreciation	907,711	1,125,158	113,879	2,146,748	0
(Increase) Decrease in Assets:					
Accounts Receivable	(1,884)	(57,802)	(11,982)	(71,668)	0
Interfund Receivable	0	0	0	0	48,077
Materials and Supplies Inventory	6,381	3,575	23,797	33,753	0
Increase (Decrease) in Liabilities:					
Accounts Payable	(106,286)	(177,260)	(16,044)	(299,590)	14,558
Accrued Wages	156	(2,083)	167	(1,760)	0
Retainage Payable	(14,524)	(66,398)	0	(80,922)	0
Compensated Absences	1,651	(374)	72	1,349	0
Interfund Payable	(1,784)	(2,791)	(1,129)	(5,704)	0
Intergovernmental Payable	40	(610)	119	(451)	52,150
Claims Payable	0	0	0	0	(83,669)
<i>Net Cash Provided by Operating Activities</i>	<u>\$2,447,724</u>	<u>\$2,516,099</u>	<u>\$226,620</u>	<u>\$5,190,443</u>	<u>\$19,654</u>

See accompanying notes to the basic financial statements

City of Lakewood, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Fund
December 31, 2011

Assets

Equity in Pooled Cash and Cash Equivalents	<u>\$1,055,091</u>
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Liabilities

Deposits Held and Due to Others	<u>\$1,055,091</u>
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See accompanying notes to the basic financial statements

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

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 18.

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

Note 2 - Summary of Significant Accounting Policies

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City also applies Financial Accounting Standards Board (FASB) statements and interpretations issued after November 30, 1989, to its governmental and business-type activities and to its proprietary funds unless those pronouncements conflict with or contradict GASB pronouncements. The City has elected not to apply FASB Statements and interpretations issued after November 30, 1989, to its business-type activities and enterprise funds. The most significant of the City's accounting policies are described below.

A. Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 2 - Summary of Significant Accounting Policies (Continued)

Government-wide Financial Statements The Statement of Net Assets and the Statement of Activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service funds is eliminated to avoid “doubling up” revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

The Statement of Net Assets presents the financial condition of the governmental and business-type activities of the City at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the City’s governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, are clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the City.

Fund Financial Statements During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of the governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service funds are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

B. Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. The City reports three categories of funds: governmental, proprietary and fiduciary.

Governmental Fund: Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as a fund balance. The following are the City's major governmental funds:

General Fund: The General Fund accounts for 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.

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.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 2 - Summary of Significant Accounting Policies (Continued)

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 and report 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 assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

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

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

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

Internal Service Funds: Internal Service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis. The City's 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 assets and changes in net assets. For the City, the Fiduciary funds are comprised of only the agency fund type. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency fund accounts for deposits.

C. Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the Statement of Net Assets. The Statement of Activities presents increases (i.e. revenues) and decreases (i.e. expenses) in total net assets.

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 2 - Summary of Significant Accounting Policies (Continued)

Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statement for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and liabilities associated with the operation of these funds are included on the Statement of Fund Net Assets. The Statement of Revenues, Expenses and Changes in Fund Net Assets presents increases (i.e. revenues) and decreases (i.e. expenses) in total net assets. The Statement of Cash Flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting, proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

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

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

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

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

Property taxes for which there is an enforceable legal claim as of December 31, 2011, but were levied to finance year 2012 operations, have been recorded as deferred revenue. Special assessments not received within the available period, and grants and entitlements received before eligibility requirements are met are also recorded as deferred revenue.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 2 - Summary of Significant Accounting Policies (Continued)

On the governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

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

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

E. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of budgetary control has been established by Council at personal services and other object level within each department and fund. Budgetary modifications may only be made by ordinance of the City Council at the legal level of control.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. The amounts reported as the original and final budgeted amounts on the budgetary statements reflect the amounts on the final amended official certificate of estimated resources in effect at the time original and final appropriations were adopted.

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts on the budgetary statements reflect the first appropriations ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year.

F. Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through City records. Interest in the pool is presented as "equity in pooled cash and cash equivalents."

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

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

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 2 - Summary of Significant Accounting Policies (Continued)

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 of Lakewood has invested in the State Treasury Asset Reserve of Ohio (STAROhio) and money market mutual funds during 2011. 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, 2011.

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 2011 amounted to \$7,785 that includes \$3,481 assigned from other City funds.

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

G. Restricted Assets

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

H. Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventory consists of expendable supplies held for consumption.

I. Assets Held for Resale

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

J. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2011 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported the year in which services are consumed.

K. Capital Assets

General capital assets are capital assets that are associated with, and primarily arise from governmental activities, generally resulting from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets, but are not reported in the fund financial statements. Capital assets utilized by the enterprise funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 2 - Summary of Significant Accounting Policies (Continued)

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

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacements. Depreciation for governmental and business-type capital assets is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land 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.

L. Interfund Balances

On the fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables". Interfund balance amounts are eliminated in the Statement of Net Assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

M. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered, and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

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

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

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 2 - Summary of Significant Accounting Policies (Continued)

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

N. Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, capital leases and long-term loans are recognized as a liability on the governmental fund financial statements when due.

O. 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.

Committed The committed fund balance classification includes amounts that can be used only for specific purposes imposed by formal action (ordinance or resolution) 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 or resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 2 - Summary of Significant Accounting Policies (Continued)

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, 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.

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. 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. Internal allocations of overhead expenses from one function to another or within the same function are eliminated in the Statement of Activities. Interfund payments for service provided and used are not eliminated.

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 expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 2 - Summary of Significant Accounting Policies (Continued)

R. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets.

Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the City, or through external restrictions imposed by creditors, grantors or laws, or regulations of other governments. The City applies restricted resources when an expense is incurred for purposes of which both restricted and unrestricted net assets are available. Net assets restricted for other purposes include litter control, 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 net assets are available.

S. Bond Issuance Costs

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

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

T. Bond Premium

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

U. Gain/Loss on Refunding

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

V. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and are either unusual in nature or infrequent in occurrence.

W. Estimates

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

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 3 – Changes in Accounting Principles and Restatement of Prior Year Fund Balance/Net Assets

A. Changes in Accounting Principles

For fiscal year 2011, the City has implemented Governmental Accounting Standard Board (GASB) Statement No. 54, “*Fund Balance Reporting and Governmental Fund Type Definitions*” and GASB Statement No. 59, “*Financial Instruments Omnibus*”.

GASB Statement No. 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The implementation of this statement resulted in the reclassification and restatement of the City’s financial statements.

GASB statement No. 59 addresses significant practice issues that have arisen when accounting for financial instruments by updating and improving existing standards regarding financial reporting of certain financial instruments and external investment pools. The implementation of this statement did not result in any change in the City’s financial statements.

B. Restatement of Prior Year’s Fund Balance/Net Assets

During 2011, it was determined that assets held for resale and pilot receivables were understated. The implementation of GASB Statement No. 54, and assets held for resale had the following effect on fund balances of the major and nonmajor funds as they were previously reported.

	General	Police and Fire Pension	CDBG	Debt Service	Nonmajor Governmental Funds	Total
Fund Balance at December 31, 2010	\$6,563,498	\$1,263,403	\$1,827,255	\$782,169	\$3,443,736	\$13,880,061
GASB 54 Change in in Fund Structure	1,310	0	0	0	(1,310)	0
Assets Held for Resale	0	0	46,890	0	373,202	420,092
Restated Fund Balance at December 31, 2010	<u>\$6,564,808</u>	<u>\$1,263,403</u>	<u>\$1,874,145</u>	<u>\$782,169</u>	<u>\$3,815,628</u>	<u>\$14,300,153</u>

In the prior fiscal year, the City incorrectly recorded the understatement of an accounting loss for governmental and business type activities and recording of payments in lieu of property taxes and assets held for resale in governmental type activities. The restatement had the following effect on net assets of the governmental and business type activities of the City as they were previously reported.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 3 – Changes in Accounting Principles and Restatement of Prior Year Fund Balance/Net Assets (Continued)

	Governmental	Business-Type Activities			Total	Total
	Activities	Water	Sewer	Nonmajor		
Net Assets						
December 31, 2010	\$45,941,645	\$30,779,572	\$19,586,713	\$3,488,449	\$53,854,734	\$99,796,379
Payment in Lieu of						
Taxes Receivable	23,354	0	0	0	0	23,354
Assets Held for Resale	420,092	0	0	0	0	420,092
Adjustment of						
Accounting Loss	(317,485)	0	(52,500)	0	(52,500)	(369,985)
Restated Fund Balance at						
December 31, 2010	<u>\$46,067,606</u>	<u>\$30,779,572</u>	<u>\$19,534,213</u>	<u>\$3,488,449</u>	<u>\$53,802,234</u>	<u>\$99,869,840</u>

Note 4 – Fund Balances

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 government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General Fund	Police and Fire Pension	Community Development Block Grant	Debt Service	Other Governmental Funds	Total Governmental Funds
<i>Nonspendable</i>						
Inventory	\$399,665	\$0	\$0	\$0	\$168,802	\$568,467
Prepays	231,969	0	1,771	0	0	233,740
<i>Total Nonspendable</i>	<u>631,634</u>	<u>0</u>	<u>1,771</u>	<u>0</u>	<u>168,802</u>	<u>802,207</u>
<i>Restricted For:</i>						
Street and Highway Improvements	0	0	0	0	288,047	288,047
Police and Fire Pension	0	1,064,608	0	0	0	1,064,608
Community Development	0	0	1,700,678	0	0	1,700,678
Senior Programs	0	0	0	0	36,695	36,695
Law Enforcement	0	0	0	0	209,356	209,356
Lakewood Municipal Court	0	0	0	0	702,000	702,000
HOME Investment Program	0	0	0	0	38,877	38,877
At-Risk Youth Programs	0	0	0	0	14,258	14,258
Family to Family	0	0	0	0	13,004	13,004
Neighborhood Stabilization	0	0	0	0	403,328	403,328
Litter Control Projects	0	0	0	0	6,298	6,298
Debt Service Payments	0	0	0	593,434	57,321	650,755
Capital Improvements	0	0	0	0	737,334	737,334
<i>Total Restricted</i>	<u>0</u>	<u>1,064,608</u>	<u>1,700,678</u>	<u>593,434</u>	<u>2,506,518</u>	<u>5,865,238</u>
<i>Committed to:</i>						
Lakewood Hospital Operations	0	0	0	0	610,198	610,198
Other Purposes	0	0	0	0	243,216	243,216
<i>Total Committed</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>853,414</u>	<u>853,414</u>
<i>Assigned to:</i>						
Community Festival Projects	2,647	0	0	0	0	2,647
Economic Development	645,255	0	0	0	0	645,255
Separation Payments	298,159	0	0	0	0	298,159
Other Purposes	157,000	0	0	0	0	157,000
<i>Total Assigned</i>	<u>1,103,061</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,103,061</u>
Unassigned (Deficit)	7,168,275	0	0	0	(31,316)	7,136,959
<i>Total Fund Balances</i>	<u>\$8,902,970</u>	<u>\$1,064,608</u>	<u>\$1,702,449</u>	<u>\$593,434</u>	<u>\$3,497,418</u>	<u>\$15,760,879</u>

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 5 - Accountability

The fund balances at December 31, 2011 included the following individual fund deficits:

Special Revenue Funds	
Energy Efficiency Block Grant	\$23,478
Homeless Prevention	6,539
Emergency Shelter Grant	1,299

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

Note 6 - Budgetary Basis of Accounting

While the City is reporting their financial position, results of operations, and changes in fund balance/net assets on the basis of generally accepted accounting principles (GAAP basis), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the General and major special revenue funds, is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a restricted, committed or assigned fund balance (GAAP).
4. Investments are reported at fair value (GAAP) rather than cost (budget).
5. Advances in and advances out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
6. Budgetary revenues and expenditures of the Community Festival Fund are classified to the general fund for GAAP Reporting.

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

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 6 - Budgetary Basis of Accounting (Continued)

	General Fund	Police and Fire Pension Fund	Community Development Block Grant Fund
GAAP Basis	\$2,338,162	(\$198,795)	(\$171,696)
Net Adjustment for Revenue Accruals	(2,469,483)	0	80,996
Advances In	0	0	241,000
Net Adjustment for Expenditure Accruals	1,620,960	140,168	4,269
Excess of Revenues over Expenditures:			
Community Festival Fund	1,337	0	0
Advances Out	(313,000)	0	0
Adjustments for Encumbrances	(1,100,414)	0	0
Budget Basis	<u>\$77,562</u>	<u>(\$58,627)</u>	<u>\$154,569</u>

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 withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that City Council has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but will be needed before the end of the current period of designation for depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit, or by savings or deposit accounts including passbook accounts.

Interim monies held by the City may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to payment of principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 7 - Deposits and Investments (Continued)

3. Written repurchase agreements in securities listed above;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in (1) or;
6. The State Treasurer's investment pool (STAROhio);
7. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
8. Certain bankers acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed twenty five percent of the interim monies available for the investment at any one time.

The City may also invest any monies not required to be used for a period of six months or more in the following:

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

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

Deposits

Custodial Credit Risk: Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in possession of an outside party. At year end, \$1,761,090 of the City's bank balance of \$21,867,800 was uninsured and uncollateralized. Although the securities were held by the pledging financial institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or protected by eligible securities pledged to and deposited either with the City or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 7 - Deposits and Investments (Continued)

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, 2011, the City had investments in STAR Ohio with a fair value of \$688,120 with an average maturity of 57 days. In addition, Investments held in money market mutual funds with a trustee and fiscal agent had fair values of \$1,170,164 and \$2,461,357 respectively. The money market mutual funds did not have a credit rating.

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 City has no investment policy that addresses credit risk.

Note 8 - Receivables

Receivables at December 31, 2011, consisted primarily of interest, accounts (billings for user charged services), intergovernmental receivables arising from grants, entitlements and shared revenues, municipal income taxes, property taxes, loans (Community Development Block Grant monies loaned to local businesses), special assessments and interfunds. All receivables, except property taxes, special assessments and loans, are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. All receivables, except utility accounts receivable, are deemed collectible in full. Utility accounts receivable may be certified and collected as a special assessment, subject to foreclosure for nonpayment.

Allowance for doubtful accounts has been recorded at \$42,760 in the Water Fund and \$27,840 in the Sewer Fund.

Loans receivable to be collected in more than one-year amount to \$1,831,512 in the Community Development Block Grant Fund.

Special assessments expected to be collected in more than one-year amount to \$170,845 in the various governmental funds. The amount of delinquent special assessments outstanding at December 31, 2011 was \$40,623.

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 2011 for real and public utility property taxes represents collections of 2010 taxes.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 8 – Receivables (Continued)

2011 real property taxes are levied after October 1, 2011 on the assessed value as of January 1, 2011, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2011 real property taxes are collected in and intended to finance 2012 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. 2011 public utility property taxes which became a lien December 31, 2010, are levied after October 1, 2011, and are collected in 2012 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2011, was \$17.40 per \$1,000 of assessed value. The assessed values of real property, public utility tangible property upon which 2011 property tax receipts were based, are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Estate	
Residential and Agricultural	\$727,775,410
Commercial/Industrial/Public Utility	166,733,970
Public Utility	12,400,630
Total Assessed Value	<u>\$906,910,010</u>

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, 2011, 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 2011 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 a 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.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 8 – Receivables (Continued)

C. Intergovernmental Receivables

A summary of the principal items of intergovernmental receivables follows:

	<u>Amounts</u>
Governmental Activities	
Local Government	\$1,994,850
Homestead and Rollback	805,757
Gasoline Tax	664,227
Estate Tax	179,410
Motor Vehicle License Registration	111,681
Federal Grant Reimbursements	83,041
County Grant Reimbursements	57,206
Permissive Motor Vehicle License Tax	22,712
Liquor Permit/Cigarette Taxes	13,620
Lakewood Board of Education	<u>2,609</u>
<i>Total Governmental Activities</i>	3,935,113
Business-Type Activities	
Homestead and Rollback	<u>104,644</u>
<i>Total</i>	<u><u>\$4,039,757</u></u>

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.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 9 – Contingencies (Continued)

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, 2011.

Note 10 - Capital Assets

Capital asset activity for the year ended December 31, 2011, was as follows:

	Balance 12/31/10	Additions	Deletions	Balance 12/31/11
Governmental Activities				
<i>Capital Assets, not being Depreciated:</i>				
Land	\$6,139,702	\$0	\$0	\$6,139,702
Construction in Progress	2,278,670	3,084,662	(2,343,995)	3,019,337
<i>Total Capital Assets, not being Depreciated</i>	<u>8,418,372</u>	<u>3,084,662</u>	<u>(2,343,995)</u>	<u>9,159,039</u>
<i>Capital Assets, being Depreciated:</i>				
Land Improvements	4,774,190	64,932	(6,419)	4,832,703
Buildings and Improvements	14,921,394	1,283,582	0	16,204,976
Furniture and Equipment	4,198,319	144,165	(56,953)	4,285,531
Vehicles	12,893,784	654,675	(40,697)	13,507,762
Infrastructure				
Roads	42,692,717	2,041,254	0	44,733,971
Traffic Signals	4,009,285	0	0	4,009,285
Sidewalks	3,077,621	106,119	0	3,183,740
Curbing	1,434,304	0	0	1,434,304
<i>Total Capital Assets, being Depreciated</i>	<u>88,001,614</u>	<u>4,294,727</u>	<u>(104,069)</u>	<u>92,192,272</u>
Less Accumulated Depreciation:				
Land Improvements	(2,253,944)	(137,653)	1,016	(2,390,581)
Buildings and Improvements	(5,342,995)	(216,542)	0	(5,559,537)
Furniture and Equipment	(2,297,388)	(166,668)	51,123	(2,412,933)
Vehicles	(6,136,604)	(706,351)	18,282	(6,824,673)
Infrastructure				
Roads	(10,745,206)	(848,817)	0	(11,594,023)
Traffic Signals	(2,251,591)	(100,275)	0	(2,351,866)
Sidewalks	(1,043,282)	(28,235)	0	(1,071,517)
Curbing	(490,033)	(12,958)	0	(502,991)
Total Accumulated Depreciation	<u>(30,561,043)</u>	<u>(2,217,499)</u>	<u>70,421</u>	<u>(32,708,121)</u>
Total Capital Assets being Depreciated, Net	<u>57,440,571</u>	<u>2,077,228</u>	<u>(33,648)</u>	<u>59,484,151</u>
Governmental Activities Capital Assets, Net	<u>\$65,858,943</u>	<u>\$5,161,890</u>	<u>(\$2,377,643)</u>	<u>\$68,643,190</u>

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 10 - Capital Assets (Continued)

	Balance 12/31/10	Additions	Deletions	Balance 12/31/11
Business-Type Activities				
<i>Capital Assets, not being Depreciated:</i>				
Land	\$78,150	\$0	\$0	\$78,150
Construction in Progress	1,544,762	1,528,823	(1,586,243)	1,487,342
<i>Total Capital Assets, not being Depreciated</i>	<u>1,622,912</u>	<u>1,528,823</u>	<u>(1,586,243)</u>	<u>1,565,492</u>
<i>Capital Assets, being Depreciated:</i>				
Land Improvements	2,025,447	0	0	2,025,447
Buildings and Improvements	17,725,007	18,918	0	17,743,925
Furniture and Equipment	8,536,149	739,716	0	9,275,865
Vehicles	2,258,267	330,915	0	2,589,182
Infrastructure:				
Water Lines	51,668,123	845,994	0	52,514,117
Sewer Lines	30,163,073	0	0	30,163,073
<i>Total Capital Assets, being Depreciated</i>	<u>112,376,066</u>	<u>1,935,543</u>	<u>0</u>	<u>114,311,609</u>
Less Accumulated Depreciation:				
Land Improvements	(557,243)	(60,243)	0	(617,486)
Buildings and Improvements	(5,642,381)	(280,717)	0	(5,923,098)
Furniture and Equipment	(5,027,881)	(371,059)	0	(5,398,940)
Vehicles	(1,160,307)	(196,153)	0	(1,356,460)
Infrastructure				
Water Lines	(13,365,174)	(824,894)	0	(14,190,068)
Sewer Lines	(6,262,343)	(413,682)	0	(6,676,025)
<i>Total Accumulated Depreciation</i>	<u>(32,015,329)</u>	<u>(2,146,748)</u>	<u>0</u>	<u>(34,162,077)</u>
Total Capital Assets, being Depreciated, Net	<u>80,360,737</u>	<u>(211,205)</u>	<u>0</u>	<u>80,149,532</u>
Business-Type Activities Assets, Net	<u>\$81,983,649</u>	<u>\$1,317,618</u>	<u>(\$1,586,243)</u>	<u>\$81,715,024</u>

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 10 - Capital Assets (Continued)

Depreciation expense was charged to governmental functions as follows:

General Government	\$164,471
Security of Persons and Property-Police	140,407
Security of Persons and Property-Fire	239,329
Transportation	1,121,280
Community Environment	11,636
Basic Utility Services	253,811
Public Health Services	12,934
Leisure Time Activities	<u>273,631</u>
Total Depreciation Expense	<u><u>\$2,217,499</u></u>

Depreciation expense was charged to the Enterprise Funds as follows:

Water Fund	\$907,711
Sewer Fund	1,125,158
Parking Facilities Fund	30,539
Winterhurst Ice Rink Fund	<u>83,340</u>
Total Depreciation Expense	<u><u>\$2,146,748</u></u>

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, 2011, the aggregate principal amount of conduit debt obligation outstanding for Lakewood Hospital was \$13,100,000.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 11 – Conduit Debt Obligations (Continued)

On October 23, 2000, the City issued Educational Facilities Revenue Bonds for the purpose of providing funds to pay costs of acquiring and constructing additional facilities for St. Edward High School. The aggregate principal amount of conduit debt obligations for St. Edward High School was \$10,800,000. As of December 31, 2011, the aggregate principal amount of conduit debt obligation outstanding for St. Edward High School was \$9,300,000. 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- 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
<i>Governmental Activities</i>				
<i>Notes</i>				
Various Purpose	2010	1.00%	\$7,771,000	April 13, 2011
Various Purpose	2011	1.50%	1,948,000	April 19, 2012
<i>General Obligation Bonds</i>				
Various Purpose	1998	3.60-5.125%	3,596,700	December 1, 2017
Various Purpose Refunding-1992	1998	3.60-5.125%	9,060,000	December 1, 2012
Various Purpose	2003	3.55-5.00%	5,219,000	December 1, 2023
Various Purpose Refunding-1995	2005	3.00-5.00%	7,335,000	December 1, 2025
Various Purpose	2005	3.00-5.00%	6,095,637	December 1, 2025
Various Purpose	2001	3.45-5.875%	8,085,000	December 1, 2021
Various Purpose Refunding-2005	2007	4.00-5.25%	10,520,000	December 1, 2026
Various Purpose Refunding-2011	2011	2.00-5.00%	10,845,268	December 1, 2028
<i>Tax Increment Financing</i>				
Rockport Square Development	2004	4.40-5.95%	4,265,000	July 1, 2024
Vedda Printing	2005	3.00-5.00%	400,000	December 1, 2025
<i>OPWC Loan</i>				
Forest and Clifton Road	1999	0%	616,000	December 1, 2019

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 12- Long-Term Obligations (Continued)

	<u>Original Issue Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>
Revenue Bonds				
<i>Water</i>				
Water Main Improvements	1995	4.40-6.60%	\$2,850,000	December 1, 2020
Water System Refunding	2002	2.00-3.65%	4,025,000	December 1, 2011
Water Main Improvements	2005	3.00-5.00%	609,829	December 1, 2025
Water Main Improvements	2006	4.00-4.50%	10,285,000	December 1, 2031
<i>Sewer</i>				
Sewer Construction	2006	4.00-4.50%	14,320,000	December 1, 2031
General Obligation Bonds				
<i>Sewer</i>				
Sewer Construction Refunding	1998	3.60-5.125%	5,695,000	December 1, 2011
Sewer Construction Refunding	2003	3.55-5.00%	3,481,000	December 1, 2023
Sewer Construction	2005	3.00-5.00%	3,811,430	December 1, 2025
Sewer Construction	2005	3.00-5.00%	2,145,000	December 1, 2025
Sewer Construction Refunding	2011	2.00%	545,000	December 1, 2012
<i>Winterhurst</i>				
Winterhurst Recreational Facility	1998	3.60-5.125%	1,292,200	December 1, 2017
Winterhurst Recreational Facility	2005	3.00-5.00%	203,276	December 1, 2025
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
OPWC Loans				
<i>Water</i>				
Water Main Replacements	1999	0%	1,248,464	December 1, 2019
Water Main Replacements	2001	0%	1,944,012	December 1, 2021
Water Main Replacements	2003	0%	994,614	July 1, 2023
Water Main Replacements	2003	0%	1,592,840	July 1, 2023
Belle Avenue Improvements	2003	0%	484,637	December 1, 2023
<i>Sewer</i>				
West Clifton Storm Sewer Rehab.	2000	0%	115,101	December 1, 2020
Edgewater Drive-Sewer Separation	2002	0%	604,258	December 1, 2022
OWDA Loan				
<i>Sewer</i>				
Lakewood Avenue	2002	4.30%	445,810	July 1, 2013

