

**CITY OF LAKEWOOD  
CUYAHOGA COUNTY, OHIO**

**SINGLE AUDIT REPORT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2012**

***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, 2012 through December 31, 2012. 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

July 9, 2013

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**CITY OF LAKEWOOD, OHIO  
SINGLE AUDIT REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2012**

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

*Certified Public Accountants*

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

*Garfield Hts., Ohio 44125*

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Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

**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, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lakewood, Cuyahoga County, Ohio (the City), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City of Lakewood, Ohio's basic financial statements, and have issued our report thereon dated May 23, 2013, wherein we noted that the City adopted Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*.

**Internal Control Over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### **Compliance and Other Matters**

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

### **Purpose of This Report**

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



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

May 23, 2013



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

*Certified Public Accountants*

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

*Garfield Hts., Ohio 44125*

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

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

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

We have audited the City of Lakewood, Cuyahoga County, Ohio's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City of Lakewood, Cuyahoga County, Ohio's major federal programs for the year ended December 31, 2012. 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.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Lakewood, Ohio's compliance.

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

In our opinion, the City of Lakewood, Ohio, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2012.

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

Management of the City of Lakewood, Ohio, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Lakewood, Ohio's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Lakewood, Ohio's internal control over compliance.

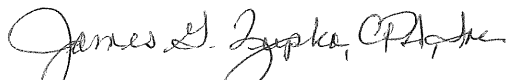
*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

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

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lakewood, Ohio, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City of Lakewood, Ohio's basic financial statements. We issued our report thereon dated May 23, 2013, which contained unmodified opinions on those financial statements. Our opinion also explained that the City of Lakewood, Ohio, adopted Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

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



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

May 23, 2013

**CITY OF LAKEWOOD  
CUYAHOGA COUNTY, OHIO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2012**

<b>Federal Grantor/ Pass-Through Grantor/ Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Entity Number</b>	<b>Expenditures</b>
<b><u>U.S. Department of Housing and Urban Development</u></b>			
<i>Direct Programs</i>			
<b><u>Community Development Block Grant Cluster</u></b>			
Community Development Block Grant	14.218	B-10-MC-39-0007	* \$ <u>1,889,131</u>
Total Community Development Block Grant Cluster			<u>1,889,131</u>
Emergency Shelter Grant	14.231	S-10-MC-39-0007	* <u>157,782</u>
ARRA - Homelessness Prevention and Rapid Re-Housing Program Grant	14.257	S-10-MY-39-0007	* <u>38,792</u>
<i>Total Direct Programs</i>			<u>2,085,705</u>
<i>Passed Through Cuyahoga County Housing Consortium</i>			
HOME Investment Partnerships Program Grant	14.239	CE-0400-354-01	* <u>406,605</u>
<i>Passed Through Ohio Department of Development</i>			
Neighborhood Stabilization Program Grant	14.228	A-Z-08-282-1	* <u>326,177</u>
<i>Total Passed Through Programs</i>			<u>732,782</u>
<b>Total U.S. Department of Housing and Urban Development</b>			<u>2,818,487</u>
<b><u>U.S. Department of Justice</u></b>			
<i>Direct Program</i>			
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Program	16.804	2010-JG-A02-T12428	<u>36,778</u>
<b>Total U. S. Department of Justice</b>			<u>36,778</u>
<b><u>U.S. Department of Energy</u></b>			
<i>Direct Program</i>			
ARRA - Energy Efficiency Block Grant	81.128	DE-SC000-2669	<u>76,017</u>
<b>Total U.S. Department of Energy</b>			<u>76,017</u>
<b><u>U.S. Department of Health and Human Services</u></b>			
<i>Passed Through Western Reserve Area Agency on Aging</i>			
Special Programs for the Aging - Title III	93.044	n/a	<u>96,866</u>
Medical Assistance Program (Passport Services)	93.778	n/a	<u>36,852</u>
<b>Total U.S. Department of Health and Human Services</b>			<u>133,718</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 3,065,000</u>

\* Includes program income.

See notes to the Schedule of Expenditures of Federal Awards.

**CITY OF LAKEWOOD  
CUYAHOGA COUNTY, OHIO  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2012**

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**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE 2: SUBRECIPIENTS**

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

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

**NOTE 3: MATCHING REQUIREMENTS**

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

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

The City has established a revolving loan program to provide low-interest loans to persons from low to moderate income households to rehabilitate their homes. The U.S. Department of Housing and Urban Development (HUD) grants monies for these loans directly to the City. The initial loan of these monies is recorded as a disbursement on the accompanying Schedule. Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as disbursements on this Schedule. These loans are collateralized by mortgages on the property. At December 31, 2012, the gross amount of loans outstanding under this program is \$1,711,891. The Emergency Shelter Grant and the Homelessness Prevention and Rapid Re-Housing Program Grant are directly received by the City. HUD's HOME Program grant is passed through the Cuyahoga County Housing Authority Consortium.

**CITY OF LAKEWOOD  
CUYAHOGA COUNTY, OHIO  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2012  
(CONTINUED)**

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

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

**NOTE 6: FOOD DISTRIBUTION**

The U.S. Department of Health and Human Services allocated \$96,866 to the City for the Congregate Meal Program and the Home Delivered Meal Program, and these funds were passed through the Western Reserve Area Agency on Aging. Meals received from the Western Reserve Area Agency on Aging are valued at \$3.55 for the Congregate Meal Program per meal served and \$3.59 for the Home Delivered Meal Program per meal served. For the year ended December 31, 2012, the City served 18,709 and 20,858 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, 2012**

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

2012(i)	Type of Financial Statement Opinion	Unmodified
2012(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2012(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2012(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2012(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2012(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
2012(v)	Type of Major Programs' Compliance Opinions	Unmodified
2012(vi)	Are there any reportable findings under .510?	No
2012(vii)	Major Programs (list):  Community Development Block Grant - CFDA #14.218 HOME Investment Partnership Program - CFDA #14.239	
2012(viii)	Dollar Threshold: A/B Programs	Type A: \$300,000 Type B: All Others
2012(ix)	Low Risk Auditee?	Yes

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

None.

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

None.

**CITY OF LAKEWOOD, OHIO**  
**STATUS OF PRIOR FINDINGS AND RECOMMENDATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

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The prior audit report, as of December 31, 2011, 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, 2012



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# CITY OF LAKEWOOD, OHIO



## COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED

DECEMBER 31, 2012

Issued by:

City of Lakewood  
Department of Finance

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

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# **INTRODUCTORY SECTION**

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**City of Lakewood, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2012*  
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*Comprehensive Annual Financial Report*  
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12650 DETROIT AVENUE • 44107 • 216/529-6092 • FAX 216/529-6806

Jennifer R. Pae  
Director of Finance

May 23, 2013

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, 2012.

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

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

The independent public accounting firm of James G. Zupka, C.P.A., Inc., has issued an unmodified opinion on the City of Lakewood’s financial statements for the year ended December 31, 2012. 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 2012 unemployment rate was 6.0 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 2013. The City benefitted from new retail and office assets that yielded job retention and expansion in 2012 that will carry forward into 2013. The City's largest employers continue to remain steady and show modest job growth. Since most of the City's homeowners work outside the City, the regional economy has the largest impact on household income.

## **Retail**

The City's retail occupancy increased in 2012 for the fifth year in a row, in stark contrast to regional and national trends with Detroit Avenue holding occupancy at more than 90 percent. The City's population density and lower rents provided a value option for retail growth in addition to the readily available service retail workforce. As Detroit Avenue continues to see new investors and expansion of existing businesses, the City expects that retail occupancy will continue to trend upward in 2013.

The City continues to invest strategically in small business via storefront renovation grants and in 2012 proactively worked with a wider range of business owners to provide design assistance to improve appearance and quality of renovations.

## **Commercial Office**

The City's commercial office sector filled in 2012 more rapidly due major building renovations that took place in 2011. The INA and Bailey Buildings continue to attract tenants and is currently at 90percent occupancy. Lakewood Center North, the City's largest office building, saw significant vacancy in recent years due to its unstable ownership status. At the end of 2012, Kowit and Passov acquired the building and will begin renovating office space.

## **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. In 2012 two major fitness tenants, Crossfit Birdtown and the Wrestling Factory, took over significant spaces. Omni, the building owners, have been creative in developing flexible space for a variety of tenants and are filling the building by becoming Lakewood's most diverse mixed use location.

## **Residential**

The City launched its new housing strategy in 2012 called Housing Forward. The strategy is a combination of proactive, focused code enforcement and coordinated outreach and education efforts to assist homeowners. As a basis for Housing Forward, the City completed a citywide housing survey that evaluated and ranked the exterior condition of the community's 13,000 single and two-family homes. As a result of the survey, approximately 1,700 homes were identified as having significant repair need. Through code enforcement, outreach and collaboration with local non-profits, the City was able to motivate improvement to 50 percent of these problem properties. The same strategy is being applied in 2013 with a goal of reducing the remaining challenged properties by 75 percent.

In 2012, the City continued with the acquisition and rehabilitate of single family homes via federally funded programs. Last year, Community Development competed for additional grant dollars and was awarded \$250,000 in Neighborhood Stabilization Funds to expand the rehabilitation program. Additionally, the City partnered with Habitat for Humanity to construct two new single family homes on sites that were formerly occupied by blighted structures.

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 2012.

## **Major Initiatives**

In late 2011, the City of Lakewood Administration developed the following Government Objectives that were be used as the guideline for initiatives and improvements within City Hall and throughout the community during 2012. The following lists the objectives and accomplishments during 2012.

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.
    - Maintained full public safety staff levels 94 Police Officers, 87 Fire Fighter/EMT
  - b. Use technology to create focus and alignment of City resources, such as SharePoint and GIS.
    - Installed internal Web platform (SharePoint) to improve information shagging, searching, data collection, and internal collaboration.
  - 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.
    - Launched two LEAN teams focusing on Building & Housing Code Violations and the functions of the Division of Aging.
  - 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.
    - Installed upgraded Accounts Receivable modules to improve collections, and entered into a contract with the Ohio Attorney General's Office to pursue delinquent EMS and prisoner bills.
  
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.
    - Installed Microsoft SharePoint internal web platform to capture, search and share information
  
4. Strengthen our housing stock.
  - a. Escalate proactive code enforcement.
  - b. Utilize housing survey results to create focus and compliance.
    - Targeted 15percent of housing stock (1,700 houses) identified as having multiple exterior violations (85percent of houses in good to excellent condition)
  - 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.
    - Worked through major investments of several demolition /rebuilt on Detroit Ave.
  
6. Aggressively protect our citizens and their property.
  - a. Maintain appropriate public safety manpower levels.
    - Maintained full roster of Police/Fire/EMS despite financial pressures to reduce costs
  - b. Focus on criminal and property nuisance behaviors.
  - c. Leverage technology to improve effectiveness.
    - Video surveillance in public spaces.
    - 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.
    - Continued monthly Listen to Lakewood sessions
  - b. Promote and develop healthier and more sustainable community initiatives.
    - Conducted Human Services Summit with 35 government and nonprofit service providers to gain strategic focus and identify trends, and government's role.
  
8. Address regulatory compliance deadlines imposed by Federal Agencies.
  - a. EPA: Storm water runoff compliance.
    - Continued storm water volume analysis, sewer separation projects, and EPA audit
  - b. FCC: Public safety narrow band radio compliance.
    - Installed new narrowband 800Mhz communications, including state of art dispatch technology
  
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.
    - Worked with Hospital Trustees to identify appropriate strategic steps in anticipation of lease expiration in 2027.

### **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:** Once again, Scene Magazine named Lakewood as the Best Suburb in their Best of Cleveland 2012 article. "Nowhere in Northeast Ohio do so many cultures mesh so harmoniously as they do in Lakewood, Cleveland's suburban sister to the west. 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 place to call home thanks to its bountiful and hardy old homes, for its overachieving schools, its bucolic parks, and its pervasive sense of neighborhood pride and unity. It's why citizens young and old settle into Lakewood like a comfy chair," states Scene Magazine.

**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, 2012. This was the 31<sup>st</sup> consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

On behalf of the City, we want to personally thank our auditors from the firm of James G. Zupka, CPA, Inc. We would also like to thank the auditor's staff for their efforts and professional conduct throughout the audit engagement.

Respectfully submitted,



Michael P. Summers  
Mayor



Jennifer R. Pae  
Director of Finance

# 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, 2011

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.



*Christopher P. Moynell*

President

*Jeffrey R. Emer*

Executive Director

**City of Lakewood, Ohio**  
*Elected Officials*  
*December 31, 2012*

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**

*Appointed Officials*

*December 31, 2012*

**Office of Council**

Clerk of Council..... Mary Hagan

**Municipal Court**

Clerk of Court ..... Terri O'Neill

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

**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

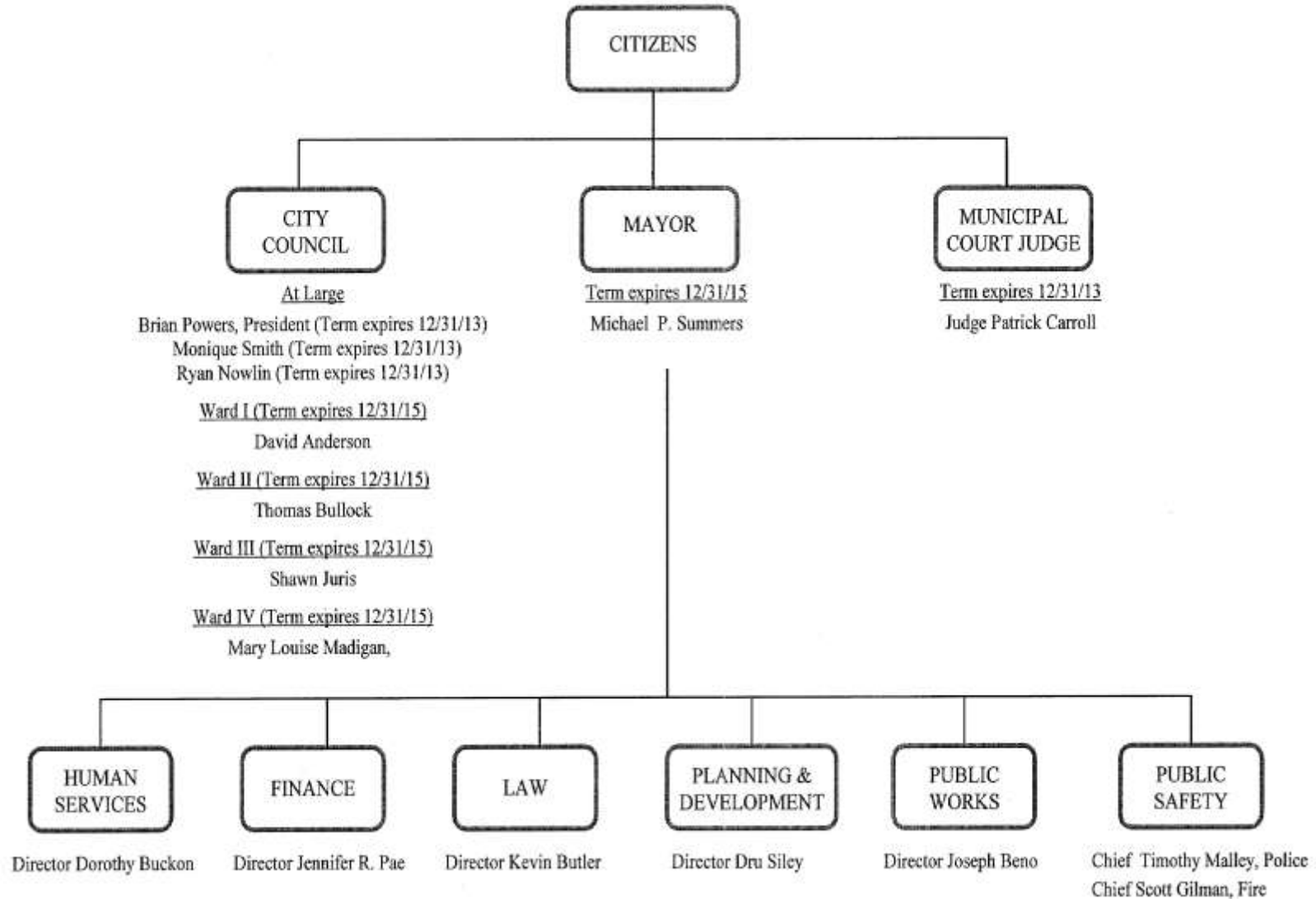
**Department of Human Services**

Director of Human Services..... Dorothy Buckon

**Department of Planning and Community Development**

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

**City of Lakewood, Ohio**  
*Organizational Chart*  
 December 31, 2012



# **FINANCIAL SECTION**

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

*Certified Public Accountants*

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

*Garfield Hts., Ohio 44125*

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT**

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

The Honorable David Yost  
Auditor of State  
State of Ohio

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lakewood, Cuyahoga County, Ohio (the City), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## ***Opinion***

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, 2012, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, the Police and Fire Pension Fund, and the Community Development Block Grant Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Emphasis of Matter***

As described in Note 3 to the financial statements, during 2012 the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

## ***Other Matters***

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Lakewood, Ohio's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 23, 2013, on our consideration of the City of Lakewood, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Lakewood, Ohio's internal control over financial reporting and compliance.



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

May 23, 2013

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**City of Lakewood, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2012*  
*Unaudited*

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The discussion and analysis of the City of Lakewood's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2012. 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 2012 are as follows:

- Overall, governmental activities revenues of \$52,475,691 exceeded the expenses which came in at \$46,929,438 resulting in an increase in net position by \$6,728,803 for the year 2012. The total governmental activities' net position was \$58,604,857 compared to \$51,876,054 in the previous year.
- Overall, business-type activities revenues of \$21,944,834 exceeded the expenses which came in at \$16,876,881 resulting in an increase in net position by \$3,885,403 for the year 2012. The total business-type activities' net position was \$59,707,227 compared to \$55,821,824 in the previous year.
- The City issued bond anticipation notes and bonds during 2012 to refund the various improvement 2003 bonds (governmental and business-type activities), rollover of bond anticipation notes, and additional resources for roadway improvements to ten streets, traffic signalization upgrades on Detroit Avenue, City Hall roof replacement and refuse facility repairs.
- The City is committed to providing the Citizens of Lakewood with the highest quality of services while maintaining efficiency and cost effectiveness. The City actively pursues grants to offset costs of providing services and to offer new programs.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector businesses. The Statement of Net Position and Statement of Activities provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those assets.

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

**City of Lakewood, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2012*  
*Unaudited*

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The Statement of Net Position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual being reported as net position. Over time, increases or decreases in net position serve as useful indicators of whether the financial position of the City is improving or deteriorating.

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

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

The government-wide financial statements can be found starting on page 19 of this report.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

**City of Lakewood, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2012*  
*Unaudited*

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

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer funds, both of which are considered to be major funds of the City. Data from the other two non-major enterprise funds are combined into a single fund, aggregated presentation. Individual fund data for each of these non-major proprietary funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 29-32 of this report.

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

The basic fiduciary fund financial statement can be found on page 33 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 34-78 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain other information that the City believes readers will find useful. After the notes to the financial statements, the combining statements referred to earlier in connection with non-major governmental and proprietary funds are presented, as well as individual detailed budgetary comparisons for non-major funds. This information can be found on pages 79-154 of the report.

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

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question "How did we do financially during 2012?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by the private sector. The basis of this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

**City of Lakewood, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2012*  
*Unaudited*

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

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

**The City of Lakewood as a Whole**

Recall that the Statement of Net Position looks at the City as a whole. The following provides a summary of the City's net position for 2012 compared to 2011.

	Governmental Activities		Business-Type Activities		Total	
	2012	2011*	2012	2011	2012	2011*
<b>ASSETS</b>						
Current and other assets	\$48,624,829	\$45,554,126	\$15,848,340	\$15,574,336	\$64,473,169	\$61,128,462
Capital assets, net	70,549,959	68,643,190	82,455,262	81,715,024	153,005,221	150,358,214
<b>Total Assets</b>	<b>119,174,788</b>	<b>114,197,316</b>	<b>98,303,602</b>	<b>97,289,360</b>	<b>217,478,390</b>	<b>211,486,676</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferral on Refunding	421,222	504,183	62,778	80,478	484,000	584,661
<b>LIABILITIES</b>						
Current and other liabilities	3,522,647	3,133,592	1,551,840	1,589,956	5,074,487	4,723,548
Long-term liabilities:						
Due within one year	9,597,216	6,404,596	2,336,506	2,572,309	11,933,722	8,976,905
Due in more than one year	36,309,284	41,193,625	33,336,924	35,661,579	69,646,208	76,855,204
<b>Total Liabilities</b>	<b>49,429,147</b>	<b>50,731,813</b>	<b>37,225,270</b>	<b>39,823,844</b>	<b>86,654,417</b>	<b>90,555,657</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Property Taxes	11,039,908	11,715,428	1,433,883	1,724,170	12,473,791	13,439,598
Payments in Lieu of Taxes	522,098	378,204	0	0	522,098	378,204
<b>Total Deferred Inflows of Resources</b>	<b>11,562,006</b>	<b>12,093,632</b>	<b>1,433,883</b>	<b>1,724,170</b>	<b>12,995,889</b>	<b>13,817,802</b>
<b>NET POSITION</b>						
Net Investment in						
Capital Assets	35,009,349	32,219,436	47,805,599	43,819,639	82,814,948	76,039,075
Restricted	7,843,281	6,747,664	1,172,216	1,285,521	9,015,497	8,033,185
Unrestricted	15,752,227	12,908,954	10,729,412	10,716,664	26,481,639	23,625,618
<b>Total Net Position</b>	<b>\$58,604,857</b>	<b>\$51,876,054</b>	<b>\$59,707,227</b>	<b>\$55,821,824</b>	<b>\$118,312,084</b>	<b>\$107,697,878</b>

\* - Restated



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As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$118,312,084 at the close of 2012.

The largest portion of the City's total net position (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 along with any related deferred outflows/inflows of resources. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Total assets increased by \$5,991,714 from 2011 to 2012, while the City's total liabilities decreased by \$3,901,240. Total net position increased \$10,614,206 with governmental activities comprising \$6,728,803 and business-type activities comprising \$3,885,403 of that amount.

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

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
<b>REVENUES</b>						
Program Revenues:						
Charges for services	\$7,809,647	\$7,486,105	\$19,466,653	\$18,057,084	\$27,276,300	\$25,543,189
Operating grants and contributions	4,875,099	6,331,323	0	246,194	4,875,099	6,577,517
Capital grants and contributions	215,246	0	566,385	106,096	781,631	106,096
<b>Total Program Revenues</b>	<b>12,899,992</b>	<b>13,817,428</b>	<b>20,033,038</b>	<b>18,409,374</b>	<b>32,933,030</b>	<b>32,226,802</b>
General Revenues:						
Property taxes	12,150,476	11,974,497	1,581,775	1,556,497	13,732,251	13,530,994
Municipal income taxes	20,628,523	19,474,728	0	0	20,628,523	19,474,728
Payments in lieu of taxes	401,767	355,641	0	0	401,767	355,641
Grants and entitlements	5,646,551	5,997,696	229,477	0	5,876,028	5,997,696
Investment income	6,758	8,792	2,029	2,474	8,787	11,266
Sale of Capital Assets	0	25,308	0	0	0	25,308
All other revenues	741,624	713,582	98,515	162,210	840,139	875,792
<b>Total General Revenues</b>	<b>39,575,699</b>	<b>38,550,244</b>	<b>1,911,796</b>	<b>1,721,181</b>	<b>41,487,495</b>	<b>40,271,425</b>
<b>Total Revenues</b>	<b>52,475,691</b>	<b>52,367,672</b>	<b>21,944,834</b>	<b>20,130,555</b>	<b>74,420,525</b>	<b>72,498,227</b>
<b>EXPENSES</b>						
Program Expenses:						
Security of persons and property:						
Police and Others	11,844,579	11,617,633	0	0	11,844,579	11,617,633
Fire	9,936,091	9,426,271	0	0	9,936,091	9,426,271
Public health services	1,940,130	2,136,807	0	0	1,940,130	2,136,807
Leisure time activities	1,786,849	3,222,378	0	0	1,786,849	3,222,378
Community environment	4,773,590	5,804,830	0	0	4,773,590	5,804,830
Basic utility services	3,274,630	3,393,665	0	0	3,274,630	3,393,665
Transportation	2,536,751	1,948,825	0	0	2,536,751	1,948,825
General government	9,204,662	7,529,571	0	0	9,204,662	7,529,571
Interest and fiscal charges	1,632,156	1,835,631	0	0	1,632,156	1,835,631
Water	0	0	10,283,462	9,652,083	10,283,462	9,652,083
Sewer	0	0	5,674,713	5,896,702	5,674,713	5,896,702
Parking Facilities	0	0	392,765	349,501	392,765	349,501
Winterhurst Ice Rink	0	0	525,941	571,530	525,941	571,530
<b>Total Expenses</b>	<b>46,929,438</b>	<b>46,915,611</b>	<b>16,876,881</b>	<b>16,469,816</b>	<b>63,806,319</b>	<b>63,385,427</b>
Change in Net Assets before Transfers	5,546,253	5,452,061	5,067,953	3,660,739	10,614,206	9,112,800
Transfers	1,182,550	1,041,754	(1,182,550)	(1,041,754)	0	0
Change in Net Position	6,728,803	6,493,815	3,885,403	2,618,985	10,614,206	9,112,800
Net Position - Beginning of Year, Restated	51,876,054	45,382,239	55,821,824	53,202,839	107,697,878	98,585,078
<b>Net Position - End of Year</b>	<b>\$58,604,857</b>	<b>\$51,876,054</b>	<b>\$59,707,227</b>	<b>\$55,821,824</b>	<b>\$118,312,084</b>	<b>\$107,697,878</b>

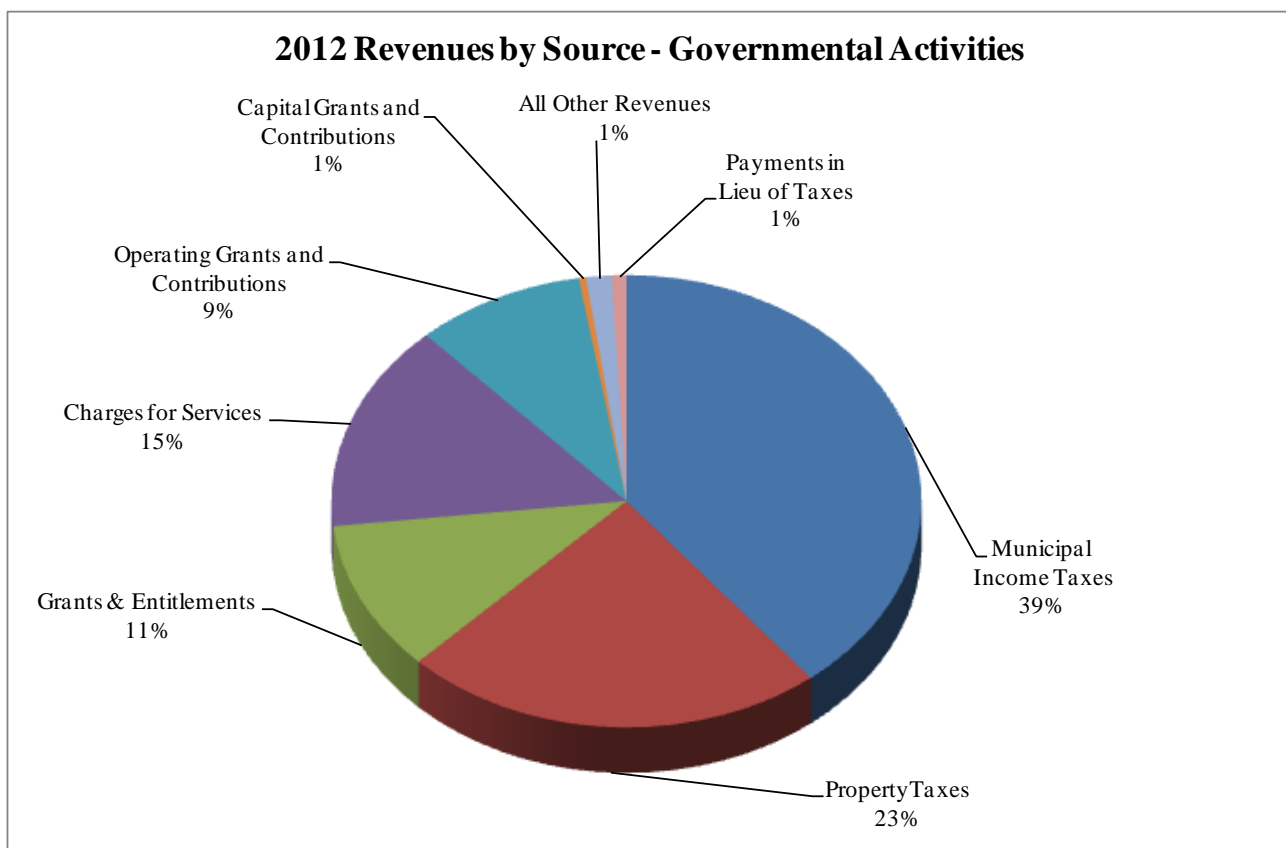
**Governmental Activities**

Several types of revenues fund the City's governmental activities, with the City's municipal income tax being the biggest contributor. The income tax rate was 1.5 percent in 2012. Both residents and non-residents who work inside the City are subject to the income tax.

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However, residents of the City are granted a credit for income taxes paid to other municipalities to a maximum of one-half of one percent of income earned outside the City. The income tax revenue for 2012 was \$20,628,523. Of the \$52,475,691 in total governmental revenues, income tax accounts for 39 percent of that total. Property taxes and payment in lieu of taxes of \$12,552,243 account for 24 percent of total revenues. Operating grants and contributions, and general revenues from grants and entitlements account for 20 percent of total revenues, and charges for services, capital grants and contributions, investment income and other revenue make up the remaining 17 percent.

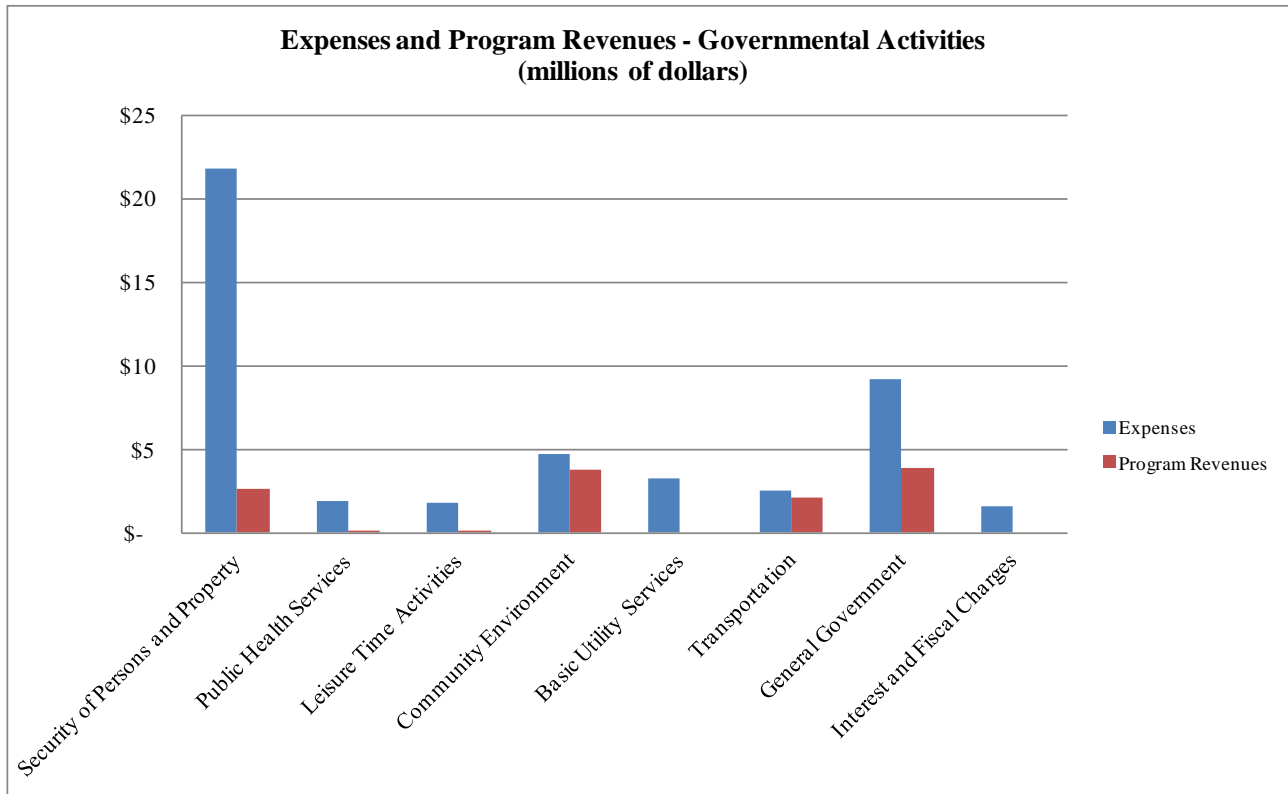
General revenues from grants and entitlements, such as local government funds, are also revenue generators. The City monitors its sources of revenues very closely for fluctuations, especially income tax.



During the year the City realized a change in several revenue sources. Municipal income tax experienced the largest increase of \$1,153,795, which was due to increases from individual taxpayers. Governmental operating grants and contributions experienced the largest decrease of \$1,456,224, which was due to decreased collections of grants and entitlements, which was due to monies received from the American Recovery and Reinvestment Act (ARRA) that were received during 2011. Property taxes experienced a slight increase of \$175,979 due to the collection of delinquent property taxes.

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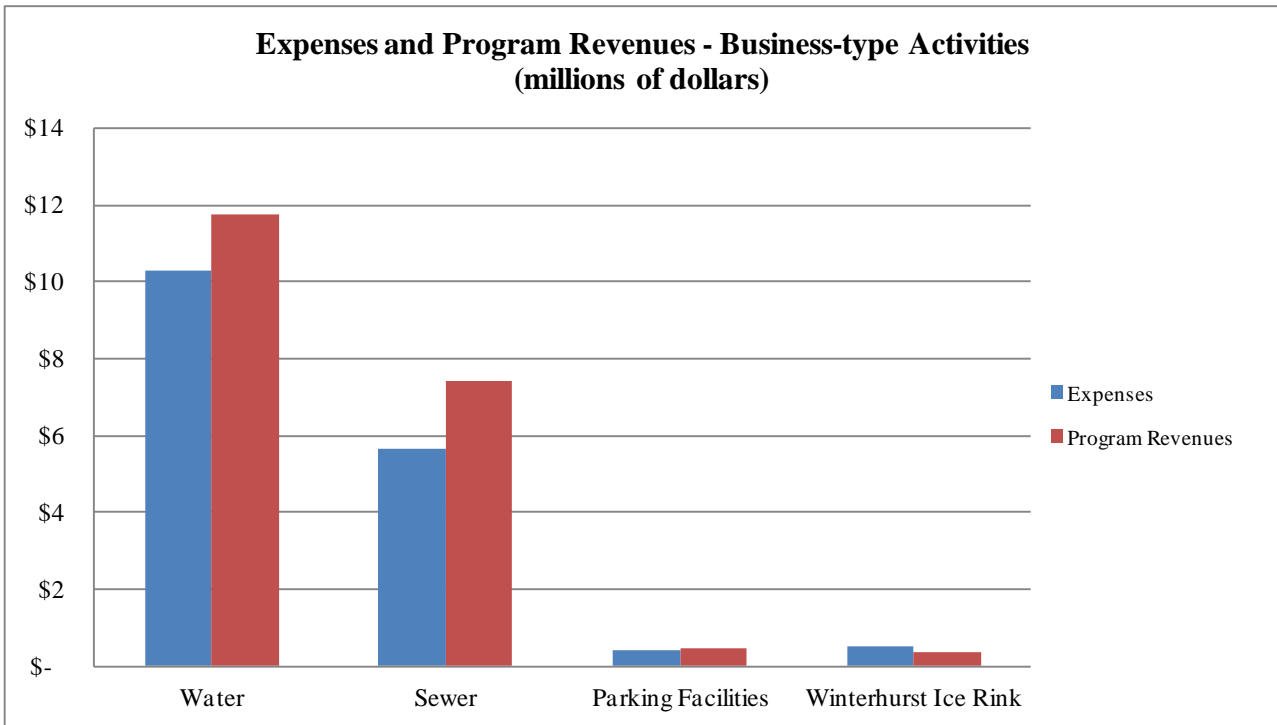
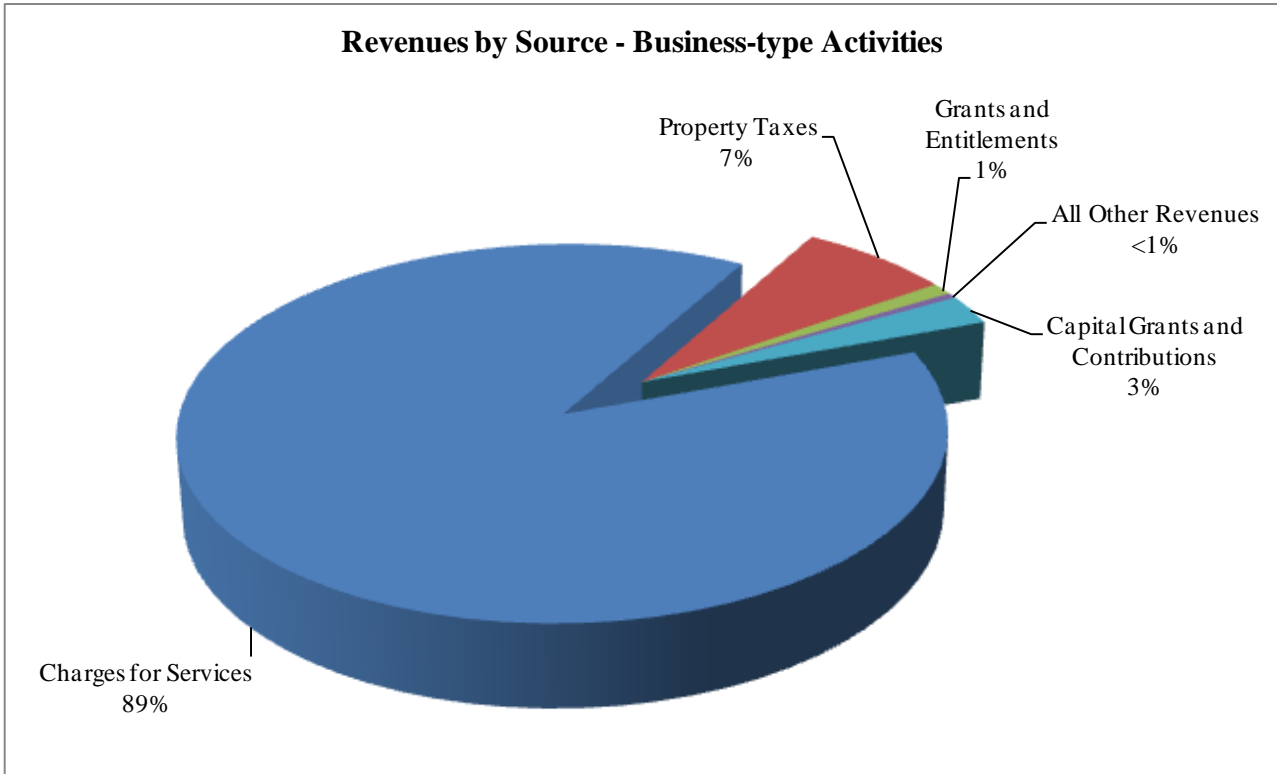
Total expenses of governmental activities for 2012 were \$46,929,438. The largest program function for the City relates to Security of Persons and Property, which includes the Police and Fire departments. Total Security of Persons and Property accounted for program expenses of \$21,780,670, which is 46 percent of the program expenses for governmental activities. General Government is the next largest program expense at 20 percent, followed by Community Environment expenses of 10 percent.



**Business-Type Activities**

Business-type activities increased the City's net position by \$3,885,403. 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 \$16,876,881, with the Water Department comprising 61 percent of that amount followed by the Sewer Department at 34 percent.

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

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

***Governmental Funds***

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance serves as a useful measure of a government's net resource available for spending at the end of the fiscal year. Information about the City's governmental funds begins on page 22. These funds are accounted for using the modified accrual basis of accounting.

As of December 31, 2012, the City's governmental funds reported combined ending fund balances of \$16,712,575 a \$951,696 increase from 2011. Of that amount, \$7,019,495 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 \$35,883,596 and expenditures of \$34,548,251(not including other financing sources and uses) leaving an increase in fund balance after other financing sources and uses of \$788,316. This increase is primarily due to lower expenditures as the result of cost cutting measures implemented coupled with the City's efforts to maintain expenditures below revenues.

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 \$7,101,028, while the total fund balance reached \$9,691,286. 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 28 percent of that same amount.

The Police and Fire Pension Fund had total revenues of \$2,944,753 and expenditures of \$2,670,596 with a net change in fund balance after other financing sources and uses of (\$182,227). The decrease is due to other financing uses caused total expenditures to exceed total revenues for the year.

The Community Development Block Grant Fund had total revenues of \$1,741,756 and expenditures of \$1,719,152 with a net change in fund balance of \$22,604. The slight increase was due to the City spending less as a result of decreased grant revenues.

The Debt Service Fund had total revenues of \$3,231,594, expenditures of \$10,884,665, and a positive fund balance after other financing sources and uses of \$5,593. The fund balance's slight increase was due to the City's efforts to reduce debt service expenditures through refunding of prior bond issues. The Debt Service Fund pays for the principal and interest payments on the City's general long-term debt.

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***Proprietary Funds***

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of all enterprise funds at the end of the year amounted to \$10,729,412. 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 2012, the City amended its General Fund budget on various occasions. All recommendations for budget changes come to the Finance Committee of City Council for review before going to the whole Council for Ordinance enactment on the change. The legal level of budgetary control is at the object level (i.e. personnel costs). Adjustments to the budget can only be made within a department and then within each category. The General Fund supports many of our major activities such as the Police, Fire and Refuse departments, as well as most legislative and executive activities. The General Fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

For the General Fund, original and final budgeted revenues were \$34,148,934. Actual revenues were \$36,432,060. The main differences between budgeted and actual revenues are property taxes, income tax revenues, intergovernmental revenue, and charges for services. Due to economic factors during the year, property taxes, income taxes, intergovernmental revenues and fines and forfeitures increased in 2012. Original General Fund budgeted expenditures were \$33,944,201 and the final amended budget was \$37,153,701. Actual General Fund expenditures were \$36,864,901 or \$288,800 less than budgeted due to operating expenditures less than estimated in all programs of the General Fund. The City's ending unencumbered cash balance in the General Fund of \$4,992,651 was \$2,571,926 above the final budgeted amount of \$2,420,725.

**Capital Assets and Debt Administration**

**Capital Assets** - The City's investment in capital assets for governmental and business-type activities as of December 31, 2012, amounts to \$153,005,221 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, land improvements, furniture and equipment, vehicles, roads, traffic signals, sidewalks, curbing, water lines, and sewer lines.

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	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Land	\$6,139,702	\$6,139,702	\$78,140	\$78,140	\$6,217,842	\$6,217,842
Construction in progress	2,402,934	3,019,337	2,543,140	1,487,352	4,946,074	4,506,689
<b>Total Non-Depreciable</b>	<b>8,542,636</b>	<b>9,159,039</b>	<b>2,621,280</b>	<b>1,565,492</b>	<b>11,163,916</b>	<b>10,724,531</b>
Land improvements	2,370,201	2,442,122	876,488	1,407,961	3,246,689	3,850,083
Buildings and improvements	10,699,729	10,645,439	12,301,827	11,820,827	23,001,556	22,466,266
Furniture and equipment	1,886,854	1,872,598	3,674,117	3,876,925	5,560,971	5,749,523
Vehicles	7,115,179	6,683,089	1,721,108	1,232,722	8,836,287	7,915,811
Infrastructure:						
Roads	34,170,267	33,139,948	0	0	34,170,267	33,139,948
Traffic Signals	2,578,372	1,657,419	0	0	2,578,372	1,657,419
Sidewalks	2,268,366	2,112,223	0	0	2,268,366	2,112,223
Curbing	918,355	931,313	0	0	918,355	931,313
Water Lines	0	0	38,261,304	38,324,049	38,261,304	38,324,049
Sewer Lines	0	0	22,999,138	23,487,048	22,999,138	23,487,048
<b>Total Depreciable, Net of Depreciation</b>	<b>62,007,323</b>	<b>59,484,151</b>	<b>79,833,982</b>	<b>80,149,532</b>	<b>141,841,305</b>	<b>139,633,683</b>
<b>Total Capital Assets, Net of Depreciation</b>	<b>\$70,549,959</b>	<b>\$68,643,190</b>	<b>\$82,455,262</b>	<b>\$81,715,024</b>	<b>\$153,005,221</b>	<b>\$150,358,214</b>

The total increase in the City's capital assets for the current fiscal year was \$2,647,007, a \$1,906,769 increase for governmental activities and a \$740,238 increase for business-type activities. The most significant increase in capital assets came in the infrastructure of road and traffic signals in the governmental activities. The most significant increase in capital assets came in construction in progress in the business-type activities.

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

**Debt** – As of December 31, 2012, the City had \$75,331,345 in bonds, notes, loans, and capital leases outstanding. Of this amount, \$9,603,388 is due within one year.

	Governmental Activities		Business-Type Activities		Total	
	2012	2011*	2012	2011*	2012	2011*
General Obligation Notes	\$3,956,143	\$1,948,000	\$0	\$0	\$3,956,143	\$1,948,000
General Obligation Bonds	29,866,203	32,771,032	7,216,092	8,304,905	37,082,295	41,075,937
Revenue Bonds	0	0	22,443,126	23,304,460	22,443,126	23,304,460
OPWC Loan	184,800	215,600	3,091,039	3,438,754	3,275,839	3,654,354
OWDA Loans	0	0	16,382	48,108	16,382	48,108
Capital Leases	6,015,960	6,122,214	2,541,600	2,879,636	8,557,560	9,001,850
<b>Total Outstanding Debt</b>	<b>\$40,023,106</b>	<b>\$41,056,846</b>	<b>\$35,308,239</b>	<b>\$37,975,863</b>	<b>\$75,331,345</b>	<b>\$79,032,709</b>

\* - Restated

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

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



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

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

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

The City's overall legal debt margin was \$60,754,401 at December 31, 2012.

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 over 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. It will be reviewed and updated as needed during 2013.

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 31 years.

**Contacting the City's Finance Department**

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

## **Basic Financial Statements**

**City of Lakewood, Ohio**  
*Statement of Net Position*  
For the Year Ended December 31, 2012

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Equity in Pooled Cash and Cash Equivalents	\$15,691,503	\$8,877,854	\$24,569,357
Cash and Cash Equivalents:			
In Segregated Accounts	406,471	65,142	471,613
With Fiscal Agents	217,278	595,798	813,076
Held by Trustee	0	1,172,216	1,172,216
Materials and Supplies Inventory	596,300	395,764	992,064
Accounts Receivable	881,681	3,446,749	4,328,430
Less: Allowance for Doubtful Accounts	0	(70,287)	(70,287)
Intergovernmental Receivable	3,667,273	103,375	3,770,648
Internal Balances	253,916	(253,916)	0
Prepaid Items	250,970	0	250,970
Municipal Income Taxes Receivable	12,272,712	0	12,272,712
Property Taxes Receivable	11,664,874	1,515,645	13,180,519
Special Assessments Receivable	69,240	0	69,240
Payments in Lieu of Taxes Receivable	594,456	0	594,456
Loans Receivable	1,711,890	0	1,711,890
Assets Held for Resale	346,265	0	346,265
Nondepreciable Capital Assets	8,542,636	2,621,280	11,163,916
Depreciable Capital Assets	62,007,323	79,833,982	141,841,305
<b>Total Assets</b>	<b>119,174,788</b>	<b>98,303,602</b>	<b>217,478,390</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferral on Refunding	421,222	62,778	484,000
<b>Total Deferred Outflows of Resources</b>	<b>421,222</b>	<b>62,778</b>	<b>484,000</b>
<b>LIABILITIES</b>			
Accounts Payable	1,170,011	1,182,206	2,352,217
Accrued Wages and Benefits	1,043,216	116,158	1,159,374
Intergovernmental Payable	1,075,887	49,650	1,125,537
Matured Compensated Absences Payable	48,195	17,979	66,174
Accrued Interest Payable	160,016	120,705	280,721
Retainage Payable	25,322	65,142	90,464
Long-term Liabilities:			
Due within one year	9,597,216	2,336,506	11,933,722
Due in more than one year	36,309,284	33,336,924	69,646,208
<b>Total Liabilities</b>	<b>49,429,147</b>	<b>37,225,270</b>	<b>86,654,417</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	11,039,908	1,433,883	12,473,791
Payments in Lieu of Taxes	522,098	0	522,098
<b>Total Deferred Inflows of Resources</b>	<b>11,562,006</b>	<b>1,433,883</b>	<b>12,995,889</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	35,009,349	47,805,599	82,814,948
Restricted for:			
Capital Projects	969,500	0	969,500
Debt Service	975,150	976,717	1,951,867
Replacement and Improvement	0	195,499	195,499
Streets and Highways	1,177,196	0	1,177,196
Community Development	2,083,696	0	2,083,696
Indigent Drivers Alcohol Treatment	161,168	0	161,168
Other Purposes	2,476,571	0	2,476,571
Unrestricted	15,752,227	10,729,412	26,481,639
<b>Total Net Position</b>	<b>\$58,604,857</b>	<b>\$59,707,227</b>	<b>\$118,312,084</b>

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

**City of Lakewood, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2012

	<b>Program Revenues</b>			
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Primary Government:</b>				
<b>Governmental activities:</b>				
Security of Persons and Property:				
Police and Others	\$11,844,579	\$233,865	\$30,417	\$0
Fire	9,936,091	2,346,537	0	91,166
Public Health Services	1,940,130	103,489	46,779	0
Leisure Time Activities	1,786,849	0	99,639	0
Community Environment	4,773,590	972,416	2,824,142	48,690
Basic Utility Services	3,274,630	0	0	0
Transportation	2,536,751	219,863	1,874,122	75,390
General Government	9,204,662	3,933,477	0	0
Interest and Fiscal Charges	1,632,156	0	0	0
<b>Total Governmental activities</b>	<b>46,929,438</b>	<b>7,809,647</b>	<b>4,875,099</b>	<b>215,246</b>
<b>Business-type activities:</b>				
Water	10,283,462	11,209,329	0	566,385
Sewer	5,674,713	7,422,740	0	0
Parking Facilities	392,765	462,300	0	0
Winterhurst Ice Rink	525,941	372,284	0	0
<b>Total Business-type activities</b>	<b>16,876,881</b>	<b>19,466,653</b>	<b>0</b>	<b>566,385</b>
<b>Total Primary Government</b>	<b>\$63,806,319</b>	<b>\$27,276,300</b>	<b>\$4,875,099</b>	<b>\$781,631</b>

**General Revenues:**

Property Taxes levied for:

    General Purposes

    Debt Service Purpose

    Police and Fire Pension

    Sewer

Municipal Income Taxes levied for:

    General Purposes

Payments in Lieu of Taxes

Grants & Entitlements not restricted to specific programs

Investment Income

Gain on Sale of Assets

All Other Revenues

Transfers

    Total General Revenues

Change in Net Position

Net Position - Beginning of Year, Restated

**Net Position - End of Year**

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

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<b>Net (Expense) Revenue and Changes in Net Position</b>		
<b>Governmental</b>	<b>Business-type</b>	
<b>Activities</b>	<b>Activities</b>	<b>Total</b>
(\$11,580,297)	\$0	(\$11,580,297)
(7,498,388)	0	(7,498,388)
(1,789,862)	0	(1,789,862)
(1,687,210)	0	(1,687,210)
(928,342)	0	(928,342)
(3,274,630)	0	(3,274,630)
(367,376)	0	(367,376)
(5,271,185)	0	(5,271,185)
(1,632,156)	0	(1,632,156)
<u>(34,029,446)</u>	<u>0</u>	<u>(34,029,446)</u>
0	1,492,252	1,492,252
0	1,748,027	1,748,027
0	69,535	69,535
0	(153,657)	(153,657)
<u>0</u>	<u>3,156,157</u>	<u>3,156,157</u>
<u>(34,029,446)</u>	<u>3,156,157</u>	<u>(30,873,289)</u>
6,807,497	0	6,807,497
2,753,385	0	2,753,385
2,589,594	0	2,589,594
0	1,581,775	1,581,775
20,628,523	0	20,628,523
401,767	0	401,767
5,646,551	229,477	5,876,028
6,758	2,029	8,787
130,124	0	130,124
611,500	98,515	710,015
1,182,550	(1,182,550)	0
<u>40,758,249</u>	<u>729,246</u>	<u>41,487,495</u>
<u>6,728,803</u>	<u>3,885,403</u>	<u>10,614,206</u>
<u>51,876,054</u>	<u>55,821,824</u>	<u>107,697,878</u>
<u>\$58,604,857</u>	<u>\$59,707,227</u>	<u>\$118,312,084</u>

**City of Lakewood, Ohio**  
*Balance Sheet*  
**Governmental Funds**  
*December 31, 2012*

	General	Police and Fire Pension	Community Development Block Grant	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Equity in Pooled Cash and Cash Equivalents	\$6,932,416	\$1,638,231	\$60,656	\$599,027	\$3,058,258	\$12,288,588
Cash and Cash Equivalents:						
In Segregated Accounts	228,981	0	1,845	0	175,645	406,471
With Fiscal Agents	217,278	0	0	0	0	217,278
Materials and Supplies Inventory	397,180	0	0	0	199,120	596,300
Accounts Receivable	295,157	0	0	0	586,524	881,681
Interfund Receivable	460,000	0	0	0	0	460,000
Intergovernmental Receivable	2,373,491	169,534	40,000	179,355	904,893	3,667,273
Prepaid Items	249,199	0	1,771	0	0	250,970
Municipal Income Taxes Receivable	12,272,712	0	0	0	0	12,272,712
Property Taxes Receivable	6,541,534	2,485,502	0	2,637,838	0	11,664,874
Special Assessments Receivable	24,830	0	0	0	44,410	69,240
Payments in Lieu of Taxes Receivable	0	0	0	0	594,456	594,456
Loans Receivable	0	0	1,711,890	0	0	1,711,890
Assets Held for Resale	0	0	188,865	0	157,400	346,265
<b>Total Assets</b>	<b>\$29,992,778</b>	<b>\$4,293,267</b>	<b>\$2,005,027</b>	<b>\$3,416,220</b>	<b>\$5,720,706</b>	<b>\$45,427,998</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts Payable	\$623,987	\$0	\$49,495	\$0	\$440,177	\$1,113,659
Accrued Wages and Benefits	879,380	0	17,234	0	146,602	1,043,216
Intergovernmental Payable	175,625	755,850	6,745	0	51,905	990,125
Matured Compensated Absences Payable	34,845	0	0	0	13,350	48,195
Retainage Payable	0	0	1,845	0	23,477	25,322
Interfund Payable	212,801	0	204,655	0	73,250	490,706
<b>Total Liabilities</b>	<b>1,926,638</b>	<b>755,850</b>	<b>279,974</b>	<b>0</b>	<b>748,761</b>	<b>3,711,223</b>
<b>Deferred Inflows of Resources:</b>						
Property Taxes and Payments in Lieu of Taxes	6,199,140	2,351,542	0	2,489,226	522,098	11,562,006
Unavailable Revenue - Delinquent Property Taxes and Payments in Lieu of Taxes	342,394	129,833	0	137,354	72,358	681,939
Unavailable Revenue - Income Taxes	9,757,598	0	0	0	0	9,757,598
Unavailable Revenue - Other	2,075,722	173,661	0	190,613	562,661	3,002,657
<b>Total Deferred Inflows of Resources</b>	<b>18,374,854</b>	<b>2,655,036</b>	<b>0</b>	<b>2,817,193</b>	<b>1,157,117</b>	<b>25,004,200</b>
<b>Fund Balances:</b>						
Nonspendable	646,379	0	1,771	0	199,120	847,270
Restricted	0	882,381	1,723,282	599,027	2,911,074	6,115,764
Committed	0	0	0	0	786,167	786,167
Assigned	1,943,879	0	0	0	0	1,943,879
Unassigned (Deficit)	7,101,028	0	0	0	(81,533)	7,019,495
<b>Total Fund Balances</b>	<b>9,691,286</b>	<b>882,381</b>	<b>1,725,053</b>	<b>599,027</b>	<b>3,814,828</b>	<b>16,712,575</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$29,992,778</b>	<b>\$4,293,267</b>	<b>\$2,005,027</b>	<b>\$3,416,220</b>	<b>\$5,720,706</b>	<b>\$45,427,998</b>