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 12 - Long-Term Obligations (Continued)

	Restated Balance			Balance	Amount
	December 31,	Additions	Deletions	December 31,	Due in
	2010			2011	One Year
<i>Governmental Activities</i>					
Notes Payable					
Various Purpose-2010	\$7,771,000	\$0	\$7,771,000	\$0	\$0
Various Purpose-2011	0	1,948,000	0	1,948,000	0
<i>Total Notes Payable</i>	<u>7,771,000</u>	<u>1,948,000</u>	<u>7,771,000</u>	<u>1,948,000</u>	<u>0</u>
General Obligation Bonds					
Various Purpose-1998	1,621,700	0	1,621,700	0	0
Various Purpose Refunding-1998	1,410,000	0	1,410,000	0	0
Various Purpose-2003	3,682,507	0	254,619	3,427,888	267,441
Various Purpose Refunding-2005	3,410,000	0	620,000	2,790,000	660,000
Unamortized Premium	74,350	0	16,833	57,517	0
Unamortized loss	(285,167)	0	(64,566)	(220,601)	0
Various Purpose-2005	3,271,981	0	324,092	2,947,889	336,422
Unamortized Premium	52,260	0	3,625	48,635	0
Various Purpose-2001	440,000	0	440,000	0	0
Various Purpose Refunding-2007	9,530,000	0	280,000	9,250,000	660,000
Unamortized loss	(285,609)	0	(17,486)	(268,123)	0
Unamortized Premium	46,390	0	2,899	43,491	0
Rockport Square Development-2004	3,915,000	0	185,000	3,730,000	200,000
Unamortized Premium	95,971	0	7,560	88,411	0
Vedda Printing-2005	325,000	0	15,000	310,000	15,000
Unamortized Premium	534	0	36	498	0
Various Purpose-2011	0	7,770,000	5,000	7,765,000	5,000
Unamortized Premium	0	7,022	1,003	6,019	0
Various Purpose Refunding-2011	0	3,075,268	821,607	2,253,661	691,071
Unamortized Premium	0	55,083	3,060	52,023	0
Unamortized loss	0	(16,369)	(910)	(15,459)	0
<i>Total General Obligation Bonds</i>	<u>27,304,917</u>	<u>10,891,004</u>	<u>5,929,072</u>	<u>32,266,849</u>	<u>2,834,934</u>
Other Long-Term Obligations					
OPWC Loan-Forest and Clifton Road-1999	246,400	0	30,800	215,600	30,800
Claims Payable	861,927	5,558,887	5,642,556	778,258	434,218
Compensated Absences Payable	5,615,278	2,054,191	1,906,352	5,763,117	2,054,197
Capital Lease Payable	5,574,518	1,487,326	939,630	6,122,214	1,050,447
<i>Total Other Long-Term Obligations</i>	<u>12,298,123</u>	<u>9,100,404</u>	<u>8,519,338</u>	<u>12,879,189</u>	<u>3,569,662</u>
<i>Total Governmental Activities</i>	<u>\$47,374,040</u>	<u>\$21,939,408</u>	<u>\$22,219,410</u>	<u>\$47,094,038</u>	<u>\$6,404,596</u>

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 12 - Long-Term Obligations (Continued)

	Restated Balance December 31, 2010	Additions	Deletions	Balance December 31, 2011	Amount Due in One Year
<i>Business-Type Activities</i>					
Revenue Bonds					
<i>Water</i>					
Water Main Improvements-1995	\$1,825,000	\$0	\$135,000	\$1,690,000	\$145,000
Water System Refunding-2002	510,000	0	510,000	0	0
Deferred Amount of Refunding	(29,580)	0	(29,580)	0	0
Water Main Improvements-2005	497,246	0	24,572	472,674	25,464
Unamortized Premium	408	0	29	379	0
Water Main Improvements-2006	9,190,000	0	285,000	8,905,000	295,000
Unamortized Discount	(103,136)	0	(5,031)	(98,105)	0
Unamortized Premium	17,512	0	854	16,658	0
<i>Sewer</i>					
Sewer Construction-2006	12,805,000	0	390,000	12,415,000	405,000
Unamortized Discount	(143,834)	0	(7,016)	(136,818)	0
Unamortized Premium	41,706	0	2,034	39,672	0
Total Revenue Bonds	24,610,322	0	1,305,862	23,304,460	870,464
General Obligation Bonds					
<i>Sewer</i>					
Sewer Construction Refunding-1998	1,065,000	0	200,000	865,000	205,000
Deferred Amount of Refunding	(52,825)	0	(11,961)	(40,864)	0
Unamortized Premium	22,776	0	5,156	17,620	0
Sewer Construction Refunding-2003	530,000	0	530,000	0	0
Deferred Amount of Refunding	(57,841)	0	(57,841)	0	0
Sewer Construction-2005	2,722,492	0	125,381	2,597,111	132,559
Unamortized Premium	48,656	0	3,936	44,720	0
Sewer Construction-2005	3,605,025	0	178,146	3,426,879	184,623
Unamortized Premium	2,981	0	207	2,774	0
Sewer Construction Refunding					
Bonds- 2011	0	545,000	320,000	225,000	225,000
Unamortized Premium	0	8,464	4,232	4,232	0
Deferred Amount of Refunding	0	(7,244)	(3,622)	(3,622)	0
<i>Winterhurst</i>					
Recreational Facility Bonds-1998	883,400	0	883,400	0	0
Recreational Facility Bonds -2005	165,748	0	8,191	157,557	8,488
Unamortized Premium	134	0	10	124	0
Recreational Facility					
Refunding Bonds- 2011	0	929,732	248,393	681,339	208,929
Unamortized Premium	0	16,653	925	15,728	0
Deferred Amount of Refunding	0	(38,109)	(2,117)	(35,992)	0
<i>Parking</i>					
Meter Replacement-2007	285,000	0	20,000	265,000	20,000
Unamortized Premium	1,942	0	121	1,821	0
Total General Obligation Bonds	\$9,222,488	\$1,454,496	\$2,452,557	\$8,224,427	\$984,599

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 12 - Long-Term Obligations (Continued)

	Restated Balance			Balance December 31, 2011	Amount Due in One Year
	December 31, 2010	Additions	Deletions		
OPWC Loans					
<i>Water Fund</i>					
Water Main Replacements-1999	\$499,380	\$0	\$62,423	\$436,957	\$62,423
Water Main Replacements-2001	972,005	0	97,201	874,804	97,201
Water Main Replacements-2003	621,633	0	49,731	571,902	49,731
Water Main Replacements-2003	995,526	0	79,642	915,884	79,642
Belle Avenue Improvements-2003	327,130	0	24,232	302,898	24,232
<i>Sewer</i>					
West Clifton Storm Sewer Rehabilitation-2000	38,453	0	4,273	34,180	4,273
Edgewater Drive-Sewer Separation-2002	332,342	0	30,213	302,129	30,213
<i>Total OPWC Loans</i>	<u>3,786,469</u>	<u>0</u>	<u>347,715</u>	<u>3,438,754</u>	<u>347,715</u>
Other Long-Term Obligations					
OWDA Loan- Lakewood Avenue-2002	78,513	0	30,405	48,108	31,726
Compensated Absences Payable	385,360	142,300	127,335	400,325	142,300
Capital Lease Payable	1,224,164	1,915,044	259,572	2,879,636	337,805
<i>Total Other Long-Term Obligations</i>	<u>1,688,037</u>	<u>2,057,344</u>	<u>417,312</u>	<u>3,328,069</u>	<u>511,831</u>
<i>Total Business-Type Activities</i>	<u>\$39,307,316</u>	<u>\$3,511,840</u>	<u>\$4,523,446</u>	<u>\$38,295,710</u>	<u>\$2,714,609</u>

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 were considered defeased and the liability for the refunded bonds has been removed from the basic financial statements. As of December 31, 2011, \$2,790,000 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 were related to governmental activities, to refund notes and a portion of the 2005 various purpose general obligation bonds in order to take advantage of lower interest rates. The bonds were issued for twenty years, with final maturity at December 1, 2026. The bonds will be retired from the Debt Service Fund. The proceeds were used to refund a portion of the 2005 various purpose and bond anticipation notes.

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

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 12 - Long-Term Obligations (Continued)

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. The OPWC loans are paid semi-annually from the Debt Service Fund. The loans are interest free and will be paid from general property tax revenue.

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.

An analysis of the refunding issue follows:

	1998 Various Purpose Refunding	1998 Various Purpose	2003 Sewer Refunding	1998 Winterhurst
Outstanding at December 31, 2010	\$1,410,000	\$1,621,700	\$530,000	\$883,400
Amount Refunded	(1,410,000)	(1,621,700)	(530,000)	(883,400)
Outstanding at December 31, 2011	\$0	\$0	\$0	\$0

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, 2011 is \$3,160,000.

Although the refunding will result in the recognition of an accounting loss of \$61,722, the City in effect decreased its aggregated debt service payments by \$783,791 over the next seventeen years and obtained an economic gain (difference between the present values of the old and new debt service payments) of \$297,803.

The City issued a \$1,948,000 various purpose bond anticipation note April 21, 2011 at 1.50 percent that will mature April 19, 2012. The proceeds were used for street and traffic signal improvements. All of the notes were considered long-term.

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.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 12 - Long-Term Obligations (Continued)

Business-Type Activities

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

In 1995, the City issued \$2,850,000 in Water Main Improvement Revenue Bonds with interest rates varying from 4.40 percent to 6.60 percent. Proceeds were used to improve the City's water mains. The revenue bonds included serial bonds. Restricted assets for debt service relating to the water main improvement revenue bonds held with a trustee at December 31, 2011, were \$121,830. At December 31, 2011, \$1,690,000 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.

The securities and fixed earnings from the securities are sufficient to provide for all future debt service payments on the Series 1991 Water Revenue Bonds and respective portion of the Series 2002 Bond Anticipation Notes. As a result, the 1991 Water Revenue Bonds and the respective portion of the Series 2002 Bond Anticipation Notes are considered to be defeased. As of December 31, 2011, none of the defeased debt remained outstanding. The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt. This difference, reported in the accompanying financial statement as a deduction from due in more than one year, is being charged to operations through the year 2011 using the straight-line method. The unamortized balance of the deferral was zero at December 31, 2011. 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, 2011, were \$195,493 for replacement and improvement and \$44,073 for debt service.

In 2006, the City issued \$10,285,000 in Water Main Improvement Revenue Bonds with interest rates varying from 4.00 percent to 4.50 percent to improve the City's water mains. The Revenue Bonds included Serial Bonds. Issuance included a premium of \$21,352 and discount of \$124,937. Restricted assets relating to the Water Main Improvement Revenue Bonds held with trustee at December 31, 2011, were \$338,293 restricted for debt service.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 12 - Long-Term Obligations (Continued)

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, 2011, were \$470,475 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.

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 \$19,490,022. Principal and interest paid for the current year were \$1,806,760, total net revenues were \$2,646,513, and total revenues were \$10,774,944.

The City has pledged future revenues to repay the revenue bonds and OWDA and OPWC loans in the Sewer Fund. The debt is payable solely from net revenues and is payable through 2031. Annual principal and interest payments on the debt is expected to require less than 4 percent of net revenues and less than 1.00 percent of total revenues. The total principal and interest remaining to be paid on the debt is \$19,253,957. Principal and interest paid for the current year were \$1,009,947, total net revenues were \$3,092,610, and total revenues were \$6,849,662.

The City's overall legal debt margin was \$61,734,085 at December 31, 2011.

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2011, are as follows:

	Governmental Activities				
	General Obligation Bonds		OPWC	Total	
	Principal	Interest	Loans Principal	Principal	Interest
2012	\$2,834,934	\$1,388,729	\$30,800	\$2,865,734	\$1,388,729
2013	2,527,786	1,293,941	30,800	2,558,586	1,293,941
2014	2,562,433	1,212,664	30,800	2,593,233	1,212,664
2015	2,693,155	1,099,154	30,800	2,723,955	1,099,154
2016	1,848,822	981,056	30,800	1,879,622	981,056
2017-2021	10,710,656	3,658,380	61,600	10,772,256	3,658,380
2022-2026	7,581,652	1,397,780	0	7,581,652	1,397,780
2027-2028	1,715,000	129,750	0	1,715,000	129,750
	<u>\$32,474,438</u>	<u>\$11,161,454</u>	<u>\$215,600</u>	<u>\$32,690,038</u>	<u>\$11,161,454</u>

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 12 - Long-Term Obligations (Continued)

	Business Type Activities			
	Revenue Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2012	\$870,464	\$1,036,050	\$984,599	\$389,143
2013	916,359	994,626	660,854	347,108
2014	957,253	955,236	710,315	318,951
2015	999,040	913,620	747,805	281,728
2016	1,040,380	870,131	545,798	239,313
2017-2021	5,700,216	3,624,700	2,734,128	771,138
2022-2026	5,898,962	2,388,603	1,834,387	178,222
2027-2031	7,100,000	986,400	0	0
	<u>\$23,482,674</u>	<u>\$11,769,366</u>	<u>\$8,217,886</u>	<u>\$2,525,603</u>
		OPWC Loans	OWDA Loans	
		Principal	Principal	Interest
2012		\$347,715	\$31,726	\$4,731
2013		347,714	16,382	346
2014		347,714	0	0
2015		347,714	0	0
2016		347,714	0	0
2017-2021		1,445,555	0	0
2022-2026		254,628	0	0
2027-2031		0	0	0
		<u>\$3,438,754</u>	<u>\$48,108</u>	<u>\$5,077</u>
		Total		
		Principal	Interest	
2012		\$2,234,504	\$1,429,924	
2013		1,941,309	1,342,080	
2014		2,015,282	1,274,187	
2015		2,094,559	1,195,348	
2016		1,933,892	1,109,444	
2017-2021		9,879,899	4,395,838	
2022-2026		7,987,977	2,566,825	
2027-2031		7,100,000	986,400	
		<u>\$35,187,422</u>	<u>\$14,300,046</u>	

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 13 – Leases

A. Capital Leases

In 2011, the City entered into a lease for the acquisition of vehicles, computer equipment and copier equipment 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 Assets. 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, 2011:

	Governmental Activities	Business-Type Activities
Building and Improvements	\$2,100,000	\$1,200,000
Equipment Machinery and Furniture	319,076	176,859
Vehicles	4,865,374	936,378
Total Capital Leases, being depreciated	7,284,450	2,313,237
Less Accumulated Depreciation		
Building and Improvements	840,000	480,000
Equipment Machinery and Furniture	127,631	70,744
Vehicles	1,621,672	290,071
Total Accumulated Depreciation	2,589,303	840,815
Capital Leases, Net	\$4,695,147	\$1,472,422
	Governmental Activities	Business-Type Activities
2012	\$1,275,072	\$440,720
2013	1,105,711	418,107
2014	973,390	403,269
2015	951,406	406,228
2016	897,413	405,562
2017-2021	1,767,725	1,270,042
Total minimum lease payments	6,970,717	3,343,928
Less: amount representing interest	(848,503)	(464,292)
Total	\$6,122,214	\$2,879,636

B. Operating Leases

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

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 14 - Risk Management

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

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

The boiler and machinery is covered at \$112,544,732 with a \$1,000 deductible for deep well pumps and \$1,000 deductible for all other property.

Coverage for the City's buildings, furniture, fixtures, and contents has a limit of \$112,544,732, with a \$1,000 deductible. Inland marine coverage for all City property that moves has coverage of \$4,743,726 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.

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, 2011, \$408,994 was accrued for hospitalization and medical claims, representing an estimate of the amount to be paid for claims that have been incurred but not reported based on the requirements of GASB Statement No. 30, which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported if information prior to the issuance of the financial statements and the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the balances of claims liabilities during the past two years are as follows:

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 14 - Risk Management (Continued)

	2011	2010
Estimated claims payable January 1	\$452,711	\$480,500
Plus: Current year claims	5,116,978	5,150,442
Less: Claim payments	(5,160,695)	(5,178,231)
Estimated claims payable December 31	\$408,994	\$452,711

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, 2011, \$369,264 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:

	2011	2010
Estimated claims payable January 1	\$409,216	\$614,860
Plus: Current year claims	441,909	393,676
Less: Claim payments	(481,861)	(599,320)
Estimated claims payable December 31	\$369,264	\$409,216

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 15 - Defined Benefit Pension Plans

A. Ohio Public Employees Retirement System

Plan Description - The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the Traditional Pension and Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units and 18.1 percent of covered payroll for law enforcement and public safety employer units. Member contribution rates, as set in the Ohio Revised Code, are not to exceed 10 percent of covered payroll for members in State and local divisions and 12 percent for law enforcement and public safety members. For the year ended December 31, 2011, members in state and local classifications contributed 10 percent of covered payroll while public safety and law enforcement members contributed 11.0 percent and 11.6 percent, respectively. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan. For 2011, member and employer contribution rates were consistent across all three plans.

The City's 2011 contribution rate was 14.0 percent, except for those plan members in law enforcement or public safety, for whom the City's contribution was 18.10 percent of covered payroll. The portion of employer contributions used to fund pension benefits is net of post-employment health care benefits. The portion of employer contribution allocated to health care for members in the Traditional Plan was 4.00 for 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent or 2011. Employer contribution rates are actuarially determined.

The City's required contributions for pension obligations to the Traditional and Combined plans for the years ended December 31, 2011, 2010, and 2009, were \$1,564,435 \$1,352,366, and \$1,274,799, respectively; 88 percent has been contributed for 2011 and 100 percent for 2010 and 2009. Contributions to the Member-Directed Plan for 2011 were \$20,639 made by the City and \$28,894 made by the plan members.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 15 - Defined Benefit Pension Plans (Continued)

B. Ohio Police and Fire Pension Fund

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

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

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

The City's pension contributions to OP&F for police and firefighters were \$921,634 and \$959,008 for the year ended December 31, 2011, \$877,675 and \$925,438 for the year ended December 31, 2010, and \$862,453 and \$972,154 for the year ended December 31, 2009. 73.72 percent has been contributed for police and 72.53 percent has been contributed for firefighters for 2011 with the balance for both police and firefighters being reported as intergovernmental payable.

Note 16 – Post-Employment Benefits

A. Ohio Public Employees Retirement System

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

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

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

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 16 – Post-Employment Benefits (Continued)

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

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

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2011, state and local employers contributed at a rate of 14.0 percent of covered payroll, and public safety and law enforcement employers contributed at 18.10 percent. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units and 18.1 percent of covered payroll for law and public safety employer units.

Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 4.0 percent for 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for 2011.

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

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2011, 2010, and 2009 were \$625,774, \$770,838, and \$922,021, respectively; 88 percent has been contributed for 2011 with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2010 and 2009.

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

B. Ohio Police and Fire Pension Fund

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

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 16 – Post-Employment Benefits (Continued)

child of such person. The health care coverage provided by OP&F meets the definition of an Other Post-Employment Benefit (OPEB) as described in GASB Statement No.45.

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding policy –The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefits pension plan. Participating employers are required by the Ohio Revised Code to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.50 percent and 24.00 percent of covered payroll for police and fire employees, respectively.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made to the pension plan to the Section 115 Trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2011, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and also is limited by the provisions of Sections 115 and 401(h).

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

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$487,924 and \$375,264 for the year ended December 31, 2011, \$464,652 and \$362,128 for the year ended December 31, 2010, and \$456,625 and \$377,288 for the year ended December 31, 2009. The full amount has been contributed for 2010 and 2009. 73.72 percent has been contributed for police and 72.53 percent has been contributed for firefighters for 2011 with the balance being reported as an intergovernmental payable.

Note 17 - Other Employee Benefits

A. *Compensated Absences*

City employees generally earn vacation and sick leave ranging from two to five weeks and fourteen to twenty-five days per year, respectively, based on length of service or hours worked for sick time. Vacation and sick leave accumulate on an hourly basis and are fully vested when earned. Accumulated

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 17 - Other Employee Benefits - Continued

vacation leave and accumulated sick days cannot exceed 50 or 120 days, respectively, at the end of any year. However, employees convert to cash, on a three-to-one basis, sick days accumulated in excess of 120 days. Twenty-five percent of unused sick leave plus any accumulated vacation leave is paid at termination, retirement or death.

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

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

B. Health and Life Insurance

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

Note 18 - 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 2011, the City contributed \$89,790.

Note 19 – Contractual Commitments

The following were significant contractual commitments outstanding at December 31, 2011.

Project	Contract Amount	Amount Paid	Amount Remaining
Traffic Signalization	\$400,000	\$391,714	\$8,286
Refuse Facility Improvements	683,300	0	683,300
Waterline Improvements	1,037,485	919,907	117,578
Wastewater Improvements	2,399,072	1,031,373	1,367,699
Totals	<u>\$4,519,857</u>	<u>\$2,342,994</u>	<u>\$2,176,863</u>

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 20 - Interfund Transfers and Balances

A. Transfers

The General Fund transfers to the major and nonmajor governmental funds and to proprietary funds were made to provide additional resources for current operations. The transfers from Streets and Highways, Police and Fire Pension Fund, Lakewood Hospital, Debt Service, Water, Sewer, Parking and Winterhurst were to cover debt payments.

Transfer To	Transfer From								Total
	General	Police and Fire Pension	Debt Service	Other Governmental Funds	Water	Sewer	Parking	Winterhurst	
Governmental Activities									
Major Funds									
General	\$0	\$0	\$0	\$0	\$15,252	\$870,061	\$4,500	\$70,852	\$960,665
Debt Service	0	431,000	0	151,200	0	520,873	0	0	1,103,073
Nonmajor Funds									
Office on Aging	714,230	0	0	0	0	0	0	0	714,230
<i>Total Governmental Activities</i>	<u>714,230</u>	<u>431,000</u>	<u>0</u>	<u>151,200</u>	<u>15,252</u>	<u>1,390,934</u>	<u>4,500</u>	<u>70,852</u>	<u>2,777,968</u>
Business-Type Activities									
Winterhurst	0	0	439,784	0	0	0	0	0	439,784
Internal Service									
Hospitalization	1,000,000	0	0	0	0	0	0	0	1,000,000
Workers' Compensation	100,002	0	0	0	0	0	0	0	100,002
<i>Total Internal Service Activities</i>	<u>1,100,002</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,100,002</u>
Total	<u><u>\$1,814,232</u></u>	<u><u>\$431,000</u></u>	<u><u>\$439,784</u></u>	<u><u>\$151,200</u></u>	<u><u>\$15,252</u></u>	<u><u>\$1,390,934</u></u>	<u><u>\$4,500</u></u>	<u><u>\$70,852</u></u>	<u><u>\$4,317,754</u></u>

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2011

Note 20 - Interfund Transfers and Balances (Continued)

B. Balances

Interfund receivables and payables are due to the timing of the receipt of grant monies by the major and nonmajor funds and 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, 2011, consist of the following:

Interfund Payable	Interfund Receivable			
	General	Workers' Compensation	Hospitalization	Total
Governmental Funds				
Major Funds:				
General	\$0	\$18,690	\$303,061	\$321,751
Community Development Block Grant	241,000	454	7,369	248,823
Nonmajor Funds:				
Street and Highway	0	966	15,660	16,626
Office on Aging	0	909	14,739	15,648
Lakewood Hospital	0	1,250	20,265	21,515
Energy Efficiency Block Grant	22,000	0	0	22,000
Emergency Shelter Grant	5,000	0	0	5,000
Help-to-Others	1,000	0	0	1,000
Total Governmental Funds	269,000	22,269	361,094	652,363
Proprietary Funds				
Major Funds:				
Water	0	852	13,817	14,669
Sewer	0	1,989	32,241	34,230
Nonmajor Funds				
Parking Facilities	0	114	1,842	1,956
Winterhurst Ice Rink	104,000	0	0	104,000
Total Proprietary Funds	104,000	2,955	47,900	154,855
Total	\$373,000	\$25,224	\$408,994	\$807,218

Note 21 - Subsequent Event

On April 18, 2012, the City issued \$7,973,000 in various purpose and refunding bond anticipation notes at 1.125 percent that will mature October 18, 2012. \$1,948,000 of the proceeds were used to retire the outstanding 2011 various purposes bond anticipation notes, and \$6,025,000 of the proceeds were used to retire 2003 general obligation bonds.

Combining and Individual Fund Statements and Schedules

Combining Statements-Nonmajor Governmental Funds

Fund Descriptions

Nonmajor Special Revenue Funds

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

Street and Highway Fund	To account for 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.
Byrne Memorial Grant Fund	To account for and report grants received from the Federal government restricted to provide safety programs for the City.
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.
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.

(continued)

Fund Descriptions (continued)

Nonmajor Special Revenue Funds

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.
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.

(continued)

Fund Descriptions (continued)

NonMajor Debt Service Fund

Debt Service funds are established to account for financial resources that are restricted to expenditures for principal and interest.

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

Capital projects funds are established to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays including the acquisition of construction of major capital facilities and other capital assets.

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.
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Tax Increment Financing (TIF) Capital Improvement Fund	To account for and report bond proceeds and all payment made to the developers of Rockport and Vedda Printing restricted for TIF activities.
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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 the Mayor.
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City Park Improvement Fund	To account for and report donations committed to the improvement of the City Park.
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City of Lakewood, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2011

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,472,712	\$57,321	\$1,085,102	\$2,615,135
Cash and Cash Equivalents In Segregated Accounts	241,119	0	37,178	278,297
Accounts Receivable	511,935	0	0	511,935
Intergovernmental Receivable	852,816	0	0	852,816
Materials and Supplies Inventory	168,802	0	0	168,802
Assets Held for Resale	114,639	0	0	114,639
Special Assessments Receivable	137,983	0	0	137,983
Payments in Lieu of Taxes Receivable	0	428,409	0	428,409
<i>Total Assets</i>	<u>\$3,500,006</u>	<u>\$485,730</u>	<u>\$1,122,280</u>	<u>\$5,108,016</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$103,476	\$0	\$110,654	\$214,130
Retainage Payable	0	0	37,178	37,178
Accrued Wages and Benefits	131,965	0	0	131,965
Intergovernmental Payable	54,413	0	0	54,413
Matured Compensated Absences	6,361	0	0	6,361
Deferred Revenue	656,353	428,409	0	1,084,762
Interfund Payable	81,789	0	0	81,789
<i>Total Liabilities</i>	<u>1,034,357</u>	<u>428,409</u>	<u>147,832</u>	<u>1,610,598</u>
Fund Balances				
Nonspendable	168,802	0	0	168,802
Restricted	1,711,863	57,321	737,334	2,506,518
Committed	616,300	0	237,114	853,414
Unassigned (Deficit)	(31,316)	0	0	(31,316)
<i>Total Fund Balances</i>	<u>2,465,649</u>	<u>57,321</u>	<u>974,448</u>	<u>3,497,418</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$3,500,006</u>	<u>\$485,730</u>	<u>\$1,122,280</u>	<u>\$5,108,016</u>

City of Lakewood, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Payment in Lieu of Taxes	\$0	\$328,790	\$0	\$328,790
Charges for Services	2,569,285	0	0	2,569,285
Fines and Forfeitures	257,705	0	0	257,705
Intergovernmental	3,181,740	18,500	0	3,200,240
Contributions and Donations	99,351	0	0	99,351
Special Assessments	4,360	0	0	4,360
Interest	6	0	0	6
Miscellaneous	158,037	138,158	331,299	627,494
<i>Total Revenues</i>	<u>6,270,484</u>	<u>485,448</u>	<u>331,299</u>	<u>7,087,231</u>
Expenditures				
Current:				
General Government	192,908	41,896	0	234,804
Security of Persons and Property:				
Police	194,906	0	0	194,906
Fire	1,668,760	0	0	1,668,760
Public Health Services	1,679,174	0	0	1,679,174
Transportation	2,151,849	0	0	2,151,849
Community Environment	1,267,697	0	0	1,267,697
Capital Outlay	0	0	2,311,271	2,311,271
Debt Service:				
Principal Retirement	0	200,000	0	200,000
Interest and Fiscal Charges	0	233,318	0	233,318
<i>Total Expenditures</i>	<u>7,155,294</u>	<u>475,214</u>	<u>2,311,271</u>	<u>9,941,779</u>
<i>Excess of Revenues</i>				
<i>Under Expenditures</i>	<u>(884,810)</u>	<u>10,234</u>	<u>(1,979,972)</u>	<u>(2,854,548)</u>
Other Financing Sources (Uses)				
General Obligation Notes Issued	0	0	1,948,000	1,948,000
Sale of Capital Assets	25,308	0	0	25,308
Transfers In	714,230	0	0	714,230
Transfers Out	(151,200)	0	0	(151,200)
<i>Total Other Financing Sources (Uses)</i>	<u>588,338</u>	<u>0</u>	<u>1,948,000</u>	<u>2,536,338</u>
<i>Net Change in Fund Balances</i>	(296,472)	10,234	(31,972)	(318,210)
<i>Fund Balances Beginning of Year</i>	<u>2,762,121</u>	<u>47,087</u>	<u>1,006,420</u>	<u>3,815,628</u>
<i>Fund Balances End of Year</i>	<u>\$2,465,649</u>	<u>\$57,321</u>	<u>\$974,448</u>	<u>\$3,497,418</u>

City of Lakewood, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2011

	Street and Highway Fund	Office on Aging Fund	Lakewood Hospital Fund
Assets			
Equity in Pooled Cash and Cash			
Equivalents	\$141,416	\$81,212	\$0
Cash and Cash Equivalents			
In Segregated Accounts	0	0	241,119
Accounts Receivable	0	12,947	475,827
Intergovernmental Receivable	798,620	14,160	0
Materials and Supplies Inventory	168,802	0	0
Assets Held for Resale	0	0	0
Special Assessments Receivable	109,202	0	28,781
<i>Total Assets</i>	<u>\$1,218,040</u>	<u>\$108,319</u>	<u>\$745,727</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$63,202	\$5,756	\$14,771
Accrued Wages and Benefits	36,854	29,614	53,148
Intergovernmental Payable	16,937	14,245	17,314
Matured Compensated Absences Payable	0	6,361	0
Deferred Revenue	627,572	0	28,781
Interfund Payable	16,626	15,648	21,515
<i>Total Liabilities</i>	<u>761,191</u>	<u>71,624</u>	<u>135,529</u>
Fund Balances			
Nonspendable	168,802	0	0
Restricted	288,047	36,695	0
Committed	0	0	610,198
Unassigned (Deficit)	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>456,849</u>	<u>36,695</u>	<u>610,198</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,218,040</u>	<u>\$108,319</u>	<u>\$745,727</u>

Energy Efficiency Block Grant Fund	Homeless Prevention Fund	Neighborhood Stabilization Fund	Byrne Memorial Grant Fund
\$1,726	\$293	\$288,689	\$25,406
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	114,639	0
0	0	0	0
<u>\$1,726</u>	<u>\$293</u>	<u>\$403,328</u>	<u>\$25,406</u>
\$3,204	\$5,262	\$0	\$0
0	1,031	0	0
0	539	0	0
0	0	0	0
0	0	0	0
22,000	0	0	0
<u>25,204</u>	<u>6,832</u>	<u>0</u>	<u>0</u>
0	0	0	0
0	0	403,328	25,406
0	0	0	0
<u>(23,478)</u>	<u>(6,539)</u>	<u>0</u>	<u>0</u>
<u>(23,478)</u>	<u>(6,539)</u>	<u>403,328</u>	<u>25,406</u>
<u>\$1,726</u>	<u>\$293</u>	<u>\$403,328</u>	<u>\$25,406</u>

(continued)

City of Lakewood, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2011

	Litter Control Grant Fund	Law and Drug Enforcement Trust Fund	Federal Forfeiture Fund	Indigent Drivers Alcohol Treatment Fund
Assets				
Equity in Pooled Cash and Cash Equivalents	\$6,298	\$171,727	\$10,382	\$145,957
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Accounts Receivable	0	5,120	0	613
Intergovernmental Receivable	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
Assets Held for Resale	0	0	0	0
Special Assessments Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$6,298</u>	<u>\$176,847</u>	<u>\$10,382</u>	<u>\$146,570</u>
Liabilities and Fund Balance				
Liabilities				
Accounts Payable	\$0	\$3,279	\$0	\$1,687
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	0	0	0	0
Matured Compensated Absences Payable	0	0	0	0
Deferred Revenue	0	0	0	0
Interfund Payable	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>3,279</u>	<u>0</u>	<u>1,687</u>
Fund Balances				
Nonspendable	0	0	0	0
Restricted	6,298	173,568	10,382	144,883
Committed	0	0	0	0
Unassigned (Deficit)	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>6,298</u>	<u>173,568</u>	<u>10,382</u>	<u>144,883</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$6,298</u>	<u>\$176,847</u>	<u>\$10,382</u>	<u>\$146,570</u>

<u>Enforcement and Education Fund</u>	<u>Political Subdivision Fund</u>	<u>Computer Research and Maintenance Fund</u>	<u>Court Special Projects Fund</u>	<u>Court Probation Services Fund</u>	<u>Indigent Drivers Interlock and Alcohol Monitoring Fund</u>
\$64,950	\$14,191	\$38,687	\$314,584	\$78,942	\$35,556
0	0	0	0	0	0
209	100	2,595	10,496	2,580	1,448
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$65,159</u>	<u>\$14,291</u>	<u>\$41,282</u>	<u>\$325,080</u>	<u>\$81,522</u>	<u>\$37,004</u>
\$0	\$0	\$40	\$2,252	\$720	\$0
0	0	0	0	2,797	0
0	0	0	0	1,412	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>40</u>	<u>2,252</u>	<u>4,929</u>	<u>0</u>
0	0	0	0	0	0
65,159	14,291	41,242	322,828	76,593	37,004
0	0	0	0	0	0
0	0	0	0	0	0
<u>65,159</u>	<u>14,291</u>	<u>41,242</u>	<u>322,828</u>	<u>76,593</u>	<u>37,004</u>
<u>\$65,159</u>	<u>\$14,291</u>	<u>\$41,282</u>	<u>\$325,080</u>	<u>\$81,522</u>	<u>\$37,004</u>

(continued)

City of Lakewood, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2011

	Emergency Shelter Grant Fund	HOME Investment Program Fund	Help-to-Others Fund	Juvenile Diversion Fund
Assets				
Equity in Pooled Cash and Cash Equivalents	\$6,504	\$800	\$7,102	\$14,514
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Accounts Receivable	0	0	0	0
Intergovernmental Receivable	0	38,577	0	1,459
Materials and Supplies Inventory	0	0	0	0
Assets Held for Resale	0	0	0	0
Special Assessments Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$6,504</u>	<u>\$39,377</u>	<u>\$7,102</u>	<u>\$15,973</u>
Liabilities and Fund Balance				
Liabilities				
Accounts Payable	\$2,803	\$500	\$0	\$0
Accrued Wages and Benefits	0	0	0	1,487
Intergovernmental Payable	0	0	0	228
Matured Compensated Absences Payable	0	0	0	0
Deferred Revenue	0	0	0	0
Interfund Payable	5,000	0	1,000	0
<i>Total Liabilities</i>	<u>7,803</u>	<u>500</u>	<u>1,000</u>	<u>1,715</u>
Fund Balances				
Nonspendable	0	0	0	0
Restricted	0	38,877	0	14,258
Committed	0	0	6,102	0
Unassigned (Deficit)	(1,299)	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>(1,299)</u>	<u>38,877</u>	<u>6,102</u>	<u>14,258</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$6,504</u>	<u>\$39,377</u>	<u>\$7,102</u>	<u>\$15,973</u>

Family to Family Fund	Total Nonmajor Special Revenue Funds
\$23,776	\$1,472,712
0	241,119
0	511,935
0	852,816
0	168,802
0	114,639
0	137,983
<u>\$23,776</u>	<u>\$3,500,006</u>
\$0	\$103,476
7,034	131,965
3,738	54,413
0	6,361
0	656,353
0	81,789
<u>10,772</u>	<u>1,034,357</u>
0	168,802
13,004	1,711,863
0	616,300
0	(31,316)
<u>13,004</u>	<u>2,465,649</u>
<u>\$23,776</u>	<u>\$3,500,006</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, 2011

	Street and Highway Fund	Office on Aging Fund	Lakewood Hospital Fund	Energy Efficiency Block Grant Fund
Revenues				
Charges for Services	\$0	\$293,641	\$2,263,974	\$0
Fines and Forfeitures	0	0	0	0
Intergovernmental	1,854,481	106,427	900	162,419
Contributions and Donations	0	99,351	0	0
Special Assessments	4,360	0	0	0
Interest	0	0	0	0
Miscellaneous	56,280	0	21,472	0
<i>Total Revenues</i>	<u>1,915,121</u>	<u>499,419</u>	<u>2,286,346</u>	<u>162,419</u>
Expenditures				
Current:				
General Government	0	0	0	0
Security of Persons and Property:				
Police	0	0	0	0
Fire	0	0	1,668,760	0
Public Health Services	0	1,242,779	436,395	0
Transportation	2,151,849	0	0	0
Community Environment	0	0	0	195,413
<i>Total Expenditures</i>	<u>2,151,849</u>	<u>1,242,779</u>	<u>2,105,155</u>	<u>195,413</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(236,728)</u>	<u>(743,360)</u>	<u>181,191</u>	<u>(32,994)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	0	0	0	0
Transfers In	0	714,230	0	0
Transfers Out	(150,000)	0	(1,200)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(150,000)</u>	<u>714,230</u>	<u>(1,200)</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(386,728)	(29,130)	179,991	(32,994)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>843,577</u>	<u>65,825</u>	<u>430,207</u>	<u>9,516</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$456,849</u></u>	<u><u>\$36,695</u></u>	<u><u>\$610,198</u></u>	<u><u>(\$23,478)</u></u>

Homeless Prevention Fund	Neighborhood Stabilization Fund	Byrne Memorial Grant Fund
\$0	\$0	\$0
0	0	0
295,318	38,346	20,000
0	0	0
0	0	0
0	0	0
0	0	0
<u>295,318</u>	<u>38,346</u>	<u>20,000</u>
0	0	0
0	0	44,594
0	0	0
0	0	0
0	0	0
298,366	104,520	0
<u>298,366</u>	<u>104,520</u>	<u>44,594</u>
(3,048)	(66,174)	(24,594)
0	0	0
0	0	0
0	0	0
<u>0</u>	<u>0</u>	<u>0</u>
(3,048)	(66,174)	(24,594)
<u>(3,491)</u>	<u>469,502</u>	<u>50,000</u>
<u>(\$6,539)</u>	<u>\$403,328</u>	<u>\$25,406</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, 2011

	Litter Control Grant Fund	Law and Drug Enforcement Trust Fund	Federal Forfeiture Fund	Indigent Drivers Alcohol Treatment Fund	Enforcement and Education Fund
Revenues					
Charges for Services	\$0	\$0	\$0	\$0	\$0
Fines and Forfeitures	0	21,545	0	2,663	4,080
Intergovernmental	4,499	0	0	7,077	0
Contributions and Donations	0	0	0	0	0
Special Assessments	0	0	0	0	0
Interest	0	0	6	0	0
Miscellaneous	0	54,096	0	0	3,400
<i>Total Revenues</i>	<u>4,499</u>	<u>75,641</u>	<u>6</u>	<u>9,740</u>	<u>7,480</u>
Expenditures					
Current:					
General Government	0	0	0	18,817	0
Security of Persons and Property:					
Police	0	142,433	1,535	0	6,344
Fire	0	0	0	0	0
Public Health Services	0	0	0	0	0
Transportation	0	0	0	0	0
Community Environment	5,530	0	0	0	0
<i>Total Expenditures</i>	<u>5,530</u>	<u>142,433</u>	<u>1,535</u>	<u>18,817</u>	<u>6,344</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,031)</u>	<u>(66,792)</u>	<u>(1,529)</u>	<u>(9,077)</u>	<u>1,136</u>
Other Financing Sources (Uses)					
Sale of Capital Assets	0	25,308	0	0	0
Transfer In	0	0	0	0	0
Transfers Out	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>25,308</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(1,031)	(41,484)	(1,529)	(9,077)	1,136
<i>Fund Balances (Deficit) Beginning of Year</i>	7,329	215,052	11,911	153,960	64,023
<i>Fund Balances (Deficit) End of Year</i>	<u>\$6,298</u>	<u>\$173,568</u>	<u>\$10,382</u>	<u>\$144,883</u>	<u>\$65,159</u>

Political Subdivision Fund	Computer Research and Maintenance Fund	Court Special Projects Fund
\$0	\$0	\$0
600	34,750	142,170
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
600	34,750	142,170
0	41,034	79,557
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	41,034	79,557
600	(6,284)	62,613
0	0	0
0	0	0
0	0	0
0	0	0
600	(6,284)	62,613
13,691	47,526	260,215
\$14,291	\$41,242	\$322,828

(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, 2011

	Court Probation Services Fund	Indigent Drivers Interlock and Alcohol Monitoring Fund	Emergency Shelter Grant Fund	HOME Investment Program Fund
Revenues				
Charges for Services	\$0	\$0	\$0	\$0
Fines and Forfeitures	36,735	15,162	0	0
Intergovernmental	0	0	75,375	242,009
Contributions and Donations	0	0	0	0
Special Assessments	0	0	0	0
Interest	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>36,735</u>	<u>15,162</u>	<u>75,375</u>	<u>242,009</u>
Expenditures				
Current:				
General Government	52,852	648	0	0
Security of Persons and Property:				
Police	0	0	0	0
Fire	0	0	0	0
Public Health Services	0	0	0	0
Transportation	0	0	0	0
Community Environment	0	0	75,332	190,735
<i>Total Expenditures</i>	<u>52,852</u>	<u>648</u>	<u>75,332</u>	<u>190,735</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(16,117)</u>	<u>14,514</u>	<u>43</u>	<u>51,274</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	0	0	0	0
Transfer In	0	0	0	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(16,117)	14,514	43	51,274
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>92,710</u>	<u>22,490</u>	<u>(1,342)</u>	<u>(12,397)</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$76,593</u></u>	<u><u>\$37,004</u></u>	<u><u>(\$1,299)</u></u>	<u><u>\$38,877</u></u>

Help-to-Others Fund	Juvenile Diversion Fund	Family to Family Fund	Total Nonmajor Special Revenue Funds
\$11,670	\$0	\$0	\$2,569,285
0	0	0	257,705
0	54,426	320,463	3,181,740
0	0	0	99,351
0	0	0	4,360
0	0	0	6
18,435	4,254	100	158,037
30,105	58,680	320,563	6,270,484
0	0	0	192,908
0	0	0	194,906
0	0	0	1,668,760
0	0	0	1,679,174
0	0	0	2,151,849
30,159	46,462	321,180	1,267,697
30,159	46,462	321,180	7,155,294
(54)	12,218	(617)	(884,810)
0	0	0	25,308
0	0	0	714,230
0	0	0	(151,200)
0	0	0	588,338
(54)	12,218	(617)	(296,472)
6,156	2,040	13,621	2,762,121
\$6,102	\$14,258	\$13,004	\$2,465,649

City of Lakewood, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2011

	Permanent Capital Improvement Fund	TIF Capital Improvement Fund	Land Acquisition Fund	City Park Improvement Fund	Total Nonmajor Capital Projects Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$624,777	\$223,211	\$150,000	\$87,114	\$1,085,102
Cash and Cash Equivalents In Segregated Accounts	15,460	21,718	0	0	37,178
<i>Total Assets</i>	<u>\$640,237</u>	<u>\$244,929</u>	<u>\$150,000</u>	<u>\$87,114</u>	<u>\$1,122,280</u>
Liabilities and Fund Balance					
Liabilities					
Accounts Payable	\$110,654	\$0	\$0	\$0	\$110,654
Retainage Payable	15,460	21,718	0	0	37,178
<i>Total Liabilities</i>	<u>126,114</u>	<u>21,718</u>	<u>0</u>	<u>0</u>	<u>147,832</u>
Fund Balances					
Restricted	514,123	223,211	0	0	737,334
Committed	0	0	150,000	87,114	237,114
<i>Total Fund Balances</i>	<u>514,123</u>	<u>223,211</u>	<u>150,000</u>	<u>87,114</u>	<u>974,448</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$640,237</u>	<u>\$244,929</u>	<u>\$150,000</u>	<u>\$87,114</u>	<u>\$1,122,280</u>

City of Lakewood, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2011

	Permanent Capital Improvement Fund	TIF Capital Improvement Fund	Land Acquisition Fund	City Park Improvement Fund	Total Nonmajor Capital Projects Funds
Revenues					
Miscellaneous	\$320,500	\$0	\$0	\$10,799	\$331,299
Expenditures					
Capital Outlay	2,310,268	0	0	1,003	2,311,271
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,989,768)	0	0	9,796	(1,979,972)
Other Financing Sources					
General Obligation Notes Issued	1,948,000	0	0	0	1,948,000
<i>Net Change in Fund Balances</i>	(41,768)	0	0	9,796	(31,972)
<i>Fund Balances Beginning of Year</i>	555,891	223,211	150,000	77,318	1,006,420
<i>Fund Balances End of Year</i>	<u>\$514,123</u>	<u>\$223,211</u>	<u>\$150,000</u>	<u>\$87,114</u>	<u>\$974,448</u>

Combining Statements-Nonmajor Proprietary Funds

Fund Descriptions

Nonmajor Enterprise Funds

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

Parking Facilities Fund	To account for 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 Fund Net Assets
Nonmajor Enterprise Funds
December 31, 2011

	Parking Facilities Fund	Winterhurst Ice Rink Fund	Total Nonmajor Enterprise Funds
Assets			
Current Assets			
Equity in Pooled Cash and Cash			
Equivalents	\$312,568	\$40,936	\$353,504
Accounts Receivable	0	273,457	273,457
Materials and Supplies Inventory	83,032	0	83,032
Total Current Assets	<u>395,600</u>	<u>314,393</u>	<u>709,993</u>
Long-Term Assets			
Deferred Bond Issuance Costs	0	25,783	25,783
Nondepreciable Capital Assets	77,120	10	77,130
Depreciable Capital Assets, Net	401,960	4,898,622	5,300,582
Total Noncurrent Assets	<u>479,080</u>	<u>4,924,415</u>	<u>5,403,495</u>
<i>Total Assets</i>	<u>874,680</u>	<u>5,238,808</u>	<u>6,113,488</u>
Liabilities			
Current Liabilities			
Accounts Payable	44,099	104,827	148,926
Accrued Wages and Benefits	3,862	0	3,862
Intergovernmental Payable	1,892	0	1,892
Interfund Payable	1,956	104,000	105,956
Accrued Interest Payable	978	8,258	9,236
Compensated Absences Payable	14,107	0	14,107
Bonds Payable	20,000	217,417	237,417
Capital Leases Payable	3,651	115,820	119,471
Total Current Liabilities	<u>90,545</u>	<u>550,322</u>	<u>640,867</u>
Long-Term Liabilities			
Compensated Absence Payable	5,170	0	5,170
Bonds Payable	246,821	601,339	848,160
Capital Leases Payable	13,035	724,954	737,989
Total Long Term Liabilities	<u>265,026</u>	<u>1,326,293</u>	<u>1,591,319</u>
<i>Total Liabilities</i>	<u>355,571</u>	<u>1,876,615</u>	<u>2,232,186</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	195,573	3,239,102	3,434,675
Restricted for Debt Service	978	8,258	9,236
Unrestricted	322,558	114,833	437,391
<i>Total Net Assets</i>	<u>\$519,109</u>	<u>\$3,362,193</u>	<u>\$3,881,302</u>