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

**City of Lakewood, Ohio**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Position of Governmental Activities  
 December 31, 2012*

**Total Governmental Funds Balance** \$16,712,575

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

Capital Assets used in Governmental Activities are not financial resources  
 and, therefore, are not reported in the funds 70,549,959

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

Property taxes	\$609,581	
Payments in lieu of taxes	72,358	
Municipal income taxes	9,757,598	
Special assessments	69,240	
Intergovernmental	<u>2,933,417</u>	
Total		13,442,194

In the Statement of Activities, interest is accrued on outstanding  
 bonds, whereas in Governmental funds, an interest expenditure  
 is reported when due. (160,016)

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

Net Position	3,147,946	
Claims Payable	<u>397,477</u>	
Total		3,545,423

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

Notes Payable	(3,948,000)	
General obligation bonds	(29,576,718)	
Unamortized debt premiums	(297,628)	
Deferrals on refunding	421,222	
OPWC Loans	(184,800)	
Capital leases	(6,015,960)	
Claims payable	(397,477)	
Compensated absences	<u>(5,485,917)</u>	
Total		<u>(45,485,278)</u>

**Net Position of Governmental Activities** \$58,604,857

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

**City of Lakewood, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
**Governmental Funds**  
*For the Year Ended December 31, 2012*

	<b>General</b>	<b>Police and Fire Pension</b>	<b>Community Development Block Grant</b>	<b>Debt Service</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>REVENUES</b>						
Property Taxes	\$6,746,147	\$2,566,330	\$0	\$2,728,774	\$0	\$12,041,251
Municipal Income Taxes	19,542,235	0	0	0	0	19,542,235
Payments in Lieu of Taxes	0	0	0	0	379,614	379,614
Intergovernmental	4,595,294	378,423	1,741,756	441,978	3,226,185	10,383,636
Interest	6,085	0	0	670	3	6,758
Fees, Licenses, and Permits	2,351,660	0	0	0	0	2,351,660
Fines and Forfeitures	1,565,999	0	0	0	245,479	1,811,478
Charges for Services	936,905	0	0	0	2,460,053	3,396,958
Contributions and Donations	0	0	0	0	83,077	83,077
Special Assessments	0	0	0	0	75,390	75,390
All Other Revenues	139,271	0	0	60,172	654,277	853,720
<b>Total Revenues</b>	<b>35,883,596</b>	<b>2,944,753</b>	<b>1,741,756</b>	<b>3,231,594</b>	<b>7,124,078</b>	<b>50,925,777</b>
<b>EXPENDITURES</b>						
Security of Persons and Property:						
Police and Other	10,442,129	1,363,935	0	0	194,673	12,000,737
Fire	6,136,673	1,306,661	0	0	1,855,991	9,299,325
Public Health Services	512,917	0	0	0	1,401,585	1,914,502
Leisure Time Activities	1,510,669	0	0	0	0	1,510,669
Community Environment	1,600,730	0	1,719,152	0	1,239,445	4,559,327
Basic Utility Services	3,012,214	0	0	0	0	3,012,214
Transportation	0	0	0	0	1,768,040	1,768,040
General Government	8,943,632	0	0	0	203,705	9,147,337
Capital Outlay	1,111,316	0	0	0	2,758,768	3,870,084
Debt Service:						
Principal Retirement	1,051,772	0	0	9,720,187	230,762	11,002,721
Interest and Fiscal Charges	226,199	0	0	1,082,966	227,108	1,536,273
Bond Issuance Costs	0	0	0	81,512	0	81,512
<b>Total Expenditures</b>	<b>34,548,251</b>	<b>2,670,596</b>	<b>1,719,152</b>	<b>10,884,665</b>	<b>9,880,077</b>	<b>59,702,741</b>
Excess of Revenues (Under) Expenditures	1,335,345	274,157	22,604	(7,653,071)	(2,755,999)	(8,776,964)
<b>OTHER FINANCING SOURCES (USES)</b>						
Sale of Capital Assets	0	0	0	0	130,124	130,124
Inception of Capital Lease	550,000	0	0	0	424,285	974,285
Bond Anticipation Notes	0	0	0	3,896,000	2,000,000	5,896,000
Refunding Bond Anticipation Notes	0	0	0	3,427,889	0	3,427,889
Refunding Bonds Issued	0	0	0	3,097,661	0	3,097,661
Premium on Debt Issuance	0	0	0	137,491	0	137,491
Payment to Refunded Bond Escrow Account	0	0	0	(3,497,340)	0	(3,497,340)
Transfers In	1,377,971	0	0	2,263,747	645,000	4,286,718
Transfers Out	(2,475,000)	(456,384)	0	(1,666,784)	(126,000)	(4,724,168)
<b>Total Other Financing Sources (Uses)</b>	<b>(547,029)</b>	<b>(456,384)</b>	<b>0</b>	<b>7,658,664</b>	<b>3,073,409</b>	<b>9,728,660</b>
Net Change in Fund Balances	788,316	(182,227)	22,604	5,593	317,410	951,696
Fund Balances - Beginning of Year	8,902,970	1,064,608	1,702,449	593,434	3,497,418	15,760,879
<b>Fund Balances - End of Year</b>	<b>\$9,691,286</b>	<b>\$882,381</b>	<b>\$1,725,053</b>	<b>\$599,027</b>	<b>\$3,814,828</b>	<b>\$16,712,575</b>

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



**City of Lakewood, Ohio**  
*Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances  
of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2012*

**Net Change in Fund Balances-Total Governmental Funds** \$951,696

*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	\$4,275,602	
Depreciation	(2,331,818)	
Total		1,943,784

In the Statement of Activities, only the loss on the disposal of capital assets is reported, whereas, in the Governmental Funds, the proceeds from the disposals increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets. (37,015)

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

Property taxes	109,225	
Payments in lieu of taxes	22,153	
Municipal income taxes	1,086,288	
Special assessments	69,240	
Intergovernmental	132,884	
Total		1,419,790

Other financing sources in the Governmental funds increase long-term liabilities in the Statement of Net Position. These sources were attributed to the inception of capital leases and the issuance of General Obligation Refunding debt and the respective premiums issued. (13,533,326)

Repayment of capital leases, bond principal and the refunding of debt are expenditures in the Governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 14,500,061

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

Compensated absences	277,200	
Accrued interest on bonds	1,585	
Amortization of bond premiums	68,117	
Amortization of loss on refunding	(84,073)	
Total		262,829

Internal Service funds are used by management to charge costs to certain activities, such as insurance to individual funds. The net revenue (expense) of Internal Service funds are reported in the Governmental Activities. 1,220,984

**Change in Net Position of Governmental Activities** \$6,728,803

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

**City of Lakewood, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances –  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2012*

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Property Taxes	\$6,437,308	\$6,437,308	\$6,746,147	\$308,839
Municipal Income Taxes	18,504,948	18,504,948	19,252,828	747,880
Charges for Services	1,379,457	1,379,457	932,701	(446,756)
Licenses, Permits and Fees	1,620,930	1,620,930	2,351,660	730,730
Fines and Forfeitures	1,518,166	1,518,166	1,577,613	59,447
Intergovernmental	3,995,705	3,995,705	5,003,948	1,008,243
Interest	10,000	10,000	6,085	(3,915)
Miscellaneous	219,420	219,420	148,078	(71,342)
<i>Total Revenues</i>	<u>33,685,934</u>	<u>33,685,934</u>	<u>36,019,060</u>	<u>2,333,126</u>
<b>Expenditures</b>				
<b>Current:</b>				
General Government	8,367,557	9,762,120	9,621,509	140,611
Security of Persons and Property	17,350,178	16,862,805	16,787,204	75,601
Public Health Services	602,571	527,113	521,252	5,861
Community Environment	1,708,216	2,697,908	2,678,444	19,464
Basic Utility Services	3,198,602	2,916,533	2,897,253	19,280
Leisure Time Activities	1,628,959	1,512,222	1,484,239	27,983
<i>Total Expenditures</i>	<u>32,856,083</u>	<u>34,278,701</u>	<u>33,989,901</u>	<u>288,800</u>
<i>Excess of Revenues Over Expenditures</i>	<u>829,851</u>	<u>(592,767)</u>	<u>2,029,159</u>	<u>2,621,926</u>
<b>Other Financing Sources (Uses)</b>				
Advance In	313,000	313,000	313,000	0
Transfers In	150,000	150,000	100,000	(50,000)
Transfers Out	(1,088,118)	(2,475,000)	(2,475,000)	0
Advance Out	0	(400,000)	(400,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(625,118)</u>	<u>(2,412,000)</u>	<u>(2,462,000)</u>	<u>(50,000)</u>
<i>Net Change in Fund Balance</i>	204,733	(3,004,767)	(432,841)	2,571,926
<i>Fund Balance Beginning of Year</i>	4,325,078	4,325,078	4,325,078	0
<i>Prior Year Encumbrances Appropriated</i>	1,100,414	1,100,414	1,100,414	0
<i>Fund Balance End of Year</i>	<u>\$5,630,225</u>	<u>\$2,420,725</u>	<u>\$4,992,651</u>	<u>\$2,571,926</u>

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

**City of Lakewood, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances –  
 Budget (Non-GAAP Basis) and Actual  
 Police and Fire Pension Fund  
 For the Year Ended December 31, 2012*

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Property Taxes	\$2,449,198	\$2,449,198	\$2,566,330	\$117,132
Intergovernmental	435,802	435,802	378,423	(57,379)
<i>Total Revenues</i>	<u>2,885,000</u>	<u>2,885,000</u>	<u>2,944,753</u>	<u>59,753</u>
<b>Expenditures</b>				
<b>Current:</b>				
Security of Persons and Property:	<u>2,710,000</u>	<u>2,690,000</u>	<u>2,651,635</u>	<u>38,365</u>
<i>Excess of Revenues Over Expenditures</i>	175,000	195,000	293,118	98,118
<b>Other Financing Uses</b>				
Transfers Out	<u>(456,383)</u>	<u>(456,385)</u>	<u>(456,384)</u>	<u>1</u>
<i>Net Change in Fund Balance</i>	(281,383)	(261,385)	(163,266)	98,119
<i>Fund Balance Beginning of Year</i>	<u>1,801,497</u>	<u>1,801,497</u>	<u>1,801,497</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,520,114</u></u>	<u><u>\$1,540,112</u></u>	<u><u>\$1,638,231</u></u>	<u><u>\$98,119</u></u>

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

**City of Lakewood, Ohio**

*Statement of Revenues, Expenditures and Changes in Fund Balances –  
Budget (Non-GAAP Basis) and Actual  
Community Development Block Grant Fund  
For the Year Ended December 31, 2012*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	<u>\$2,850,000</u>	<u>\$2,850,000</u>	<u>\$1,962,264</u>	<u>(\$887,736)</u>
<b>Expenditures</b>				
<b>Current:</b>				
Community Environment:	<u>2,812,220</u>	<u>1,938,992</u>	<u>1,931,851</u>	<u>7,141</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	37,780	911,008	30,413	(880,595)
<b>Other Financing Sources</b>				
Advances In	0	0	200,000	200,000
Advances Out	<u>0</u>	<u>(241,000)</u>	<u>(241,000)</u>	<u>0</u>
<i>Total Other Financing Uses</i>	0	<u>(241,000)</u>	<u>(41,000)</u>	200,000
<i>Net Change in Fund Balance</i>	37,780	670,008	(10,587)	(680,595)
<i>Fund Balance Beginning of Year</i>	<u>73,088</u>	<u>73,088</u>	<u>73,088</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$110,868</u></u>	<u><u>\$743,096</u></u>	<u><u>\$62,501</u></u>	<u><u>(\$680,595)</u></u>

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

**City of Lakewood, Ohio**  
*Statement of Net Position*  
*Proprietary Funds*  
*December 31, 2012*

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Governmental</b>
	<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Nonmajor Funds</b>	<b>Total</b>	<b>Internal Service Funds</b>
<b>ASSETS</b>					
<b>Current Assets:</b>					
Equity in Pooled Cash and Cash Equivalents	\$4,672,268	\$3,744,310	\$461,276	\$8,877,854	\$3,402,915
Cash and Cash Equivalents:					
In Segregated Accounts	65,142	0	0	65,142	0
With Fiscal Agents	0	595,798	0	595,798	0
Materials and Supplies Inventory	26,464	329,600	39,700	395,764	0
Accounts Receivable	1,782,339	1,257,996	406,414	3,446,749	0
Less: Allowance for Doubtful Accounts	(41,339)	(28,948)	0	(70,287)	0
Interfund Receivable	0	0	0	0	284,622
Intergovernmental Receivable	0	103,375	0	103,375	0
Property Taxes Receivable	0	1,515,645	0	1,515,645	0
<b>Total Current Assets</b>	<b>6,504,874</b>	<b>7,517,776</b>	<b>907,390</b>	<b>14,930,040</b>	<b>3,687,537</b>
<b>Noncurrent Assets:</b>					
<b>Restricted Assets:</b>					
Equity in Pooled Cash and Cash Equivalents	699,618	472,598	0	1,172,216	0
<b>Capital Assets:</b>					
Land	0	1,010	77,130	78,140	0
Construction in Progress	1,492,521	1,050,619	0	2,543,140	0
Depreciable Assets, Net of Depreciation	39,484,383	35,141,190	5,208,409	79,833,982	0
<b>Total Noncurrent Assets</b>	<b>41,676,522</b>	<b>36,665,417</b>	<b>5,285,539</b>	<b>83,627,478</b>	<b>0</b>
<b>Total Assets</b>	<b>48,181,396</b>	<b>44,183,193</b>	<b>6,192,929</b>	<b>98,557,518</b>	<b>3,687,537</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferral on Refunding	0	28,903	33,875	62,778	0
<b>Total Deferred Outflows of Resources</b>	<b>0</b>	<b>28,903</b>	<b>33,875</b>	<b>62,778</b>	<b>0</b>
<b>LIABILITIES</b>					
<b>Current Liabilities:</b>					
Accounts Payable	851,965	172,285	157,956	1,182,206	56,352
Accrued Wages and Benefits	30,779	79,591	5,788	116,158	0
Matured Compensated Absences Payable	11,900	6,079	0	17,979	0
Retainage Payable	65,142	0	0	65,142	0
Intergovernmental Payable	14,192	32,995	2,463	49,650	85,762
Interfund Payable	9,310	23,276	221,330	253,916	0
Compensated Absences Payable	29,506	80,650	14,699	124,855	0
Accrued Interest Payable	43,782	69,639	7,284	120,705	0
Claims Payable	0	0	0	0	284,622
General Obligation Bonds Payable	0	483,011	119,322	602,333	0
Revenue Bonds Payable	486,359	430,000	0	916,359	0
OWDA Loans Payable	0	16,382	0	16,382	0
OPWC Loans Payable	313,229	34,486	0	347,715	0
Capital Leases Payable	61,316	148,369	119,177	328,862	0
<b>Total Current Liabilities</b>	<b>1,917,480</b>	<b>1,576,763</b>	<b>648,019</b>	<b>4,142,262</b>	<b>426,736</b>
<b>Noncurrent Liabilities:</b>					
Compensated Absences Payable	61,636	173,324	5,376	240,336	0
Claims Payable	0	0	0	0	112,855
General Obligation Bonds Payable	0	5,849,985	763,774	6,613,759	0
Revenue Bonds Payable	10,038,931	11,487,836	0	21,526,767	0
OPWC Loans Payable	2,475,987	267,337	0	2,743,324	0
Capital Leases Payable	518,264	1,074,569	619,905	2,212,738	0
<b>Total Noncurrent Liabilities</b>	<b>13,094,818</b>	<b>18,853,051</b>	<b>1,389,055</b>	<b>33,336,924</b>	<b>112,855</b>
<b>Total Liabilities</b>	<b>15,012,298</b>	<b>20,429,814</b>	<b>2,037,074</b>	<b>37,479,186</b>	<b>539,591</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property Taxes	0	1,433,883	0	1,433,883	0
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>1,433,883</b>	<b>0</b>	<b>1,433,883</b>	<b>0</b>
<b>NET POSITION</b>					
Net Investment in Capital Assets	27,082,817	17,025,545	3,697,237	47,805,599	0
<b>Restricted for:</b>					
Debt Service	504,119	472,598	0	976,717	0
Replacement and Improvement	195,499	0	0	195,499	0
Unrestricted	5,386,663	4,850,256	492,493	10,729,412	3,147,946
<b>Total Net Position</b>	<b>\$33,169,098</b>	<b>\$22,348,399</b>	<b>\$4,189,730</b>	<b>\$59,707,227</b>	<b>\$3,147,946</b>

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

**City of Lakewood, Ohio**  
*Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Proprietary Funds*  
*For the Year Ended December 31, 2012*

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Governmental Activities</b>
	<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Nonmajor Funds</b>	<b>Total</b>	<b>Internal Service Funds</b>
<b>OPERATING REVENUES</b>					
Charges for Services	\$10,978,745	\$7,272,256	\$834,584	\$19,085,585	\$3,730,301
Miscellaneous	3,276	1,219	94,020	98,515	784,311
<b>Total Operating Revenues</b>	<b>10,982,021</b>	<b>7,273,475</b>	<b>928,604</b>	<b>19,184,100</b>	<b>4,514,612</b>
<b>OPERATING EXPENSES</b>					
Salaries	1,055,927	2,397,498	179,069	3,632,494	0
Property Taxes	0	0	173,936	173,936	0
Materials and Supplies	255,474	301,955	57,188	614,617	0
Utilities	36,096	353,343	284,888	674,327	0
Contractual Services	54,972	615,624	637	671,233	101,561
Purchased Water	6,632,862	0	0	6,632,862	0
Depreciation	567,321	852,420	109,987	1,529,728	0
Claims	0	0	0	0	4,812,067
Capital Outlay	0	0	0	0	0
Other	1,154,829	308,430	46,719	1,509,978	0
<b>Total Operating Expense</b>	<b>9,757,481</b>	<b>4,829,270</b>	<b>852,424</b>	<b>15,439,175</b>	<b>4,913,628</b>
Operating Income (Loss)	1,224,540	2,444,205	76,180	3,744,925	(399,016)
<b>NONOPERATING REVENUES (EXPENSES)</b>					
(Loss) on Sale of Capital Assets	(3,816)	(19,721)	(949)	(24,486)	0
Interest	2,013	16	0	2,029	0
Interest and Fiscal Charges	(522,165)	(780,317)	(65,333)	(1,367,815)	0
Property Taxes	0	1,581,775	0	1,581,775	0
Intergovernmental	0	229,477	0	229,477	0
Bond Issuance Costs	0	(45,405)	0	(45,405)	0
Special Assessments	230,584	150,484	0	381,068	0
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(293,384)</b>	<b>1,116,309</b>	<b>(66,282)</b>	<b>756,643</b>	<b>0</b>
Capital Contributions from Grants	566,385	0	0	566,385	0
Transfers In	0	0	388,813	388,813	1,620,000
Transfers Out	(15,252)	(1,491,611)	(64,500)	(1,571,363)	0
Change in Net Position	1,482,289	2,068,903	334,211	3,885,403	1,220,984
Net Position - Beginning of Year, Restated	31,686,809	20,279,496	3,855,519	55,821,824	1,926,962
<b>Net Position - End of Year</b>	<b>\$33,169,098</b>	<b>\$22,348,399</b>	<b>\$4,189,730</b>	<b>\$59,707,227</b>	<b>\$3,147,946</b>

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

**City of Lakewood, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2012

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Governmental</b>
	<b>Water</b>	<b>Sewer</b>	<b>Nonmajor</b>	<b>Total</b>	<b>Activities</b>
	<b>Fund</b>	<b>Fund</b>	<b>Funds</b>	<b>Total</b>	<b>Internal</b>
					<b>Service</b>
					<b>Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash Received from Charges for Services	\$11,053,857	\$7,239,685	\$701,627	\$18,995,169	\$3,879,897
Cash Received from Other Operating Sources	3,276	1,219	94,020	98,515	784,311
Cash Payments for Employee Services and Benefits	(1,077,330)	(2,400,400)	(176,400)	(3,654,130)	0
Cash Payments for Goods and Services	(7,002,066)	(1,249,582)	(464,287)	(8,715,935)	(187,171)
Cash Payments for Claims	0	0	0	0	(5,192,848)
Cash Payments for Other Operating Expenses	(1,011,573)	(256,874)	(46,719)	(1,315,166)	0
Net Cash Provided by (Used in) Operating Activities	<u>1,966,164</u>	<u>3,334,048</u>	<u>108,241</u>	<u>5,408,453</u>	<u>(715,811)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Intergovernmental Revenue	0	230,746	0	230,746	0
Property Taxes	0	1,564,994	0	1,564,994	0
Special Assessments	101,814	50,388	0	152,202	0
Advances In	0	0	160,000	160,000	0
Advances Out	0	0	(44,000)	(44,000)	0
Transfers In	0	0	388,813	388,813	1,620,000
Transfers Out	(15,252)	(1,478,200)	(64,500)	(1,557,952)	0
Net Cash Provided by Noncapital Financing Activities	<u>86,562</u>	<u>367,928</u>	<u>440,313</u>	<u>894,803</u>	<u>1,620,000</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Capital Grants Received	566,385	0	0	566,385	0
Principal Paid on Debt	(838,478)	(3,842,819)	(355,795)	(5,037,092)	0
Payment to Refunded Debt Escrow Agent	0	(2,649,730)	0	(2,649,730)	0
Interest Paid on Debt	(520,712)	(800,455)	(66,224)	(1,387,391)	0
Payments for Capital Acquisitions	(688,070)	(457,584)	(18,763)	(1,164,417)	0
Refunding Bond Anticipation Notes Issued	0	2,347,339	0	2,347,339	0
Refunding Bonds Issued	0	2,597,111	0	2,597,111	0
Premium on Debt Issued	0	83,961	0	83,961	0
Bond Issuance Costs	0	(45,405)	0	(45,405)	0
Net Cash (Used in) Capital and Related Financing Activities	<u>(1,480,875)</u>	<u>(2,767,582)</u>	<u>(440,782)</u>	<u>(4,689,239)</u>	<u>0</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest on Investments	2,013	16	0	2,029	0
Net Cash Provided by Investing Activities	<u>2,013</u>	<u>16</u>	<u>0</u>	<u>2,029</u>	<u>0</u>
Net Increase in Cash and Cash Equivalents	573,864	934,410	107,772	1,616,046	904,189
Cash and Cash Equivalents - Beginning of Year	4,863,164	3,282,498	353,504	8,499,166	2,498,726
<b>Cash and Cash Equivalents - End of Year</b>	<u>\$5,437,028</u>	<u>\$4,216,908</u>	<u>\$461,276</u>	<u>\$10,115,212</u>	<u>\$3,402,915</u>

(continued)

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

**City of Lakewood, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds (continued)*  
For the Year Ended December 31, 2012

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Governmental</b>
	<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Nonmajor Funds</b>	<b>Total</b>	<b>Activities Internal Service Funds</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN)</b>					
<b>OPERATING ACTIVITIES</b>					
Operating Income (Loss)	\$1,224,540	\$2,444,205	\$76,180	\$3,744,925	(\$399,016)
Adjustments:					
Depreciation	567,321	852,420	109,987	1,529,728	0
(Increase) Decrease in Assets:					
Accounts Receivable	75,112	(32,571)	(132,957)	(90,416)	0
Interfund Receivable	0	0	0	0	149,596
Materials and Supplies Inventory	(3,767)	2,521	43,332	42,086	0
Increase (Decrease) in Liabilities:					
Accounts Payable	124,361	70,375	9,030	203,766	(2,657)
Accrued Wages and Benefits	923	9,595	1,926	12,444	0
Compensated Absences Payable	(16,914)	(2,206)	798	(18,322)	0
Interfund Payable	(5,359)	(10,954)	(626)	(16,939)	0
Intergovernmental Payable	(53)	663	571	1,181	(82,953)
Claims Payable	0	0	0	0	(380,781)
<b>Net Cash Provided by (Used In) Operating Activities</b>	<u>\$1,966,164</u>	<u>\$3,334,048</u>	<u>\$108,241</u>	<u>\$5,408,453</u>	<u>(\$715,811)</u>

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



**City of Lakewood, Ohio**  
*Statement of Fiduciary Assets and Liabilities*  
*Fiduciary Funds*  
*December 31, 2012*

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	<u>Agency Funds</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$1,146,816</u>
<b>Liabilities</b>	
Deposits Held and Due to Others	<u>\$1,146,816</u>

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

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*

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

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

***Reporting Entity***

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

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

The City is associated with the West Shore Council of Governments, a jointly governed organization. Additional information is included in Note 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 more significant of the City's accounting policies are described below.

***A. Basis of Presentation***

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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

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

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

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

***B. Fund Accounting***

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

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

*General Fund* – The General Fund accounts for and reports all financial resources, except those required to be accounted for in another fund. The General Fund balance is available to the City for any purpose, provided it is expended or transferred according to the Charter of the City of Lakewood and/or general laws of Ohio.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
(Continued)

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

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

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

*Debt Service Fund* - The Debt Service Fund accounts for and reports restricted property taxes levied for the payment of principal and interest on general long-term obligations.

The other governmental funds of the City account for grants and other resources whose use is restricted, committed, or assigned to a particular purpose.

**Proprietary Funds** - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. Proprietary funds are classified as either enterprise or internal service.

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

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

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

*Internal Service Funds* - Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's two internal service funds account for workers' compensation costs and a self insurance program for employee hospitalization and medical benefits.

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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

***C. Measurement Focus***

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

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

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

***D. Basis of Accounting***

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

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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

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

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

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

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenues. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2012, but which were levied to finance year 2013 operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes and payment in lieu of taxes, income taxes, intergovernmental grants, and special assessments. These amounts are deferred and recognized as inflows of resources in the period the amounts become available.

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

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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

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

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

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

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

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

The City has invested in the State Treasury Asset Reserve of Ohio (STAROhio) and money market mutual funds during 2012. 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, 2012.

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 2012 amounted to \$6,085 that includes \$2,703 assigned from other City funds.

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

***F. Restricted Assets***

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



**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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

***G. Inventory***

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

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

Inventory consists of expendable supplies held for consumption.

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

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

***I. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2012, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

***J. Capital Assets***

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

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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

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

Description	Estimated Lives
Land Improvements	25 years
Buildings and Improvements	75 years
Furniture and Equipment	10 - 20 years
Vehicles	15 years
Infrastructure	40 - 100 years

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

***K. Interfund Balances***

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

***L. Compensated Absences***

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

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

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

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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

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

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

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

***N. Fund Balance***

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

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

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

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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

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

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

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

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

**O. Net Position**

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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

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

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services such as water, wastewater treatment, parking, ice rink and self insurance programs. Operating expenses are necessary costs incurred to provide the service for the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as nonoperating.

***Q. Contributions of Capital***

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

***R. Interfund Activity***

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental activities are eliminated on the government-wide financial statements.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditure/expenses to the funds that initially paid for them are not presented on the financial statements.

***S. Bond Premium***

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

***T. Gain/Loss on Refunding***

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

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

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2012.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
(Continued)

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

**V. Estimates**

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

**W. Budgetary Process**

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during 2012.

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

**Note 3 – Changes in Accounting Principles and Prior Period Adjustments**

**Changes in Accounting Principles**

GASB Statement Number 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. The objective of this Statement is to address issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2011 and have been implemented by the City.

GASB Statement Number 60, *Accounting and Financial Reporting for Service Concession Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2011 and have been implemented by the City.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

**Note 3 – Changes in Accounting Principles and Prior Period Adjustments (Continued)**

GASB Statement Number 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the FASB and AICPA pronouncements which does not conflict with or contradict GASB pronouncements. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2011 and have been implemented by the City.

GASB Statement Number 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This Statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2011 and have been implemented by the City.

GASB Statement Number 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions*. The objective of this Statement is to clarify whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2011 and have been implemented by the City.

GASB Statement Number 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012 and have been implemented by the City.

**Prior Period Adjustments**

In prior periods, the City had reported assets related to unamortized debt issuance costs in the Governmental and Business-Type Activities entity-wide financial statements and proprietary fund financial statements. GASB Statement Number 65, *Items Previously Reported as Assets and Liabilities*, has reclassified debt issuance costs as an expense in the period incurred rather than amortizing the costs over the life of the debt. The implementation of GASB Statement Number 65 requires a restatement of prior period's net position as follows:

	Governmental Activities	Business-Type Activities	Water Fund	Sewer Fund	Non-Major Enterprise Funds
Net Position, December 31, 2011	\$ 52,561,421	\$ 56,421,219	\$ 31,887,181	\$ 20,652,736	\$ 3,881,302
Prior Period Adjustments:					
Unamortized Debt Issuance Costs	(685,367)	(599,395)	(200,372)	(373,240)	(25,783)
Restated Net Position, December 31, 2011	<u>\$ 51,876,054</u>	<u>\$ 55,821,824</u>	<u>\$ 31,686,809</u>	<u>\$ 20,279,496</u>	<u>\$ 3,855,519</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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**Note 4 – Accountability**

Fund balances at December 31, 2012 included the following individual fund deficits:

	<u>Deficit</u>
Nonmajor Governmental Funds:	
Emergency Shelter Grant	\$ 19,630
HOME Investment Program	374
Homeless Prevention	47,217
Office on Aging	<u>14,312</u>
Total	<u><u>\$ 81,533</u></u>

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

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**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
(Continued)

**Note 5 – Budgetary Basis of Accounting**

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

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

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

	<u>General</u>	<u>Police and Fire Pension</u>	<u>Community Development Block Grant</u>
Net Change in Fund Balance - GAAP Basis	\$788,316	(\$182,227)	\$22,604
Net Adjustment:			
Revenue Accruals	(1,688,507)	0	220,508
Advances In	313,000	0	200,000
Expenditure Accruals	2,491,468	18,961	(212,699)
Advances Out	(400,000)	0	(241,000)
Funds with Separate Legally Adopted Budgets:			
Community Festival	(56)	0	0
Outstanding Encumbrances	(1,937,062)	0	0
Net Change in Fund Balance - Budgetary Basis	<u>(\$432,841)</u>	<u>(\$163,266)</u>	<u>(\$10,587)</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
(Continued)

**Note 6 – Fund Balance**

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

Fund Balances	General	Police and Fire Pension	Community Development Block Grant	Debt Service	Other Governmental Funds	Total
<i>Nonspendable</i>						
Prepaid Items	\$249,199	\$0	\$1,771	\$0	\$0	\$250,970
Materials and Supplies Inventory	397,180	0	0	0	199,120	596,300
<i>Total Nonspendable</i>	<u>646,379</u>	<u>0</u>	<u>1,771</u>	<u>0</u>	<u>199,120</u>	<u>847,270</u>
<i>Restricted for</i>						
Streets and Highway Improvements	0	0	0	0	611,151	611,151
Police and Fire Pension	0	882,381	0	0	0	882,381
Community Development	0	0	1,723,282	0	0	1,723,282
Law Enforcement	0	0	0	0	193,030	193,030
Lakewood Municipal Court	0	0	0	0	666,170	666,170
Energy Efficiency Grants	0	0	0	0	50,213	50,213
At-Risk Youth Programs	0	0	0	0	11,359	11,359
Family to Family	0	0	0	0	20,864	20,864
Neighborhood Stabilization	0	0	0	0	376,644	376,644
Litter Control Projects	0	0	0	0	6,298	6,298
Debt Service Payments	0	0	0	599,027	99,830	698,857
Capital Improvements	0	0	0	0	875,515	875,515
<i>Total Restricted</i>	<u>0</u>	<u>882,381</u>	<u>1,723,282</u>	<u>599,027</u>	<u>2,911,074</u>	<u>6,115,764</u>
<i>Committed to</i>						
Lakewood Hospital Operations	0	0	0	0	686,080	686,080
Other Purposes	0	0	0	0	100,087	100,087
<i>Total Committed</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>786,167</u>	<u>786,167</u>
<i>Assigned to</i>						
Fiscal Year 2013 Appropriations	4,114	0	0	0	0	4,114
Community Festival Projects	2,703	0	0	0	0	2,703
Other Purposes	1,937,062	0	0	0	0	1,937,062
<i>Total Assigned</i>	<u>1,943,879</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,943,879</u>
<i>Unassigned (Deficit)</i>	<u>7,101,028</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(81,533)</u>	<u>7,019,495</u>
<b>Total Fund Balances</b>	<u><u>\$9,691,286</u></u>	<u><u>\$882,381</u></u>	<u><u>\$1,725,053</u></u>	<u><u>\$599,027</u></u>	<u><u>\$3,814,828</u></u>	<u><u>\$16,712,575</u></u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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**Note 7 - Deposits and Investments**

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

Active deposits are public deposits determined to be necessary to meet current demands upon the City treasury. Active monies must be maintained either as cash in the City Treasury, in commercial accounts payable or withdraw able on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

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

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

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

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
(Continued)

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

7. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts; and
8. Certain bankers acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed twenty five percent of the interim monies available for the investment at any one time.

The City may also invest any monies not required to be used for a period of 6 months or more in the following:

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

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within 5 years from the date of purchase, unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

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

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

**Deposits**

***Custodial Credit Risk:*** Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in possession of an outside party. At year end, \$11,201,588 of the City's bank balance of \$20,064,013 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.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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

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

**Investments:** Investments are reported at fair value. As of December 31, 2012, the City had investments in STAR Ohio with a fair value of \$6,691,633 with an average maturity of 55 days. In addition, investments held in money market mutual funds with a trustee and fiscal agent had fair values of \$1,172,216 and \$813,076, respectively. Both money market mutual funds had an average maturity of less than one year.

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

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

**Note 8 - Receivables**

Receivables at December 31, 2012, consisted primarily of accounts (billings for user charged services), intergovernmental receivables arising from grants, entitlements and shared revenues, municipal income taxes, property taxes, loans (Community Development Block Grant monies loaned to local businesses), special assessments and interfunds. 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 \$41,339 in the Water Fund and \$28,948 in the Sewer Fund.

Loans receivable to be collected in more than one-year amount to \$1,711,890 in the Community Development Block Grant Fund.

Special assessments expected to be collected in more than one-year amount to \$69,240 in the various governmental funds. The amount of delinquent special assessments outstanding at December 31, 2012 was \$18,811.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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**Note 8 – Receivables (Continued)**

**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 2012 for real and public utility property taxes represents collections of 2011 taxes.

2012 real property taxes are levied after October 1, 2012 on the assessed value as of January 1, 2012, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2012 real property taxes are collected in and intended to finance 2013 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. 2012 public utility property taxes which became a lien December 31, 2011, are levied after October 1, 2012, and are collected in 2013 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2012, was \$17.40 per \$1,000 of assessed value. The assessed values of real property, public utility tangible property upon which 2012 property tax receipts were based, are as follows:

Category	Assessed Value
Real Estate:	
Residential and Agricultural	\$ 721,599,290
Commercial/Industrial/Public Utility	163,222,160
Public Utility	12,758,240
Total Assessed Value	\$ 897,579,690

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, 2012, 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 2012 operations, and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On the accrual basis, collectible delinquent property taxes have been recorded as revenue while on the modified accrual basis the revenue has been deferred.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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**Note 8 – Receivables (Continued)**

***B. Income Tax***

The City levies a municipal income tax at a rate of 1.50 percent. The City's income tax is levied upon the net income of corporations and other business entities and on wages, salaries, and other personal service compensation earned by residents of the City and non-residents working within the City. Residents of the City are granted credit for income taxes paid to other municipalities to a maximum of one-half of one percent of income earned outside the City. Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City at least quarterly. Corporations and other self-employed individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually with the City.

***C. Intergovernmental Receivables***

A summary of the principal items of intergovernmental receivables follows:

	Amount
<b>Governmental Activities:</b>	
Local Government	\$ 1,665,066
Homestead and Rollback	795,984
Gasoline Tax	650,843
Estate Tax	243,319
Motor Vehicle License Registration	124,649
Federal Grant Reimbursements	62,858
County Grant Reimbursements	84,961
Permissive Motor Vehicle License Tax	21,957
Liquor Permit/Cigarette/Hotel Taxes	14,424
Lakewood Board of Education	3,212
<i>Total Governmental Activities</i>	<i>3,667,273</i>
<b>Business-Type Activities:</b>	
Homestead and Rollback	103,375
<i>Total Entity-wide</i>	<i>\$ 3,770,648</i>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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**Note 8 – Receivables (Continued)**

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

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

**Note 9 - Contingencies**

***A. Grants***

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

***B. Litigation***

Several claims and lawsuits are pending against the City. The amount of the liability, if any, cannot be reasonably estimated at this time. However, in the opinion of management, any such claims and lawsuits will not have a material adverse effect on the overall financial position of the City at December 31, 2012.



**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
(Continued)

**Note 10 - Capital Assets**

Capital asset activity for the year ended December 31, 2012, was as follows:

	Balance 12/31/11	Additions	Deletions	Balance 12/31/12
<b>Governmental Activities</b>				
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$6,139,702	\$0	\$0	\$6,139,702
Construction in Progress	3,019,337	2,821,788	(3,438,191)	2,402,934
<i>Total Capital Assets, Not Being Depreciated</i>	<u>9,159,039</u>	<u>2,821,788</u>	<u>(3,438,191)</u>	<u>8,542,636</u>
<i>Buildings</i>				
<i>Capital Assets, Being Depreciated:</i>				
Land Improvements	4,832,703	67,188	0	4,899,891
Buildings	16,204,976	271,260	0	16,476,236
Furniture and Fixtures	4,285,531	192,118	(40,163)	4,437,486
Vehicles	13,507,762	1,234,495	(221,782)	14,520,475
<i>Infrastructure:</i>				
Roads	44,733,971	1,918,962	0	46,652,933
Traffic Signals	4,009,285	1,022,855	0	5,032,140
Sidewalks	3,183,740	185,127	0	3,368,867
Curbing	1,434,304	0	0	1,434,304
<i>Total Capital Assets, Being Depreciated</i>	<u>92,192,272</u>	<u>4,892,005</u>	<u>(261,945)</u>	<u>96,822,332</u>
<i>Less Accumulated Depreciation:</i>				
Land Improvements	(2,390,581)	(139,109)	0	(2,529,690)
Buildings	(5,559,537)	(216,970)	0	(5,776,507)
Furniture and Fixtures	(2,412,933)	(174,981)	37,282	(2,550,632)
Vehicles	(6,824,673)	(768,271)	187,648	(7,405,296)
<i>Infrastructure:</i>				
Roads	(11,594,023)	(888,643)	0	(12,482,666)
Traffic Signals	(2,351,866)	(101,902)	0	(2,453,768)
Sidewalks	(1,071,517)	(28,984)	0	(1,100,501)
Curbing	(502,991)	(12,958)	0	(515,949)
<i>Total Accumulated Depreciation</i>	<u>(32,708,121)</u>	<u>(2,331,818) *</u>	<u>224,930</u>	<u>(34,815,009)</u>
Total Capital Assets, Being Depreciated, Net	<u>59,484,151</u>	<u>2,560,187</u>	<u>(37,015)</u>	<u>62,007,323</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$68,643,190</u>	<u>\$5,381,975</u>	<u>(\$3,475,206)</u>	<u>\$70,549,959</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
(Continued)

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

	Balance 12/31/11	Additions	Deletions	Balance 12/31/12
<b>Business-Type Activities</b>				
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$78,140	\$0	\$0	\$78,140
Construction in Progress	1,487,352	1,748,952	(693,164)	2,543,140
<i>Total Capital Assets, Not Being Depreciated</i>	<u>1,565,492</u>	<u>1,748,952</u>	<u>(693,164)</u>	<u>2,621,280</u>
<i>Capital Assets, Being Depreciated:</i>				
Land Improvements	2,025,447	0	0	2,025,447
Buildings	17,382,279	503,834	0	17,886,113
Furniture and Fixtures	9,257,919	7,306	0	9,265,225
Vehicles	2,660,659	538,195	(313,193)	2,885,661
Infrastructure:				
Water Lines	52,514,649	138,170	0	52,652,819
Sewer Lines	30,163,073	51,159	0	30,214,232
<i>Total Capital Assets, Being Depreciated</i>	<u>114,004,026</u>	<u>1,238,664</u>	<u>(313,193)</u>	<u>114,929,497</u>
Less Accumulated Depreciation:				
Land Improvements	(1,104,835)	(44,124)	0	(1,148,959)
Buildings	(5,363,358)	(220,928)	0	(5,584,286)
Furniture and Fixtures	(5,293,567)	(297,541)	0	(5,591,108)
Vehicles	(1,295,807)	(157,453)	288,707	(1,164,553)
Infrastructure:				
Water Lines	(13,876,361)	(515,154)	0	(14,391,515)
Sewer Lines	(6,920,566)	(294,528)	0	(7,215,094)
<i>Total Accumulated Depreciation</i>	<u>(33,854,494)</u>	<u>(1,529,728)*</u>	<u>288,707</u>	<u>(35,095,515)</u>
Total Capital Assets, Being Depreciated, Net	<u>80,149,532</u>	<u>(291,064)</u>	<u>(24,486)</u>	<u>79,833,982</u>
<b>Business-Type Activities Capital Assets, Net</b>	<u><u>\$81,715,024</u></u>	<u><u>\$1,457,888</u></u>	<u><u>(\$717,650)</u></u>	<u><u>\$82,455,262</u></u>

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

Governmental Activities		Business-Type Activities	
Security of Persons and Property - Police	\$132,460	Water Fund	\$567,321
Security of Persons and Property - Fire	264,586	Sewer Fund	852,420
Public Health Services	29,321	Parking Facilities Fund	24,987
Leisure Time Activities	276,067	Winterhurst Ice Rink Fund	85,000
Community Environment	7,902	Total Depreciation Expense	<u><u>\$1,529,728</u></u>
Basic Utility Services	263,097		
Transportation	1,182,059		
General Government	176,326		
Total Depreciation Expense	<u><u>\$2,331,818</u></u>		

The beginning balances of the business-type activities were reclassified. There were no changes to the total beginning capital assets, net.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
(Continued)

**Note 11 – Conduit Debt Obligations**

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

In 1983 and 1989, the City issued Hospital Improvement Revenue Bonds for the purpose of providing funds to pay the cost of Lakewood Hospital facility improvements. In 1989, the City also issued Hospital Improvement Refunding Bonds to advance refund the Hospital Improvement Bonds, Series 1983. On November 13, 2003, the City issued \$27,570,000 Hospital Revenue Bonds, Series 2003 to advance refund the 1989 Series. As of December 31, 2012, the aggregate principal amount of conduit debt obligation outstanding for Lakewood Hospital was \$10,590,000.

On October 23, 2000, the City issued Educational Facilities Revenue Bonds for the purpose of providing funds to pay costs of acquiring and constructing additional facilities for St. Edward High School. The aggregate principal amount of conduit debt obligations for St. Edward High School was \$10,800,000. As of December 31, 2012, the aggregate principal amount of conduit debt obligation outstanding for St. Edward High School was \$9,030,000. 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
<b>Governmental Activities</b>				
<i>Notes</i>				
Various Purpose	2011	1.50%	\$1,948,000	April 19, 2012
Various Purpose	2012	1.125%	5,375,889	October 18, 2012
Various Purpose	2012	1.25%	1,948,000	April 17, 2013
Various Purpose	2012	1.125%	2,000,000	April 17, 2013
<b>General Obligation Bonds</b>				
Various Purpose Refunding-1995	2005	3.00-5.00%	7,335,000	December 1, 2025
Various Purpose	2005	3.00-5.00%	6,095,637	December 1, 2025
Various Purpose	2001	3.45-5.87%	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
Various Purpose Refunding-2012	2012	2.00-5.00%	3,097,660	December 1, 2023
<b>Tax Increment Financing</b>				
Rockport Square Development	2004	4.40-5.95%	4,265,000	July 1, 2024
Vedda Printing	2005	3.00-5.00%	400,000	December 1, 2025
<b>OPWC Loan</b>				
Forest and Clifton Road	1999	0%	616,000	December 1, 2019

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
(Continued)

**Note 12- Long-Term Obligations (Continued)**

<i>Notes</i>	<u>Original Issue Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>
Various Purpose	2012	1.125%	2,597,111	October 18, 2012
<b>Revenue Bonds</b>				
<i>Water</i>				
Water Main Improvements	1995	4.40-6.60%	\$2,850,000	December 1, 2020
Water System Refunding	2002	2.00-3.65%	4,025,000	December 1, 2011
Water Main Improvements	2005	3.00-5.00%	609,829	December 1, 2025
Water Main Improvements	2006	4.00-4.50%	10,285,000	December 1, 2031
<i>Sewer</i>				
Sewer Construction	2006	4.00-4.50%	14,320,000	December 1, 2031
<b>General Obligation Bonds</b>				
<i>Sewer</i>				
Sewer Construction Refunding	1998	3.60-5.125%	5,695,000	December 1, 2011
Sewer Construction	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
Sewer Construction Refunding	2012	2.00%	2,347,340	December 1, 2023
<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
<b>OPWC Loans</b>				
<i>Water</i>				
Water Main Replacements	1999	0%	1,248,464	December 1, 2019
Water Main Replacements	2001	0%	1,944,012	December 1, 2021
Water Main Replacements	2003	0%	994,614	July 1, 2023
Water Main Replacements	2003	0%	1,592,840	July 1, 2023
Belle Avenue Improvements	2003	0%	484,637	December 1, 2023
<i>Sewer</i>				
West Clifton Storm Sewer Rehab.	2000	0%	115,101	December 1, 2020
Edgewater Drive-Sewer Separation	2002	0%	604,258	December 1, 2022
<b>OWDA Loan</b>				
<i>Sewer</i>				
Lakewood Avenue	2002	4.30%	445,810	July 1, 2013

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
(Continued)

**Note 12- Long-Term Obligations (Continued)**

	Balance December 31, 2011	Additions	Deletions	Balance December 31, 2012	Amount Due in One Year
<i>Governmental Activities</i>					
<b>Notes Payable</b>					
Various Purpose-2011	\$1,948,000	\$0	\$1,948,000	\$0	\$0
Various Purpose-2012	0	5,896,000	1,948,000	3,948,000	3,948,000
Various Purpose Refunding-2012	0	3,427,889	3,427,889	0	0
Unamortized Premium	0	39,065	30,922	8,143	0
<i>Total Notes Payable</i>	<u>1,948,000</u>	<u>9,362,954</u>	<u>7,354,811</u>	<u>3,956,143</u>	<u>3,948,000</u>
<b>General Obligation Bonds</b>					
Various Purpose-2003	3,427,888	0	3,427,888	0	0
Unamortized Premium	68,340	0	68,340	0	0
Various Purpose Refunding-2005	2,790,000	0	660,000	2,130,000	685,000
Unamortized Premium	57,517	0	16,833	40,684	0
Various Purpose-2005	2,947,889	0	336,422	2,611,467	343,753
Unamortized Premium	48,635	0	3,625	45,010	0
Various Purpose Refunding-2007	9,250,000	0	660,000	8,590,000	685,000
Unamortized Premium	43,491	0	2,899	40,592	0
Rockport Square Development-2004	3,730,000	0	200,000	3,530,000	215,000
Unamortized Premium	20,071	0	1,536	18,535	0
Vedda Printing-2005	310,000	0	15,000	295,000	20,000
Unamortized Premium	498	0	37	461	0
Various Purpose-2011	7,765,000	0	5,000	7,760,000	5,000
Unamortized Premium	6,019	0	1,003	5,016	0
Various Purpose Refunding-2011	2,253,661	0	691,071	1,562,590	299,464
Unamortized Premium	52,023	0	3,060	48,963	0
Various Purpose Refunding-2012	0	3,097,661	0	3,097,661	108,091
Unamortized Premium	0	98,426	8,202	90,224	0
<i>Total General Obligation Bonds</i>	<u>32,771,032</u>	<u>3,196,087</u>	<u>6,100,916</u>	<u>29,866,203</u>	<u>2,361,308</u>
<b>Other Long-Term Obligations</b>					
OPWC Loan-Forest and Clifton Road-1999	215,600	0	30,800	184,800	30,800
Claims Payable	778,258	4,812,067	5,192,848	397,477	284,622
Compensated Absences Payable	5,763,117	1,776,997	2,054,197	5,485,917	1,925,857
Capital Lease Payable	6,122,214	974,285	1,080,539	6,015,960	1,046,629
<i>Total Other Long-Term Obligations</i>	<u>12,879,189</u>	<u>7,563,349</u>	<u>8,358,384</u>	<u>12,084,154</u>	<u>3,287,908</u>
<i>Total Governmental Activities</i>	<u>\$47,598,221</u>	<u>\$20,122,390</u>	<u>\$21,814,111</u>	<u>\$45,906,500</u>	<u>\$9,597,216</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
(Continued)

**Note 12- Long-Term Obligations (Continued)**

	Balance December 31, 2011	Additions	Deletions	Balance December 31, 2012	Amount Due in One Year
<i>Business-Type Activities</i>					
<b>Notes</b>					
<i>Sewer</i>					
Various Purpose Refunding - 2012	\$0	\$2,597,111	\$2,597,111	\$0	\$0
Unamortized Premium	0	9,376	9,376	0	0
<i>Total Notes Payable</i>	0	2,606,487	2,606,487	0	0
<b>Revenue Bonds</b>					
<i>Water</i>					
Water Main Improvements-1995	\$1,690,000	\$0	\$145,000	\$1,545,000	\$155,000
Water Main Improvements-2005	472,674	0	25,465	447,209	26,359
Unamortized Premium	379	0	29	350	0
Water Main Improvements-2006	8,905,000	0	295,000	8,610,000	305,000
Unamortized Discount	(98,105)	0	(5,031)	(93,074)	0
Unamortized Premium	16,658	0	853	15,805	0
<i>Sewer</i>					
Sewer Construction-2006	12,415,000	0	405,000	12,010,000	430,000
Unamortized Discount	(136,818)	0	(7,016)	(129,802)	0
Unamortized Premium	39,672	0	2,034	37,638	0
<i>Total Revenue Bonds</i>	23,304,460	0	861,334	22,443,126	916,359
<b>General Obligation Bonds</b>					
<i>Sewer</i>					
Sewer Construction Refunding-1998	865,000	0	205,000	660,000	210,000
Unamortized Premium	17,620	0	5,156	12,464	0
Sewer Construction-2005	2,597,111	0	2,597,111	0	0
Unamortized Premium	44,720	0	44,720	0	0
Sewer Construction-2005	3,426,879	0	184,623	3,242,256	191,102
Unamortized Premium	2,774	0	207	2,567	0
<i>Sewer Construction Refunding</i>					
Bonds- 2011	225,000	0	225,000	0	0
Unamortized Premium	4,232	0	4,232	0	0
<i>Sewer Construction Refunding</i>					
Bonds- 2012	0	2,347,339	0	2,347,339	81,909
Unamortized Premium	0	74,585	6,215	68,370	0
<i>Winterhurst</i>					
Recreational Facility Bonds -2005	157,557	0	8,488	149,069	8,786
Unamortized Premium	124	0	10	114	0
<i>Recreational Facility</i>					
Refunding Bonds- 2011	681,339	0	208,929	472,410	90,536
Unamortized Premium	15,728	0	925	14,803	0
<i>Parking</i>					
Meter Replacement-2007	265,000	0	20,000	245,000	20,000
Unamortized Premium	1,821	0	121	1,700	0
<i>Total General Obligation Bonds</i>	\$8,304,905	\$2,421,924	\$3,510,737	\$7,216,092	\$602,333

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
(Continued)

**Note 12- Long-Term Obligations (Continued)**

	Balance December 31, 2011	Additions	Deletions	Balance December 31, 2012	Amount Due in One Year
<b>OPWC Loans</b>					
<i>Water Fund</i>					
Water Main Replacements-1999	\$436,957	\$0	\$62,423	\$374,534	\$62,423
Water Main Replacements-2001	874,804	0	97,201	777,603	97,201
Water Main Replacements-2003	571,902	0	49,731	522,171	49,731
Water Main Replacements-2003	915,884	0	79,642	836,242	79,642
Belle Avenue Improvements-2003	302,898	0	24,232	278,666	24,232
<i>Sewer</i>					
West Clifton Storm Sewer Rehabilitation-2000	34,180	0	4,273	29,907	4,273
Edgewater Drive-Sewer Separation-2002	302,129	0	30,213	271,916	30,213
<i>Total OPWC Loans</i>	<u>3,438,754</u>	<u>0</u>	<u>347,715</u>	<u>3,091,039</u>	<u>347,715</u>
<b>Other Long-Term Obligations</b>					
OWDA Loan- Lakewood Avenue-2002	48,108	0	31,726	16,382	16,382
Compensated Absences Payable	400,325	107,166	142,300	365,191	124,855
Capital Lease Payable	2,879,636	0	338,036	2,541,600	328,862
<i>Total Other Long-Term Obligations</i>	<u>3,328,069</u>	<u>107,166</u>	<u>512,062</u>	<u>2,923,173</u>	<u>470,099</u>
<i>Total Business-Type Activities</i>	<u>\$38,376,188</u>	<u>\$5,135,577</u>	<u>\$7,838,335</u>	<u>\$35,673,430</u>	<u>\$2,336,506</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 was considered defeased and the liability for the refunded bonds has been removed from the basic financial statements. As of December 31, 2012, \$2,130,000 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, 2012*  
*(Continued)*

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**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.

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

The bonds were sold at a premium of \$87,222. Proceeds were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded 1998 Various Purpose bonds. As a result, \$4,445,100 of these bonds was considered defeased and the liability for the refunded bonds has been removed from the City's financial statements. The amount still outstanding at December 31, 2012 is \$2,035,000.

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

The refunding portion of the bond anticipation notes were sold at a premium of \$21,750. Proceeds were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded 2003 Various Purpose bonds. As a result, \$6,025,000 of these bonds was considered defeased and the liability for the refunded bonds has been removed from the City's financial statements. The amount was called on May 18, 2012 and therefore are no longer outstanding at December 31, 2012 is \$5,445,000.

The City issued a \$2,000,000 various purpose bond anticipation note on April 18, 2012 at 1.125 percent that matures on April 17, 2013. The proceeds were used for various capital projects. These notes are considered long-term.

The City issued a \$1,948,000 various purpose bond anticipation note on October 17, 2012 at 1.25 percent that matures on April 17, 2013. The proceeds were used to retire previously issued notes. These notes are considered long-term.



**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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**Note 12 - Long-Term Obligations (Continued)**

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

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

**Business-Type Activities**

The revenue bonds, general obligation bonds, 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, 2012, were \$122,635. At December 31, 2012, \$1,545,000 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, 2012, 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, 2012, were \$195,499 for replacement and improvement and \$44,075 for debt service.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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**Note 12 - Long-Term Obligations (Continued)**

In 2006, the City issued \$10,285,000 in Water Main Improvement Revenue Bonds with interest rates varying from 4.00 percent to 4.50 percent to improve the City's water mains. The Revenue Bonds included Serial Bonds. Issuance included a premium of \$21,352 and discount of \$124,937. Restricted assets relating to the Water Main Improvement Revenue Bonds held with trustee at December 31, 2012, were \$337,409 restricted for debt service.

In 2006, the City issued \$14,320,000 in Sewer and Wastewater Improvement Revenue Bonds with interest rates varying from 4.00 percent to 4.50 percent to improve the City's sewer mains. The Revenue Bonds included Serial Bonds. Issuance included a premium of \$50,527 and discount of \$174,240. Restricted assets relating to the Sewer Main Improvement Revenue Bonds held with trustee at December 31, 2012, were \$472,598 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 \$18,211,141. Principal and interest paid for the current year were \$1,278,880, total net revenues were \$2,024,458, and total revenues were \$11,214,618.