City of Lakewood, Ohio
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Nonmajor Enterprise Funds
For the Year Ended December 31, 2011

	Parking Facilities Fund	Winterhurst Ice Rink Fund	Total Nonmajor Enterprise Funds
Operating Revenues			
Charges for Services	\$456,607	\$343,061	\$799,668
Miscellaneous	1,577	148,207	149,784
<i>Total Operating Revenues</i>	<u>458,184</u>	<u>491,268</u>	<u>949,452</u>
Operating Expenses			
Personal Services	155,841	0	155,841
Contractual Services	652	277	929
Materials and Supplies	137,004	0	137,004
Utilities	0	283,124	283,124
Depreciation	30,539	83,340	113,879
Miscellaneous	14,037	126,897	140,934
<i>Total Operating Expenses</i>	<u>338,073</u>	<u>493,638</u>	<u>831,711</u>
<i>Operating Income (Loss)</i>	120,111	(2,370)	117,741
Non Operating Expenses			
Interest and Fiscal Charges	<u>(11,428)</u>	<u>(77,892)</u>	<u>(89,320)</u>
<i>Income (Loss) Before Transfers</i>	108,683	(80,262)	28,421
Transfers In	0	439,784	439,784
Transfers Out	<u>(4,500)</u>	<u>(70,852)</u>	<u>(75,352)</u>
<i>Change in Net Assets</i>	104,183	288,670	392,853
<i>Net Assets Beginning of Year</i>	<u>414,926</u>	<u>3,073,523</u>	<u>3,488,449</u>
<i>Net Assets End of Year</i>	<u><u>\$519,109</u></u>	<u><u>\$3,362,193</u></u>	<u><u>\$3,881,302</u></u>

City of Lakewood, Ohio
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2011

	Parking Facilities Fund	Winterhurst Ice Rink Fund	Total Nonmajor Enterprise Funds
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities			
Cash Received from Customers	\$456,607	\$331,079	\$787,686
Cash Received from Other Operating Sources	1,577	148,207	149,784
Cash Payments to Suppliers for Goods and Services	(14,729)	(298,844)	(313,573)
Cash Payments for Employee Services and Benefits	(156,612)	0	(156,612)
Cash Payments for Other Operating Expenses	(113,768)	(126,897)	(240,665)
<i>Net Cash Provided by Operating Activities</i>	<u>173,075</u>	<u>53,545</u>	<u>226,620</u>
Cash Flows from Noncapital Financing Activities			
Advance In	0	44,000	44,000
Transfers In	0	439,784	439,784
Transfers Out	(4,500)	(70,852)	(75,352)
<i>Net Cash Provided by (Used for) Non-capital Financing Activities</i>	<u>(4,500)</u>	<u>412,932</u>	<u>408,432</u>
Cash Flows from Capital and Related Financing Activities			
General Obligation Bonds Issued	0	929,732	929,732
premium on General Obligation Bonds	0	16,653	16,653
Principal Paid on Bonds	(20,000)	(256,584)	(276,584)
Payment to Refunded Bond Escrow Agent	0	(921,509)	(921,509)
Principal Paid Capital Leases	(2,407)	(111,053)	(113,460)
Interest Paid on Bonds	(11,038)	(35,484)	(46,522)
Interest Paid on Capital Leases	(513)	(36,663)	(37,176)
Bond Issuance Costs	0	(24,876)	(24,876)
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(33,958)</u>	<u>(439,784)</u>	<u>(473,742)</u>
<i>Increase in Cash and Cash Equivalents</i>	134,617	26,693	161,310
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>177,951</u>	<u>14,243</u>	<u>192,194</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$312,568</u>	<u>\$40,936</u>	<u>\$353,504</u>

(continued)

City of Lakewood, Ohio
Combining Statement of Cash Flows
Nonmajor Enterprise Funds (continued)
For the Year Ended December 31, 2011

	Parking Facilities Fund	Winterhurst Ice Rink Fund	Total Nonmajor Enterprise Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities			
<i>Operating Income (Loss)</i>	\$120,111	(\$2,370)	\$117,741
Adjustments:			
Depreciation	30,539	83,340	113,879
(Increase) Decrease in Assets:			
Accounts Receivable	0	(11,982)	(11,982)
Materials and Supplies Inventory	23,797	0	23,797
Increase (Decrease) in Liabilities:			
Accounts Payable	(601)	(15,443)	(16,044)
Accrued Wages	167	0	167
Compensated Absences	72	0	72
Interfund Payable	(1,129)	0	(1,129)
Intergovernmental Payable	119	0	119
<i>Net Cash Provided by Operating Activities</i>	<u>\$173,075</u>	<u>\$53,545</u>	<u>\$226,620</u>

City of Lakewood, Ohio
Combining Statement of Fund Net Assets
Internal Service Funds
December 31, 2011

	Hospitalization Fund	Workers' Compensation Fund	Total Internal Service Funds
Assets			
Current Assets			
Equity in Pooled Cash and Cash			
Equivalents	\$1,841,516	\$657,210	\$2,498,726
Interfund Receivable	408,994	25,224	434,218
<i>Total Assets</i>	<u>2,250,510</u>	<u>682,434</u>	<u>2,932,944</u>
Liabilities			
Current Liabilities			
Accounts Payable	59,009	0	59,009
Intergovernmental Payable	0	168,715	168,715
Claims Payable	408,994	25,224	434,218
<i>Total Current Liabilities</i>	<u>468,003</u>	<u>193,939</u>	<u>661,942</u>
Long-Term Liabilities			
Claims Payable-net of current portion	0	344,040	344,040
<i>Total Liabilities</i>	<u>468,003</u>	<u>537,979</u>	<u>1,005,982</u>
Net Assets			
Unrestricted	<u>\$1,782,507</u>	<u>\$144,455</u>	<u>\$1,926,962</u>

City of Lakewood, Ohio
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Year Ended December 31, 2011

	Hospitalization Fund	Workers' Compensation Fund	Total Internal Service Funds
Operating Revenues			
Charges for Services	\$4,324,469	\$707,703	\$5,032,172
Miscellaneous	760,030	1,559	761,589
<i>Total Operating Revenues</i>	<u>5,084,499</u>	<u>709,262</u>	<u>5,793,761</u>
Operating Expenses			
Contractual Services	72,707	121,479	194,186
Workers' Compensation Premium	0	52,150	52,150
Claims	5,116,978	441,909	5,558,887
<i>Total Operating Expenses</i>	<u>5,189,685</u>	<u>615,538</u>	<u>5,805,223</u>
<i>Income (Loss) Before Transfers</i>	(105,186)	93,724	(11,462)
Transfers In	1,000,000	100,002	1,100,002
<i>Change in Net Assets</i>	894,814	193,726	1,088,540
<i>Net Assets (Deficit) Beginning of Year</i>	<u>887,693</u>	<u>(49,271)</u>	<u>838,422</u>
<i>Net Assets End of Year</i>	<u><u>\$1,782,507</u></u>	<u><u>\$144,455</u></u>	<u><u>\$1,926,962</u></u>

City of Lakewood, Ohio
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2011

	Hospitalization Fund	Workers' Compensation Fund	Total Internal Service Funds
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities			
Cash Received from Transactions with Other Funds	\$4,368,186	\$712,065	\$5,080,251
Cash Received from Other Operating Sources	760,030	1,559	761,589
Cash Payments to Suppliers for Goods and Services	(58,149)	(30,753)	(88,902)
Cash Payments for Claims	(5,160,695)	(481,861)	(5,642,556)
Cash Payments for Premium	0	(90,728)	(90,728)
<i>Net Cash Provided by (Used for) Operating Activities</i>	(90,628)	110,282	19,654
Cash Flows from Noncapital Financing Activities			
Transfers In	1,000,000	100,002	1,100,002
<i>Net Increase in Cash and Cash Equivalents</i>	909,372	210,284	1,119,656
<i>Cash and Cash Equivalents Beginning of Year</i>	932,144	446,926	1,379,070
<i>Cash and Cash Equivalents End of Year</i>	<u>\$1,841,516</u>	<u>\$657,210</u>	<u>\$2,498,726</u>

(continued)

City of Lakewood, Ohio
Combining Statement of Cash Flows
Internal Service Funds (continued)
For the Year Ended December 31, 2011

	Hospitalization Fund	Workers' Compensation Fund	Total Internal Service Funds
Reconciliation of Operating Income (Loss)			
to Net Cash Provided by (Used for) Operating Activities			
<i>Operating (Income)</i>	(\$105,186)	\$93,724	(\$11,462)
Adjustments:			
Decrease in Interfund Receivable	43,717	4,360	48,077
Increase (Decrease) in Liabilities:			
Accounts Payable	14,558	0	14,558
Intergovernmental Payable	0	52,150	52,150
Claims Payable	(43,717)	(39,952)	(83,669)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>(\$90,628)</u>	<u>\$110,282</u>	<u>\$19,654</u>

Statement-Fiduciary Fund

Fund Description

Agency Fund

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

Deposits

To hold 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
Statement of Changes in Assets and Liabilities
Agency Fund
For the Year Ended December 31, 2011

	<u>Balance</u> <u>12/31/2010</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/2011</u>
Deposits				
Assets				
Equity in Pooled Cash and Cash Equivalents	<u>\$1,052,018</u>	<u>\$501,393</u>	<u>\$498,320</u>	<u>\$1,055,091</u>
Liabilities				
Deposits Held and Due to Others	<u>\$1,052,018</u>	<u>\$501,393</u>	<u>\$498,320</u>	<u>\$1,055,091</u>

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

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$6,570,575	\$6,570,575	\$6,752,652	\$182,077
Municipal Income Taxes	17,908,000	17,908,000	18,804,460	896,460
Charges for Services	1,309,775	1,309,775	1,329,385	19,610
Licenses, Permits and Fees	1,795,000	1,795,000	1,630,554	(164,446)
Fines and Forfeitures	1,466,300	1,466,300	1,545,090	78,790
Intergovernmental	6,710,425	6,710,425	6,276,003	(434,422)
Interest	60,000	60,000	7,785	(52,215)
Miscellaneous	166,250	166,250	43,519	(122,731)
<i>Total Revenues</i>	<u>35,986,325</u>	<u>35,986,325</u>	<u>36,389,448</u>	<u>403,123</u>
Expenditures				
Current:				
General Government:				
Council				
Salaries	123,954	123,930	122,725	1,205
Fringe Benefits	29,854	29,881	29,776	105
Professional Services	14,870	11,935	10,552	1,383
Communications	972	972	655	317
Materials and Supplies	750	811	746	65
Other	1,415	2,255	1,835	420
Total Council	<u>171,815</u>	<u>169,784</u>	<u>166,289</u>	<u>3,495</u>
Municipal Court				
Salaries	868,195	873,195	871,986	1,209
Fringe Benefits	135,106	135,106	131,883	3,223
Travel and Transportation	1,950	2,550	1,553	997
Professional Services	58,100	53,100	39,410	13,690
Communications	48,900	48,728	42,358	6,370
Materials and Supplies	21,250	22,750	16,974	5,776
Other	14,550	12,622	10,194	2,428
Total Municipal Court	<u>1,148,051</u>	<u>1,148,051</u>	<u>1,114,358</u>	<u>33,693</u>
Civil Service				
Salaries	54,439	54,440	54,422	18
Fringe Benefits	19,114	19,116	19,050	66
Professional Services	55,500	27,000	25,901	1,099
Communications	421	525	457	68
Materials and Supplies	50	50	40	10
Other	2,070	2,205	2,125	80
Total Civil Service	<u>\$131,594</u>	<u>\$103,336</u>	<u>\$101,995</u>	<u>\$1,341</u>

(continued)

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2011

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Mayor's Office				
Salaries	\$171,805	\$165,993	\$160,835	\$5,158
Fringe Benefits	47,896	47,908	46,372	1,536
Professional Services	7,025	7,113	6,976	137
Communications	2,215	2,093	1,815	278
Materials and Supplies	1,000	1,263	1,184	79
Other	2,000	2,215	1,803	412
Total Mayor's Office	231,941	226,585	218,985	7,600
Human Resources				
Salaries	159,336	159,336	159,276	60
Fringe Benefits	56,044	56,045	55,921	124
Travel and Transportation	200	200	21	179
Professional Services	19,400	17,475	14,198	3,277
Communications	1,605	1,605	1,135	470
Materials and Supplies	6,850	5,850	3,366	2,484
Other	9,400	5,400	1,828	3,572
Total Human Resources	252,835	245,911	235,745	10,166
Community Relations				
Salaries	70,590	71,307	67,850	3,457
Fringe Benefits	23,475	23,489	23,156	333
Professional Services	25,000	12,900	5,929	6,971
Communications	980	4,150	3,202	948
Contractual Services	5,000	5,000	5,000	0
Materials and Supplies	2,365	3,592	3,516	76
Other	3,660	2,586	1,995	591
Total Community Relations	131,070	123,024	110,648	12,376
Public Works Administration				
Salaries	113,707	113,707	112,616	1,091
Fringe Benefits	41,042	41,049	40,720	329
Travel and Transportation	225	225	16	209
Professional Services	500	2,500	2,242	258
Communications	1,300	1,100	922	178
Contractual Services	300	862	0	862
Materials and Supplies	1,100	1,090	1,082	8
Other	3,550	863	740	123
Total Public Works Administration	\$161,724	\$161,396	\$158,338	\$3,058

(continued)

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Buildings and Facilities				
Salaries	\$121,212	\$94,200	\$84,971	\$9,229
Fringe Benefits	43,982	40,411	39,119	1,292
Communications	6,255	9,085	8,566	519
Contractual Services	10,000	14,000	13,861	139
Materials and Supplies	70,236	69,082	59,792	9,290
Other	240,000	207,300	189,453	17,847
Total Buildings and Facilities	<u>491,685</u>	<u>434,078</u>	<u>395,762</u>	<u>38,316</u>
Fleet Management				
Salaries	608,252	608,939	601,416	7,523
Fringe Benefits	232,670	231,436	230,730	706
Professional Services	11,000	12,079	12,034	45
Communications	3,670	2,410	2,194	216
Contractual Services	22,155	16,555	13,973	2,582
Materials and Supplies	489,870	502,124	482,084	20,040
Capital Outlay	33,000	33,800	33,350	450
Other	31,900	33,915	31,446	2,469
Total Fleet Management	<u>1,432,517</u>	<u>1,441,258</u>	<u>1,407,227</u>	<u>34,031</u>
Engineering				
Salaries	211,726	182,724	175,876	6,848
Fringe Benefits	77,579	74,499	72,799	1,700
Travel and Transportation	230	380	168	212
Professional Services	600	889	829	60
Communications	2,207	2,182	1,646	536
Contractual Services	50,000	37,500	34,200	3,300
Materials and Supplies	1,096	2,503	2,206	297
Other	4,290	4,462	3,898	564
Total Engineering	<u>347,728</u>	<u>305,139</u>	<u>291,622</u>	<u>13,517</u>
Finance				
Salaries	349,322	358,830	358,829	1
Fringe Benefits	138,817	140,645	140,587	58
Travel and Transportation	110	679	663	16
Professional Services	55,758	56,520	36,088	20,432
Communications	7,000	5,450	5,063	387
Contractual Services	0	261	261	0
Materials and Supplies	2,660	3,535	3,404	131
Other	4,612	5,932	4,953	979
Total Finance	<u>\$558,279</u>	<u>\$571,852</u>	<u>\$549,848</u>	<u>\$22,004</u>

(continued)

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Income Tax				
Salaries	\$351,701	\$352,436	\$347,088	\$5,348
Fringe Benefits	102,136	102,151	101,877	274
Travel and Transportation	750	750	650	100
Professional Services	138,430	103,930	80,689	23,241
Communications	50,310	47,710	44,617	3,093
Contractual Services	1,445	1,445	1,400	45
Materials and Supplies	4,459	2,900	2,624	276
Refunds	350,000	350,000	341,587	8,413
Other	94,584	100,541	90,756	9,785
Total Income Tax	<u>1,093,815</u>	<u>1,061,863</u>	<u>1,011,288</u>	<u>50,575</u>
Information Systems				
Salaries	254,143	252,567	251,747	820
Fringe Benefits	88,033	88,054	87,732	322
Professional Services	12,000	7,400	3,880	3,520
Communications	5,750	5,000	3,625	1,375
Contractual Services	55,000	52,542	49,950	2,592
Materials and Supplies	36,050	39,615	38,921	694
Other	239,225	406,952	396,931	10,021
Total Information Systems	<u>690,201</u>	<u>852,130</u>	<u>832,786</u>	<u>19,344</u>
General Administration				
Salaries	101,007	98,827	98,195	632
Fringe Benefits	87,881	42,814	35,543	7,271
Professional Services	36,250	35,335	29,335	6,000
Communications	2,400	16,959	16,954	5
Materials and Supplies	7,318	1,684	582	1,102
Other	1,544,063	1,419,631	1,419,119	512
Total General Administration	<u>1,778,919</u>	<u>1,615,250</u>	<u>1,599,728</u>	<u>15,522</u>
Law				
Salaries	340,227	339,991	337,847	2,144
Fringe Benefits	84,668	84,729	84,578	151
Travel and Transportation	425	425	133	292
Professional Services	92,550	34,650	30,907	3,743
Communications	3,020	2,325	1,821	504
Materials and Supplies	10,755	11,577	10,397	1,180
Other	1,330	3,366	3,091	275
Total Law	<u>532,975</u>	<u>477,063</u>	<u>468,774</u>	<u>8,289</u>
<i>Total General Government</i>	<u>\$9,155,149</u>	<u>\$8,936,720</u>	<u>\$8,663,393</u>	<u>\$273,327</u>

(continued)

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Security of Persons and Property:				
Police				
Salaries	\$7,941,036	\$7,306,303	\$7,214,541	\$91,762
Fringe Benefits	1,331,673	1,306,875	1,293,593	13,282
Professional Services	23,600	33,271	22,792	10,479
Communications	89,000	86,150	82,606	3,544
Contractual Services	130,292	127,000	118,051	8,949
Materials and Supplies	194,318	252,317	237,226	15,091
Capital Outlay	5,000	5,630	5,609	21
Other	61,825	60,632	56,592	4,040
Total Police	<u>9,776,744</u>	<u>9,178,178</u>	<u>9,031,010</u>	<u>147,168</u>
Police Communications				
Salaries	560,504	529,710	525,156	4,554
Fringe Benefits	211,994	205,995	204,938	1,057
Professional Services	500	500	369	131
Capital Outlay	0	870	852	18
Other	26,600	25,730	21,884	3,846
Total Police Communications	<u>799,598</u>	<u>762,805</u>	<u>753,199</u>	<u>9,606</u>
School Guards				
Salaries	154,544	154,544	144,001	10,543
Fringe Benefits	26,889	26,889	24,963	1,926
Other	500	500	0	500
Total School Guards	<u>\$181,933</u>	<u>\$181,933</u>	<u>\$168,964</u>	<u>\$12,969</u>

(continued)

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fire				
Salaries	\$5,378,291	\$5,309,157	\$5,179,127	\$130,030
Fringe Benefits	915,701	921,372	914,413	6,959
Travel and Transportation	3,700	3,940	2,803	1,137
Professional Services	8,410	10,374	9,737	637
Communications	24,050	17,975	16,474	1,501
Contractual Services	16,510	16,510	13,711	2,799
Materials and Supplies	92,956	87,062	78,755	8,307
Capital Outlay	70,000	28,135	27,284	851
Other	114,150	113,654	96,317	17,337
Total Fire	<u>6,623,768</u>	<u>6,508,179</u>	<u>6,338,621</u>	<u>169,558</u>
Street Lighting				
Other	631,635	625,000	594,409	30,591
Animal Control				
Salaries	116,211	114,600	113,628	972
Fringe Benefits	54,629	64,310	63,957	353
Professional Services	125	150	102	48
Communications	1,620	2,100	1,925	175
Contractual Services	1,025	1,000	874	126
Materials and Supplies	2,800	3,750	3,567	183
Other	9,996	10,746	9,659	1,087
Total Animal Control	<u>186,406</u>	<u>196,656</u>	<u>193,712</u>	<u>2,944</u>
Total Security of Persons and Property	<u>18,200,084</u>	<u>17,452,751</u>	<u>17,079,915</u>	<u>372,836</u>
Public Health Services:				
Support of Prisoners				
Salaries	193,432	135,177	128,179	6,998
Fringe Benefits	77,892	68,602	66,405	2,197
Professional Services	52,500	51,058	48,981	2,077
Contractual Services	156,250	108,600	101,245	7,355
Materials and Supplies	50,965	52,700	43,509	9,191
Capital Outlay	60,000	0	0	0
Total Support of Prisoners	<u>\$591,039</u>	<u>\$416,137</u>	<u>\$388,319</u>	<u>\$27,818</u>

(continued)

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2011

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Human Services Administration				
Salaries	\$133,568	\$134,340	\$133,568	\$772
Fringe Benefits	43,280	43,399	43,244	155
Professional Services	0	190	118	72
Communications	895	710	664	46
Materials and Supplies	185	185	183	2
Other	775	875	811	64
Total Human Services Administration	178,703	179,699	178,588	1,111
<i>Total Public Health Services</i>	769,742	595,836	566,907	28,929
Community Environment:				
Housing and Building				
Salaries	707,199	673,592	656,697	16,895
Fringe Benefits	288,359	285,590	281,601	3,989
Professional Services	21,000	17,750	14,345	3,405
Communications	13,500	8,785	8,436	349
Materials and Supplies	2,937	5,383	4,363	1,020
Capital Outlay	5,000	7,000	4,455	2,545
Other	21,313	18,841	16,578	2,263
Total Housing and Building	\$1,059,308	\$1,016,941	\$986,475	\$30,466

(continued)

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2011

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Forestry				
Salaries	\$237,017	\$223,976	\$218,266	\$5,710
Fringe Benefits	104,625	103,164	100,229	2,935
Professional Services	200	200	103	97
Communications	50	100	78	22
Contractual Services	75	75	0	75
Materials and Supplies	16,341	22,587	20,109	2,478
Capital Outlay	60,000	57,300	54,469	2,831
Other	1,025	25	9	16
Total Forestry	419,333	407,427	393,263	14,164
Child Care				
Salaries	36,486	36,580	36,391	189
Fringe Benefits	16,263	16,434	16,290	144
Professional Services	140	0	0	0
Communications	1,560	1,110	1,039	71
Materials and Supplies	135	150	147	3
Other	1,875	2,075	1,794	281
Total Child Care	56,459	56,349	55,661	688
Youth				
Salaries	186,658	187,858	180,131	7,727
Fringe Benefits	132,144	132,144	132,105	39
Professional Services	140	140	118	22
Communications	4,236	2,470	1,968	502
Materials and Supplies	1,655	1,190	973	217
Other	11,274	11,477	10,071	1,406
Total Youth	336,107	335,279	325,366	9,913
Planning and Development				
Salaries	143,809	105,000	100,458	4,542
Fringe Benefits	42,298	38,949	37,137	1,812
Travel and Transportation	0	73	72	1
Professional Services	27,750	21,866	21,751	115
Communications	6,945	4,045	3,027	1,018
Contractual Services	10,000	10,000	9,927	73
Materials and Supplies	5,333	2,858	1,361	1,497
Other	400,056	690,966	689,195	1,771
Total Planning and Development	636,191	873,757	862,928	10,829
<i>Total Community Environment</i>	\$2,507,398	\$2,689,753	\$2,623,693	\$66,060

(continued)

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Basic Utility Services:				
Refuse and Recycling				
Salaries	\$1,629,189	\$1,625,557	\$1,594,644	\$30,913
Fringe Benefits	710,910	707,569	704,959	2,610
Professional Services	679	679	437	242
Communications	7,580	8,460	8,072	388
Contractual Services	863,990	726,220	709,079	17,141
Materials and Supplies	165,325	191,745	186,225	5,520
Capital Outlay	30,000	65,800	54,629	11,171
Other	51,600	45,772	37,030	8,742
Total Basic Utility Services	3,459,273	3,371,802	3,295,075	76,727
Leisure Time Activities:				
Security				
Salaries	78,000	83,000	79,993	3,007
Fringe Benefits	12,051	12,800	12,359	441
Total Security	90,051	95,800	92,352	3,448
Parks				
Salaries	635,249	646,044	636,527	9,517
Fringe Benefits	263,860	265,804	264,704	1,100
Professional Services	120	650	639	11
Communications	5,425	5,905	5,665	240
Contractual Services	20,000	26,000	25,349	651
Materials and Supplies	94,466	101,545	95,271	6,274
Capital Outlay	89,922	83,000	80,792	2,208
Other	80,196	88,303	77,861	10,442
Total Parks	1,189,238	1,217,251	1,186,808	30,443
Construction				
Salaries	229,004	232,585	228,111	4,474
Fringe Benefits	88,558	88,585	88,321	264
Materials and Supplies	61,100	59,850	51,752	8,098
Total Construction	\$378,662	\$381,020	\$368,184	\$12,836