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 \$3,676,602, and total revenues were \$7,653,452.

The City issued refunding bond anticipation notes along with various purpose bonds to retire the various improvement 2003 bonds. Further description of this debt activity is mentioned in the governmental activities section of this Note.

The City's overall legal debt margin was \$60,754,401 at December 31, 2012.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
(Continued)

**Note 12 - Long-Term Obligations (Continued)**

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2012, are as follows:

	<b>Governmental Activities</b>				
	General Obligation Bonds		OPWC Loans	Total	
	Principal	Interest	Principal	Principal	Interest
2013	\$2,361,308	\$1,234,759	\$30,800	\$2,392,108	\$1,234,759
2014	2,429,660	1,143,279	30,800	2,460,460	1,143,279
2015	2,551,362	1,039,077	30,800	2,582,162	1,039,077
2016	1,894,521	926,721	30,800	1,925,321	926,721
2017	1,882,707	856,101	30,800	1,913,507	856,101
2018-2022	10,867,770	3,058,010	30,800	10,898,570	3,058,010
2023-2027	6,709,390	1,037,207	0	6,709,390	1,037,207
2028	880,000	44,000	0	880,000	44,000
	<u>\$29,576,718</u>	<u>\$9,339,154</u>	<u>\$184,800</u>	<u>\$29,761,518</u>	<u>\$9,339,154</u>

	<b>Business Type Activities</b>				
	Revenue Bonds		General Obligation Bonds		OPWC Loans
	Principal	Interest	Principal	Interest	Principal
2013	\$916,359	\$994,626	\$602,333	\$248,430	\$347,715
2014	957,253	955,236	628,088	223,898	347,714
2015	999,040	913,620	659,599	197,821	347,714
2016	1,040,380	870,131	600,099	169,706	347,714
2017	1,086,273	825,093	611,020	151,564	347,714
2018-2022	5,707,364	3,374,525	2,779,865	497,181	1,251,446
2023-2027	6,105,540	2,133,185	1,235,070	89,667	101,022
2028-2031	5,800,000	666,900	0	0	0
	<u>\$22,612,209</u>	<u>\$10,733,316</u>	<u>\$7,116,074</u>	<u>\$1,578,267</u>	<u>\$3,091,039</u>

	OWDA Loans		Total	
	Principal	Interest	Principal	Interest
	2013	\$16,382	\$346	\$1,882,789
2014	0	0	1,933,055	1,179,134
2015	0	0	2,006,353	1,111,441
2016	0	0	1,988,193	1,039,837
2017	0	0	2,045,007	976,657
2018-2022	0	0	9,738,675	3,871,706
2023-2027	0	0	7,441,632	2,222,852
2028-2031	0	0	5,800,000	666,900
	<u>\$16,382</u>	<u>\$346</u>	<u>\$32,835,704</u>	<u>\$12,311,929</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
(Continued)

**Note 13 – Leases**

**A. Capital Leases**

In 2012, 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 Position. The following is a schedule of the future minimum lease payments for capital leases and the present value of net minimum lease payments as of December 31, 2012:

	Governmental Activities	Business-Type Activities
Building and Improvements	\$2,100,000	\$1,200,000
Equipment Machinery and Furniture	319,076	176,859
Vehicles	5,452,454	936,378
Total Capital Leases, being depreciated	7,871,530	2,313,237
Less Accumulated Depreciation		
Building and Improvements	1,050,000	600,000
Equipment Machinery and Furniture	159,538	88,430
Vehicles	2,166,918	383,709
Total Accumulated Depreciation	3,376,456	1,072,139
Capital Leases, Net	\$4,495,074	\$1,241,098
	Governmental Activities	Business-Type Activities
2013	\$1,251,810	\$418,107
2014	1,119,690	403,269
2015	1,097,706	406,228
2016	1,043,713	405,562
2017	1,006,608	405,727
2018-2022	1,206,955	864,316
Total minimum lease payments	6,726,482	2,903,209
Less: amount representing interest	(710,522)	(361,609)
Total	\$6,015,960	\$2,541,600

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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**Note 13 – Leases (Continued)**

***B. Operating Leases***

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

**Note 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 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 have a \$2,000,000 annual aggregate. Vehicles are covered for \$1,000,000 per each occurrence, no aggregate, with a \$5,000 deductible for comprehensive, \$5,000 deductible for collision.

The boiler and machinery is covered at \$112,654,118 with a \$10,000 deductible for all property.

Coverage for the City's buildings, furniture, fixtures, and contents has a limit of \$112,654,118, with a \$10,000 deductible. Inland marine coverage for all City property that moves has coverage of \$4,807,796 with a \$1,000 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.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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**Note 14 - Risk Management (Continued)**

At December 31, 2012, \$264,031 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:

	2012	2011
Estimated claims payable January 1	\$408,994	\$452,711
Plus: Current year claims	4,532,754	5,116,978
Less: Claim payments	(4,677,717)	(5,160,695)
Estimated claims payable December 31	\$264,031	\$408,994

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, 2012, \$133,446 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:

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

**Note 14 - Risk Management (Continued)**

	2012	2011
Estimated claims payable January 1	\$369,264	\$409,216
Plus: Current year claims	279,313	441,909
Less: Claim payments	(515,131)	(481,861)
Estimated claims payable December 31	\$133,446	\$369,264

**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, 2012, 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 2012, member and employer contribution rates were consistent across all three plans.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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**Note 15 - Defined Benefit Pension Plans (Continued)**

The City's 2012 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 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent or 2012. 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, 2012, 2011, and 2010, were \$1,448,627 \$1,564,435, and \$1,352,366, respectively; 87 percent has been contributed for 2012 and 100 percent for 2011 and 2010. Contributions to the Member-Directed Plan for 2012 were \$27,812 made by the City and \$38,937 made by the plan members.

**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 \$896,221 and \$936,402 for the year ended December 31, 2012, \$921,634 and \$959,008 for the year ended December 31, 2011, and \$877,675 and \$925,438 for the year ended December 31, 2010. 72.36 percent has been contributed for police and 71.10 percent has been contributed for firefighters for 2012 with the balance for both police and firefighters being reported as intergovernmental payable.



**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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**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.

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 employer’s 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 2012, 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 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05 percent for 2012.

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.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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**Note 16 – Post-Employment Benefits (Continued)**

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2012, 2011, and 2010 were \$579,518, \$625,774, and \$770,838, respectively; 87 percent has been contributed for 2012 with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2011 and 2010.

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

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

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

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

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

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

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.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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**Note 16 – Post-Employment Benefits (Continued)**

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, 2012, 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 \$474,683 and \$366,614 for the year ended December 31, 2012, \$487,924 and \$375,264 for the year ended December 31, 2011, and \$464,652 and \$362,128 for the year ended December 31, 2010. The full amount has been contributed for 2011 and 2010. 72.36 percent has been contributed for police and 71.10 percent has been contributed for firefighters for 2012 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 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.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
*(Continued)*

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**Note 17 - Other Employee Benefits (Continued)**

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

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

**Note 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 2012, the City contributed \$89,790.

**Note 19 – Contractual Commitments**

The following were significant contractual commitments outstanding at December 31, 2012.

Project	Contract Amount	Amount Paid	Amount Remaining
Refuse Facility Improvements	\$739,000	\$718,877	\$20,123
Waterline Improvements	1,405,065	1,165,756	239,309
Wastewater Improvements	905,000	367,086	537,914
Totals	<u>\$3,049,065</u>	<u>\$2,251,719</u>	<u>\$797,346</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
(Continued)

**Note 19 – Interfund Transfers and Balances**

**A. Transfers**

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

<u>TRANSFERS IN</u>	<b>TRANSFERS OUT</b>							Total Entity-wide
	Governmental activities				Business-Type Activities			
	Major Funds			Other Governmental Funds	Major Funds		Other Enterprise Funds	
	General	Police and Fire Pension	Debt Service		Water	Sewer		
<i>Governmental Activities</i>								
<u>Major Funds:</u>								
General	\$0	\$0	\$1,277,971	\$100,000	\$0	\$0	\$0	\$1,377,971
Debt Service	210,000	456,384	0	26,000	15,252	1,491,611	64,500	2,263,747
<u>Nonmajor Funds:</u>								
Office on Aging	645,000	0	0	0	0	0	0	645,000
Total Governmental Activities	<u>\$855,000</u>	<u>\$456,384</u>	<u>\$1,277,971</u>	<u>\$126,000</u>	<u>\$15,252</u>	<u>\$1,491,611</u>	<u>\$64,500</u>	<u>\$4,286,718</u>
<i>Business-Type Activities</i>								
<u>Nonmajor Funds:</u>								
Winterhurst	0	0	388,813	0	0	0	0	388,813
<i>Internal Service Funds</i>								
Hospitalization	1,350,000	0	0	0	0	0	0	1,350,000
Workers' Compensation	270,000	0	0	0	0	0	0	270,000
Total Entity-wide	<u>\$2,475,000</u>	<u>\$456,384</u>	<u>\$1,666,784</u>	<u>\$126,000</u>	<u>\$15,252</u>	<u>\$1,491,611</u>	<u>\$64,500</u>	<u>\$6,295,531</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2012*  
(Continued)

**Note 19 – Interfund Transfers and Balances (Continued)**

Interfund receivables and payables are due to the timing of the receipt of grant monies by the major and nonmajor funds and short-term advances from the General Fund. It is also to cover those funds that owe the Hospitalization Fund and Workers' Compensation Fund for monthly premiums. All interfund balances will be repaid within one year. Interfund balances at December 31, 2012, consist of the following:

Interfund Payable	Interfund Receivable			
	General	Workers' Compensation	Hospitalization	Total
<b>Governmental Funds</b>				
<b>Major Funds:</b>				
General	\$0	\$15,395	\$197,406	\$212,801
Community Development Block Grant	200,000	337	4,318	204,655
<b>Nonmajor Funds:</b>				
Street and Highway	0	770	9,870	10,640
Office on Aging	0	577	7,403	7,980
Lakewood Hospital	0	1,058	13,572	14,630
Emergency Shelter Grant	5,000	0	0	5,000
Family to Family	35,000	0	0	35,000
<i>Total Governmental Funds</i>	<u>240,000</u>	<u>18,137</u>	<u>232,569</u>	<u>490,706</u>
<b>Proprietary Funds</b>				
<b>Major Funds:</b>				
Water	0	674	8,636	9,310
Sewer	0	1,684	21,592	23,276
<b>Nonmajor Funds:</b>				
Parking Facilities	0	96	1,234	1,330
Winterhurst	220,000	0	0	220,000
<i>Total Proprietary Funds</i>	<u>220,000</u>	<u>2,454</u>	<u>31,462</u>	<u>253,916</u>
<b>Total</b>	<u>\$460,000</u>	<u>\$20,591</u>	<u>\$264,031</u>	<u>\$744,622</u>

**Note 20 - Subsequent Event**

On April 16, 2013, the City issued \$6,430,000 in various purpose and refunding bond anticipation notes at 1.0 percent that will mature April 14, 2014. \$2,000,000 of the proceeds was used to retire the outstanding 2012 various purposes bond anticipation notes, and \$1,948,000 of the proceeds were used to retire \$1,948,000 various purposes improvement bond anticipation notes.

## **Combining Statements**

## *Fund Descriptions – Nonmajor Governmental Funds*

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### *Non-Major Special Revenue Funds*

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

Street and Highway Fund	To account for and report restricted State gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City as required by the Ohio Revised Code.
Office on Aging Fund	To account for and report grants received from the Ohio Department of Aging restricted for the various programs assisting the senior citizens in the City.
Lakewood Hospital Fund	To account for and report ambulance service fees committed to providing emergency medical services (paramedic), lease payments received from Lakewood Hospital Association and various licenses, permits and fees.
Energy Efficiency Block Grant Fund	To account for and report grants received from United States Department of Energy restricted for costs associated with energy savings in municipal buildings.
Homeless Prevention Fund	To account for and report received from the Department of Development restricted for providing individuals with financial assistance and services.
Neighborhood Stabilization Fund	To account for and report grants received from the United States Department of Housing and Urban Development (HUD) restricted for assisting communities in purchasing for demolition or rehab housing structures in the City.
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.



*Fund Descriptions – Nonmajor Governmental Funds*

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



**City of Lakewood, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2012*

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>ASSETS</b>				
Equity in Pooled Cash and Cash Equivalents	\$1,791,358	\$67,188	\$1,199,712	\$3,058,258
Cash and Cash Equivalents:				
In Segregated Accounts	152,168	0	23,477	175,645
Materials and Supplies Inventory	199,120	0	0	199,120
Accounts Receivable	553,882	32,642	0	586,524
Intergovernmental Receivable	904,893	0	0	904,893
Special Assessments Receivable	44,410	0	0	44,410
Payments in Lieu of Taxes Receivable	0	594,456	0	594,456
Assets Held for Resale	157,400	0	0	157,400
<b>Total Assets</b>	<u>\$3,803,231</u>	<u>\$694,286</u>	<u>\$1,223,189</u>	<u>\$5,720,706</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$209,965	\$0	\$230,212	\$440,177
Accrued Wages and Benefits	146,602	0	0	146,602
Intergovernmental Payable	51,905	0	0	51,905
Matured Compensated Absences Payable	13,350	0	0	13,350
Retainage Payable	0	0	23,477	23,477
Interfund Payable	73,250	0	0	73,250
<b>Total Liabilities</b>	<u>495,072</u>	<u>0</u>	<u>253,689</u>	<u>748,761</u>
<b>Deferred Inflows of Resources:</b>				
Property Taxes and Payments in Lieu of Taxes	0	522,098	0	522,098
Unavailable Revenue - Delinquent Payments in Lieu of Taxes	0	72,358	0	72,358
Unavailable Revenue - Other	562,661	0	0	562,661
<b>Total Deferred Inflows of Resources</b>	<u>562,661</u>	<u>594,456</u>	<u>0</u>	<u>1,157,117</u>
<b>Fund Balances:</b>				
Nonspendable	199,120	0	0	199,120
Restricted	1,935,729	99,830	875,515	2,911,074
Committed	692,182	0	93,985	786,167
Unassigned (Deficit)	(81,533)	0	0	(81,533)
<b>Total Fund Balance</b>	<u>2,745,498</u>	<u>99,830</u>	<u>969,500</u>	<u>3,814,828</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$3,803,231</u>	<u>\$694,286</u>	<u>\$1,223,189</u>	<u>\$5,720,706</u>

**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2012*

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>REVENUES</b>				
Payments in Lieu of Taxes	\$0	\$379,614	\$0	\$379,614
Intergovernmental	3,112,284	97,853	16,048	3,226,185
Interest	3	0	0	3
Fines and Forfeitures	245,479	0	0	245,479
Charges for Services	2,460,053	0	0	2,460,053
Contributions and Donations	83,077	0	0	83,077
Special Assessments	75,390	0	0	75,390
All Other Revenues	308,148	32,642	313,487	654,277
<b>Total Revenues</b>	<u>6,284,434</u>	<u>510,109</u>	<u>329,535</u>	<u>7,124,078</u>
<b>EXPENDITURES</b>				
Security of Persons and Property:				
Police	194,673	0	0	194,673
Fire	1,855,991	0	0	1,855,991
Public Health Services	1,401,585	0	0	1,401,585
Community Environment	1,239,445	0	0	1,239,445
Transportation	1,768,040	0	0	1,768,040
General Government	173,791	29,914	0	203,705
Capital Outlay	424,285	0	2,334,483	2,758,768
Debt Service:				
Principal Retirement	15,762	215,000	0	230,762
Interest and Fiscal Charges	4,422	222,686	0	227,108
<b>Total Expenditures</b>	<u>7,077,994</u>	<u>467,600</u>	<u>2,334,483</u>	<u>9,880,077</u>
Excess of Revenues Over (Under) Expenditures	<u>(793,560)</u>	<u>42,509</u>	<u>(2,004,948)</u>	<u>(2,755,999)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	130,124	0	0	130,124
Inception of Capital Lease	424,285	0	0	424,285
Bond Anticipation Notes Issued	0	0	2,000,000	2,000,000
Transfer In	645,000	0	0	645,000
Transfer Out	(126,000)	0	0	(126,000)
<b>Total Other Financing Sources (Uses)</b>	<u>1,073,409</u>	<u>0</u>	<u>2,000,000</u>	<u>3,073,409</u>
Net Change in Fund Balances	279,849	42,509	(4,948)	317,410
Fund Balances - Beginning of Year	2,465,649	57,321	974,448	3,497,418
<b>Fund Balances - End of Year</b>	<u>\$2,745,498</u>	<u>\$99,830</u>	<u>\$969,500</u>	<u>\$3,814,828</u>

**City of Lakewood, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2012*

	<b>Street and Highway</b>	<b>Litter Control Grant</b>	<b>Law and Drug Enforcement Trust</b>	<b>Federal Forfeiture</b>	<b>Indigent Drivers Alcohol Treatment</b>
<b>ASSETS</b>					
Equity in Pooled Cash and Cash Equivalents	\$504,265	\$6,298	\$187,767	\$8,340	\$160,683
Cash and Cash Equivalents:					
In Segregated Accounts	0	0	0	0	0
Materials and Supplies Inventory	199,120	0	0	0	0
Accounts Receivable	0	0	1,207	0	485
Intergovernmental Receivable	797,449	0	3,946	0	0
Special Assessments Receivable	23,232	0	0	0	0
Assets held for Resale	0	0	0	0	0
<b>Total Assets</b>	<b>\$1,524,066</b>	<b>\$6,298</b>	<b>\$192,920</b>	<b>\$8,340</b>	<b>\$161,168</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$81,144	\$0	\$8,230	\$0	\$0
Accrued Wages and Benefits	49,615	0	0	0	0
Intergovernmental Payable	17,563	0	0	0	0
Matured Compensated Absences Payable	13,350	0	0	0	0
Interfund Payable	10,640	0	0	0	0
<b>Total Liabilities</b>	<b>172,312</b>	<b>0</b>	<b>8,230</b>	<b>0</b>	<b>0</b>
<b>Deferred Inflows of Resources:</b>					
Unavailable Revenue - Other	541,483	0	0	0	0
<b>Total Deferred Inflows of Resources</b>	<b>541,483</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balances:</b>					
Nonspendable	199,120	0	0	0	0
Restricted	611,151	6,298	184,690	8,340	161,168
Committed	0	0	0	0	0
Unassigned (Deficit)	0	0	0	0	0
<b>Total Fund Balances (Deficit)</b>	<b>810,271</b>	<b>6,298</b>	<b>184,690</b>	<b>8,340</b>	<b>161,168</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$1,524,066</b>	<b>\$6,298</b>	<b>\$192,920</b>	<b>\$8,340</b>	<b>\$161,168</b>

**City of Lakewood, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2012*

	<b>Enforcement and Education</b>	<b>Political Subdivision</b>	<b>Computer Research and Maintenance</b>	<b>Court Special Projects</b>
<b>ASSETS</b>				
Equity in Pooled Cash and Cash Equivalents	\$61,458	\$15,091	\$38,689	\$310,720
Cash and Cash Equivalents:				
In Segregated Accounts	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
Accounts Receivable	170	0	2,373	9,037
Intergovernmental Receivable	0	0	0	0
Special Assessments Receivable	0	0	0	0
Assets held for Resale	0	0	0	0
<b>Total Assets</b>	<b>\$61,628</b>	<b>\$15,091</b>	<b>\$41,062</b>	<b>\$319,757</b>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$0	\$0	\$515	\$0
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	0	0	0	20
Matured Compensated Absences Payable	0	0	0	0
Interfund Payable	0	0	0	0
<b>Total Liabilities</b>	<b>0</b>	<b>0</b>	<b>515</b>	<b>20</b>
 <b>Deferred Inflows of Resources:</b>				
Unavailable Revenue - Other	0	0	0	0
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
 <b>Fund Balances:</b>				
Nonspendable	0	0	0	0
Restricted	61,628	15,091	40,547	319,737
Committed	0	0	0	0
Unassigned (Deficit)	0	0	0	0
<b>Total Fund Balances (Deficit)</b>	<b>61,628</b>	<b>15,091</b>	<b>40,547</b>	<b>319,737</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$61,628</b>	<b>\$15,091</b>	<b>\$41,062</b>	<b>\$319,757</b>

<b>Court Probation Services</b>	<b>Indigent Drivers Interlock and Alcohol Monitoring</b>	<b>Emergency Shelter Grant</b>	<b>HOME Investment Program</b>	<b>Energy Efficiency Block Grant</b>	<b>Neighborhood Stabilization</b>	<b>Homeless Prevention</b>
\$19,481	\$50,415	\$4,623	\$13,976	\$50,213	\$204,864	\$155
0	0	0	0	0	0	0
0	0	0	0	0	0	0
1,724	688	0	0	0	0	0
0	0	0	0	0	14,380	0
0	0	0	0	0	0	0
0	0	0	0	0	157,400	0
<u>\$21,205</u>	<u>\$51,103</u>	<u>\$4,623</u>	<u>\$13,976</u>	<u>\$50,213</u>	<u>\$376,644</u>	<u>\$155</u>
\$140	\$0	\$19,253	\$14,350	\$0	\$0	\$47,372
2,907	0	0	0	0	0	0
1,262	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	5,000	0	0	0	0
<u>4,309</u>	<u>0</u>	<u>24,253</u>	<u>14,350</u>	<u>0</u>	<u>0</u>	<u>47,372</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0	0
16,896	51,103	0	0	50,213	376,644	0
0	0	0	0	0	0	0
0	0	(19,630)	(374)	0	0	(47,217)
<u>16,896</u>	<u>51,103</u>	<u>(19,630)</u>	<u>(374)</u>	<u>50,213</u>	<u>376,644</u>	<u>(47,217)</u>
<u>\$21,205</u>	<u>\$51,103</u>	<u>\$4,623</u>	<u>\$13,976</u>	<u>\$50,213</u>	<u>\$376,644</u>	<u>\$155</u>

**City of Lakewood, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2012*

	<u>Office on Aging</u>	<u>Lakewood Hospital</u>	<u>Help-to- Others</u>	<u>Juvenile Diversion</u>	<u>Family to Family</u>	<u>Total Nonmajor Special Revenue Funds</u>
<b>ASSETS</b>						
Equity in Pooled Cash and Cash Equivalents	\$18,138	\$114,136	\$6,182	\$9,195	\$6,669	\$1,791,358
Cash and Cash Equivalents:						
In Segregated Accounts	0	152,168	0	0	0	152,168
Materials and Supplies Inventory	0	0	0	0	0	199,120
Accounts Receivable	4,858	533,340	0	0	0	553,882
Intergovernmental Receivable	18,912	0	0	4,083	66,123	904,893
Special Assessments Receivable	0	21,178	0	0	0	44,410
Assets held for Resale	0	0	0	0	0	157,400
<b>Total Assets</b>	<u>\$41,908</u>	<u>\$820,822</u>	<u>\$6,182</u>	<u>\$13,278</u>	<u>\$72,792</u>	<u>\$3,803,231</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts Payable	\$12,879	\$23,289	\$80	\$0	\$2,713	\$209,965
Accrued Wages and Benefits	24,878	57,846	0	1,516	9,840	146,602
Intergovernmental Payable	10,483	17,799	0	403	4,375	51,905
Matured Compensated Absences Payable	0	0	0	0	0	13,350
Interfund Payable	7,980	14,630	0	0	35,000	73,250
<b>Total Liabilities</b>	<u>56,220</u>	<u>113,564</u>	<u>80</u>	<u>1,919</u>	<u>51,928</u>	<u>495,072</u>
<b>Deferred Inflows of Resources:</b>						
Unavailable Revenue - Other	0	21,178	0	0	0	562,661
<b>Total Deferred Inflows of Resources</b>	<u>0</u>	<u>21,178</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>562,661</u>
<b>Fund Balances:</b>						
Nonspendable	0	0	0	0	0	199,120
Restricted	0	0	0	11,359	20,864	1,935,729
Committed	0	686,080	6,102	0	0	692,182
Unassigned (Deficit)	(14,312)	0	0	0	0	(81,533)
<b>Total Fund Balances (Deficit)</b>	<u>(14,312)</u>	<u>686,080</u>	<u>6,102</u>	<u>11,359</u>	<u>20,864</u>	<u>2,745,498</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$41,908</u>	<u>\$820,822</u>	<u>\$6,182</u>	<u>\$13,278</u>	<u>\$72,792</u>	<u>\$3,803,231</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, 2012*

	<b>Street and Highway</b>	<b>Litter Control Grant</b>	<b>Law and Drug Enforcement Trust</b>	<b>Federal Forfeiture</b>	<b>Indigent Drivers Alcohol Treatment</b>
<b>REVENUES</b>					
Intergovernmental	\$1,874,241	\$0	\$8,131	\$0	\$10,914
Interest	0	0	0	3	0
Fines and Forfeitures	0	0	10,824	0	9,660
Charges for Services	0	0	0	0	0
Contributions and Donations	0	0	0	0	0
Special Assessments	75,390	0	0	0	0
All Other Revenues	196,631	0	85,841	0	0
<b>Total Revenues</b>	<b>2,146,262</b>	<b>0</b>	<b>104,796</b>	<b>3</b>	<b>20,574</b>
<b>EXPENDITURES</b>					
Security of Persons and Property					
Police	0	0	147,742	2,045	0
Fire	0	0	0	0	0
Public Health Services	0	0	0	0	0
Community Environment	0	0	0	0	0
Transportation	1,768,040	0	0	0	0
General Government	0	0	0	0	4,289
Capital Outlay	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
<b>Total Expenditures</b>	<b>1,768,040</b>	<b>0</b>	<b>147,742</b>	<b>2,045</b>	<b>4,289</b>
Excess of Revenues Over (Under) Expenditures	378,222	0	(42,946)	(2,042)	16,285
<b>OTHER FINANCING SOURCES</b>					
Sale of Capital Assets	0	0	54,068	0	0
Inception of Capital Lease	0	0	0	0	0
Transfer In	0	0	0	0	0
Transfer Out	(24,800)	0	0	0	0
<b>Total Other Financing Sources</b>	<b>(24,800)</b>	<b>0</b>	<b>54,068</b>	<b>0</b>	<b>0</b>
Net Change in Fund Balances	353,422	0	11,122	(2,042)	16,285
Fund Balances - Beginning of Year	456,849	6,298	173,568	10,382	144,883
<b>Fund Balances - End of Year</b>	<b>\$810,271</b>	<b>\$6,298</b>	<b>\$184,690</b>	<b>\$8,340</b>	<b>\$161,168</b>

(Continued)

**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Year Ended December 31, 2012*

	<b>Enforcement and Education</b>	<b>Political Subdivision</b>	<b>Computer Research and Maintenance</b>	<b>Court Special Projects</b>	<b>Court Probation Services</b>
<b>REVENUES</b>					
Intergovernmental	\$0	\$0	\$0	\$0	\$0
Interest	0	0	0	0	0
Fines and Forfeitures	4,077	800	34,491	139,274	31,198
Charges for Services	0	0	0	0	0
Contributions and Donations	0	0	0	0	0
Special Assessments	0	0	0	0	0
All Other Revenues	500	0	0	0	0
<b>Total Revenues</b>	<b>4,577</b>	<b>800</b>	<b>34,491</b>	<b>139,274</b>	<b>31,198</b>
<b>EXPENDITURES</b>					
Security of Persons and Property					
Police	8,108	0	0	0	0
Fire	0	0	0	0	0
Public Health Services	0	0	0	0	0
Community Environment	0	0	0	0	0
Transportation	0	0	0	0	0
General Government	0	0	35,186	42,365	90,895
Capital Outlay	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
<b>Total Expenditures</b>	<b>8,108</b>	<b>0</b>	<b>35,186</b>	<b>42,365</b>	<b>90,895</b>
Excess of Revenues Over (Under) Expenditures	(3,531)	800	(695)	96,909	(59,697)
<b>OTHER FINANCING SOURCES</b>					
Sale of Capital Assets	0	0	0	0	0
Inception of Capital Lease	0	0	0	0	0
Transfer In	0	0	0	0	0
Transfer Out	0	0	0	(100,000)	0
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(100,000)</b>	<b>0</b>
Net Change in Fund Balances	(3,531)	800	(695)	(3,091)	(59,697)
Fund Balances - Beginning of Year	65,159	14,291	41,242	322,828	76,593
<b>Fund Balances - End of Year</b>	<b>\$61,628</b>	<b>\$15,091</b>	<b>\$40,547</b>	<b>\$319,737</b>	<b>\$16,896</b>