(continued)

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2011

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Band Concerts				
Salaries	\$10,080	\$6,760	\$6,759	\$1
Fringe Benefits	1,557	1,031	1,029	2
Professional Services	12,500	10,225	10,222	3
Materials and Supplies	500	500	488	12
Other	3,500	4,000	3,734	266
Total Band Concerts	28,137	22,516	22,232	284
Museums				
Contractual Services	4,900	4,900	2,918	1,982
Other	5,600	6,500	5,189	1,311
Total Museums	10,500	11,400	8,107	3,293
July 4th Festival				
Salaries	8,950	9,049	9,048	1
Fringe Benefits	1,378	1,367	1,364	3
Contractual Services	35,000	33,866	33,865	1
Materials and Supplies	2,250	2,240	1,907	333
Other	200	0	0	0
Total July 4th Festival	47,778	46,522	46,184	338
Tennis Courts				
Materials and Supplies	1,750	1,750	1,738	12
Other	11,700	6,500	5,706	794
Total Tennis Courts	13,450	8,250	7,444	806
Total Leisure Time Activities	1,757,816	1,782,759	1,731,311	51,448
Total Expenditures	35,849,462	34,829,621	33,960,294	869,327
Excess of Revenues Over Expenditures	136,863	1,156,704	2,429,154	1,272,450
Other Financing Sources (Uses)				
Transfers In	150,000	150,000	0	(150,000)
Transfers Out	(1,202,958)	(2,038,593)	(2,038,592)	1
Advance Out	0	(316,595)	(313,000)	3,595
Total Other Financing Sources (Uses)	(1,052,958)	(2,205,188)	(2,351,592)	(146,404)
Net Change in Fund Balance	(916,095)	(1,048,484)	77,562	1,126,046
Fund Balance Beginning of Year	3,297,908	3,297,908	3,297,908	0
Prior Year Encumbrances Appropriated	949,608	949,608	949,608	0
Fund Balance End of Year	\$3,331,421	\$3,199,032	\$4,325,078	\$1,126,046

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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$2,485,996	\$2,485,996	\$2,566,474	\$80,478
Intergovernmental	546,430	546,430	405,531	(140,899)
<i>Total Revenues</i>	<u>3,032,426</u>	<u>3,032,426</u>	<u>2,972,005</u>	<u>(60,421)</u>
Expenditures				
Current:				
Security of Persons and Property:				
Fringe Benefits Police	1,364,397	1,355,000	1,339,283	15,717
Fringe Benefits Fire	1,261,376	1,270,000	1,260,349	9,651
<i>Total Expenditures</i>	<u>2,625,773</u>	<u>2,625,000</u>	<u>2,599,632</u>	<u>25,368</u>
<i>Excess of Revenues Over Expenditures</i>	406,653	407,426	372,373	(35,053)
Other Financing Uses				
Transfers Out	(431,000)	(431,000)	(431,000)	0
<i>Net Change in Fund Balance</i>	(24,347)	(23,574)	(58,627)	(35,053)
<i>Fund Balance Beginning of Year</i>	<u>1,860,124</u>	<u>1,860,124</u>	<u>1,860,124</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$1,835,777</u>	<u>\$1,836,550</u>	<u>\$1,801,497</u>	<u>(\$35,053)</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, 2011

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$2,936,435	\$2,136,435	\$2,072,006	(\$64,429)
Expenditures				
Current:				
Community Environment:				
Salaries	596,808	485,911	464,311	21,600
Fringe Benefits	202,512	163,623	155,324	8,299
Travel and Transportation	6,250	3,075	2,247	828
Professional Services	67,350	31,650	31,220	430
Communications	7,500	4,115	2,246	1,869
Contractual Services	1,023,690	692,611	692,255	356
Materials and Supplies	3,890	1,936	1,360	576
Capital Outlay	677,475	717,740	717,704	36
Other	182,198	92,402	91,770	632
<i>Total Expenditures</i>	<u>2,767,673</u>	<u>2,193,063</u>	<u>2,158,437</u>	<u>34,626</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	168,762	(56,628)	(86,431)	(29,803)
Other Financing Sources				
Advances In	0	241,000	241,000	0
<i>Net Change in Fund Balance</i>	168,762	184,372	154,569	(29,803)
<i>Fund Deficit Beginning of Year</i>	(81,481)	(81,481)	(81,481)	0
<i>Fund Balance End of Year</i>	<u>\$87,281</u>	<u>\$102,891</u>	<u>\$73,088</u>	<u>(\$29,803)</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, 2011

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$2,630,003	\$2,630,003	\$2,722,377	\$92,374
Intergovernmental	445,333	445,333	446,866	1,533
Special Assessments	29,673	29,673	3,794	(25,879)
Interest	152,448	152,448	1,001	(151,447)
Miscellaneous	251,646	1,646	37,945	36,299
<i>Total Revenues</i>	<u>3,509,103</u>	<u>3,259,103</u>	<u>3,211,983</u>	<u>(47,120)</u>
Expenditures				
Current:				
General Government:				
Professional Services	1,000	808	807	1
Debt Service:				
Principal Retirement	16,068,220	11,856,611	11,841,381	15,230
Interest and Fiscal Charges	1,680,795	1,579,119	1,574,081	5,038
Bond Issuance Costs	0	139,696	139,696	0
<i>Total Debt Service</i>	<u>17,749,015</u>	<u>13,575,426</u>	<u>13,555,158</u>	<u>20,268</u>
<i>Total Expenditures</i>	<u>17,750,015</u>	<u>13,576,234</u>	<u>13,555,965</u>	<u>20,269</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(14,240,912)</u>	<u>(10,317,131)</u>	<u>(10,343,982)</u>	<u>(26,851)</u>
Other Financing Sources				
General Obligation Bonds Issued	12,356,000	11,775,000	11,775,000	0
Premium on General Obligation Bonds	0	95,103	78,758	(16,345)
Payment to Refunded Bond Escrow Agent	0	(3,969,578)	(3,969,578)	0
Transfers In	2,260,840	2,260,840	2,275,364	14,524
<i>Total Other Financing Sources</i>	<u>14,616,840</u>	<u>10,161,365</u>	<u>10,159,544</u>	<u>(1,821)</u>
<i>Net Change in Fund Balance</i>	375,928	(155,766)	(184,438)	(28,672)
<i>Fund Balance Beginning of Year</i>	<u>777,873</u>	<u>777,873</u>	<u>777,873</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,153,801</u></u>	<u><u>\$622,107</u></u>	<u><u>\$593,435</u></u>	<u><u>(\$28,672)</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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$10,720,052	\$10,720,052	\$10,681,607	(\$38,445)
Interest	83,440	83,440	1,979	(81,461)
Special Assessments	118,408	118,408	80,560	(37,848)
Miscellaneous	150,607	10,607	8,914	(1,693)
<i>Total Revenues</i>	<u>11,072,507</u>	<u>10,932,507</u>	<u>10,773,060</u>	<u>(159,447)</u>
Expenses				
Salaries	880,510	814,307	792,188	22,119
Fringe Benefits	313,136	309,687	305,814	3,873
Travel and Transportation	700	700	0	700
Professional Services	119,272	95,072	67,947	27,125
Communications	73,000	82,760	79,238	3,522
Contractual Services	100,000	60,994	55,119	5,875
Materials and Supplies	219,125	183,905	131,537	52,368
Capital Outlay	650,000	784,159	740,030	44,129
Other	7,281,589	6,851,642	6,810,954	40,688
Debt Service:				
Principal Retirement	1,409,314	1,443,998	1,304,524	139,474
Interest and Fiscal Charges	540,029	554,000	552,490	1,510
<i>Total Expenses</i>	<u>11,586,675</u>	<u>11,181,224</u>	<u>10,839,841</u>	<u>341,383</u>
<i>Excess of Revenues Under Expenses before Transfers</i>	(514,168)	(248,717)	(66,781)	181,936
Transfers Out	(15,252)	(15,252)	(15,252)	0
<i>Net Change in Fund Equity</i>	(529,420)	(263,969)	(82,033)	181,936
<i>Fund Equity Beginning of Year</i>	4,945,197	4,945,197	4,945,197	0
<i>Fund Equity End of Year</i>	<u>\$4,415,777</u>	<u>\$4,681,228</u>	<u>\$4,863,164</u>	<u>\$181,936</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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$1,515,852	\$1,515,852	\$1,565,199	\$49,347
Intergovernmental	259,443	259,443	247,275	(12,168)
Charges for Services	6,569,440	6,569,440	6,516,123	(53,317)
Special Assessments	45,842	45,842	25,536	(20,306)
General Obligation Bonds Issued	0	545,000	545,000	0
Premium on General Obligation Bonds	0	0	8,464	8,464
Interest	34,808	34,808	495	(34,313)
Miscellaneous	103,485	103,485	3,512	(99,973)
<i>Total Revenues</i>	<u>8,528,870</u>	<u>9,073,870</u>	<u>8,911,604</u>	<u>(162,266)</u>
Expenses				
Salaries	1,842,030	1,790,054	1,763,418	26,636
Fringe Benefits	757,048	743,269	742,055	1,214
Travel and Transportation	2,700	2,250	1,238	1,012
Professional Services	239,660	140,876	121,407	19,469
Communications	6,040	6,260	5,519	741
Contractual Services	225,736	581,840	561,028	20,812
Materials and Supplies	368,620	392,501	332,289	60,212
Capital Outlay	927,500	1,146,690	1,138,093	8,597
Other	1,020,834	251,532	244,042	7,490
Debt Service:				
Principal Retirement	1,675,388	1,445,436	1,400,811	44,625
Interest and Fiscal Charges	823,239	945,466	909,106	36,360
Bond Issuance Costs	0	11,604	11,604	0
Payment to Refunded Bond Escrow Agent	0	537,244	537,244	0
<i>Total Expenses</i>	<u>7,888,795</u>	<u>7,995,022</u>	<u>7,767,854</u>	<u>227,168</u>
<i>Excess of Revenues Over Expenses before Transfers</i>	640,075	1,078,848	1,143,750	64,902
Transfers Out	<u>(1,378,200)</u>	<u>(1,378,200)</u>	<u>(1,378,200)</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	(738,125)	(299,352)	(234,450)	64,902
<i>Fund Equity Beginning of Year</i>	<u>3,520,530</u>	<u>3,520,530</u>	<u>3,520,530</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$2,782,405</u>	<u>\$3,221,178</u>	<u>\$3,286,080</u>	<u>\$64,902</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, 2011

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$1,907,264	\$1,907,264	\$1,862,372	(\$44,892)
Special Assessments	58,605	58,605	4,360	(54,245)
Miscellaneous	12,530	12,530	56,280	43,750
<i>Total Revenues</i>	<u>1,978,399</u>	<u>1,978,399</u>	<u>1,923,012</u>	<u>(55,387)</u>
Expenditures				
Current:				
Transportation:				
Public Works:				
Salaries	978,914	936,320	928,856	7,464
Fringe Benefits	326,784	369,875	363,839	6,036
Professional Services	3,489	1,854	1,015	839
Communications	5,273	6,250	5,941	309
Contractual Services	125,500	148,700	148,253	447
Materials and Supplies	480,550	450,895	445,192	5,703
Capital Outlay	200,000	218,750	184,291	34,459
Other	97,650	79,050	77,902	1,148
<i>Total Expenditures</i>	<u>2,218,160</u>	<u>2,211,694</u>	<u>2,155,289</u>	<u>56,405</u>
<i>Excess of Revenues Under Expenditures</i>	(239,761)	(233,295)	(232,277)	1,018
Other Financing Uses				
Transfers Out	(150,000)	(150,000)	(150,000)	0
<i>Net Change in Fund Balance</i>	(389,761)	(383,295)	(382,277)	1,018
<i>Fund Balance Beginning of Year</i>	<u>523,693</u>	<u>523,693</u>	<u>523,693</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$133,932</u></u>	<u><u>\$140,398</u></u>	<u><u>\$141,416</u></u>	<u><u>\$1,018</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, 2011

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$153,845	\$153,845	\$293,641	\$139,796
Intergovernmental	251,110	151,110	107,726	(43,384)
Contributions and Donations	158,680	158,680	111,031	(47,649)
<i>Total Revenues</i>	<u>563,635</u>	<u>463,635</u>	<u>512,398</u>	<u>48,763</u>
Expenditures				
Current:				
Public Health Services:				
Office on Aging:				
Salaries	847,990	812,198	807,310	4,888
Fringe Benefits	332,809	327,530	325,811	1,719
Professional Services	1,175	1,175	1,108	67
Communications	17,524	16,650	15,650	1,000
Contractual Services	450	450	371	79
Materials and Supplies	57,418	56,934	53,777	3,157
Capital Outlay	10,000	3,000	2,988	12
Other	61,909	52,900	47,963	4,937
<i>Total Expenditures</i>	<u>1,329,275</u>	<u>1,270,837</u>	<u>1,254,978</u>	<u>15,859</u>
<i>Excess of Revenues Under Expenditures</i>	(765,640)	(807,202)	(742,580)	64,622
Other Financing Sources				
Transfers In	765,640	765,640	714,230	(51,410)
<i>Net Change in Fund Balance</i>	0	(41,562)	(28,350)	13,212
<i>Fund Balance Beginning of Year</i>	<u>109,562</u>	<u>109,562</u>	<u>109,562</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$109,562</u>	<u>\$68,000</u>	<u>\$81,212</u>	<u>\$13,212</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, 2011

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$2,182,550	\$2,182,550	\$2,157,802	(\$24,748)
Intergovernmental	53,873	1,873	900	(973)
Miscellaneous	18,557	18,557	21,472	2,915
<i>Total Revenues</i>	<u>2,254,980</u>	<u>2,202,980</u>	<u>2,180,174</u>	<u>(22,806)</u>
Expenditures				
Current:				
Security of Persons and Property:				
Fire:				
Salaries	1,216,635	1,216,635	1,185,558	31,077
Fringe Benefits	348,053	347,089	340,426	6,663
Travel and Transportation	1,100	1,639	1,534	105
Professional Services	73,600	74,000	72,895	1,105
Communications	3,750	4,576	3,311	1,265
Materials and Supplies	48,920	46,745	40,981	5,764
Capital Outlay	0	25,000	18,382	6,618
Other	52,575	13,062	7,879	5,183
<i>Total Security of Persons and Property</i>	<u>1,744,633</u>	<u>1,728,746</u>	<u>1,670,966</u>	<u>57,780</u>
Public Health Services:				
Health:				
Salaries	158,736	156,021	150,918	5,103
Fringe Benefits	61,569	61,588	59,970	1,618
Professional Services	466	466	406	60
Communications	3,264	2,150	1,534	616
Contractual Services	211,090	210,990	210,990	0
Materials and Supplies	1,750	1,900	1,371	529
Other	11,545	12,502	10,660	1,842
<i>Total Public Health Services</i>	<u>448,420</u>	<u>445,617</u>	<u>435,849</u>	<u>9,768</u>
<i>Total Expenditures</i>	<u>2,193,053</u>	<u>2,174,363</u>	<u>2,106,815</u>	<u>67,548</u>
<i>Excess of Revenues Over Expenditures</i>	61,927	28,617	73,359	44,742
Other Financing Uses				
Transfers Out	(1,200)	(1,200)	(1,200)	0
<i>Net Change in Fund Balance</i>	60,727	27,417	72,159	44,742
<i>Fund Balance Beginning of Year</i>	<u>168,960</u>	<u>168,960</u>	<u>168,960</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$229,687</u>	<u>\$196,377</u>	<u>\$241,119</u>	<u>\$44,742</u>

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Energy Efficiency Block Grant Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$300,000	\$200,000	\$191,784	(\$8,216)
Expenditures				
Current:				
Community Environment:				
Planning and Development:				
Salaries	27,490	1,100	1,049	51
Fringe Benefits	4,390	170	161	9
Contractual Services	234,597	191,000	190,999	1
<i>Total Expenditures</i>	<u>266,477</u>	<u>192,270</u>	<u>192,209</u>	<u>61</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	33,523	7,730	(425)	(8,155)
Other Financing Sources				
Advances In	<u>0</u>	<u>22,000</u>	<u>22,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	33,523	29,730	21,575	(8,155)
<i>Fund Deficit Beginning of Year</i>	<u>(19,849)</u>	<u>(19,849)</u>	<u>(19,849)</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$13,674</u>	<u>\$9,881</u>	<u>\$1,726</u>	<u>(\$8,155)</u>

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Homeless Prevention Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$419,058	\$300,000	\$295,318	(\$4,682)
Expenditures				
Current:				
Community Environment:				
Human Services:				
Salaries	59,585	46,928	47,037	(109)
Fringe Benefits	8,847	6,920	6,965	(45)
Contractual Services	247,676	181,611	241,315	(59,704)
<i>Total Expenditures</i>	316,108	235,459	295,317	(59,858)
<i>Net Change in Fund Balance</i>	102,950	64,541	1	(64,540)
<i>Fund Balance Beginning of Year</i>	292	292	292	0
<i>Fund Balance End of Year</i>	\$103,242	\$64,833	\$293	(\$64,540)

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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$512,451	\$42,081	\$38,346	(\$3,735)
Expenditures				
Current:				
Community Environment:				
Planning and Development:				
Salaries	60,532	0	0	0
Fringe Benefits	9,434	0	0	0
Professional Services	0	76	76	0
Contractual Services	505,000	46,614	46,614	0
Other	300	27	27	0
<i>Total Expenditures</i>	<u>575,266</u>	<u>46,717</u>	<u>46,717</u>	<u>0</u>
<i>Excess of Revenue Under Expenditures</i>	(62,815)	(4,636)	(8,371)	(3,735)
Other Financing Sources				
Sale of Assets	200,000	200,000	199,734	(266)
<i>Net Change in Fund Balance</i>	137,185	195,364	191,363	(4,001)
<i>Fund Balance Beginning of Year</i>	<u>97,326</u>	<u>97,326</u>	<u>97,326</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$234,511</u>	<u>\$292,690</u>	<u>\$288,689</u>	<u>(\$4,001)</u>

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Byrne Memorial Grant Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$16,000	\$20,000	\$20,000	\$0
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Salaries	20,670	20,670	20,264	406
Fringe Benefits	4,330	4,330	4,330	0
Capital Outlay	16,000	20,000	20,000	0
<i>Total Expenditures</i>	<u>41,000</u>	<u>45,000</u>	<u>44,594</u>	<u>406</u>
<i>Net Change in Fund Balance</i>	(25,000)	(25,000)	(24,594)	406
<i>Fund Balance Beginning of Year</i>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$25,000</u>	<u>\$25,000</u>	<u>\$25,406</u>	<u>\$406</u>

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Litter Control Grant Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$0	\$4,500	\$4,499	(\$1)
Expenditures				
Current:				
Community Environment:				
Refuse:				
Materials and Supplies	2,000	1,900	1,834	66
Other	2,000	3,697	3,696	1
<i>Total Expenditures</i>	<u>4,000</u>	<u>5,597</u>	<u>5,530</u>	<u>67</u>
<i>Net Change in Fund Balance</i>	(4,000)	(1,097)	(1,031)	66
<i>Fund Balance Beginning of Year</i>	<u>7,329</u>	<u>7,329</u>	<u>7,329</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,329</u></u>	<u><u>\$6,232</u></u>	<u><u>\$6,298</u></u>	<u><u>\$66</u></u>

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Law and Drug Enforcement Trust Fund
For the Year Ended December 31, 2011

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Fines and Forfeitures	\$13,119	\$13,119	\$17,974	\$4,855
Miscellaneous	120,791	120,791	54,096	(66,695)
<i>Total Revenues</i>	133,910	133,910	72,070	(61,840)
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Salaries	25,000	25,000	9,363	15,637
Fringe Benefits	1,113	1,113	346	767
Travel and Transportation	13,016	16,755	13,419	3,336
Professional Services	29,500	39,200	34,411	4,789
Communications	3,200	3,400	592	2,808
Contractual Services	2,900	2,900	260	2,640
Materials and Supplies	24,175	24,675	13,757	10,918
Capital Outlay	56,463	8,663	7,425	1,238
Other	40,325	82,225	72,165	10,060
<i>Total Expenditures</i>	195,692	203,931	151,738	52,193
<i>Excess of Revenue Under Expenditures</i>	(61,782)	(70,021)	(79,668)	(9,647)
Other Financing Sources				
Sale of Capital Assets	14,049	16,049	25,308	9,259
<i>Net Change in Fund Balance</i>	(47,733)	(53,972)	(54,360)	(388)
<i>Fund Balance Beginning of Year</i>	226,087	226,087	226,087	0
<i>Fund Balance End of Year</i>	\$178,354	\$172,115	\$171,727	(\$388)

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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$12,561	\$0	\$0	\$0
Interest	0	10	6	(4)
<i>Total Revenues</i>	<u>12,561</u>	<u>10</u>	<u>6</u>	<u>(4)</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Capital Outlay	21,000	5,000	1,535	3,465
<i>Net Change in Fund Balance</i>	(8,439)	(4,990)	(1,529)	3,461
<i>Fund Balance Beginning of Year</i>	<u>11,911</u>	<u>11,911</u>	<u>11,911</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$3,472</u>	<u>\$6,921</u>	<u>\$10,382</u>	<u>\$3,461</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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$4,979	\$4,979	\$5,690	\$711
Intergovernmental	3,508	3,508	7,077	3,569
<i>Total Revenues</i>	<u>8,487</u>	<u>8,487</u>	<u>12,767</u>	<u>4,280</u>
Expenditures				
Current:				
General Government:				
Municipal Court:				
Contractual Services	127,000	4,589	0	4,589
Professional Services	20,000	20,000	16,720	3,280
Materials and Supplies	0	411	410	1
<i>Total Expenditures</i>	<u>147,000</u>	<u>25,000</u>	<u>17,130</u>	<u>7,870</u>
<i>Net Change in Fund Balance</i>	(138,513)	(16,513)	(4,363)	12,150
<i>Fund Balance Beginning of Year</i>	<u>150,320</u>	<u>150,320</u>	<u>150,320</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$11,807</u>	<u>\$133,807</u>	<u>\$145,957</u>	<u>\$12,150</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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$5,430	\$5,430	\$4,240	(\$1,190)
Miscellaneous	1,855	1,855	3,400	1,545
<i>Total Revenues</i>	<u>7,285</u>	<u>7,285</u>	<u>7,640</u>	<u>355</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Materials and Supplies	20,000	1,500	721	779
Capital Outlay	47,000	7,500	5,623	1,877
<i>Total Expenditures</i>	<u>67,000</u>	<u>9,000</u>	<u>6,344</u>	<u>2,656</u>
<i>Net Change in Fund Balance</i>	(59,715)	(1,715)	1,296	3,011
<i>Fund Balance Beginning of Year</i>	<u>63,654</u>	<u>63,654</u>	<u>63,654</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$3,939</u>	<u>\$61,939</u>	<u>\$64,950</u>	<u>\$3,011</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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$1,412	\$1,412	\$500	(\$912)
Expenditures				
Current:				
General Government:				
Municipal Court:				
Professional Services	13,000	13,000	0	13,000
<i>Net Change in Fund Balance</i>	(11,588)	(11,588)	500	12,088
<i>Fund Balance Beginning of Year</i>	13,691	13,691	13,691	0
<i>Fund Balance End of Year</i>	<u>\$2,103</u>	<u>\$2,103</u>	<u>\$14,191</u>	<u>\$12,088</u>

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Computer Research and Maintenance Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$35,464	\$35,464	\$34,656	(\$808)
Expenditures				
Current:				
General Government:				
Municipal Court:				
Contractual Services	72,000	40,195	31,189	9,006
Materials and Supplies	0	612	612	0
Capital Outlay	0	6,423	6,423	0
Other	0	2,770	2,770	0
<i>Total Expenditures</i>	<u>72,000</u>	<u>50,000</u>	<u>40,994</u>	<u>9,006</u>
<i>Net Change in Fund Balance</i>	(36,536)	(14,536)	(6,338)	8,198
<i>Fund Balance Beginning of Year</i>	<u>45,025</u>	<u>45,025</u>	<u>45,025</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$8,489</u>	<u>\$30,489</u>	<u>\$38,687</u>	<u>\$8,198</u>

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Court Special Projects Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$141,302	\$141,302	\$141,311	\$9
Expenditures				
Current:				
General Government:				
Municipal Court:				
Salaries	45,000	2,500	0	2,500
Fringe Benefits	6,953	300	0	300
Professional Services	5,000	500	0	500
Contractual Services	145,000	62,000	43,326	18,674
Materials and Supplies	7,500	65,015	18,109	46,906
Capital Outlay	80,000	43,000	18,570	24,430
Other	5,000	0	0	0
<i>Total Expenditures</i>	<u>294,453</u>	<u>173,315</u>	<u>80,005</u>	<u>93,310</u>
<i>Net Change in Fund Balance</i>	(153,151)	(32,013)	61,306	93,319
<i>Fund Balance Beginning of Year</i>	<u>253,278</u>	<u>253,278</u>	<u>253,278</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$100,127</u></u>	<u><u>\$221,265</u></u>	<u><u>\$314,584</u></u>	<u><u>\$93,319</u></u>

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Court Probation Services Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$60,000	\$60,000	\$38,311	(\$21,689)
Expenditures				
Current:				
General Government:				
Municipal Court:				
Salaries	30,000	64,615	32,491	32,124
Fringe Benefits	4,635	5,020	5,014	6
Travel and Transportation	1,000	2,673	2,514	159
Professional Services	42,000	9,209	9,004	205
Materials and Supplies	2,500	968	383	585
<i>Total Expenditures</i>	<u>80,135</u>	<u>82,485</u>	<u>49,406</u>	<u>33,079</u>
<i>Net Change in Fund Balance</i>	(20,135)	(22,485)	(11,095)	11,390
<i>Fund Balance Beginning of Year</i>	90,037	90,037	90,037	0
<i>Fund Balance End of Year</i>	<u>\$69,902</u>	<u>\$67,552</u>	<u>\$78,942</u>	<u>\$11,390</u>

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Indigent Drivers Interlock and Alcohol Monitoring Fund (IDIAM)
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$14,699	\$14,699	\$15,029	\$330
Expenditures				
Current:				
General Government:				
Municipal Court:				
Professional Services	22,000	3,500	1,108	2,392
<i>Net Change in Fund Balance</i>	(7,301)	11,199	13,921	2,722
<i>Fund Balance Beginning of Year</i>	21,635	21,635	21,635	0
<i>Fund Balance End of Year</i>	<u>\$14,334</u>	<u>\$32,834</u>	<u>\$35,556</u>	<u>\$2,722</u>

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Emergency Shelter Grant Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$121,000	\$117,000	\$75,375	(\$41,625)
Expenditures				
Current:				
Community Environment:				
Planning and Development:				
Salaries	13,398	0	0	0
Fringe Benefits	2,007	0	0	0
Contractual Services	104,767	83,527	77,257	6,270
<i>Total Expenditures</i>	<u>120,172</u>	<u>83,527</u>	<u>77,257</u>	<u>6,270</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	828	33,473	(1,882)	(35,355)
Other Financing Sources				
Advances In	<u>0</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	828	38,473	3,118	(35,355)
<i>Fund Balance Beginning of Year</i>	<u>3,386</u>	<u>3,386</u>	<u>3,386</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$4,214</u>	<u>\$41,859</u>	<u>\$6,504</u>	<u>(\$35,355)</u>

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
HOME Investment Program Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$505,200	\$230,200	\$213,432	(\$16,768)
Expenditures				
Current:				
Community Environment:				
Planning and Development:				
Professional Services	10,000	315	314	1
Travel and Transportation	7,000	0	0	0
Other	332,000	196,149	196,145	4
<i>Total Expenditures</i>	<u>349,000</u>	<u>196,464</u>	<u>196,459</u>	<u>5</u>
<i>Net Change in Fund Balance</i>	156,200	33,736	16,973	(16,763)
<i>Fund Deficit Beginning of Year</i>	<u>(16,173)</u>	<u>(16,173)</u>	<u>(16,173)</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$140,027</u>	<u>\$17,563</u>	<u>\$800</u>	<u>(\$16,763)</u>

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Help-to-Others Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$9,849	\$9,849	\$11,670	\$1,821
Miscellaneous	28,000	28,000	18,435	(9,565)
<i>Total Revenues</i>	<u>37,849</u>	<u>37,849</u>	<u>30,105</u>	<u>(7,744)</u>
Expenditures				
Current:				
Community Environment:				
Youth:				
Salaries	31,636	28,462	22,999	5,463
Fringe Benefits	4,888	3,875	3,553	322
Professional Services	100	0	0	0
Communications	700	745	658	87
Materials and Supplies	3,965	2,750	2,306	444
Other	1,100	820	673	147
<i>Total Expenditures</i>	<u>42,389</u>	<u>36,652</u>	<u>30,189</u>	<u>6,463</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(4,540)	1,197	(84)	(1,281)
Other Financing Sources				
Advances In	0	1,000	1,000	0
<i>Net Change in Fund Balance</i>	(4,540)	2,197	916	(1,281)
<i>Fund Balance Beginning of Year</i>	<u>6,186</u>	<u>6,186</u>	<u>6,186</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$1,646</u>	<u>\$8,383</u>	<u>\$7,102</u>	<u>(\$1,281)</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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$54,000	\$54,000	\$52,967	(\$1,033)
Miscellaneous	3,500	3,500	4,254	754
<i>Total Revenues</i>	<u>57,500</u>	<u>57,500</u>	<u>57,221</u>	<u>(279)</u>
Expenditures				
Current:				
Community Environment:				
Youth Services:				
Salaries	41,746	44,382	34,086	10,296
Fringe Benefits	6,135	6,356	5,269	1,087
Professional Services	8,000	5,395	5,392	3
Materials and Supplies	2,050	0	0	0
<i>Total Expenditures</i>	<u>57,931</u>	<u>56,133</u>	<u>44,747</u>	<u>11,386</u>
<i>Net Change in Fund Balance</i>	(431)	1,367	12,474	11,107
<i>Fund Balance Beginning of Year</i>	<u>2,040</u>	<u>2,040</u>	<u>2,040</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,609</u></u>	<u><u>\$3,407</u></u>	<u><u>\$14,514</u></u>	<u><u>\$11,107</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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$329,049	\$329,049	\$320,463	(\$8,586)
Miscellaneous	6,042	6,042	100	(5,942)
<i>Total Revenues</i>	<u>335,091</u>	<u>335,091</u>	<u>320,563</u>	<u>(14,528)</u>
Expenditures				
Current:				
Community Environment:				
Child Care:				
Salaries	208,499	204,573	203,365	1,208
Fringe Benefits	35,459	34,383	34,089	294
Travel and Transportation	0	52	47	5
Professional Services	11,405	13,215	13,169	46
Communications	2,900	2,700	2,288	412
Contractual Services	51,510	51,610	51,609	1
Materials and Supplies	10,701	6,496	4,754	1,742
Other	8,575	10,585	10,538	47
<i>Total Expenditures</i>	<u>329,049</u>	<u>323,614</u>	<u>319,859</u>	<u>3,755</u>
<i>Net Change in Fund Balance</i>	6,042	11,477	704	(10,773)
<i>Fund Balance Beginning of Year</i>	<u>23,072</u>	<u>23,072</u>	<u>23,072</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$29,114</u>	<u>\$34,549</u>	<u>\$23,776</u>	<u>(\$10,773)</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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Miscellaneous	\$4,000	\$4,000	\$4,000	\$0
Expenditures				
Current:				
General Government:				
Mayor's Office:				
Salaries	3,500	2,307	2,306	1
Fringe Benefits	558	359	357	2
<i>Total Expenditures</i>	<u>4,058</u>	<u>2,666</u>	<u>2,663</u>	<u>3</u>
<i>Net Change in Fund Balance</i>	(58)	1,334	1,337	3
<i>Fund Balance Beginning of Year</i>	<u>1,310</u>	<u>1,310</u>	<u>1,310</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,252</u></u>	<u><u>\$2,644</u></u>	<u><u>\$2,647</u></u>	<u><u>\$3</u></u>

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
TIF Bond Retirement Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Payments in Lieu of Taxes	\$349,922	\$349,922	\$328,790	(\$21,132)
Intergovernmental	13,888	13,888	18,500	4,612
Miscellaneous	138,158	138,158	138,158	0
<i>Total Revenues</i>	<u>501,968</u>	<u>501,968</u>	<u>485,448</u>	<u>(16,520)</u>
Expenditures				
Current:				
General Government:				
Other	65,000	57,652	57,651	1
Debt Service:				
Principal Retirement	433,318	200,000	200,000	0
Interest and Fiscal Charges	0	233,318	233,318	0
<i>Total Expenditures</i>	<u>498,318</u>	<u>490,970</u>	<u>490,969</u>	<u>1</u>
<i>Net Change in Fund Balance</i>	3,650	10,998	(5,521)	(16,519)
<i>Fund Balance Beginning of Year</i>	<u>62,842</u>	<u>62,842</u>	<u>62,842</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$66,492</u>	<u>\$73,840</u>	<u>\$57,321</u>	<u>(\$16,519)</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, 2011

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Miscellaneous	\$0	\$320,000	\$320,500	\$500
Expenditures				
Current:				
Basic Utility Services				
Capital Outlay	0	65,000	64,984	16
Transportation				
Capital Outlay	1,300,000	1,968,324	1,952,858	15,466
Leisure Time Activities				
Capital Outlay	1,000,000	176,384	176,381	3
<i>Total Expenditures</i>	<u>2,300,000</u>	<u>2,209,708</u>	<u>2,194,223</u>	<u>15,485</u>
<i>Excess of Revenues Under Expenditures</i>	(2,300,000)	(1,889,708)	(1,873,723)	15,985
Other Financing Sources				
General Obligation Notes Issued	2,000,000	2,000,000	1,948,000	(52,000)
<i>Net Change in Fund Balance</i>	(300,000)	110,292	74,277	(36,015)
<i>Fund Balance Beginning of Year</i>	<u>565,959</u>	<u>565,959</u>	<u>565,959</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$265,959</u>	<u>\$676,251</u>	<u>\$640,236</u>	<u>(\$36,015)</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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$5,845	\$0	\$0	\$0
Expenditures				
Capital Outlay	223,312	0	0	0
<i>Net Change in Fund Balance</i>	(217,467)	0	0	0
<i>Fund Balance Beginning of Year</i>	244,929	244,929	244,929	0
<i>Fund Balance End of Year</i>	<u>\$27,462</u>	<u>\$244,929</u>	<u>\$244,929</u>	<u>\$0</u>

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Land Acquisition Fund
For the Year Ended December 31, 2011

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

City of Lakewood, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
City Park Improvement Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Miscellaneous	\$18,754	\$18,754	\$10,799	(\$7,955)
Expenditures				
Current:				
Leisure Time Activities:				
Capital Outlay	70,000	1,005	1,003	2
<i>Net Change in Fund Balance</i>	(51,246)	17,749	9,796	(7,953)
<i>Fund Balance Beginning of Year</i>	77,318	77,318	77,318	0
<i>Fund Balance End of Year</i>	<u>\$26,072</u>	<u>\$95,067</u>	<u>\$87,114</u>	<u>(\$7,953)</u>

City of Lakewood, Ohio
Schedule of Revenues, Expenses and Changes in Fund Equity
Budget (Non-GAAP Basis) and Actual
Parking Facilities Fund
For the Year Ended December 31, 2011

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$431,896	\$431,896	\$456,607	\$24,711
Miscellaneous	490	490	1,577	1,087
<i>Total Revenues</i>	<u>432,386</u>	<u>432,386</u>	<u>458,184</u>	<u>25,798</u>
Expenses				
Salaries	146,136	105,250	103,085	2,165
Fringe Benefits	60,617	55,663	53,527	2,136
Professional Services	2,900	500	0	500
Communications	632	702	512	190
Contractual Services	300	0	0	0
Materials and Supplies	18,400	18,809	14,217	4,592
Capital Outlay	57,991	0	0	0
Other	113,724	115,915	113,768	2,147
Debt Service:				
Principal Retirement	34,811	22,600	22,407	193
Interest and Fiscal Charges	0	12,538	11,551	987
<i>Total Expenses</i>	<u>435,511</u>	<u>331,977</u>	<u>319,067</u>	<u>12,910</u>
<i>Excess of Revenues Over (Under) Expenses before Transfers</i>	(3,125)	100,409	139,117	38,708
Transfers Out	(4,500)	(4,500)	(4,500)	0
<i>Net Change in Fund Equity</i>	(7,625)	95,909	134,617	38,708
<i>Fund Equity Beginning of Year</i>	<u>177,951</u>	<u>177,951</u>	<u>177,951</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$170,326</u></u>	<u><u>\$273,860</u></u>	<u><u>\$312,568</u></u>	<u><u>\$38,708</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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$505,500	\$505,500	\$331,079	(\$174,421)
Miscellaneous	75,000	75,000	148,207	73,207
<i>Total Revenues</i>	<u>580,500</u>	<u>580,500</u>	<u>479,286</u>	<u>(101,214)</u>
Expenses				
Property Taxes	126,898	126,898	126,897	1
Utilities	378,602	335,000	298,844	36,156
Other	0	4,193	0	4,193
<i>Total Expenses</i>	<u>505,500</u>	<u>466,091</u>	<u>425,741</u>	<u>40,350</u>
<i>Excess of Revenues Over Expenses before Advances and Transfers</i>	75,000	114,409	53,545	(60,864)
Advance In	0	0	44,000	44,000
Transfers Out	(70,850)	(70,852)	(70,852)	0
<i>Net Change in Fund Equity</i>	4,150	43,557	26,693	(16,864)
<i>Fund Equity Beginning of Year</i>	<u>14,243</u>	<u>14,243</u>	<u>14,243</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$18,393</u>	<u>\$57,800</u>	<u>\$40,936</u>	<u>(\$16,864)</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, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$4,100,000	\$4,100,000	\$4,368,186	\$268,186
Miscellaneous	945,000	945,000	760,030	(184,970)
<i>Total Revenues</i>	<u>5,045,000</u>	<u>5,045,000</u>	<u>5,128,216</u>	<u>83,216</u>
Expenses				
Professional Services	50,000	58,152	58,149	3
Claims	5,314,297	5,161,321	5,160,695	626
<i>Total Expenses</i>	<u>5,364,297</u>	<u>5,219,473</u>	<u>5,218,844</u>	<u>629</u>
<i>Excess of Revenues Under Expenses before Transfers</i>	(319,297)	(174,473)	(90,628)	83,845
Transfers In	180,220	1,000,000	1,000,000	0
<i>Net Change in Fund Equity</i>	(139,077)	825,527	909,372	83,845
<i>Fund Equity Beginning of Year</i>	932,144	932,144	932,144	0
<i>Fund Equity End of Year</i>	<u>\$793,067</u>	<u>\$1,757,671</u>	<u>\$1,841,516</u>	<u>\$83,845</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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$712,062	\$712,062	\$712,065	\$3
Miscellaneous	20,000	20,000	1,559	(18,441)
<i>Total Revenues</i>	<u>732,062</u>	<u>732,062</u>	<u>713,624</u>	<u>(18,438)</u>
Expenses				
Professional Services	35,800	30,925	30,753	172
Workers' Compensation Premium	84,000	90,729	90,728	1
Workers' Compensation Claims	625,000	496,320	481,861	14,459
<i>Total Expenses</i>	<u>744,800</u>	<u>617,974</u>	<u>603,342</u>	<u>14,632</u>
<i>Excess of Revenues Over (Under) Expenses before Transfers</i>	(12,738)	114,088	110,282	(3,806)
Transfers In	32,738	32,738	100,002	67,264
<i>Net Change in Fund Equity</i>	20,000	146,826	210,284	63,458
<i>Fund Equity Beginning of Year</i>	446,926	446,926	446,926	0
<i>Fund Equity End of Year</i>	<u>\$466,926</u>	<u>\$593,752</u>	<u>\$657,210</u>	<u>\$63,458</u>

City of Lakewood, Ohio

Statistical Section

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S2-S9
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and income taxes.	S10-S16
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S17-S25
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	S26-S28
Operating Information These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	S29-S35
Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The City implemented Statement 34 in 2004; schedules presenting government-wide information include information beginning in that year.	

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

	2011	2010 Restated	2009	2008	2007	2006	2005	2004
Governmental Activities								
Invested in Capital Assets, Net of Related Debt	\$32,219,436	\$29,616,097	\$26,631,390	\$19,375,518	\$17,864,648	\$16,735,176	\$15,964,667	\$17,763,254
Restricted:								
Capital Projects	737,334	948,539	1,656,877	3,187,407	3,092,758	5,935,384	4,895,203	165,163
Debt Service	879,576	1,038,625	658,864	679,404	1,543,403	587,899	1,128,628	1,621,445
Other Purposes	5,130,754	6,279,579	5,316,658	4,237,737	39	5,108,771	5,388,015	5,322,703
Unrestricted	13,594,321	8,184,766	5,461,402	6,764,033	2,938,295	4,117,183	6,551,993	7,853,008
<i>Total Governmental Activities Net Assets</i>	<u>52,561,421</u>	<u>46,067,606</u>	<u>39,725,191</u>	<u>34,244,099</u>	<u>25,439,143</u>	<u>32,484,413</u>	<u>33,928,506</u>	<u>32,725,573</u>
Business - Type Activities								
Invested in Capital Assets, Net of Related Debt	43,819,639	43,114,193	41,950,480	41,695,569	37,309,591	34,117,056	25,918,138	29,906,268
Restricted for Debt Service	1,090,028	1,328,713	1,214,966	1,194,934	1,109,163	923,400	0	0
Restricted for Replacement and Improvement	195,493	195,474	193,550	195,417	193,550	186,270	561,240	551,039
Unrestricted	11,316,059	9,163,854	8,486,802	7,668,213	5,422,785	7,311,753	15,625,642	10,302,691
<i>Total Business-Type Activities Net Assets</i>	<u>56,421,219</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>	<u>40,759,998</u>
Primary Government								
Invested in Capital Assets, Net of Related Debt	76,039,075	72,730,290	65,317,220	61,071,087	55,174,239	50,852,232	41,882,805	47,669,522
Restricted	8,033,185	9,790,930	7,823,235	9,494,899	5,938,913	12,741,724	11,973,086	7,660,350
Unrestricted	24,910,380	17,348,620	18,430,534	14,432,246	8,361,080	11,428,936	22,177,635	18,155,699
<i>Total Primary Government Net Assets</i>	<u>\$108,982,640</u>	<u>\$99,869,840</u>	<u>\$91,570,989</u>	<u>\$84,998,232</u>	<u>\$69,474,232</u>	<u>\$75,022,892</u>	<u>\$76,033,526</u>	<u>\$73,485,571</u>

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

	2011	2010	2009	2008	2007	2006	2005	2004
Program Revenues								
Governmental Activities:								
Charges for Services:								
General Government	\$3,024,201	\$2,529,470	\$4,187,825	\$4,235,783	\$4,228,572	\$2,881,832	\$2,785,961	\$2,778,441
Security of Persons and Property								
Police	257,705	265,127	245,685	242,444	39	177,258	126,981	60,864
Fire	2,263,974	2,233,515	2,291,431	2,147,823	2,249,911	2,233,708	2,170,604	2,181,841
Public Health Services	293,641	248,489	251,665	318,737	335,613	3,600	3,600	2,003
Transportation	4,360	28,395	0	0	0	0	0	0
Community Environment	1,642,224	1,895,118	11,120	10,680	10,500	1,796,475	1,068,342	860,495
Basic Utility Services	0	0	0	0	0	0	0	13,181
Leisure Time Activities	0	0	0	0	0	0	0	20,470
Subtotal - Charges for Services	<u>7,486,105</u>	<u>7,200,114</u>	<u>6,987,726</u>	<u>6,955,467</u>	<u>6,824,635</u>	<u>7,092,873</u>	<u>6,155,488</u>	<u>5,917,295</u>
Operating Grants and Contributions:								
General Government	765,886	612,272	495,082	474,840	0	0	0	0
Security of Persons and Property								
Police	432,224	449,353	449,920	472,948	18,653	3,575	12,542	15,169
Fire	900	3,350	52,013	0	0	337,710	357,124	133,687
Public Health Services	217,458	246,649	270,604	493,394	468,559	833,675	685,267	68,250
Transportation	1,833,219	2,012,270	1,118,195	1,950,418	1,927,847	2,050,027	1,899,723	1,802,541
Community Environment	3,081,636	4,718,408	4,421,399	3,039,646	4,300,068	3,320,754	3,748,255	2,977,498
Subtotal - Operating Grants and Contributions	<u>6,331,323</u>	<u>8,042,302</u>	<u>6,807,213</u>	<u>6,431,246</u>	<u>6,715,127</u>	<u>6,545,741</u>	<u>6,702,911</u>	<u>4,997,145</u>
Capital Grants and Contributions:								
Community Environment	0	0	0	0	0	584,601	3,579	0
Total Governmental Activities Program Revenues	<u>13,817,428</u>	<u>15,242,416</u>	<u>13,794,939</u>	<u>13,386,713</u>	<u>13,539,762</u>	<u>14,223,215</u>	<u>12,861,978</u>	<u>10,914,440</u>
Business-Type Activities:								
Charges for Services:								
Water	10,683,491	10,759,734	9,456,618	10,298,731	10,143,589	8,395,321	8,661,772	8,494,114
Sewer	6,573,925	6,157,686	5,545,675	5,947,043	5,184,560	4,107,108	4,318,539	3,779,202
Parking Facilities	456,607	434,510	404,180	332,999	292,127	290,561	294,385	290,229
Winterhurst Ice Rink	343,061	563,499	371,631	427,031	793,387	686,619	725,506	714,895
Congregate Living	0	0	0	0	0	0	0	5,594
Subtotal - Charges for Services	<u>18,057,084</u>	<u>17,915,429</u>	<u>15,778,104</u>	<u>17,005,804</u>	<u>16,413,663</u>	<u>13,479,609</u>	<u>14,000,202</u>	<u>13,284,034</u>
Operating Grants and Contributions:								
Water	0	0	416,013	74,859	1,044,113	0	0	0
Sewer	246,194	283,595	272,358	152,949	310,993	0	0	0
Subtotal - Operating Grants and Contributions	<u>246,194</u>	<u>283,595</u>	<u>688,371</u>	<u>227,808</u>	<u>1,355,106</u>	<u>0</u>	<u>0</u>	<u>0</u>
Capital Grants and Contributions:								
Water	80,560	0	0	0	0	0	0	0
Sewer	25,536	0	0	0	0	0	0	0
Winterhurst Ice Rink	0	0	0	2,000,000	0	0	0	0
Subtotal - Capital Grants and Contributions	<u>106,096</u>	<u>0</u>	<u>0</u>	<u>2,000,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Business-Type Activities Program Revenues	<u>18,409,374</u>	<u>18,199,024</u>	<u>16,466,475</u>	<u>19,233,612</u>	<u>17,768,769</u>	<u>13,479,609</u>	<u>14,000,202</u>	<u>13,284,034</u>
Total Primary Government Program Revenues	<u>\$32,226,802</u>	<u>\$33,441,440</u>	<u>\$30,261,414</u>	<u>\$32,620,325</u>	<u>\$31,308,531</u>	<u>\$27,702,824</u>	<u>\$26,862,180</u>	<u>\$24,198,474</u>

(continued)