<b>Indigent Drivers Interlock and Alcohol Monitoring</b>	<b>Emergency Shelter Grant</b>	<b>HOME Investment Program</b>	<b>Energy Efficiency Block Grant</b>	<b>Neighborhood Stabilization</b>	<b>Homeless Prevention</b>	<b>Office on Aging</b>
\$0	\$150,900	\$381,204	\$146,594	\$26,763	\$38,654	\$104,391
0	0	0	0	0	0	0
15,155	0	0	0	0	0	0
0	0	0	0	0	0	98,631
0	0	0	0	0	0	83,077
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>15,155</u>	<u>150,900</u>	<u>381,204</u>	<u>146,594</u>	<u>26,763</u>	<u>38,654</u>	<u>286,099</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	982,106
0	169,231	420,455	72,903	129,503	79,332	0
0	0	0	0	0	0	0
1,056	0	0	0	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>1,056</u>	<u>169,231</u>	<u>420,455</u>	<u>72,903</u>	<u>129,503</u>	<u>79,332</u>	<u>982,106</u>
<u>14,099</u>	<u>(18,331)</u>	<u>(39,251)</u>	<u>73,691</u>	<u>(102,740)</u>	<u>(40,678)</u>	<u>(696,007)</u>
0	0	0	0	76,056	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	645,000
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>76,056</u>	<u>0</u>	<u>645,000</u>
<u>14,099</u>	<u>(18,331)</u>	<u>(39,251)</u>	<u>73,691</u>	<u>(26,684)</u>	<u>(40,678)</u>	<u>(51,007)</u>
<u>37,004</u>	<u>(1,299)</u>	<u>38,877</u>	<u>(23,478)</u>	<u>403,328</u>	<u>(6,539)</u>	<u>36,695</u>
<u>\$51,103</u>	<u>(\$19,630)</u>	<u>(\$374)</u>	<u>\$50,213</u>	<u>\$376,644</u>	<u>(\$47,217)</u>	<u>(\$14,312)</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, 2012*

	<b>Lakewood Hospital</b>	<b>Byrne Memorial Grant</b>	<b>Help-to- Others</b>	<b>Juvenile Diversion</b>	<b>Family to Family</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>REVENUES</b>						
Intergovernmental	\$20,849	\$11,372	\$0	\$34,667	\$303,604	\$3,112,284
Interest	0	0	0	0	0	3
Fines and Forfeitures	0	0	0	0	0	245,479
Charges for Services	2,346,537	0	14,885	0	0	2,460,053
Contributions and Donations	0	0	0	0	0	83,077
Special Assessments	0	0	0	0	0	75,390
All Other Revenues	5,350	0	15,261	4,565	0	308,148
<b>Total Revenues</b>	<u>2,372,736</u>	<u>11,372</u>	<u>30,146</u>	<u>39,232</u>	<u>303,604</u>	<u>6,284,434</u>
<b>EXPENDITURES</b>						
Security of Persons and Property						
Police	0	36,778	0	0	0	194,673
Fire	1,855,991	0	0	0	0	1,855,991
Public Health Services	419,479	0	0	0	0	1,401,585
Community Environment	0	0	30,146	42,131	295,744	1,239,445
Transportation	0	0	0	0	0	1,768,040
General Government	0	0	0	0	0	173,791
Capital Outlay	424,285	0	0	0	0	424,285
Debt Service:						
Principal Retirement	15,762	0	0	0	0	15,762
Interest and Fiscal Charges	4,422	0	0	0	0	4,422
<b>Total Expenditures</b>	<u>2,719,939</u>	<u>36,778</u>	<u>30,146</u>	<u>42,131</u>	<u>295,744</u>	<u>7,077,994</u>
Excess of Revenues Over (Under) Expenditures	<u>(347,203)</u>	<u>(25,406)</u>	<u>0</u>	<u>(2,899)</u>	<u>7,860</u>	<u>(793,560)</u>
<b>OTHER FINANCING SOURCES</b>						
Sale of Capital Assets	0	0	0	0	0	130,124
Inception of Capital Lease	424,285	0	0	0	0	424,285
Transfer In	0	0	0	0	0	645,000
Transfer Out	(1,200)	0	0	0	0	(126,000)
<b>Total Other Financing Sources</b>	<u>423,085</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,073,409</u>
Net Change in Fund Balances	75,882	(25,406)	0	(2,899)	7,860	279,849
Fund Balances - Beginning of Year	610,198	25,406	6,102	14,258	13,004	2,465,649
<b>Fund Balances - End of Year</b>	<u>\$686,080</u>	<u>\$0</u>	<u>\$6,102</u>	<u>\$11,359</u>	<u>\$20,864</u>	<u>\$2,745,498</u>

**City of Lakewood, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2012*

	<b>Permanent Capital Improvement</b>	<b>City Park Improvement</b>	<b>Tax Increment Financing Capital Improvement</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>ASSETS</b>				
Equity in Pooled Cash and Cash Equivalents	\$882,516	\$93,985	\$223,211	\$1,199,712
Cash and Cash Equivalents:				
In Segregated Accounts	1,759	0	21,718	23,477
<b>Total Assets</b>	<u><u>\$884,275</u></u>	<u><u>\$93,985</u></u>	<u><u>\$244,929</u></u>	<u><u>\$1,223,189</u></u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$230,212	\$0	\$0	\$230,212
Retainage Payable	1,759	0	21,718	23,477
<b>Total Liabilities</b>	<u><u>231,971</u></u>	<u><u>0</u></u>	<u><u>21,718</u></u>	<u><u>253,689</u></u>
<b>Fund Balances:</b>				
Restricted	652,304	0	223,211	875,515
Committed	0	93,985	0	93,985
<b>Total Fund Balances</b>	<u><u>652,304</u></u>	<u><u>93,985</u></u>	<u><u>223,211</u></u>	<u><u>969,500</u></u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u><u>\$884,275</u></u>	<u><u>\$93,985</u></u>	<u><u>\$244,929</u></u>	<u><u>\$1,223,189</u></u>

**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2012*

	<b>Permanent Capital Improvement</b>	<b>Land Acquisition</b>	<b>City Park Improvement</b>	<b>Tax Increment Financing Capital Improvement</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>REVENUES</b>					
Intergovernmental	\$16,048	\$0	\$0	\$0	\$16,048
All Other Revenues	305,239	0	8,248	0	313,487
<b>Total Revenues</b>	<u>321,287</u>	<u>0</u>	<u>8,248</u>	<u>0</u>	<u>329,535</u>
<b>EXPENDITURES</b>					
Capital Outlay	2,183,106	150,000	1,377	0	2,334,483
<b>Total Expenditures</b>	<u>2,183,106</u>	<u>150,000</u>	<u>1,377</u>	<u>0</u>	<u>2,334,483</u>
Excess of Revenues (Under) Expenditures	<u>(1,861,819)</u>	<u>(150,000)</u>	<u>6,871</u>	<u>0</u>	<u>(2,004,948)</u>
<b>OTHER FINANCING SOURCES</b>					
Bond Anticipation Notes Issued	2,000,000	0	0	0	2,000,000
<b>Total Other Financing Sources</b>	<u>2,000,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,000,000</u>
Net Change in Fund Balances	138,181	(150,000)	6,871	0	(4,948)
Fund Balances - Beginning of Year	514,123	150,000	87,114	223,211	974,448
<b>Fund Balances - End of Year</b>	<u>\$652,304</u>	<u>\$0</u>	<u>\$93,985</u>	<u>\$223,211</u>	<u>\$969,500</u>

## *Fund Descriptions – Nonmajor Proprietary Funds*

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### *Nonmajor Enterprise Funds*

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

Parking Facilities Fund

To account for and report the off-street parking services provided by the City.

Winterhurst Ice Rink Fund

To account for and report the revenues and costs of operating the municipal ice rink facility.

### *Internal Service Funds*

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

Hospitalization Fund

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

Workers' Compensation Fund

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

**City of Lakewood, Ohio**  
*Combining Statement of Net Position*  
*Nonmajor Enterprise Funds*  
*December 31, 2012*

	<u>Parking Facilities</u>	<u>Winterhurst Ice Rink</u>	<u>Nonmajor Enterprise Funds</u>
<b>ASSETS</b>			
<b>Current Assets:</b>			
Equity in Pooled Cash and Cash Equivalents	\$414,748	\$46,528	\$461,276
Materials and Supplies Inventory	39,700	0	39,700
Accounts Receivable	0	406,414	406,414
<b>Total Current Assets</b>	<u>454,448</u>	<u>452,942</u>	<u>907,390</u>
<b>Noncurrent Assets:</b>			
Capital Assets:			
Land	77,120	10	77,130
Depreciable Capital Assets, Net of Depreciation	394,787	4,813,622	5,208,409
<b>Total Noncurrent Assets</b>	<u>471,907</u>	<u>4,813,632</u>	<u>5,285,539</u>
<b>Total Assets</b>	<u>926,355</u>	<u>5,266,574</u>	<u>6,192,929</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferral on Refunding	0	33,875	33,875
<b>Total Deferred Outflows of Resources</b>	<u>0</u>	<u>33,875</u>	<u>33,875</u>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts Payable	50,137	107,819	157,956
Accrued Wages	5,788	0	5,788
Intergovernmental Payable	2,463	0	2,463
Interfund Payable	1,330	220,000	221,330
Matured Bonds Payable	14,699	0	14,699
Accrued Interest Payable	872	6,412	7,284
General Obligation Bonds Payable	20,000	99,322	119,322
Capital Leases Payable	1,654	117,523	119,177
<b>Total Current Liabilities</b>	<u>96,943</u>	<u>551,076</u>	<u>648,019</u>
<b>Noncurrent Liabilities:</b>			
Compensated Absences Payable	5,376	0	5,376
General Obligation Bonds Payable	226,700	537,074	763,774
Capital Leases Payable	12,474	607,431	619,905
<b>Total Noncurrent Liabilities</b>	<u>244,550</u>	<u>1,144,505</u>	<u>1,389,055</u>
<b>Total Liabilities</b>	<u>341,493</u>	<u>1,695,581</u>	<u>2,037,074</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	211,080	3,486,157	3,697,237
Unrestricted	373,782	118,711	492,493
<b>Total Net Position</b>	<u>\$584,862</u>	<u>\$3,604,868</u>	<u>\$4,189,730</u>



**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Nonmajor Enterprise Funds*  
*For the Year Ended December 31, 2012*

	<b>Parking Facilities</b>	<b>Winterhurst Ice Rink</b>	<b>Nonmajor Enterprise Funds</b>
<b>OPERATING REVENUES</b>			
Charges for Services	\$462,300	\$372,284	\$834,584
Miscellaneous	718	93,302	94,020
<b>Total Operating Revenues</b>	<u>463,018</u>	<u>465,586</u>	<u>928,604</u>
<b>OPERATING EXPENSES</b>			
Salaries	179,069	0	179,069
Property Taxes	44,806	129,130	173,936
Materials and Supplies	57,188	0	57,188
Utilities	27,989	256,899	284,888
Contractual Services	637	0	637
Depreciation	24,987	85,000	109,987
Other	46,719	0	46,719
<b>Total Operating Expense</b>	<u>381,395</u>	<u>471,029</u>	<u>852,424</u>
Operating Income (Loss)	<u>81,623</u>	<u>(5,443)</u>	<u>76,180</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
(Loss) on Sale of Capital Assets	(949)	0	(949)
Interest and Fiscal Charges	(10,421)	(54,912)	(65,333)
<b>Total Nonoperating Revenues (Expenses)</b>	<u>(11,370)</u>	<u>(54,912)</u>	<u>(66,282)</u>
Transfers In	0	388,813	388,813
(Transfers Out)	(4,500)	(60,000)	(64,500)
Change in Net Position	<u>65,753</u>	<u>268,458</u>	<u>334,211</u>
Net Position - Beginning of Year, Restated	<u>519,109</u>	<u>3,336,410</u>	<u>3,855,519</u>
<b>Net Position - End of Year</b>	<u><u>\$584,862</u></u>	<u><u>\$3,604,868</u></u>	<u><u>\$4,189,730</u></u>

**City of Lakewood, Ohio**  
*Combining Statement of Cash Flows*  
*Nonmajor Enterprise Funds*  
*For the Year Ended December 31, 2012*

	<b>Parking Facilities</b>	<b>Winterhurst Ice Rink</b>	<b>Nonmajor Enterprise Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Customers	\$462,300	\$239,327	\$701,627
Cash Received from Other Operating Sources	718	93,302	94,020
Cash Payments for Employee Services and Benefits	(176,400)	0	(176,400)
Cash Payments for Goods and Services	(81,250)	(383,037)	(464,287)
Cash Payments for Other Operating Expenses	(46,719)	0	(46,719)
Net Cash Provided by (Used in) Operating Activities	<u>158,649</u>	<u>(50,408)</u>	<u>108,241</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Advances In	0	160,000	160,000
Advances Out	0	(44,000)	(44,000)
Transfers In	0	388,813	388,813
Transfers Out	(4,500)	(60,000)	(64,500)
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>(4,500)</u>	<u>444,813</u>	<u>440,313</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Principal Paid on Debt	(22,558)	(333,237)	(355,795)
Interest Paid on Debt	(10,648)	(55,576)	(66,224)
Payments for Capital Acquisitions	(18,763)	0	(18,763)
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(51,969)</u>	<u>(388,813)</u>	<u>(440,782)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	102,180	5,592	107,772
Cash and Cash Equivalents - Beginning of Year	312,568	40,936	353,504
<b>Cash and Cash Equivalents - End of Year</b>	<u><u>\$414,748</u></u>	<u><u>\$46,528</u></u>	<u><u>\$461,276</u></u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$81,623	(\$5,443)	\$76,180
Adjustments:			
Depreciation	24,987	85,000	109,987
(Increase) Decrease in Assets:			
Accounts Receivable	0	(132,957)	(132,957)
Materials and Supplies Inventory	43,332	0	43,332
Increase (Decrease) in Liabilities:			
Accounts Payable	6,038	2,992	9,030
Accrued Wages and Benefits	1,926	0	1,926
Compensated Absences Payable	798	0	798
Interfund Payable	(626)	0	(626)
Intergovernmental Payable	571	0	571
Net Cash Provided by (Used in) Operating Activities	<u><u>\$158,649</u></u>	<u><u>(\$50,408)</u></u>	<u><u>\$108,241</u></u>

**City of Lakewood, Ohio**  
*Combining Statement of Net Position*  
*Nonmajor Internal Service Funds*  
*December 31, 2012*

	<b>Hospitalization</b>	<b>Workers'</b> <b>Compensation</b>	<b>Nonmajor</b> <b>Internal</b> <b>Service</b> <b>Funds</b>
<b>ASSETS</b>			
<b>Current Assets:</b>			
Equity in Pooled Cash and Cash Equivalents	\$2,756,442	\$646,473	\$3,402,915
Interfund Receivable	264,031	20,591	284,622
<b>Total Assets</b>	<b>3,020,473</b>	<b>667,064</b>	<b>3,687,537</b>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts Payable	56,352	0	56,352
Intergovernmental Payable	0	85,762	85,762
Claims Payable	264,031	20,591	284,622
<b>Total Current Liabilities</b>	<b>320,383</b>	<b>106,353</b>	<b>426,736</b>
<b>Noncurrent Liabilities:</b>			
Claims Payable	0	112,855	112,855
<b>Total Liabilities</b>	<b>320,383</b>	<b>219,208</b>	<b>539,591</b>
<b>NET POSITION</b>			
Unrestricted	2,700,090	447,856	3,147,946
<b>Total Net Position</b>	<b>\$2,700,090</b>	<b>\$447,856</b>	<b>\$3,147,946</b>

**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Nonmajor Internal Service Funds*  
*For the Year Ended December 31, 2012*

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	<b>Hospitalization</b>	<b>Workers' Compensation</b>	<b>Nonmajor Internal Service Funds</b>
<b>OPERATING REVENUES</b>			
Charges for Services	\$3,376,929	\$353,372	\$3,730,301
Miscellaneous	778,815	5,496	784,311
<b>Total Operating Revenues</b>	<b>4,155,744</b>	<b>358,868</b>	<b>4,514,612</b>
<b>OPERATING EXPENSES</b>			
Contractual Services	55,407	46,154	101,561
Claims	4,532,754	279,313	4,812,067
<b>Total Operating Expense</b>	<b>4,588,161</b>	<b>325,467</b>	<b>4,913,628</b>
Operating Income (Loss)	(432,417)	33,401	(399,016)
Transfers In	1,350,000	270,000	1,620,000
Change in Net Position	917,583	303,401	1,220,984
Net Position - Beginning of Year	1,782,507	144,455	1,926,962
<b>Net Position - End of Year</b>	<b>\$2,700,090</b>	<b>\$447,856</b>	<b>\$3,147,946</b>

**City of Lakewood, Ohio**  
*Combining Statement of Cash Flows*  
*Nonmajor Internal Service Funds*  
*For the Year Ended December 31, 2012*

	<u>Hospitalization</u>	<u>Workers' Compensation</u>	<u>Nonmajor Internal Service Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Customers and Users	\$3,521,892	\$358,005	\$3,879,897
Other Cash Receipts	778,815	5,496	784,311
Cash Payments for Goods and Services	(58,064)	(129,107)	(187,171)
Cash Payments for Claims	(4,677,717)	(515,131)	(5,192,848)
Net Cash (Used in) Operating Activities	<u>(435,074)</u>	<u>(280,737)</u>	<u>(715,811)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers In	<u>1,350,000</u>	<u>270,000</u>	<u>1,620,000</u>
Net Cash Provided by Noncapital Financing Activities	<u>1,350,000</u>	<u>270,000</u>	<u>1,620,000</u>
Net Increase (Decrease) in Cash and Cash Equivalents	914,926	(10,737)	904,189
Cash and Cash Equivalents - Beginning of Year	<u>1,841,516</u>	<u>657,210</u>	<u>2,498,726</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u><u>\$2,756,442</u></u>	<u><u>\$646,473</u></u>	<u><u>\$3,402,915</u></u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH (USED IN) OPERATING ACTIVITIES</b>			
Operating (Loss)	(\$432,417)	\$33,401	(\$399,016)
Adjustments:			
(Increase) Decrease in Assets:			
Interfund Receivable	144,963	4,633	149,596
Increase (Decrease) in Liabilities:			
Accounts Payable	(2,657)	0	(2,657)
Intergovernmental Payable	0	(82,953)	(82,953)
Claims Payable	(144,963)	(235,818)	(380,781)
Net Cash (Used in) Operating Activities	<u><u>(435,074)</u></u>	<u><u>(280,737)</u></u>	<u><u>(715,811)</u></u>

## *Fund Descriptions – Fiduciary Funds*

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### *Fiduciary Funds*

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

### *Agency Funds*

Deposits

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

**City of Lakewood, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
*For the Year Ended December 31, 2012*

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	<u>Balance</u> <u>12/31/2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2012</u>
<b>Deposits</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$1,055,091</u>	<u>\$30,991,630</u>	<u>\$30,899,905</u>	<u>\$1,146,816</u>
<b>Liabilities</b>				
Deposits Held and Due to Others	<u>\$1,055,091</u>	<u>\$30,991,630</u>	<u>\$30,899,905</u>	<u>\$1,146,816</u>

**Individual Fund Schedules of Revenues, Expenditures/Expenses  
And Changes in Fund Balances/Fund Equity –  
Budget (Non-GAAP Basis) and Actual**



**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$6,437,308	\$6,746,147	\$308,839
Municipal Income Taxes	18,504,948	19,252,828	747,880
Charges for Services	1,379,457	932,701	(446,756)
Licenses, Permits and Fees	1,620,930	2,351,660	730,730
Fines and Forfeitures	1,518,166	1,577,613	59,447
Intergovernmental	3,995,705	5,003,948	1,008,243
Interest	10,000	6,085	(3,915)
Miscellaneous	219,420	148,078	(71,342)
<i>Total Revenues</i>	<u>33,685,934</u>	<u>36,019,060</u>	<u>2,333,126</u>
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Council			
Salaries	118,742	118,740	2
Fringe Benefits	26,423	26,417	6
Professional Services	10,467	10,216	251
Communications	815	727	88
Materials and Supplies	150	125	25
Other	1,885	1,854	31
Total Council	<u>158,482</u>	<u>158,079</u>	<u>403</u>
Municipal Court			
Salaries	858,678	823,852	34,826
Fringe Benefits	133,533	127,107	6,426
Travel and Transportation	2,150	894	1,256
Professional Services	55,800	39,657	16,143
Communications	46,500	43,833	2,667
Materials and Supplies	17,550	11,889	5,661
Other	15,700	11,671	4,029
Total Municipal Court	<u>1,129,911</u>	<u>1,058,903</u>	<u>71,008</u>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2012  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Civil Service			
Salaries	\$54,469	\$54,438	\$31
Fringe Benefits	16,563	16,554	9
Professional Services	16,938	16,617	321
Communications	550	526	24
Materials and Supplies	50	41	9
Other	135	121	14
Total Civil Service	<u>88,705</u>	<u>88,297</u>	<u>408</u>
Mayor's Office			
Salaries	168,630	168,625	5
Fringe Benefits	42,369	42,325	44
Professional Services	6,723	6,702	21
Communications	1,775	1,586	189
Materials and Supplies	945	914	31
Other	565	441	124
Total Mayor's Office	<u>221,007</u>	<u>220,593</u>	<u>414</u>
Human Resources			
Salaries	164,209	164,067	142
Fringe Benefits	49,221	49,140	81
Professional Services	11,550	10,952	598
Communications	1,225	1,133	92
Materials and Supplies	2,800	2,713	87
Other	1,450	1,025	425
Total Human Resources	<u>230,455</u>	<u>229,030</u>	<u>1,425</u>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2012  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Community Relations</b>			
Salaries	\$53,440	\$52,869	\$571
Fringe Benefits	18,457	18,348	109
Professional Services	10,695	10,694	1
Communications	3,825	3,588	237
Contractual Services	5,000	5,000	0
Materials and Supplies	1,729	1,573	156
Other	825	682	143
<b>Total Community Relations</b>	<b>93,971</b>	<b>92,754</b>	<b>1,217</b>
<b>Public Works Administration</b>			
Salaries	115,200	114,322	878
Fringe Benefits	36,523	35,977	546
Travel and Transportation	200	133	67
Professional Services	922	882	40
Communications	1,200	1,141	59
Contractual Services	100	68	32
Materials and Supplies	1,160	1,122	38
Other	595	540	55
<b>Total Public Works Administration</b>	<b>155,900</b>	<b>154,185</b>	<b>1,715</b>
<b>Buildings and Facilities</b>			
Salaries	161,864	160,100	1,764
Fringe Benefits	36,450	35,360	1,090
Communications	10,820	9,969	851
Contractual Services	23,000	22,381	619
Materials and Supplies	43,010	42,617	393
Other	151,907	150,468	1,439
<b>Total Buildings and Facilities</b>	<b>427,051</b>	<b>420,895</b>	<b>6,156</b>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2012  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Fleet Management</b>			
Salaries	\$558,705	\$555,103	\$3,602
Fringe Benefits	194,040	193,576	464
Professional Services	7,100	7,047	53
Communications	2,975	2,603	372
Contractual Services	9,336	9,200	136
Materials and Supplies	468,250	464,256	3,994
Capital Outlay	4,105	4,101	4
Other	5,610	4,994	616
<b>Total Fleet Management</b>	<b>1,250,121</b>	<b>1,240,880</b>	<b>9,241</b>
<b>Engineering</b>			
Salaries	162,098	161,066	1,032
Fringe Benefits	53,425	52,416	1,009
Travel and Transportation	200	150	50
Professional Services	840	804	36
Communications	1,900	1,675	225
Contractual Services	36,665	36,665	0
Materials and Supplies	650	590	60
Other	3,050	2,731	319
<b>Total Engineering</b>	<b>258,828</b>	<b>256,097</b>	<b>2,731</b>
<b>Finance</b>			
Salaries	377,450	374,756	2,694
Fringe Benefits	127,146	125,560	1,586
Travel and Transportation	925	836	89
Professional Services	60,006	44,685	15,321
Communications	6,100	5,295	805
Contractual Services	600	535	65
Materials and Supplies	3,250	3,199	51
Other	3,250	3,207	43
<b>Total Finance</b>	<b>578,727</b>	<b>558,073</b>	<b>20,654</b>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2012  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Income Tax</b>			
Salaries	\$340,625	\$335,615	\$5,010
Fringe Benefits	91,291	89,464	1,827
Travel and Transportation	750	672	78
Professional Services	76,914	76,168	746
Communications	55,200	55,090	110
Contractual Services	1,400	1,400	0
Materials and Supplies	4,245	4,030	215
Refunds	400,000	399,810	190
Other	84,102	83,071	1,031
<b>Total Income Tax</b>	<u>1,054,527</u>	<u>1,045,320</u>	<u>9,207</u>
<b>Information Systems</b>			
Salaries	258,798	257,607	1,191
Fringe Benefits	79,474	78,392	1,082
Professional Services	39,200	39,038	162
Communications	5,829	5,672	157
Contractual Services	45,148	45,147	1
Materials and Supplies	25,919	25,845	74
Capital Outlay	523,743	523,418	325
Other	225,560	225,425	135
<b>Total Information Systems</b>	<u>1,203,671</u>	<u>1,200,544</u>	<u>3,127</u>
<b>General Administration</b>			
Salaries	77,500	76,916	584
Fringe Benefits	42,154	40,266	1,888
Professional Services	236,514	236,513	1
Communications	3,807	3,805	2
Materials and Supplies	5,783	3,699	2,084
Insurance	479,181	479,180	1
Other	1,647,577	1,647,554	23
<b>Total General Administration</b>	<u>2,492,516</u>	<u>2,487,933</u>	<u>4,583</u>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2012  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Law			
Salaries	\$305,077	\$301,227	\$3,850
Fringe Benefits	72,911	71,038	1,873
Travel and Transportation	115	34	81
Professional Services	24,180	23,266	914
Communications	2,522	2,212	310
Materials and Supplies	9,700	8,788	912
Other	3,743	3,361	382
Total Law	418,248	409,926	8,322
<i>Total General Government</i>	9,762,120	9,621,509	140,611
Security of Persons and Property:			
Police			
Salaries	7,473,807	7,457,898	15,909
Fringe Benefits	1,048,230	1,046,263	1,967
Professional Services	19,220	19,018	202
Communications	96,982	92,333	4,649
Contractual Services	105,992	105,992	0
Materials and Supplies	244,891	234,709	10,182
Capital Outlay	880	880	0
Other	41,686	40,764	922
Total Police	9,031,688	8,997,857	33,831
Police Communications			
Salaries	560,243	554,541	5,702
Fringe Benefits	175,434	174,866	568
Professional Services	400	369	31
Capital Outlay	625	625	0
Other	22,900	22,568	332
Total Police Communications	759,602	752,969	6,633