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

	2011	2010	2009	2008	2007	2006	2005	2004
Expenses								
Governmental Activities:								
General Government	\$7,529,571	\$8,423,969	\$7,675,451	\$7,620,762	\$9,599,299	\$8,110,235	\$7,851,426	\$7,759,070
Security of Persons and Property								
Police	11,617,633	12,272,317	12,754,885	12,371,712	12,035,903	11,907,585	10,686,045	10,811,935
Fire	9,426,271	9,526,516	10,131,056	10,289,314	11,028,498	10,241,053	9,949,694	9,374,854
Public Health Services	2,136,807	2,383,427	2,505,999	3,280,667	4,211,759	4,784,768	4,310,861	4,361,672
Transportation	1,948,825	3,092,325	2,866,754	2,969,914	3,480,710	2,655,600	2,880,797	2,971,847
Community Environment	5,804,830	6,819,791	6,474,889	5,622,461	6,798,564	6,628,671	6,417,757	8,478,583
Basic Utility Services	3,393,665	3,472,641	3,998,734	4,700,773	5,450,051	5,026,300	4,340,798	4,470,994
Leisure Time Activities	3,222,378	1,831,789	1,839,517	2,020,450	2,159,191	1,955,303	2,097,492	2,158,300
Interest and Fiscal Charges	1,835,631	1,788,103	2,127,913	2,064,970	1,898,099	1,936,679	1,781,467	1,565,095
<i>Total Governmental Activities Expenses</i>	<u>46,915,611</u>	<u>49,610,878</u>	<u>50,375,198</u>	<u>50,941,023</u>	<u>56,662,074</u>	<u>53,246,194</u>	<u>50,316,337</u>	<u>51,952,350</u>
Business-Type Activities								
Water	9,652,083	9,665,155	9,038,465	9,289,887	9,612,007	8,403,497	8,539,662	8,252,561
Sewer	5,896,702	6,012,674	5,751,453	6,585,346	7,606,437	5,734,921	5,022,961	4,669,597
Parking Facilities	349,501	386,946	253,274	305,295	419,733	482,642	300,901	325,724
Winterhurst Ice Rink	571,530	736,397	552,929	740,804	732,973	1,257,948	969,391	969,745
Congregate Living	0	0	0	0	0	0	64,297	4,853
<i>Total Business-Type Activities Expenses</i>	<u>16,469,816</u>	<u>16,801,172</u>	<u>15,596,121</u>	<u>16,921,332</u>	<u>18,371,150</u>	<u>15,879,008</u>	<u>14,897,212</u>	<u>14,222,480</u>
<i>Total Primary Government Expenses</i>	<u>63,385,427</u>	<u>66,412,050</u>	<u>65,971,319</u>	<u>67,862,355</u>	<u>75,033,224</u>	<u>69,125,202</u>	<u>65,213,549</u>	<u>66,174,830</u>
Net (Expense)/Revenue								
Governmental Activities	(33,098,183)	(34,368,462)	(36,580,259)	(37,554,310)	(43,122,312)	(39,022,979)	(37,454,359)	(41,037,910)
Business-Type Activities	1,939,558	1,397,852	870,354	2,312,280	(602,381)	(2,399,399)	(897,010)	(938,446)
<i>Total Primary Government Net Expense</i>	<u>(\$31,158,625)</u>	<u>(\$32,970,610)</u>	<u>(\$35,709,905)</u>	<u>(\$35,242,030)</u>	<u>(\$43,724,693)</u>	<u>(\$41,422,378)</u>	<u>(\$38,351,369)</u>	<u>(\$41,976,356)</u>

(continued)

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

	2011	2010	2009	2008	2007	2006	2005	2004
General Revenues and Other Changes in Net Assets								
Governmental Activities								
Taxes:								
Property Taxes Levied For:								
General Purposes	\$6,581,357	\$6,857,844	\$7,404,532	\$7,464,079	\$7,676,479	\$6,880,029	\$6,982,259	\$6,984,616
Police and Fire Pension	2,608,762	2,608,762	2,810,315	2,823,756	2,911,150	2,613,672	2,589,687	2,644,603
Debt Service	2,784,378	2,784,378	2,973,092	2,987,313	3,079,771	2,765,061	2,590,336	2,788,706
Payments in Lieu of Taxes	355,641	341,399	308,520	340,341	368,523	241,589	241,480	100,617
Municipal Income Taxes levied for:								
General Purposes	19,474,728	19,686,732	19,314,348	19,348,017	18,246,523	16,955,457	16,537,268	17,064,294
Grants and Entitlements not Restricted to								
Specific Programs	5,997,696	6,727,090	6,345,651	5,668,748	6,482,563	6,729,258	7,713,363	7,085,654
Investment Income	8,792	68,060	214,275	533,257	1,130,083	1,479,546	830,725	396,491
Gain from Sale of Capital Assets-Gov	25,308	0	0	0	0	0	0	0
Miscellaneous	713,582	436,670	606,457	550,472	295,266	364,274	246,757	402,279
Total Governmental Activities	38,550,244	39,510,935	39,977,190	39,715,983	40,190,358	38,028,886	37,731,875	37,467,260
Business-Type Activities								
Property Taxes Levied For:								
Sewer	1,556,497	1,590,695	1,712,714	1,724,040	1,775,081	1,593,691	1,579,441	1,612,757
Grants and Entitlements not Restricted to								
Specific Programs	0	0	0	0	0	205,895	212,063	203,039
Gain on Sale of Capital Assets	0	0	0	0	0	0	180,250	0
Investment Income	2,474	16,338	58,952	237,593	636,665	565,729	230,974	92,690
Miscellaneous	162,210	78,032	533,806	51,808	20,087	17,543	2,113	26,408
Total Business-Type Activities	1,721,181	1,685,065	2,305,472	2,013,441	2,431,833	2,382,858	2,204,841	1,934,894
Total Primary Government General Revenues and Other Changes in Net Assets	40,271,425	41,196,000	42,282,662	41,729,424	42,622,191	40,411,744	39,936,716	39,402,154
Transfers								
Governmental Activities	1,041,754	1,073,981	2,084,161	534,752	332,842	(450,000)	(37,191)	(505,000)
Business-Type Activities	(1,041,754)	(1,073,981)	(2,084,161)	(534,752)	(332,842)	450,000	37,191	505,000
Restatements								
Governmental Activities	0	125,961	0	1,447,962	0	0	962,608	0
Business-Type Activities	0	(52,500)	0	2,928,075	0	0	0	0
Total Restatements Activities	0	73,461	0	4,376,037	0	0	962,608	0
Change in Net Assets								
Governmental Activities	6,493,815	6,342,415	5,481,092	4,144,387	(2,599,112)	(1,444,093)	1,202,933	(4,075,650)
Business-Type Activities	2,618,985	1,956,436	1,091,665	6,719,044	1,496,610	433,459	1,345,022	1,501,448
Total Primary Government Change in Net Assets	\$9,112,800	\$8,298,851	\$6,572,757	\$10,863,431	(\$1,102,502)	(\$1,010,634)	\$2,547,955	(\$2,574,202)

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

	2011	2010	2009	2008
General Fund				
Reserved	\$0	\$0	\$1,156,884	\$11,114
Unreserved	0	0	3,642,880	5,489,730
Nonspendable	631,634	647,847	0	0
Assigned	1,103,061	950,918	0	0
Unassigned	7,168,275	4,966,043	0	0
Total General Fund	8,902,970	6,564,808	4,799,764	5,500,844
All Other Governmental Funds				
Reserved	0	0	2,294,622	3,131,139
Unreserved, Undesignated (Deficit), Reported in:				
Special Revenue Funds	0	0	2,957,115	733,201
Debt Service Funds	0	0	1,282,628	343,522
Capital Projects Funds	0	0	1,467,157	4,386,784
Nonspendable	170,573	187,494	0	0
Restricted	5,865,238	7,043,077	0	0
Committed	853,414	663,681	0	0
Unassigned (Deficit)	(31,316)	(158,907)	0	0
Total All Other Governmental Funds	6,857,909	7,735,345	8,001,522	8,594,646
Total Governmental Funds	\$15,760,879	\$14,300,153	\$12,801,286	\$14,095,490

Note: During 2011, the City implemented GASB 54.

2007	2006	2005	2004	2003	2002
\$69,864	\$94,715	\$294,921	\$124,134	\$102,195	\$348,721
1,986,309	3,212,313	3,724,852	3,713,592	5,479,860	8,157,458
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>2,056,173</u>	<u>3,307,028</u>	<u>4,019,773</u>	<u>3,837,726</u>	<u>5,582,055</u>	<u>8,506,179</u>
3,823,391	3,237,102	3,771,588	6,034,201	3,832,595	4,680,406
1,773,409	2,514,850	2,489,614	1,371,018	2,159,101	3,682,507
1,698,091	685,942	1,245,313	1,519,878	1,162,940	868,636
1,906,203	4,457,614	3,283,734	2,806,361	2,196,372	(4,218,676)
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>9,201,094</u>	<u>10,895,508</u>	<u>10,790,249</u>	<u>11,731,458</u>	<u>9,351,008</u>	<u>5,012,873</u>
<u>\$11,257,267</u>	<u>\$14,202,536</u>	<u>\$14,810,022</u>	<u>\$15,569,184</u>	<u>\$14,933,063</u>	<u>\$13,519,052</u>

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

	2011	2010	2009	2008	2007
Revenues					
Property Taxes	\$12,041,503	\$12,301,006	\$13,194,723	\$13,257,834	\$13,502,272
Payments in Lieu of Taxes	328,790	341,399	308,520	340,341	368,523
Municipal Income Taxes	18,766,179	17,850,439	18,355,581	18,480,218	18,143,485
Charges for Services	4,036,644	3,578,550	3,598,946	3,033,174	3,494,517
Licenses, Permits and Fees	1,630,554	1,886,868	1,823,254	1,971,510	2,035,413
Fines and Forfeitures	1,814,547	1,690,587	1,592,897	1,710,782	1,458,771
Intergovernmental	11,984,530	14,727,449	13,197,654	11,824,139	13,239,249
Special Assessments	4,360	47,459	24,642	240,001	123,219
Interest	8,792	68,060	214,275	533,257	1,130,083
Contributions and Miscellaneous	824,613	544,005	724,928	817,733	381,542
<i>Total Revenues</i>	<u>51,440,512</u>	<u>53,035,822</u>	<u>53,035,420</u>	<u>52,208,989</u>	<u>53,877,074</u>
Expenditures					
Current:					
General Government	7,691,955	8,149,714	7,875,387	7,930,675	8,607,515
Security of Persons and Property					
Police	12,223,002	12,069,033	12,220,039	12,139,328	11,678,468
Fire	9,197,428	9,282,338	9,662,410	10,088,610	10,567,772
Public Health Services	2,268,579	2,281,603	2,428,498	3,352,685	4,089,118
Transportation	2,151,849	1,867,759	1,704,157	1,980,543	2,617,950
Community Environment	6,084,834	6,727,225	6,250,805	5,669,977	6,787,327
Basic Utilities Services	3,331,914	3,150,020	3,699,636	4,466,994	5,089,792
Leisure Time Activities	1,732,556	1,542,088	1,513,654	1,733,290	1,944,398
Capital Outlay	3,022,809	760,521	6,842,067	5,280,879	4,525,704
Debt Service:					
Principal Retirement	11,686,748	11,949,421	4,087,490	8,637,976	11,230,978
Interest and Fiscal Charges	1,734,982	1,830,823	2,085,801	2,057,441	1,924,401
Bond Issuance Costs	114,820	0	0	0	300,690
<i>Total Expenditures</i>	<u>61,241,476</u>	<u>59,610,545</u>	<u>58,369,944</u>	<u>63,338,398</u>	<u>69,364,113</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(9,800,964)</u>	<u>(6,574,723)</u>	<u>(5,334,524)</u>	<u>(11,129,409)</u>	<u>(15,487,039)</u>
Other Financing Sources (Uses)					
General Obligation Bonds Issued	10,845,268	0	0	0	10,520,000
Refunding Bonds Issued	0	0	0	0	0
General Obligation Notes Issued	1,948,000	7,771,000	7,771,000	7,771,000	5,374,000
Premium on General Obligation Bonds	62,105	0	0	0	57,987
Sale of Assets	25,308	0	0	0	0
Inception of Capital Lease	1,487,326	0	2,175,159	4,110,632	1,375,314
Current Refunding	0	0	(7,771,000)	0	0
Payment to Refunded Bond Escrow Agent	(3,048,069)	0	0	0	(4,844,725)
Transfers In	2,777,968	4,000,770	13,561,547	3,077,261	3,631,000
Transfers Out	(2,836,216)	(4,118,272)	(11,696,386)	(2,786,509)	(3,571,806)
<i>Total Other Financing Sources (Uses)</i>	<u>11,261,690</u>	<u>7,653,498</u>	<u>4,040,320</u>	<u>12,172,384</u>	<u>12,541,770</u>
<i>Restatements</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,795,248</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>\$1,460,726</u>	<u>\$1,078,775</u>	<u>(\$1,294,204)</u>	<u>\$2,838,223</u>	<u>(\$2,945,269)</u>
Debt Service as a Percentage of Noncapital Expenditures	23.9%	23.1%	11.7%	18.5%	20.7%

2006	2005	2004	2003	2002
\$12,316,987	\$12,388,236	\$12,388,112	\$10,332,736	\$11,320,813
241,589	241,480	100,617	0	0
17,080,608	17,785,152	16,842,902	16,626,831	16,615,806
3,597,914	3,479,982	3,432,921	3,776,654	2,684,835
1,930,932	1,159,966	939,434	718,147	698,661
1,535,840	1,385,746	1,478,391	1,594,776	1,235,195
13,184,935	13,989,782	12,359,013	12,180,349	12,821,281
105,230	91,836	84,302	196,560	167,359
1,479,546	830,725	396,491	483,266	839,181
752,522	510,219	402,279	408,462	1,137,725
<u>52,226,103</u>	<u>51,863,124</u>	<u>48,424,462</u>	<u>46,317,781</u>	<u>47,520,856</u>
7,261,972	7,215,127	7,601,675	8,335,408	7,132,996
			0	17,408,734
11,484,234	10,598,682	10,662,735	10,118,491	0
10,080,039	9,573,450	9,304,473	9,394,378	0
4,501,420	4,258,873	4,286,363	3,532,193	3,137,717
1,770,566	2,057,427	2,175,057	2,337,498	1,912,861
6,619,518	6,359,746	5,656,644	6,060,535	6,420,753
4,661,348	4,094,876	4,328,373	4,340,840	4,172,822
1,809,858	1,912,849	1,962,346	1,930,211	1,904,606
3,838,417	6,132,047	5,422,606	2,848,800	3,510,525
2,905,047	9,353,547	5,652,579	2,007,312	1,737,223
1,794,537	1,738,257	1,505,688	1,597,061	1,633,780
0	225,403	306,388	110,619	0
<u>56,726,956</u>	<u>63,520,284</u>	<u>58,864,927</u>	<u>52,613,346</u>	<u>48,972,017</u>
<u>(4,500,853)</u>	<u>(11,657,160)</u>	<u>(10,440,465)</u>	<u>(6,295,565)</u>	<u>(1,451,161)</u>
0	6,495,637	4,265,000	5,219,000	0
0	7,335,000	0	0	0
8,311,000	4,228,000	7,064,800	3,555,500	0
5,367	241,575	30,823	120,589	0
0	5,500	7,592	0	0
0	10,137	0	173,991	474,393
(3,973,000)	0	0	0	0
0	(7,380,660)	0	0	0
1,969,098	3,970,791	2,620,130	2,127,437	2,464,843
<u>(2,419,098)</u>	<u>(4,007,982)</u>	<u>(3,125,130)</u>	<u>(2,327,437)</u>	<u>(5,479,086)</u>
<u>3,893,367</u>	<u>10,897,998</u>	<u>10,863,215</u>	<u>8,869,080</u>	<u>(2,539,850)</u>
<u>0</u>	<u>0</u>	<u>213,371</u>	<u>(1,159,504)</u>	<u>(2,285)</u>
<u>(\$607,486)</u>	<u>(\$759,162)</u>	<u>\$636,121</u>	<u>\$1,414,011</u>	<u>(\$3,993,296)</u>
9.3%	19.0%	13.6%	7.5%	7.4%

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

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value			Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU	Estimated Actual Value	Assessed Value	Estimated Actual Value
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
2004	707,280,760	154,003,840	2,460,813,143	16,857,265	19,155,983
2003	615,802,740	144,493,370	2,172,274,600	16,001,560	18,183,591
2002	616,316,410	145,831,730	2,177,566,114	16,758,370	19,043,602

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

Tangible Personal Property		Total		Ratio	Tax Rate per \$1,000 of Assessed Value
General Business		Assessed Value	Estimated Value		
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$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
26,670,819	111,128,413	904,812,684	2,591,097,539	34.92	17.40
28,345,579	118,106,579	804,643,249	2,308,564,770	34.85	17.40
31,518,033	126,072,132	810,424,543	2,322,681,848	34.89	17.30

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

	2011	2010	2009	2008	2007
Charter Millage					
Sinking Fund	\$3.4700	\$3.4700	\$3.4700	\$3.4700	\$3.4700
1976 Charter/Current Expenses	8.6500	8.6500	8.6500	8.6500	8.6500
1976 Charter/Fire	1.6800	1.6800	1.6800	1.6800	1.6800
1976 Charter/Police	1.6000	1.6000	1.6000	1.6000	1.6000
1976 Charter/Sewer	2.0000	2.0000	2.0000	2.0000	2.0000
Total Charter Millage	<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>
Overlapping Rates by Taxing District					
Lakewood City School District					
Residential/Agricultural Real	\$56.6894	\$56.4019	\$48.8809	\$45.9650	\$45.5754
Commercial/Industrial and Public Utility Real	70.3761	69.8953	62.3184	61.3095	60.4273
General Business and Public Utility Personal	115.4000	115.4000	107.9000	107.2000	106.9000
Cuyahoga County Council (1)					
Residential/Agricultural Real	16.3035	16.3660	15.8789	15.1504	15.1210
Commercial/Industrial and Public Utility Real	15.9138	15.9620	15.5327	15.4894	14.3558
General Business and Public Utility Personal	16.4500	16.5500	16.2500	16.2500	16.3500
Special Taxing Districts (2)					
Residential/Agricultural Real	4.1938	4.1657	4.1608	3.8697	3.8656
Commercial/Industrial and Public Utility Real	4.3906	4.3529	4.3492	4.3243	4.2874
General Business and Public Utility Personal	5.3500	5.3500	5.3500	5.3500	5.3500

Source: Cuyahoga County, Ohio; County Auditor

Note:

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

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

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

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

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

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

2006	2005	2004	2003	2002
\$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	1.6100
1.6000	1.6000	1.6000	1.6000	1.5700
38.9000	2.0000	2.0000	2.0000	2.0000
<u>\$54.3000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.3000</u>

\$49.5692	\$49.5065	\$43.6947	\$47.5575	\$40.7340
65.9849	65.6697	59.6364	61.6842	54.3405
107.4000	107.4000	101.6000	100.2500	93.4500

14.1728	13.4245	13.4429	12.4609	11.3814
15.2977	14.6624	14.7364	12.8764	12.0023
16.4500	16.4500	16.4500	14.6500	14.6500

4.2827	4.2776	3.5972	2.8193	2.8193
4.7054	4.6776	4.1416	3.1081	3.0767
5.3500	5.3500	5.0500	3.8000	3.8000

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

Collection Year	Current Tax Levy (2)	Current Tax Collections (2)	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes (3)	Percentage of Delinquent Taxes To Total Tax Levy
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
2004	16,101,736	15,281,644	94.91	513,548	15,795,192	98.10	820,139	5.09
2003	14,158,214	13,011,236	91.90	415,949	13,427,185	94.84	786,456	5.55
2002	14,093,147	12,965,025	92.00	475,210	13,440,235	95.37	608,167	4.32

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.

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

<u>2011</u>		
<u>Taxpayer</u>	<u>Real Property Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Cleveland Electric Illuminating Company	\$10,521,220	1.18 %
14600 Detroit Avenue	5,057,510	0.57
Lakewood Senior Campus	3,437,960	0.38
Lakewood Senior Citizens Inc.	2,262,440	0.25
Marine Towers	2,011,980	0.22
Lakewood Ohio Wal LLC	1,942,500	0.22
Lakewood Heath Care	1,863,930	0.21
Castlewood Association	1,820,010	0.20
One Lakewood Company LLC	1,811,260	0.20
Lakewood Association L.P.	1,750,700	0.20
Total	\$32,479,510	3.63 %
Total Real Property Assessed Valuation	\$894,509,380	

<u>2002</u>		
<u>Taxpayer</u>	<u>Real Property Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Cleveland Electric Illuminating Company	\$7,248,960	0.95 %
Ohio Bell Telephone Company	5,829,610	0.76
Lakewood Operating Associates	2,309,130	0.30
Lakewood Senior Citizens, Inc.	2,231,010	0.29
Marine Towers	2,096,990	0.28
Castlewood Association	1,994,760	0.26
Fame-Midamco Company	1,720,990	0.23
Lakewood Heath Care	1,690,860	0.22
Lakewood Association L.P.	1,641,230	0.22
Lakeshore Associates	1,596,360	0.21
Total	\$28,359,900	3.72 %
Total Real Property Assessed Valuation	\$762,148,140	

Source: Cuyahoga County, Ohio; Fiscal Officer

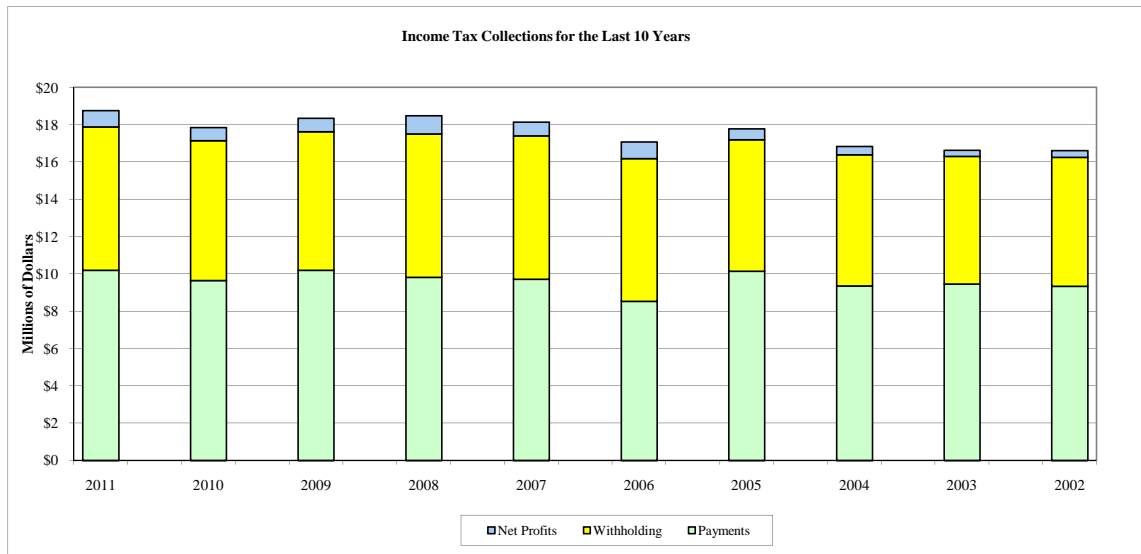
City of Lakewood, Ohio
Income Tax Revenue Base and Collections (1)
Last Ten Years

Tax Year	Tax Rate	Total Tax Collected (1)	Taxes From Individual Payments	Percentage of Taxes From Individual Payments	Taxes From Withholding	Percentage of Taxes From Withholding	Taxes From Net Profits	Percentage of Taxes From Net Profits
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
2004	1.50	16,842,902	9,351,723	55.52	7,037,400	41.78	453,779	2.69
2003	1.50	16,626,831	9,463,555	56.92	6,844,650	41.17	318,626	1.92
2002	1.50	16,615,806	9,331,022	56.16	6,925,585	41.68	359,199	2.16

(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
Ratios of Outstanding Debt by Type
Last Ten Years