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2012  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
School Guards			
Salaries	\$147,100	\$145,107	\$1,993
Fringe Benefits	25,600	24,641	959
Other	600	600	0
Total School Guards	<u>173,300</u>	<u>170,348</u>	<u>2,952</u>
Fire			
Salaries	5,203,705	5,191,036	12,669
Fringe Benefits	702,037	700,493	1,544
Travel and Transportation	5,595	5,394	201
Professional Services	13,128	12,974	154
Communications	19,420	18,111	1,309
Contractual Services	12,145	11,970	175
Materials and Supplies	100,241	95,724	4,517
Capital Outlay	5,179	5,178	1
Other	76,588	74,119	2,469
Total Fire	<u>6,138,038</u>	<u>6,114,999</u>	<u>23,039</u>
Street Lighting			
Other	<u>570,000</u>	<u>567,163</u>	<u>2,837</u>
Animal Control			
Salaries	124,204	119,293	4,911
Fringe Benefits	49,278	48,936	342
Communications	1,900	1,741	159
Contractual Services	1,010	1,009	1
Materials and Supplies	5,175	4,626	549
Other	8,610	8,263	347
Total Animal Control	<u>190,177</u>	<u>183,868</u>	<u>6,309</u>
<i>Total Security of Persons and Property</i>	<u>16,862,805</u>	<u>16,787,204</u>	<u>75,601</u>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2012  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Public Health Services:			
Support of Prisoners			
Salaries	\$95,658	\$94,011	\$1,647
Fringe Benefits	43,006	42,588	418
Professional Services	38,000	37,444	556
Contractual Services	120,200	119,418	782
Materials and Supplies	36,200	35,607	593
Capital Outlay	1,900	1,861	39
Total Support of Prisoners	<u>334,964</u>	<u>330,929</u>	<u>4,035</u>
Human Services Administration			
Salaries	148,691	148,296	395
Fringe Benefits	41,783	40,494	1,289
Communications	785	751	34
Materials and Supplies	210	179	31
Other	680	603	77
Total Human Services Administration	<u>192,149</u>	<u>190,323</u>	<u>1,826</u>
<i>Total Public Health Services</i>	<u>527,113</u>	<u>521,252</u>	<u>5,861</u>
Community Environment:			
Housing and Building			
Salaries	586,928	582,280	4,648
Fringe Benefits	221,866	220,320	1,546
Professional Services	17,900	16,997	903
Communications	10,185	9,872	313
Materials and Supplies	2,482	2,421	61
Other	19,134	17,902	1,232
Total Housing and Building	<u>858,495</u>	<u>849,792</u>	<u>8,703</u>

*(continued)*



**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2012  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Forestry			
Salaries	\$231,871	\$230,210	\$1,661
Fringe Benefits	90,510	89,497	1,013
Professional Services	690	690	0
Communications	125	107	18
Contractual Services	5,000	5,000	0
Materials and Supplies	27,850	26,732	1,118
Capital Outlay	22,862	21,904	958
Total Forestry	<u>378,908</u>	<u>374,140</u>	<u>4,768</u>
Child Care			
Salaries	40,133	39,286	847
Fringe Benefits	14,429	14,243	186
Professional Services	1,000	900	100
Communications	730	693	37
Materials and Supplies	125	112	13
Other	1,200	1,000	200
Total Child Care	<u>57,617</u>	<u>56,234</u>	<u>1,383</u>
Youth			
Salaries	130,524	128,501	2,023
Fringe Benefits	102,337	102,055	282
Professional Services	1,087	1,087	0
Communications	2,248	2,247	1
Materials and Supplies	1,525	1,433	92
Other	9,341	9,128	213
Total Youth	<u>247,062</u>	<u>244,451</u>	<u>2,611</u>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2012  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Planning and Development			
Salaries	\$143,000	\$142,150	\$850
Fringe Benefits	31,290	30,158	1,132
Travel and Transportation	12	11	1
Professional Services	15,872	15,871	1
Communications	4,417	4,413	4
Contractual Services	450	449	1
Materials and Supplies	1,982	1,974	8
Other	958,803	958,801	2
Total Planning and Development	<u>1,155,826</u>	<u>1,153,827</u>	<u>1,999</u>
<i>Total Community Environment</i>	<u>2,697,908</u>	<u>2,678,444</u>	<u>19,464</u>
Basic Utility Services:			
Refuse and Recycling			
Salaries	1,503,456	1,499,083	4,373
Fringe Benefits	587,517	581,449	6,068
Communications	9,250	8,856	394
Contractual Services	615,378	612,673	2,705
Materials and Supplies	174,632	169,906	4,726
Other	26,300	25,286	1,014
Total Basic Utility Services	<u>2,916,533</u>	<u>2,897,253</u>	<u>19,280</u>
Leisure Time Activities:			
Parks			
Salaries	828,400	816,535	11,865
Fringe Benefits	305,553	303,607	1,946
Professional Services	2,970	2,865	105
Communications	6,650	6,470	180
Contractual Services	27,000	26,342	658
Materials and Supplies	140,912	136,146	4,766
Capital Outlay	58,010	57,628	382
Other	75,585	67,974	7,611
Total Parks	<u>1,445,080</u>	<u>1,417,567</u>	<u>27,513</u>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2012  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Band Concerts</b>			
Salaries	\$7,794	\$7,793	\$1
Fringe Benefits	1,199	1,197	2
Professional Services	9,423	9,422	1
Materials and Supplies	495	495	0
Other	3,591	3,544	47
<b>Total Band Concerts</b>	<u>22,502</u>	<u>22,451</u>	<u>51</u>
<b>Museums</b>			
Contractual Services	6,374	6,373	1
Other	4,300	4,078	222
<b>Total Museums</b>	<u>10,674</u>	<u>10,451</u>	<u>223</u>
<b>July 4th Festival</b>			
Salaries	8,105	8,104	1
Fringe Benefits	1,221	1,220	1
Contractual Services	17,270	17,270	0
Materials and Supplies	630	629	1
<b>Total July 4th Festival</b>	<u>27,226</u>	<u>27,223</u>	<u>3</u>
<b>Tennis Courts</b>			
Materials and Supplies	1,640	1,639	1
Other	5,100	4,908	192
<b>Total Tennis Courts</b>	<u>6,740</u>	<u>6,547</u>	<u>193</u>
<b>Total Leisure Time Activities</b>	<u>1,512,222</u>	<u>1,484,239</u>	<u>27,983</u>
<b>Total Expenditures</b>	<u>34,278,701</u>	<u>33,989,901</u>	<u>288,800</u>
<b>Excess of Revenues Over Expenditures</b>	<u>(592,767)</u>	<u>2,029,159</u>	<u>2,621,926</u>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2012  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Other Financing Sources (Uses)</b>			
Advance In	\$313,000	\$313,000	\$0
Transfers In	150,000	100,000	(50,000)
Transfers Out	(2,475,000)	(2,475,000)	0
Advance Out	(400,000)	(400,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(2,412,000)</u>	<u>(2,462,000)</u>	<u>(50,000)</u>
<i>Net Change in Fund Balance</i>	(3,004,767)	(432,841)	2,571,926
<i>Fund Balance Beginning of Year</i>	4,325,078	4,325,078	0
<i>Prior Year Encumbrances Appropriated</i>	1,100,414	1,100,414	0
<i>Fund Balance End of Year</i>	<u><u>\$2,420,725</u></u>	<u><u>\$4,992,651</u></u>	<u><u>\$2,571,926</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Police and Fire Pension Fund  
 For the Year Ended December 31, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$2,449,198	\$2,566,330	\$117,132
Intergovernmental	435,802	378,423	(57,379)
<i>Total Revenues</i>	<u>2,885,000</u>	<u>2,944,753</u>	<u>59,753</u>
<b>Expenditures</b>			
<b>Current:</b>			
Security of Persons and Property:			
Fringe Benefits Police	1,380,000	1,355,265	24,735
Fringe Benefits Fire	1,310,000	1,296,370	13,630
<i>Total Expenditures</i>	<u>2,690,000</u>	<u>2,651,635</u>	<u>38,365</u>
<i>Excess of Revenues Over Expenditures</i>	195,000	293,118	98,118
<b>Other Financing Uses</b>			
Transfers Out	(456,385)	(456,384)	1
<i>Net Change in Fund Balance</i>	(261,385)	(163,266)	98,119
<i>Fund Balance Beginning of Year</i>	1,801,497	1,801,497	0
<i>Fund Balance End of Year</i>	<u><u>\$1,540,112</u></u>	<u><u>\$1,638,231</u></u>	<u><u>\$98,119</u></u>

## City of Lakewood, Ohio

*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Community Development Block Grant Fund  
For the Year Ended December 31, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$2,850,000	\$1,962,264	(\$887,736)
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Salaries	454,840	448,318	6,522
Fringe Benefits	146,006	143,069	2,937
Travel and Transportation	100	96	4
Professional Services	50,962	50,778	184
Communications	2,830	2,532	298
Contractual Services	735,438	735,429	9
Materials and Supplies	623	614	9
Capital Outlay	411,401	414,488	(3,087)
Other	136,792	136,527	265
<i>Total Expenditures</i>	<u>1,938,992</u>	<u>1,931,851</u>	<u>7,141</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	911,008	30,413	(880,595)
<b>Other Financing Sources (Uses)</b>			
Advances In	0	200,000	200,000
Advances Out	(241,000)	(241,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(241,000)</u>	<u>(41,000)</u>	<u>200,000</u>
<i>Net Change in Fund Balance</i>	670,008	(10,587)	(680,595)
<i>Fund Balance Beginning of Year</i>	<u>73,088</u>	<u>73,088</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$743,096</u></u>	<u><u>\$62,501</u></u>	<u><u>(\$680,595)</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Debt Service Fund  
 For the Year Ended December 31, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$2,585,479	\$2,728,774	\$143,295
Intergovernmental	474,521	441,978	(32,543)
Interest	0	670	670
Miscellaneous	0	60,172	60,172
<i>Total Revenues</i>	<u>3,060,000</u>	<u>3,231,594</u>	<u>171,594</u>
<b>Expenditures</b>			
<b>Current:</b>			
Debt Service:			
Principal Retirement	11,131,160	11,131,149	11
Interest and Fiscal Charges	1,325,652	1,325,649	3
Bond Issuance Costs	81,513	81,512	1
<i>Total Expenditures</i>	<u>12,538,325</u>	<u>12,538,310</u>	<u>15</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(9,478,325)</u>	<u>(9,306,716)</u>	<u>171,609</u>
<b>Other Financing Sources and Uses</b>			
General Obligation Debt Issued	9,145,661	10,421,550	1,275,889
Premium on General Obligation Debt Issued	0	137,491	137,491
Payment to Refunded Debt Escrow Agent	(3,497,068)	(3,497,068)	0
Transfers In	3,296,861	2,250,336	(1,046,525)
<i>Total Other Financing Sources and Uses</i>	<u>8,945,454</u>	<u>9,312,309</u>	<u>366,855</u>
<i>Net Change in Fund Balance</i>	(532,871)	5,593	538,464
<i>Fund Balance Beginning of Year</i>	<u>593,435</u>	<u>593,435</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$60,564</u></u>	<u><u>\$599,028</u></u>	<u><u>\$538,464</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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$10,900,000	\$11,053,857	\$153,857
Intergovernmental	0	566,385	566,385
Interest	2,000	2,013	13
Special Assessments	81,000	101,814	20,814
Miscellaneous	0	3,276	3,276
<i>Total Revenues</i>	<u>10,983,000</u>	<u>11,727,345</u>	<u>744,345</u>
<b>Expenses</b>			
Salaries	803,172	797,176	5,996
Fringe Benefits	282,476	280,154	2,322
Professional Services	57,793	56,275	1,518
Communications	71,435	70,467	968
Contractual Services	5,924	5,363	561
Materials and Supplies	174,122	171,978	2,144
Capital Outlay	1,293,930	1,250,858	43,072
Purchased Water	6,753,085	6,663,775	89,310
Utilities	35,178	34,208	970
Other	449,053	448,785	268
Debt Service:			
Principal Retirement	838,479	838,477	2
Interest and Fiscal Charges	520,715	520,713	2
<i>Total Expenses</i>	<u>11,285,362</u>	<u>11,138,229</u>	<u>147,133</u>
<i>Excess of Revenues Under Expenses before Transfers</i>	(302,362)	589,116	891,478
Transfers Out	(15,252)	(15,252)	0
<i>Net Change in Fund Equity</i>	(317,614)	573,864	891,478
<i>Fund Equity Beginning of Year</i>	<u>4,863,164</u>	<u>4,863,164</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$4,545,550</u></u>	<u><u>\$5,437,028</u></u>	<u><u>\$891,478</u></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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$1,489,682	\$1,564,994	\$75,312
Intergovernmental	218,318	230,746	12,428
Charges for Services	6,600,000	7,239,685	639,685
Special Assessments	24,000	50,388	26,388
General Obligation Debt Issued	4,944,653	4,944,451	(202)
Premium on General Obligation Debt Issued	0	83,961	83,961
Interest	0	16	16
Miscellaneous	180,000	1,219	(178,781)
<i>Total Revenues</i>	<u>13,456,653</u>	<u>14,115,460</u>	<u>658,807</u>
<b>Expenses</b>			
Salaries	1,757,925	1,755,452	2,473
Fringe Benefits	643,465	640,198	3,267
Travel and Transportation	4,800	4,750	50
Professional Services	128,823	127,040	1,783
Communications	6,920	6,471	449
Contractual Services	467,000	466,018	982
Materials and Supplies	323,968	323,531	437
Capital Outlay	382,343	382,340	3
Utilities	327,040	326,522	518
Other	335,182	335,700	(518)
Debt Service:			
Principal Retirement	3,855,830	3,855,824	6
Interest and Fiscal Charges	787,184	787,179	5
Bond Issuance Costs	45,410	45,405	5
Payment to Refunded Debt Escrow Agent	2,650,002	2,650,002	0
<i>Total Expenses</i>	<u>11,715,892</u>	<u>11,706,432</u>	<u>9,460</u>
<i>Excess of Revenues Over Expenses before Transfers</i>	1,740,761	2,409,028	668,267
Transfers Out	(1,478,200)	(1,478,200)	0
<i>Net Change in Fund Equity</i>	262,561	930,828	668,267
<i>Fund Equity Beginning of Year</i>	<u>3,286,080</u>	<u>3,286,080</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$3,548,641</u>	<u>\$4,216,908</u>	<u>\$668,267</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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$1,863,000	\$1,875,293	\$12,293
Special Assessments	40,000	75,390	35,390
Miscellaneous	55,000	196,631	141,631
<i>Total Revenues</i>	<u>1,958,000</u>	<u>2,147,314</u>	<u>189,314</u>
<b>Expenditures</b>			
<b>Current:</b>			
Transportation:			
Public Works:			
Salaries	868,994	864,050	4,944
Fringe Benefits	313,914	310,298	3,616
Professional Services	1,190	1,190	0
Communications	7,650	7,216	434
Contractual Services	72,150	71,979	171
Materials and Supplies	397,325	393,765	3,560
Capital Outlay	61,379	61,042	337
Other	50,494	50,125	369
<i>Total Expenditures</i>	<u>1,773,096</u>	<u>1,759,665</u>	<u>13,431</u>
<i>Excess of Revenues Under Expenditures</i>	184,904	387,649	202,745
<b>Other Financing Uses</b>			
Transfers Out	(24,800)	(24,800)	0
<i>Net Change in Fund Balance</i>	160,104	362,849	202,745
<i>Fund Balance Beginning of Year</i>	<u>141,416</u>	<u>141,416</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$301,520</u></u>	<u><u>\$504,265</u></u>	<u><u>\$202,745</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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$0	\$98,631	\$98,631
Intergovernmental	375,000	99,639	(275,361)
Contributions and Donations	100,000	91,166	(8,834)
<i>Total Revenues</i>	<u>475,000</u>	<u>289,436</u>	<u>(185,564)</u>
<b>Expenditures</b>			
<b>Current:</b>			
Public Health Services:			
Office on Aging:			
Salaries	628,645	624,640	4,005
Fringe Benefits	258,381	255,948	2,433
Professional Services	1,371	1,371	0
Communications	18,600	17,679	921
Materials and Supplies	53,840	52,670	1,170
Capital Outlay	364	363	1
Other	53,059	44,839	8,220
<i>Total Expenditures</i>	<u>1,014,260</u>	<u>997,510</u>	<u>16,750</u>
<i>Excess of Revenues Under Expenditures</i>	(539,260)	(708,074)	(168,814)
<b>Other Financing Sources</b>			
Transfers In	715,000	645,000	(70,000)
<i>Net Change in Fund Balance</i>	175,740	(63,074)	(238,814)
<i>Fund Balance Beginning of Year</i>	81,212	81,212	0
<i>Fund Balance End of Year</i>	<u><u>\$256,952</u></u>	<u><u>\$18,138</u></u>	<u><u>(\$238,814)</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Lakewood Hospital Fund  
 For the Year Ended December 31, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$2,240,000	\$2,289,024	\$49,024
Intergovernmental	16,000	20,849	4,849
Miscellaneous	0	5,350	5,350
<i>Total Revenues</i>	<u>2,256,000</u>	<u>2,315,223</u>	<u>59,223</u>
<b>Expenditures</b>			
<b>Current:</b>			
Security of Persons and Property:			
Fire:			
Salaries	1,277,270	1,274,949	2,321
Fringe Benefits	307,268	305,005	2,263
Professional Services	77,124	76,600	524
Communications	3,770	3,377	393
Materials and Supplies	51,400	50,667	733
Capital Outlay	123,562	123,561	1
Other	15,226	15,076	150
<i>Total Security of Persons and Property</i>	<u>1,855,620</u>	<u>1,849,235</u>	<u>6,385</u>
Public Health Services:			
Health:			
Salaries	155,741	153,556	2,185
Fringe Benefits	54,458	52,859	1,599
Communications	1,320	1,193	127
Contractual Services	201,583	201,583	0
Materials and Supplies	1,450	1,276	174
Other	9,209	8,952	257
<i>Total Public Health Services</i>	<u>423,761</u>	<u>419,419</u>	<u>4,342</u>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Lakewood Hospital Fund  
 For the Year Ended December 31, 2012  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Debt Service:			
Principal Retirement	20,269	15,762	4,507
Interest and Fiscal Charges	5,731	4,422	1,309
<i>Total Debt Service</i>	<u>26,000</u>	<u>20,184</u>	<u>5,816</u>
<i>Total Expenditures</i>	<u>2,305,381</u>	<u>2,288,838</u>	<u>16,543</u>
<i>Excess of Revenues Over Expenditures</i>	(49,381)	26,385	75,766
<b>Other Financing Uses</b>			
Transfers Out	(1,200)	(1,200)	0
<i>Net Change in Fund Balance</i>	(50,581)	25,185	75,766
<i>Fund Balance Beginning of Year</i>	<u>241,119</u>	<u>241,119</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$190,538</u></u>	<u><u>\$266,304</u></u>	<u><u>\$75,766</u></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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$146,595	\$146,594	(\$1)
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Planning and Development:			
Salaries	78	78	0
Fringe Benefits	13	12	1
Contractual Services	126,228	76,017	50,211
<i>Total Expenditures</i>	126,319	76,107	50,212
<i>Excess of Revenues Over (Under) Expenditures</i>	20,276	70,487	50,211
<b>Other Financing Uses</b>			
Advances Out	(22,000)	(22,000)	0
<i>Net Change in Fund Balance</i>	(1,724)	48,487	50,211
<i>Fund Balance Beginning of Year</i>	1,726	1,726	0
<i>Fund Balance End of Year</i>	\$2	\$50,213	\$50,211

**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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$99,000	\$38,654	(\$60,346)
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Human Services:			
Salaries	9,136	9,135	1
Fringe Benefits	1,320	1,319	1
Contractual Services	28,296	28,295	1
Other	43	43	0
<i>Total Expenditures</i>	38,795	38,792	3
<i>Net Change in Fund Balance</i>	60,205	(138)	(60,343)
<i>Fund Balance Beginning of Year</i>	293	293	0
<i>Fund Balance End of Year</i>	\$60,498	\$155	(\$60,343)

**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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$370,000	\$12,383	(\$357,617)
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Planning and Development:			
Contractual Services	326,180	326,177	3
<i>Total Expenditures</i>	326,180	326,177	3
<i>Excess of Revenue Under Expenditures</i>	43,820	(313,794)	(357,614)
<b>Other Financing Sources</b>			
Sale of Capital Assets	0	229,969	229,969
<i>Net Change in Fund Balance</i>	43,820	(83,825)	(127,645)
<i>Fund Balance Beginning of Year</i>	288,689	288,689	0
<i>Fund Balance End of Year</i>	\$332,509	\$204,864	(\$127,645)



**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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$11,375	\$11,372	(\$3)
<b>Expenditures</b>			
<b>Current:</b>			
Security of Persons and Property:			
Police:			
Salaries	21,076	21,076	0
Fringe Benefits	4,330	4,330	0
Capital Outlay	11,372	11,372	0
<i>Total Expenditures</i>	36,778	36,778	0
<i>Net Change in Fund Balance</i>	(25,403)	(25,406)	(3)
<i>Fund Balance Beginning of Year</i>	25,406	25,406	0
<i>Fund Balance End of Year</i>	\$3	\$0	(\$3)

**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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$2,500	\$0	(\$2,500)
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Refuse:			
Materials and Supplies	2,000	0	2,000
Other	2,000	0	2,000
<i>Total Expenditures</i>	4,000	0	4,000
<i>Net Change in Fund Balance</i>	(1,500)	0	1,500
<i>Fund Balance Beginning of Year</i>	6,298	6,298	0
<i>Fund Balance End of Year</i>	\$4,798	\$6,298	\$1,500

**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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$50,000	\$4,185	(\$45,815)
Fines and Forfeitures	15,000	14,737	(263)
Miscellaneous	0	85,841	85,841
<i>Total Revenues</i>	<u>65,000</u>	<u>104,763</u>	<u>39,763</u>
<b>Expenditures</b>			
<b>Current:</b>			
Security of Persons and Property:			
Police:			
Salaries	10,000	6,690	3,310
Fringe Benefits	325	253	72
Travel and Transportation	5,800	5,434	366
Professional Services	64,125	34,208	29,917
Communications	315	294	21
Contractual Services	1,500	1,190	310
Materials and Supplies	18,900	18,600	300
Capital Outlay	52,802	52,771	31
Other	23,650	23,351	299
<i>Total Expenditures</i>	<u>177,417</u>	<u>142,791</u>	<u>34,626</u>
<i>Excess of Revenue Under Expenditures</i>	(112,417)	(38,028)	74,389
<b>Other Financing Sources</b>			
Sale of Capital Assets	5,000	54,068	49,068
<i>Net Change in Fund Balance</i>	(107,417)	16,040	123,457
<i>Fund Balance Beginning of Year</i>	<u>171,727</u>	<u>171,727</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$64,310</u></u>	<u><u>\$187,767</u></u>	<u><u>\$123,457</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Federal Forfeiture Fund  
 For the Year Ended December 31, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Interest	\$10	\$3	(\$7)
<b>Expenditures</b>			
<b>Current:</b>			
Security of Persons and Property:			
Police:			
Capital Outlay	2,045	2,045	0
<i>Net Change in Fund Balance</i>	(2,035)	(2,042)	(7)
<i>Fund Balance Beginning of Year</i>	10,382	10,382	0
<i>Fund Balance End of Year</i>	<u>\$8,347</u>	<u>\$8,340</u>	<u>(\$7)</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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$6,000	\$9,788	\$3,788
Intergovernmental	7,000	10,914	3,914
<i>Total Revenues</i>	<u>13,000</u>	<u>20,702</u>	<u>7,702</u>
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Municipal Court:			
Professional Services	5,198	5,196	2
Materials and Supplies	800	780	20
<i>Total Expenditures</i>	<u>5,998</u>	<u>5,976</u>	<u>22</u>
<i>Net Change in Fund Balance</i>	7,002	14,726	7,724
<i>Fund Balance Beginning of Year</i>	<u>145,957</u>	<u>145,957</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$152,959</u></u>	<u><u>\$160,683</u></u>	<u><u>\$7,724</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Enforcement and Education Fund  
 For the Year Ended December 31, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$4,000	\$4,116	\$116
Miscellaneous	3,000	500	(2,500)
<i>Total Revenues</i>	<u>7,000</u>	<u>4,616</u>	<u>(2,384)</u>
<b>Expenditures</b>			
<b>Current:</b>			
Security of Persons and Property:			
Police:			
Materials and Supplies	8,150	8,108	42
Capital Outlay	2,000	0	2,000
<i>Total Expenditures</i>	<u>10,150</u>	<u>8,108</u>	<u>2,042</u>
<i>Net Change in Fund Balance</i>	(3,150)	(3,492)	(342)
<i>Fund Balance Beginning of Year</i>	<u>64,950</u>	<u>64,950</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$61,800</u></u>	<u><u>\$61,458</u></u>	<u><u>(\$342)</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Political Subdivision Fund  
 For the Year Ended December 31, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$500	\$900	\$400
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Municipal Court:			
Professional Services	1,000	0	1,000
<i>Net Change in Fund Balance</i>	(500)	900	1,400
<i>Fund Balance Beginning of Year</i>	14,191	14,191	0
<i>Fund Balance End of Year</i>	\$13,691	\$15,091	\$1,400

**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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$35,000	\$34,713	(\$287)
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Municipal Court:			
Contractual Services	29,187	29,186	1
Materials and Supplies	3,533	3,245	288
Capital Outlay	2,182	2,182	0
Other	98	98	0
<i>Total Expenditures</i>	35,000	34,711	289
<i>Net Change in Fund Balance</i>	0	2	2
<i>Fund Balance Beginning of Year</i>	38,687	38,687	0
<i>Fund Balance End of Year</i>	\$38,687	\$38,689	\$2



**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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$140,000	\$140,733	\$733
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Municipal Court:			
Salaries	10,000	7,915	2,085
Fringe Benefits	2,700	1,223	1,477
Contractual Services	35,000	34,082	918
Materials and Supplies	3,000	1,377	1,623
Other	100,000	100,000	0
<i>Total Expenditures</i>	150,700	144,597	6,103
<i>Net Change in Fund Balance</i>	(10,700)	(3,864)	6,836
<i>Fund Balance Beginning of Year</i>	314,584	314,584	0
<i>Fund Balance End of Year</i>	\$303,884	\$310,720	\$6,836

**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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$38,000	\$32,054	(\$5,946)
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Municipal Court:			
Salaries	77,000	74,760	2,240
Fringe Benefits	13,200	11,521	1,679
Travel and Transportation	200	152	48
Professional Services	6,100	5,010	1,090
Materials and Supplies	100	72	28
<i>Total Expenditures</i>	96,600	91,515	5,085
<i>Net Change in Fund Balance</i>	(58,600)	(59,461)	(861)
<i>Fund Balance Beginning of Year</i>	78,942	78,942	0
<i>Fund Balance End of Year</i>	\$20,342	\$19,481	(\$861)

**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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$15,000	\$15,915	\$915
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Municipal Court:			
Professional Services	2,000	1,056	944
<i>Net Change in Fund Balance</i>	13,000	14,859	1,859
<i>Fund Balance Beginning of Year</i>	35,556	35,556	0
<i>Fund Balance End of Year</i>	\$48,556	\$50,415	\$1,859

**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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$146,300	\$150,900	\$4,600
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Planning and Development:			
Contractual Services	152,784	152,781	3
<i>Total Expenditures</i>	152,784	152,781	3
<i>Excess of Revenues Over (Under) Expenditures</i>	(6,484)	(1,881)	4,603
<b>Other Financing Sources (Uses)</b>			
Advances In	5,000	5,000	0
Advances Out	(5,000)	(5,000)	0
<i>Total Other Financing Sources (Uses)</i>	0	0	0
<i>Net Change in Fund Balance</i>	(6,484)	(1,881)	4,603
<i>Fund Balance Beginning of Year</i>	6,504	6,504	0
<i>Fund Balance End of Year</i>	\$20	\$4,623	\$4,603

**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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$620,000	\$419,781	(\$200,219)
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Planning and Development:			
Salaries	297	297	0
Fringe Benefits	47	46	1
Professional Services	1,250	1,250	0
Contractual Services	475	475	0
Other	404,538	404,537	1
<i>Total Expenditures</i>	406,607	406,605	2
<i>Net Change in Fund Balance</i>	213,393	13,176	(200,217)
<i>Fund Balance Beginning of Year</i>	800	800	0
<i>Fund Balance End of Year</i>	\$214,193	\$13,976	(\$200,217)