Year	Governmental Activities	Business Activities	Percentage of Estimated Taxable Value of Property (1)	Per Capita (2)	Other Governmental Activities Debt			
	General Obligation Bonds	General Obligation Bonds			Special Assessment Bonds	OPWC Loans	Capital Leases	Bond Anticipation Notes
2011	\$32,266,849	\$8,224,427	1.58 %	\$618.96	\$0	\$215,600	\$6,122,214	\$1,948,000
2010	27,304,917	9,222,488	1.42	523.78	0	246,400	5,574,518	7,771,000
2009	30,278,657	10,268,175	1.58	580.82	0	277,200	6,445,401	7,771,000
2008	33,476,781	11,315,719	1.74	590.98	0	308,000	5,143,663	8,529,620
2007	36,361,438	12,317,624	1.89	641.91	0	355,416	1,379,783	5,374,000
2006	33,481,011	12,849,249	1.80	591.06	0	419,437	22,322	8,505,000
2005	36,035,423	13,701,254	1.94	636.15	30,000	483,460	47,423	4,228,000
2004	31,443,942	9,728,388	1.60	555.10	60,000	547,482	113,793	7,064,800
2003	28,975,273	10,337,311	1.53	511.51	90,000	611,504	295,761	3,555,500
2002	25,186,400	7,558,600	1.27	421.76	155,000	707,537	453,260	5,961,000

Business-Type Activities									
Year	General Obligation Bonds	Revenue Bonds	Bond Anticipation Notes	Capital Leases	OPWC/OWDA Loans	Total Debt (3)	Percentage of Personal Income (2)	Per Capita (2)	Per Capita (2)
2011	\$8,224,427	\$23,304,460	\$0	\$2,879,636	\$3,486,862	\$78,448,048	5.48 %	\$1,504.83	\$0.00
2010	9,222,488	24,610,322	0	1,224,164	3,864,982	79,818,791	6.39	1,409.08	0.00
2009	10,268,175	25,865,737	0	1,382,897	4,241,837	86,530,904	6.37	1,527.57	0.00
2008	11,315,719	27,055,258	494,380	1,535,792	4,617,473	92,476,686	6.81	1,632.54	0.00
2007	12,317,624	28,203,885	749,000	287,579	4,991,951	90,020,676	6.63	1,589.18	0.00
2006	12,849,249	29,472,065	1,408,000	0	5,365,315	91,522,399	6.74	1,615.69	0.00
2005	13,701,254	5,612,903	11,509,000	0	5,737,611	77,385,074	5.70	1,366.12	0.00
2004	9,728,388	5,482,940	6,148,500	0	6,108,983	66,698,828	4.91	1,177.47	0.00
2003	10,337,311	5,943,360	1,155,000	0	6,418,862	57,382,571	4.23	1,013.00	0.00
2002	7,558,600	6,710,000	3,945,000	19,282	6,161,367	56,857,446	4.19	1,003.73	0.00

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

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

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

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

City of Lakewood, Ohio
Legal Debt Margin
Last Ten Years

	2011	2010	2009	2008	2007
Overall Legal Debt Limit (10.5% of Assessed Valuation)	\$95,225,551	\$95,332,559	\$102,111,500	\$103,199,469	\$103,525,987
Net Debt Applicable to Debt Limit	<u>33,491,466</u>	<u>34,466,401</u>	<u>37,460,332</u>	<u>42,690,007</u>	<u>42,039,762</u>
Overall Legal Debt Margin (10.5% of Assessed Valuation)	<u>\$61,734,085</u>	<u>\$60,866,158</u>	<u>\$64,651,168</u>	<u>\$60,509,462</u>	<u>\$61,486,225</u>
Legal Debt Margin as a Percentage of Debt Limit	<u>64.83%</u>	<u>63.85%</u>	<u>63.31%</u>	<u>58.63%</u>	<u>59.39%</u>
Unvoted Legal Debt Limit (5.5% of Assessed Valuation)	\$49,880,051	\$49,936,102	\$53,486,976	\$54,056,865	\$54,227,898
Net Debt Applicable to Debt Limit	<u>33,491,466</u>	<u>34,466,401</u>	<u>37,460,332</u>	<u>42,690,007</u>	<u>42,039,762</u>
Unvoted Legal Debt Margin (5.5% of Assessed Valuation)	<u>\$16,388,585</u>	<u>\$15,469,701</u>	<u>\$16,026,644</u>	<u>\$11,366,858</u>	<u>\$12,188,136</u>
Legal Debt Margin as a Percentage of Debt Limit	<u>32.86%</u>	<u>30.98%</u>	<u>29.96%</u>	<u>21.03%</u>	<u>22.48%</u>

Legal Debt Margin Calculation for the Year Ended December 31, 2011

	Overall Margin Within 10.5%	Unvoted Margin Within 5.5%
Assessed property value	<u>\$906,910,010</u>	<u>\$906,910,010</u>
Debt Limitation (percentage of assessed property value)	\$95,225,551	\$49,880,051
Gross Indebtedness:	69,825,460	69,825,460
Less: General Obligation Bonds	(4,040,000)	(4,040,000)
General Obligation Bonds - Enterprise Funds	(8,217,886)	(8,217,886)
Revenue Bonds	(23,482,674)	(23,482,674)
Debt Service Fund	<u>(593,434)</u>	<u>(593,434)</u>
Net Debt Applicable to Debt Limit	<u>33,491,466</u>	<u>33,491,466</u>
Legal Debt Margin Within Limitations	<u>\$61,734,085</u>	<u>\$16,388,585</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.

2006	2005	2004	2003	2002
\$94,469,704	\$94,702,170	\$95,005,332	\$84,487,541	\$85,094,577
<u>41,051,785</u>	<u>48,932,958</u>	<u>41,781,567</u>	<u>38,818,600</u>	<u>37,203,200</u>
<u>\$53,417,919</u>	<u>\$45,769,212</u>	<u>\$53,223,765</u>	<u>\$45,668,941</u>	<u>\$47,891,377</u>
<u>56.55%</u>	<u>48.33%</u>	<u>56.02%</u>	<u>54.05%</u>	<u>56.28%</u>
\$49,484,131	\$49,605,898	\$49,764,698	\$44,255,379	\$44,573,350
<u>41,051,785</u>	<u>48,932,958</u>	<u>41,781,567</u>	<u>38,818,600</u>	<u>37,203,200</u>
<u>\$8,432,346</u>	<u>\$672,940</u>	<u>\$7,983,131</u>	<u>\$5,436,779</u>	<u>\$7,370,150</u>
<u>17.04%</u>	<u>1.36%</u>	<u>16.04%</u>	<u>12.29%</u>	<u>16.53%</u>

City of Lakewood, Ohio

Computation of Direct and Overlapping Debt Attributable to Governmental Activities

December 31, 2011

	<u>Debt Attributable to Governmental Activities</u>	<u>Overlapping Percentage Applicable to Lakewood (1)</u>	<u>Amount of Direct and Overlapping Debt</u>
<u>Direct:</u>			
City of Lakewood			
General Obligation Bonds	\$32,266,849	100.00 %	\$32,266,849
Notes Payable	1,948,000	100.00	1,948,000
Loans Payable	215,600	100.00	215,600
Capital Leases	<u>6,122,214</u>	100.00	<u>6,122,214</u>
Total Direct Debt	<u>40,552,663</u>		<u>40,552,663</u>
<u>Overlapping Debt:</u>			
Payable from Property Taxes			
Cuyahoga County Bonds	298,113,842	3.01	8,973,227
Regional Transit Authority Bonds	146,681,371	3.01	4,415,109
Lakewood City School District Bonds	119,469,894	100.00	119,469,894
Payable from Other Sources			
Cuyahoga County Capital Leases	20,851,000	3.01	627,615
Cuyahoga County Loans	8,310,000	3.01	250,131
Cuyahoga County Revenue Bonds	<u>166,580,000</u>	3.01	<u>5,014,058</u>
Total Overlapping Debt	<u>760,006,107</u>		<u>138,750,034</u>
Total	<u>\$800,558,770</u>		<u>\$179,302,697</u>

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 2011 collection year.

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

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Net Available Revenue:					
Gross Revenues (1)	\$10,774,944	\$10,777,249	\$10,385,783	\$10,536,724	\$11,484,184
Less: Operating Expenses (2)	<u>8,128,431</u>	<u>8,468,811</u>	<u>7,812,615</u>	<u>8,042,899</u>	<u>8,470,561</u>
Net Available Revenue	<u>\$2,646,513</u>	<u>\$2,308,438</u>	<u>\$2,573,168</u>	<u>\$2,493,825</u>	<u>\$3,013,623</u>
Debt Service OPWC Loans:					
Principal	\$313,229	\$313,229	\$313,229	\$313,230	\$313,230
OPWC Coverage	<u>8.45</u>	<u>7.37</u>	<u>8.21</u>	<u>7.96</u>	<u>9.62</u>
Debt Service - Revenue Bonds:					
Principal	954,572	919,125	868,232	837,338	876,890
Interest	538,959	575,314	608,689	650,747	598,677
Revenue Bond Coverage	<u>1.77</u>	<u>1.54</u>	<u>1.74</u>	<u>1.68</u>	<u>2.04</u>
Total Debt Service:					
Principal	1,267,801	1,232,354	1,181,461	1,150,568	1,190,120
Interest	538,959	575,314	608,689	650,747	598,677
Total Coverage	<u>1.46</u>	<u>1.28</u>	<u>1.44</u>	<u>1.38</u>	<u>1.68</u>

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

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

2006	2005	2004	2003	2002
\$8,803,103	\$8,857,697	\$8,584,588	\$8,520,217	\$8,803,266
<u>7,364,732</u>	<u>7,770,689</u>	<u>7,481,671</u>	<u>7,085,228</u>	<u>8,156,070</u>
<u>\$1,438,371</u>	<u>\$1,087,008</u>	<u>\$1,102,917</u>	<u>\$1,434,989</u>	<u>\$647,196</u>
\$313,229	\$313,229	\$301,113	\$224,310	\$239,436
<u>4.59</u>	<u>3.47</u>	<u>3.66</u>	<u>6.40</u>	<u>2.70</u>
550,998	510,000	490,000	530,000	85,000
249,923	251,585	251,785	246,383	159,957
<u>1.80</u>	<u>1.43</u>	<u>1.49</u>	<u>1.85</u>	<u>2.64</u>
864,227	823,229	791,113	754,310	324,436
249,923	251,585	251,785	246,383	159,957
<u>1.29</u>	<u>1.01</u>	<u>1.06</u>	<u>1.43</u>	<u>1.34</u>

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

	2011	2010	2009	2008	2007
Net Available Revenue:					
Gross Revenues (1)	\$6,849,662	\$6,443,136	\$5,821,972	\$6,220,187	\$7,628,335
Less: Operating Expenses (2)	3,757,052	4,207,534	4,264,238	4,720,506	5,900,144
Net Available Revenue	<u>\$3,092,610</u>	<u>\$2,235,602</u>	<u>\$1,557,734</u>	<u>\$1,499,681</u>	<u>\$1,728,191</u>
Debt Service OWDA Loans:					
Principal	\$30,405	\$29,138	\$27,925	\$26,761	\$25,647
Interest	3,053	4,861	5,533	6,696	7,811
OWDA Coverage	<u>92.43</u>	<u>65.75</u>	<u>46.56</u>	<u>44.82</u>	<u>51.65</u>
Debt Service - OPWC Loans:					
Principal	34,486	34,485	34,485	34,487	34,487
OPWC Coverage	<u>89.68</u>	<u>64.83</u>	<u>45.17</u>	<u>43.49</u>	<u>50.11</u>
Debt Service - Revenue Bonds:					
Principal	390,000	375,000	360,000	350,000	310,000
Interest	551,463	566,463	580,863	594,862	365,088
Revenue Bond Coverage	<u>3.28</u>	<u>2.37</u>	<u>1.66</u>	<u>1.59</u>	<u>2.56</u>
Total Debt Service:					
Principal	454,891	438,623	422,410	411,248	370,314
Interest	554,516	571,324	586,396	601,558	372,899
Total Coverage	<u>3.06</u>	<u>2.21</u>	<u>1.54</u>	<u>1.48</u>	<u>2.33</u>

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

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

Note: Information prior to 2003 is not available.

2006	2005	2004	2003
\$6,081,419	\$6,145,671	\$5,620,370	\$5,037,686
5,217,728	4,242,885	4,191,193	4,339,808
<u>\$863,691</u>	<u>\$1,902,786</u>	<u>\$1,429,177</u>	<u>\$697,878</u>
\$24,578	\$23,555	\$22,573	\$22,573
8,879	9,902	10,884	10,884
<u>25.81</u>	<u>56.87</u>	<u>42.72</u>	<u>20.86</u>
0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0
0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
24,578	23,555	22,573	22,573
8,879	9,902	10,884	10,884
<u>25.81</u>	<u>56.87</u>	<u>42.72</u>	<u>20.86</u>

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

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (5)</u>	<u>Personal Income Per Capita</u>	<u>Median Household Income (1)</u>	<u>Median Age (1)</u>
2011	52,131	\$1,431,100,212	27,452	\$43,154	34.9
2010	52,131	1,431,100,212	27,452	44,268	35.4
2009	56,646	1,357,351,452	23,962	40,527	34.2
2008	56,646	1,357,351,452	23,962	40,527	34.2
2007	56,646	1,357,351,452	23,962	40,527	34.2
2006	56,646	1,357,351,452	23,962	40,527	34.2
2005	56,646	1,357,351,452	23,962	40,527	34.2
2004	56,646	1,357,351,452	23,962	40,527	34.2
2003	56,646	1,357,351,452	23,962	40,527	34.2
2002	56,646	1,357,351,452	23,962	40,527	34.2

(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

<u>Educational Attainment: Bachelor's Degree or Higher (1)</u>	<u>School Enrollment (2)</u>	<u>Cuyahoga County Unemployment Rate (3)</u>	<u>Total Assessed Property Value (4)</u>
38.9%	5,667	7.1%	\$906,910,010
38.9	5,664	8.6	907,929,130
35.9	5,665	9.0	972,490,480
35.9	5,925	7.1	982,852,083
35.9	5,755	6.1	985,961,781
35.9	6,090	5.3	899,711,471
35.9	6,229	5.4	901,925,425
35.9	6,416	5.9	904,812,684
35.9	6,708	5.7	804,643,249
35.9	6,604	5.5	810,424,543

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

2011			
Employer	Nature of Activity	Employees *	Percentage of Total City Employment
Lakewood Hospital	Health Care	1,401	11.79%
Lakewood Board of Education	School District	1,055	8.88
City of Lakewood	Municipality	432	3.63
New York Life Insurance Company	Insurance Company	320	2.69
The MF Cachat Company	Special Chemical Sales	55	0.46
Graftech International Holdings	Graphite Industry	120	1.01
Ohio Bell Telephone Company	Public Utility	190	1.60
Ferry Cap & Set Screw Company	Manufacturing	120	1.01
First Federal Saving and Loan Association of Lakewood	Financial Institution	180	1.51
Riser Foods Company	Grocer	290	2.44
Total		4,163	35.02%
Total Employment within the City		11,886	

2002			
Employer	Nature of Activity	Employees **	
Lakewood Hospital	Health Care	1,418	
Lakewood Board of Education	School District	1,223	
City of Lakewood	Municipality	694	
Lake Erie Screw Corporation	Manufacturing	244	
Bonnie Bell	Manufacturing	110	
New York Life Insurance Company	Insurance Company	160	
Aristocrat Lakewood	Health Care	170	
Advanced Energy Corporation	Manufacturing	108	
First Federal Savings and Loan	Financial Institution	140	
United Transportation Union	Union	108	
Total		4,375	
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 Government Employees by Function/Program (1)
Last Eight Years (2)*

Function/Program	2011	2010	2009	2008	2007	2006	2005	2004
General Government								
Council	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00
Court	20.00	20.00	20.00	20.00	22.00	19.00	19.00	23.00
Civil Service	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Mayor's Office	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00
Human Resources	3.00	3.00	3.00	3.00	3.00	4.00	4.00	3.00
Community Relations	1.00	1.00	1.00	1.00	2.00	2.00	1.00	1.00
Finance	7.00	6.00	7.00	7.00	7.00	7.00	6.00	8.00
Income Tax	4.00	4.00	3.00	4.00	6.00	7.00	5.00	2.00
Information System	4.00	4.00	4.00	4.00	6.00	6.00	6.00	6.00
Utility Billing	3.00	2.00	2.00	4.00	4.00	5.00	5.00	5.00
Health/Vital Stats	2.00	3.00	3.00	3.00	8.00	11.00	10.00	13.00
Law	3.00	3.00	3.00	5.00	5.00	3.00	3.00	3.00
Planning and Development	5.00	6.00	6.00	5.00	3.00	3.00	3.00	2.00
Community Development	2.00	3.00	3.00	3.00	8.00	6.00	8.00	9.00
Security of Persons and Property								
Police	97.00	100.00	99.00	98.00	96.00	94.00	94.00	94.00
Police - Communications	10.00	10.00	11.00	11.00	12.00	11.00	10.00	11.00
Support of Prisoners	2.00	5.00	4.00	4.00	4.00	3.00	3.00	3.00
Fire	76.00	75.00	76.00	78.00	81.00	77.00	76.00	76.00
Emergency Medical Services	12.00	13.00	13.00	13.00	13.00	18.00	18.00	18.00
Housing and Building	13.00	15.00	16.00	14.00	19.00	22.00	21.00	19.00
Parking	2.00	2.00	3.00	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
Public Works								
Public Works Administration	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00
Parks	13.00	13.00	11.00	13.00	16.00	16.00	16.00	15.00
Buildings and Facilities	1.00	2.00	2.00	3.00	4.00	5.00	5.00	5.00
Construction	4.00	4.00	4.00	4.00	4.00	4.00	5.00	8.00
Streets	14.00	15.00	12.00	13.00	16.00	17.00	19.00	21.00
Forestry	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00
Traffic Signs	2.00	3.00	3.00	4.00	4.00	3.00	4.00	5.00
Refuse	32.00	35.00	35.00	43.00	46.00	52.00	51.00	53.00
Fleet	11.00	11.00	11.00	11.00	10.00	11.00	10.00	12.00
Communications	0.00	0.00	0.00	0.00	2.00	2.00	2.00	2.00
Water Distributions	6.00	6.00	7.00	8.00	9.00	8.00	6.00	8.00
Water Metering	6.00	6.00	6.00	6.00	6.00	6.00	6.00	7.00
Wastewater Collections	11.00	12.00	13.00	14.00	14.00	16.00	15.00	17.00
Wastewater Treatment	22.00	23.00	22.00	23.00	23.00	23.00	22.00	23.00
Engineering	3.00	4.00	4.00	4.00	6.00	6.00	5.00	5.00
Winterhurst	0.00	0.00	0.00	1.00	2.00	3.00	3.00	3.00
Human Services								
Human Services Administration	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Office on Aging IIIB	16.00	18.00	18.00	21.00	25.00	25.00	26.00	27.00
Office on Aging IIIC	0.00	0.00	0.00	0.00	7.00	7.00	7.00	7.00
Early Childhood	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00
Youth	8.00	8.00	10.00	10.00	12.00	11.00	9.00	9.00
Totals:	<u>432.00</u>	<u>452.00</u>	<u>452.00</u>	<u>475.00</u>	<u>527.00</u>	<u>536.00</u>	<u>527.00</u>	<u>548.00</u>

Source: City of Lakewood, Finance Department

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

(2) Information prior to 2004 is not available.

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

Function/Program	2011	2010	2009
General Government			
<i>Clerk of Council</i>			
Number of ordinances passed	66	107	94
Number of resolutions passed	70	76	62
<i>Civil Service</i>			
Number of police and fire entry application processed	0	0	0
<i>Finance Department</i>			
Number of checks/ vouchers issued	8,705	8,924	9,291
Interest earnings for fiscal year (cash basis)	\$11,232	\$103,993	\$292,662
<i>Income Tax</i>			
Number of Annual withholding forms processed	24,275	22,794	22,142
Number of Business net profit forms processed	2,378	2,224	2,271
Public Works			
<i>Engineering</i>			
Dollar amount of Construction overseen by Engineer	\$3,687,241	\$3,925,960	\$3,501,473
<i>Forestry</i>			
Number of trees planted	6	272	259
<i>Parking Enforcement</i>			
Number of parking tickets	3,542	12,118	11,178
<i>Refuse</i>			
Collection of resident and business garbage in tons	16,369	16,296	17,010
<i>Water</i>			
Average (MCF) of water billed monthly (in thousands)	186,536	194,311	203,999
<i>Wastewater Collection</i>			
Average (MCF) of sewer billed monthly (in thousands)	186,536	194,311	203,999
<i>Wastewater Treatment</i>			
Influent flow in millions of gallons per year	3,793	2,520	2,771
Bio-solids wet tons per year	5,240	5,580	5,002

n/a - not available

(1) Information for some years is not available

2008	2007	2006	2005	2004	2003	2002
100	95	98	126	120	90	159
101	73	102	103	124	117	100
240	0	340	n/a	n/a	n/a	n/a
11,014	9,335	7,083	6,846	7,039	7,013	7,142
\$741,464	\$1,763,496	\$2,004,475	\$908,127	\$322,705	\$420,188	\$876,738
22,709	22,919	9,727	8,931	7,546	6,871	6,490
2,195	2,065	1,405	1,072	741	845	901
\$3,443,940	\$12,590,150	\$13,859,602	\$9,173,108	\$2,874,226	\$4,386,804	\$6,509,178
206	186	296	n/a	n/a	n/a	n/a
12,004	10,287	11,868	5,251	8,455	7,983	10,731
19,990	21,026	22,137	21,868	23,971	25,506	25,208
206,902	214,515	216,729	221,803	225,509	236,812	238,768
206,902	214,515	216,729	221,803	225,509	236,812	238,768
3,324	3,101	3,228	2,947	3,441	3,064	2,929
5,101	5,348	5,643	5,209	5,311	4,638	4,972

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

Function/Program	2011	2010	2009
Security of Persons and Property			
<i>Police</i>			
Total calls for services	57,570	64,064	55,802
Number of citations issued	8,353	16,710	16,262
<i>Fire</i>			
Total calls for services-Fire	1,387	1,256	1,411
Total calls for services-EMS	5,399	5,208	5,251
Community Environment			
<i>Building Department</i>			
Estimated value of construction	\$21,012,297	\$25,472,201	\$18,660,849
Number of permits issued (all types)	2,473	2,552	2,216
Leisure Time Activities			
<i>Parks</i>			
Recreation Men's and Women's Leagues receipts	\$5,307	\$5,125	\$5,025
Recreation Youth Activities receipts	\$80,351	\$79,205	\$78,700

n/a - not available

(1) Information for some years is not available

2008	2007	2006	2005	2004	2003	2002
46,247	50,316	49,733	52,053	48,376	53,633	53,725
15,747	14,009	15,007	14,872	16,744	18,596	16,287
1,795	2,163	2,067	2,245	1,903	1,848	1,918
5,006	5,006	5,111	5,028	4,722	4,540	4,432
\$34,568,567	\$44,249,478	\$73,425,066	\$44,324,510	\$21,658,746	\$19,708,966	\$19,146,896
2,683	2,724	2,781	3,011	2,948	3,305	3,401
\$5,100	\$4,250	\$3,619	\$8,341	\$3,200	n/a	n/a
\$76,500	\$73,500	\$89,347	\$68,881	\$22,830	n/a	n/a

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

Function/Program	2011	2010	2009	2008	2007
Security of Persons and Property					
Police					
Stations	1	1	1	1	1
Vehicles	44	44	47	49	51
Fire					
Stations	3	3	3	3	3
Vehicles	17	17	17	18	17
Leisure Time Activities					
Parks					
Number of Parks	15	15	15	15	15
Number of Ice Rinks	2	2	2	2	2
Number of Skateboarding Areas	1	1	1	1	1
Number of Baseball Diamonds	5	5	5	5	5
Number of Soccer Fields	1	1	1	1	1
Transportation					
Service					
Streets (miles)	93	93	93	93	93
Street Lights	1,488	1,488	1,488	1,488	1,488
Water and Sewer					
Water Lines (miles)	112	112	112	112	112
Sanitary Sewers (miles)	75	75	75	75	75
Storm Sewers (miles)	66	66	66	66	66
Combined Sewers (miles)	25	25	25	25	25

Source: City of Lakewood

2006	2005	2004	2003	2002
1	1	1	1	1
52	50	49	n/a	n/a
3	3	3	3	3
18	18	17	n/a	n/a
15	14	14	14	14
2	2	2	2	2
0	0	0	0	0
5	5	5	5	5
1	1	1	1	1
93	93	93	93	93
1,488	1,488	1,488	1,488	1,488
112	111	111	111	111
75	75	75	75	75
66	66	66	66	66
25	25	25	25	25

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Dave Yost • Auditor of State

CITY OF LAKEWOOD

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
NOVEMBER 20, 2012