**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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$11,000	\$14,885	\$3,885
Miscellaneous	25,000	15,261	(9,739)
<i>Total Revenues</i>	<u>36,000</u>	<u>30,146</u>	<u>(5,854)</u>
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Youth:			
Salaries	24,447	23,584	863
Fringe Benefits	3,644	3,644	0
Professional Services	20	20	0
Communications	510	495	15
Materials and Supplies	2,004	1,958	46
Other	366	365	1
<i>Total Expenditures</i>	<u>30,991</u>	<u>30,066</u>	<u>925</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	5,009	80	(4,929)
<b>Other Financing Uses</b>			
Advances Out	(1,000)	(1,000)	0
<i>Net Change in Fund Balance</i>	4,009	(920)	(4,929)
<i>Fund Balance Beginning of Year</i>	<u>7,102</u>	<u>7,102</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$11,111</u></u>	<u><u>\$6,182</u></u>	<u><u>(\$4,929)</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Juvenile Diversion Fund  
 For the Year Ended December 31, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$28,300	\$32,043	\$3,743
Miscellaneous	4,000	4,565	565
<i>Total Revenues</i>	<u>32,300</u>	<u>36,608</u>	<u>4,308</u>
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Youth Services:			
Salaries	35,000	33,516	1,484
Fringe Benefits	5,400	5,205	195
Professional Services	3,206	3,206	0
<i>Total Expenditures</i>	<u>43,606</u>	<u>41,927</u>	<u>1,679</u>
<i>Net Change in Fund Balance</i>	(11,306)	(5,319)	5,987
<i>Fund Balance Beginning of Year</i>	<u>14,514</u>	<u>14,514</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,208</u></u>	<u><u>\$9,195</u></u>	<u><u>\$5,987</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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$341,000	\$237,481	(\$103,519)
Miscellaneous	100	0	(100)
<i>Total Revenues</i>	<u>341,100</u>	<u>237,481</u>	<u>(103,619)</u>
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Child Care:			
Salaries	215,401	213,938	1,463
Fringe Benefits	37,446	37,367	79
Travel and Transportation	50	42	8
Professional Services	7,750	7,720	30
Communications	1,710	1,613	97
Contractual Services	13,806	13,796	10
Materials and Supplies	4,196	4,147	49
Other	11,150	10,965	185
<i>Total Expenditures</i>	<u>291,509</u>	<u>289,588</u>	<u>1,921</u>
 <i>Excess of Revenues Over Expenditures</i>	 49,591	 (52,107)	 (101,698)
<b>Other Financing Sources</b>			
Advance In	0	35,000	35,000
<i>Net Change in Fund Balance</i>	49,591	(17,107)	(66,698)
<i>Fund Balance Beginning of Year</i>	23,776	23,776	0
<i>Fund Balance End of Year</i>	<u><u>\$73,367</u></u>	<u><u>\$6,669</u></u>	<u><u>(\$66,698)</u></u>



**City of Lakewood, Ohio**

*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Community Festival Fund  
For the Year Ended December 31, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Miscellaneous	\$4,000	\$4,000	\$0
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Mayor's Office:			
Salaries	3,042	3,042	0
Fringe Benefits	903	902	1
<i>Total Expenditures</i>	3,945	3,944	1
<i>Net Change in Fund Balance</i>	55	56	1
<i>Fund Balance Beginning of Year</i>	2,647	2,647	0
<i>Fund Balance End of Year</i>	\$2,702	\$2,703	\$1

**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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Payments in Lieu of Taxes	\$330,000	\$379,614	\$49,614
Intergovernmental	18,500	97,853	79,353
Miscellaneous	140,000	0	(140,000)
<i>Total Revenues</i>	<u>488,500</u>	<u>477,467</u>	<u>(11,033)</u>
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Other	29,914	29,914	0
Debt Service:			
Principal Retirement	215,000	215,000	0
Interest and Fiscal Charges	222,686	222,686	0
<i>Total Expenditures</i>	<u>467,600</u>	<u>467,600</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	20,900	9,867	(11,033)
<i>Fund Balance Beginning of Year</i>	<u>57,321</u>	<u>57,321</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$78,221</u></u>	<u><u>\$67,188</u></u>	<u><u>(\$11,033)</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Permanent Capital Improvement Fund  
 For the Year Ended December 31, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$475,000	\$16,048	(\$458,952)
Miscellaneous	0	305,240	305,240
<i>Total Revenues</i>	<u>475,000</u>	<u>321,288</u>	<u>(153,712)</u>
<b>Expenditures</b>			
<b>Current:</b>			
Basic Utility Services			
Capital Outlay	653,894	653,894	0
Transportation			
Capital Outlay	1,415,839	1,423,355	(7,516)
<i>Total Expenditures</i>	<u>2,069,733</u>	<u>2,077,249</u>	<u>(7,516)</u>
<i>Excess of Revenues Under Expenditures</i>	(1,594,733)	(1,755,961)	(161,228)
<b>Other Financing Sources</b>			
General Obligation Notes Issued	2,000,000	2,000,000	0
Premium on Sale of Notes	15,000	0	(15,000)
<i>Total Other Financing Sources (Uses)</i>	<u>2,015,000</u>	<u>2,000,000</u>	<u>(15,000)</u>
<i>Net Change in Fund Balance</i>	420,267	244,039	(176,228)
<i>Fund Balance Beginning of Year</i>	<u>640,236</u>	<u>640,236</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,060,503</u></u>	<u><u>\$884,275</u></u>	<u><u>(\$176,228)</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 TIF Capital Improvement Fund  
 For the Year Ended December 31, 2012*

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

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Land Acquisition Fund  
 For the Year Ended December 31, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>			
Capital Outlay	150,000	150,000	0
<i>Net Change in Fund Balance</i>	(150,000)	(150,000)	0
<i>Fund Balance Beginning of Year</i>	150,000	150,000	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 City Park Improvement Fund  
 For the Year Ended December 31, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Miscellaneous	\$10,000	\$8,248	(\$1,752)
<b>Expenditures</b>			
<b>Current:</b>			
Leisure Time Activities:			
Capital Outlay	1,377	1,377	0
<i>Net Change in Fund Balance</i>	8,623	6,871	(1,752)
<i>Fund Balance Beginning of Year</i>	87,114	87,114	0
<i>Fund Balance End of Year</i>	\$95,737	\$93,985	(\$1,752)

**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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$455,000	\$462,300	\$7,300
Miscellaneous	0	718	718
<i>Total Revenues</i>	<u>455,000</u>	<u>463,018</u>	<u>8,018</u>
<b>Expenses</b>			
Salaries	134,841	133,762	1,079
Fringe Benefits	43,102	42,638	464
Communications	600	509	91
Contractual Services	750	637	113
Materials and Supplies	12,600	12,048	552
Capital Outlay	18,763	18,763	0
Utilities	28,000	27,888	112
Property Taxes	40,169	40,168	1
Other	46,820	46,719	101
Debt Service:			
Principal Retirement	22,558	22,558	0
Interest and Fiscal Charges	10,648	10,648	0
<i>Total Expenses</i>	<u>358,851</u>	<u>356,338</u>	<u>2,513</u>
<i>Excess of Revenues Over (Under) Expenses before Transfers</i>	96,149	106,680	10,531
Transfers Out	(4,500)	(4,500)	0
<i>Net Change in Fund Equity</i>	91,649	102,180	10,531
<i>Fund Equity Beginning of Year</i>	<u>312,568</u>	<u>312,568</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$404,217</u></u>	<u><u>\$414,748</u></u>	<u><u>\$10,531</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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$404,286	\$239,327	(\$164,959)
Miscellaneous	75,000	93,302	18,302
<i>Total Revenues</i>	<u>479,286</u>	<u>332,629</u>	<u>(146,657)</u>
<b>Expenses</b>			
Property Taxes	127,453	127,452	1
Utilities	261,000	255,585	5,415
<i>Total Expenses</i>	<u>388,453</u>	<u>383,037</u>	<u>5,416</u>
<i>Excess of Revenues Over Expenses before Advances and Transfers</i>	90,833	(50,408)	(141,241)
Advance In	15,000	160,000	145,000
Advance Out	(44,000)	(44,000)	0
Transfer Out	(60,000)	(60,000)	0
<i>Net Change in Fund Equity</i>	1,833	5,592	3,759
<i>Fund Equity Beginning of Year</i>	<u>40,936</u>	<u>40,936</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$42,769</u></u>	<u><u>\$46,528</u></u>	<u><u>\$3,759</u></u>



**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Hospitalization Fund  
 For the Year Ended December 31, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$3,100,000	\$3,521,892	\$421,892
Miscellaneous	750,000	778,815	28,815
<i>Total Revenues</i>	<u>3,850,000</u>	<u>4,300,707</u>	<u>450,707</u>
<b>Expenses</b>			
Professional Services	58,065	58,064	1
Claims	4,998,039	4,677,717	320,322
<i>Total Expenses</i>	<u>5,056,104</u>	<u>4,735,781</u>	<u>320,323</u>
<i>Excess of Revenues Under Expenses before Transfers</i>	(1,206,104)	(435,074)	771,030
Transfers In	147,000	1,350,000	1,203,000
<i>Net Change in Fund Equity</i>	(1,059,104)	914,926	1,974,030
<i>Fund Equity Beginning of Year</i>	1,841,516	1,841,516	0
<i>Fund Equity End of Year</i>	<u>\$782,412</u>	<u>\$2,756,442</u>	<u>\$1,974,030</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, 2012*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$375,000	\$358,005	(\$16,995)
Miscellaneous	2,500	5,496	2,996
<i>Total Revenues</i>	<u>377,500</u>	<u>363,501</u>	<u>(13,999)</u>
<b>Expenses</b>			
Professional Services	39,838	39,654	184
Workers' Compensation Premium	89,453	89,453	0
Workers' Compensation Claims	528,213	515,131	13,082
<i>Total Expenses</i>	<u>657,504</u>	<u>644,238</u>	<u>13,266</u>
<i>Excess of Revenues Over (Under) Expenses before Transfers</i>	(280,004)	(280,737)	(733)
Transfers In	17,000	270,000	253,000
<i>Net Change in Fund Equity</i>	(263,004)	(10,737)	252,267
<i>Fund Equity Beginning of Year</i>	<u>657,210</u>	<u>657,210</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$394,206</u></u>	<u><u>\$646,473</u></u>	<u><u>\$252,267</u></u>

# **STATISTICAL SECTION**

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# City of Lakewood, Ohio

## Statistical Section

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

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

**Sources:** Unless otherwise noted, the information in these schedules is derived from the basic financial statements for the relevant year. The City implemented GASB Statement No. 34 in 2004; schedules presenting government-wide information include information beginning in that year.

## City of Lakewood, Ohio

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

	<u>2012</u>	<u>2011 Restated</u>	<u>2010</u>
Governmental Activities			
Net Investment in Capital Assets	\$35,009,349	\$32,219,436	\$29,616,097
Restricted:			
Capital Projects	969,500	737,334	948,539
Debt Service	975,150	194,209	1,038,625
Other Purposes	5,898,631	5,130,754	6,279,579
Unrestricted	<u>15,752,227</u>	<u>13,594,321</u>	<u>8,184,766</u>
<i>Total Governmental Activities Net Position</i>	<u>58,604,857</u>	<u>51,876,054</u>	<u>46,067,606</u>
Business - Type Activities			
Net Investment in Capital Assets	47,805,599	43,819,639	43,114,193
Restricted for Debt Service	976,717	1,090,028	1,328,713
Restricted for Replacement and Improvement	195,499	195,493	195,474
Unrestricted	<u>10,729,412</u>	<u>10,716,664</u>	<u>9,163,854</u>
<i>Total Business-Type Activities Net Position</i>	<u>59,707,227</u>	<u>55,821,824</u>	<u>53,802,234</u>
Primary Government			
Net Investment in Capital Assets	82,814,948	76,039,075	72,730,290
Restricted	9,015,497	7,347,818	9,790,930
Unrestricted	<u>26,481,639</u>	<u>24,310,985</u>	<u>17,348,620</u>
<i>Total Primary Government Net Position</i>	<u><u>\$118,312,084</u></u>	<u><u>\$107,697,878</u></u>	<u><u>\$99,869,840</u></u>

**Table 1**

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$26,631,390	\$19,375,518	\$17,864,648	\$16,735,176	\$15,964,667	\$17,763,254
1,656,877	3,187,407	3,092,758	5,935,384	4,895,203	165,163
658,864	679,404	1,543,403	587,899	1,128,628	1,621,445
5,316,658	4,237,737	4,660,608	5,108,771	5,388,015	5,322,703
<u>5,461,402</u>	<u>6,764,033</u>	<u>2,938,295</u>	<u>4,117,183</u>	<u>6,551,993</u>	<u>7,853,008</u>
<u>39,725,191</u>	<u>34,244,099</u>	<u>30,099,712</u>	<u>32,484,413</u>	<u>33,928,506</u>	<u>32,725,573</u>
41,950,480	41,695,569	37,309,591	34,117,056	25,918,138	29,906,268
1,214,966	1,194,934	1,109,163	923,400	0	0
193,550	195,417	193,550	186,270	561,240	551,039
<u>8,486,802</u>	<u>7,668,213</u>	<u>5,422,785</u>	<u>7,311,753</u>	<u>15,625,642</u>	<u>10,302,691</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>
65,317,220	61,071,087	55,174,239	50,852,232	41,882,805	47,669,522
7,823,235	9,494,899	10,599,482	12,741,724	11,973,086	7,660,350
<u>18,430,534</u>	<u>14,432,246</u>	<u>8,361,080</u>	<u>11,428,936</u>	<u>22,177,635</u>	<u>18,155,699</u>
<u>\$91,570,989</u>	<u>\$84,998,232</u>	<u>\$74,134,801</u>	<u>\$75,022,892</u>	<u>\$76,033,526</u>	<u>\$73,485,571</u>

# City of Lakewood, Ohio

## *Changes in Net Position Accrual Basis of Accounting Last Nine Years*

	2012	2011	2010	2009
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
General Government	\$3,933,477	\$3,024,201	\$2,529,470	\$4,187,825
Security of Persons and Property				
Police	233,865	257,705	265,127	245,685
Fire	2,346,537	2,263,974	2,233,515	2,291,431
Public Health Services	103,489	293,641	248,489	251,665
Transportation	219,863	4,360	28,395	0
Community Environment	972,416	1,642,224	1,895,118	11,120
Basic Utility Services	0	0	0	0
Leisure Time Activities	0	0	0	0
Subtotal - Charges for Services	<u>7,809,647</u>	<u>7,486,105</u>	<u>7,200,114</u>	<u>6,987,726</u>
Operating Grants and Contributions:				
General Government	0	765,886	612,272	495,082
Security of Persons and Property				
Police	30,417	432,224	449,353	449,920
Fire	0	900	3,350	52,013
Public Health Services	46,779	217,458	246,649	270,604
Transportation	1,874,122	1,833,219	2,012,270	1,118,195
Leisure Time Activities	99,639	0	0	0
Community Environment	2,824,142	3,081,636	4,718,408	4,421,399
Subtotal - Operating Grants and Contributions	<u>4,875,099</u>	<u>6,331,323</u>	<u>8,042,302</u>	<u>6,807,213</u>
Capital Grants and Contributions:				
Security of Persons and Property - Fire	91,166	0	0	0
Community Environment	48,690	0	0	0
Transportation	75,390	0	0	0
	<u>215,246</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Governmental Activities Program Revenues</i>	<u>12,899,992</u>	<u>13,817,428</u>	<u>15,242,416</u>	<u>13,794,939</u>
Business-Type Activities:				
Charges for Services:				
Water	11,209,329	10,683,491	10,759,734	9,456,618
Sewer	7,422,740	6,573,925	6,157,686	5,545,675
Parking Facilities	462,300	456,607	434,510	404,180
Winterhurst Ice Rink	372,284	343,061	563,499	371,631
Congregate Living	0	0	0	0
Subtotal - Charges for Services	<u>19,466,653</u>	<u>18,057,084</u>	<u>17,915,429</u>	<u>15,778,104</u>
Operating Grants and Contributions:				
Water	0	0	0	416,013
Sewer	0	246,194	283,595	272,358
Subtotal - Operating Grants and Contributions	<u>0</u>	<u>246,194</u>	<u>283,595</u>	<u>688,371</u>
Capital Grants and Contributions:				
Water	566,385	80,560	0	0
Sewer	0	25,536	0	0
Winterhurst Ice Rink	0	0	0	0
Subtotal - Capital Grants and Contributions	<u>566,385</u>	<u>106,096</u>	<u>0</u>	<u>0</u>
<i>Total Business-Type Activities Program Revenues</i>	<u>20,033,038</u>	<u>18,409,374</u>	<u>18,199,024</u>	<u>16,466,475</u>
<i>Total Primary Government Program Revenues</i>	<u>\$32,933,030</u>	<u>\$32,226,802</u>	<u>\$33,441,440</u>	<u>\$30,261,414</u>



**Table 2**

2008	2007	2006	2005	2004
\$4,235,783	\$4,228,572	\$2,881,832	\$2,785,961	\$2,778,441
242,444	214,450	177,258	126,981	60,864
2,147,823	2,249,911	2,233,708	2,170,604	2,181,841
318,737	335,613	3,600	3,600	2,003
0	0	0	0	0
10,680	10,500	1,796,475	1,068,342	860,495
0	0	0	0	13,181
0	0	0	0	20,470
<u>6,955,467</u>	<u>7,039,046</u>	<u>7,092,873</u>	<u>6,155,488</u>	<u>5,917,295</u>
474,840	0	0	0	0
472,948	18,653	3,575	12,542	15,169
0	0	337,710	357,124	133,687
493,394	468,559	833,675	685,267	68,250
1,950,418	1,927,847	2,050,027	1,899,723	1,802,541
0	0	0	0	0
3,039,646	4,300,068	3,320,754	3,748,255	2,977,498
<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>
0	0	0	0	0
0	0	0	0	0
0	0	584,601	3,579	0
<u>0</u>	<u>0</u>	<u>584,601</u>	<u>3,579</u>	<u>0</u>
<u>13,386,713</u>	<u>13,754,173</u>	<u>14,223,215</u>	<u>12,861,978</u>	<u>10,914,440</u>
10,298,731	10,143,589	8,395,321	8,661,772	8,494,114
5,947,043	5,184,560	4,107,108	4,318,539	3,779,202
332,999	292,127	290,561	294,385	290,229
427,031	793,387	686,619	725,506	714,895
0	0	0	0	5,594
<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>
74,859	1,044,113	0	0	0
152,949	310,993	0	0	0
<u>227,808</u>	<u>1,355,106</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0
0	0	0	0	0
2,000,000	0	0	0	0
<u>2,000,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>19,233,612</u>	<u>17,768,769</u>	<u>13,479,609</u>	<u>14,000,202</u>	<u>13,284,034</u>
<u>\$32,620,325</u>	<u>\$31,522,942</u>	<u>\$27,702,824</u>	<u>\$26,862,180</u>	<u>\$24,198,474</u>

(continued)

## City of Lakewood, Ohio

### *Changes in Net Position (continued)*

#### *Accrual Basis of Accounting*

#### ***Last Nine Years***

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Expenses</b>				
Governmental Activities:				
General Government	\$9,204,662	\$7,529,571	\$8,423,969	\$7,675,451
Security of Persons and Property				
Police	11,844,579	11,617,633	12,272,317	12,754,885
Fire	9,936,091	9,426,271	9,526,516	10,131,056
Public Health Services	1,940,130	2,136,807	2,383,427	2,505,999
Transportation	2,536,751	1,948,825	3,092,325	2,866,754
Community Environment	4,773,590	5,804,830	6,819,791	6,474,889
Basic Utility Services	3,274,630	3,393,665	3,472,641	3,998,734
Leisure Time Activities	1,786,849	3,222,378	1,831,789	1,839,517
Interest and Fiscal Charges	1,632,156	1,835,631	1,788,103	2,127,913
<i>Total Governmental Activities Expenses</i>	<u>46,929,438</u>	<u>46,915,611</u>	<u>49,610,878</u>	<u>50,375,198</u>
Business-Type Activities				
Water	10,283,462	9,652,083	9,665,155	9,038,465
Sewer	5,674,713	5,896,702	6,012,674	5,751,453
Parking Facilities	392,765	349,501	386,946	253,274
Winterhurst Ice Rink	525,941	571,530	736,397	552,929
Congregate Living	0	0	0	0
<i>Total Business-Type Activities Expenses</i>	<u>16,876,881</u>	<u>16,469,816</u>	<u>16,801,172</u>	<u>15,596,121</u>
<i>Total Primary Government Expenses</i>	<u>63,806,319</u>	<u>63,385,427</u>	<u>66,412,050</u>	<u>65,971,319</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(34,029,446)	(33,098,183)	(34,368,462)	(36,580,259)
Business-Type Activities	3,156,157	1,939,558	1,397,852	870,354
<i>Total Primary Government Net Expense</i>	<u>(\$30,873,289)</u>	<u>(\$31,158,625)</u>	<u>(\$32,970,610)</u>	<u>(\$35,709,905)</u>

**Table 2**

2008	2007	2006	2005	2004
\$7,620,762	\$9,599,299	\$8,110,235	\$7,851,426	\$7,759,070
12,371,712	12,035,903	11,907,585	10,686,045	10,811,935
10,289,314	11,028,498	10,241,053	9,949,694	9,374,854
3,280,667	4,211,759	4,784,768	4,310,861	4,361,672
2,969,914	3,480,710	2,655,600	2,880,797	2,971,847
5,622,461	6,798,564	6,628,671	6,417,757	8,478,583
4,700,773	5,450,051	5,026,300	4,340,798	4,470,994
2,020,450	2,159,191	1,955,303	2,097,492	2,158,300
2,064,970	1,898,099	1,936,679	1,781,467	1,565,095
<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>
9,289,887	9,612,007	8,403,497	8,539,662	8,252,561
6,585,346	7,606,437	5,734,921	5,022,961	4,669,597
305,295	419,733	482,642	300,901	325,724
740,804	732,973	1,257,948	969,391	969,745
0	0	0	64,297	4,853
<u>16,921,332</u>	<u>18,371,150</u>	<u>15,879,008</u>	<u>14,897,212</u>	<u>14,222,480</u>
<u>67,862,355</u>	<u>75,033,224</u>	<u>69,125,202</u>	<u>65,213,549</u>	<u>66,174,830</u>
(37,554,310)	(42,907,901)	(39,022,979)	(37,454,359)	(41,037,910)
2,312,280	(602,381)	(2,399,399)	(897,010)	(938,446)
<u>(\$35,242,030)</u>	<u>(\$43,510,282)</u>	<u>(\$41,422,378)</u>	<u>(\$38,351,369)</u>	<u>(\$41,976,356)</u>

(continued)

# City of Lakewood, Ohio

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

	2012	2011	2010	2009
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	\$6,807,497	\$6,581,357	\$6,857,844	\$7,404,532
Police and Fire Pension	2,589,594	2,608,762	2,608,762	2,810,315
Debt Service	2,753,385	2,784,378	2,784,378	2,973,092
Payments in Lieu of Taxes	401,767	355,641	341,399	308,520
Municipal Income Taxes levied for:				
General Purposes	20,628,523	19,474,728	19,686,732	19,314,348
Grants and Entitlements not Restricted to				
Specific Programs	5,646,551	5,997,696	6,727,090	6,345,651
Investment Income	6,758	8,792	68,060	214,275
Gain from Sale of Capital Assets-Gov	130,124	25,308	0	0
Miscellaneous	611,500	713,582	436,670	606,457
<i>Total Governmental Activities</i>	<u>39,575,699</u>	<u>38,550,244</u>	<u>39,510,935</u>	<u>39,977,190</u>
Business-Type Activities				
Property Taxes Levied For:				
Sewer	1,581,775	1,556,497	1,590,695	1,712,714
Grants and Entitlements not Restricted to				
Specific Programs	229,477	0	0	0
Gain on Sale of Capital Assets	0	0	0	0
Investment Income	2,029	2,474	16,338	58,952
Miscellaneous	98,515	162,210	78,032	533,806
<i>Total Business-Type Activities</i>	<u>1,911,796</u>	<u>1,721,181</u>	<u>1,685,065</u>	<u>2,305,472</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>41,487,495</u>	<u>40,271,425</u>	<u>41,196,000</u>	<u>42,282,662</u>
<b>Transfers</b>				
Governmental Activities	1,182,550	1,041,754	1,073,981	2,084,161
Business-Type Activities	<u>(1,182,550)</u>	<u>(1,041,754)</u>	<u>(1,073,981)</u>	<u>(2,084,161)</u>
<b>Restatements</b>				
Governmental Activities	0	(685,367)	125,961	0
Business-Type Activities	0	(599,395)	(52,500)	0
<i>Total Restatements Activities</i>	<u>0</u>	<u>(1,284,762)</u>	<u>73,461</u>	<u>0</u>
<b>Change in Net Position</b>				
Governmental Activities	6,728,803	5,209,053	6,342,415	5,481,092
Business-Type Activities	<u>3,885,403</u>	<u>2,019,590</u>	<u>1,956,436</u>	<u>1,091,665</u>
<i>Total Primary Government Change in Net Position</i>	<u>\$10,614,206</u>	<u>\$7,228,643</u>	<u>\$8,298,851</u>	<u>\$6,572,757</u>

**Table 2**

2008	2007	2006	2005	2004
\$7,464,079	\$7,676,479	\$6,880,029	\$6,982,259	\$6,984,616
2,823,756	2,911,150	2,613,672	2,589,687	2,644,603
2,987,313	3,079,771	2,765,061	2,590,336	2,788,706
340,341	368,523	241,589	241,480	100,617
19,348,017	18,246,523	16,955,457	16,537,268	17,064,294
5,668,748	6,482,563	6,729,258	7,713,363	7,085,654
533,257	1,130,083	1,479,546	830,725	396,491
0	0	0	0	0
550,472	295,266	364,274	246,757	402,279
<u>39,715,983</u>	<u>40,190,358</u>	<u>38,028,886</u>	<u>37,731,875</u>	<u>37,467,260</u>
1,724,040	1,775,081	1,593,691	1,579,441	1,612,757
0	0	205,895	212,063	203,039
0	0	0	180,250	0
237,593	636,665	565,729	230,974	92,690
51,808	20,087	17,543	2,113	26,408
<u>2,013,441</u>	<u>2,431,833</u>	<u>2,382,858</u>	<u>2,204,841</u>	<u>1,934,894</u>
41,729,424	42,622,191	40,411,744	39,936,716	39,402,154
534,752	332,842	(450,000)	(37,191)	(505,000)
<u>(534,752)</u>	<u>(332,842)</u>	<u>450,000</u>	<u>37,191</u>	<u>505,000</u>
1,447,962	0	0	962,608	0
2,928,075	0	0	0	0
<u>4,376,037</u>	<u>0</u>	<u>0</u>	<u>962,608</u>	<u>0</u>
4,144,387	(2,599,112)	(1,444,093)	1,202,933	(4,075,650)
6,719,044	1,496,610	433,459	1,345,022	1,501,448
<u>\$10,863,431</u>	<u>(\$1,102,502)</u>	<u>(\$1,010,634)</u>	<u>\$2,547,955</u>	<u>(\$2,574,202)</u>

## City of Lakewood, Ohio

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

	2012	2011	2010	2009
<b>General Fund</b>				
Reserved	\$0	\$0	\$0	\$1,156,884
Unreserved	0	0	0	3,642,880
Nonspendable	646,379	631,634	647,847	0
Assigned	1,943,879	1,103,061	950,918	0
Unassigned	7,101,028	7,168,275	4,966,043	0
Total General Fund	<u>9,691,286</u>	<u>8,902,970</u>	<u>6,564,808</u>	<u>4,799,764</u>
<b>All Other Governmental Funds</b>				
Reserved	0	0	0	2,294,622
Unreserved, Undesignated (Deficit), Reported in:				
Special Revenue Funds	0	0	0	2,957,115
Debt Service Funds	0	0	0	1,282,628
Capital Projects Funds	0	0	0	1,467,157
Nonspendable	200,891	170,573	187,494	0
Restricted	6,115,764	5,865,238	7,043,077	0
Committed	786,167	853,414	663,681	0
Unassigned (Deficit)	<u>(81,533)</u>	<u>(31,316)</u>	<u>(158,907)</u>	<u>0</u>
Total All Other Governmental Funds	<u>7,021,289</u>	<u>6,857,909</u>	<u>7,735,345</u>	<u>8,001,522</u>
<b>Total Governmental Funds</b>	<u><u>\$16,712,575</u></u>	<u><u>\$15,760,879</u></u>	<u><u>\$14,300,153</u></u>	<u><u>\$12,801,286</u></u>

Note: During 2011, the City implemented GASB 54.

**Table 3**

2008	2007	2006	2005	2004	2003
\$11,114	\$69,864	\$94,715	\$294,921	\$124,134	\$102,195
5,489,730	1,986,309	3,212,313	3,724,852	3,713,592	5,479,860
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>5,500,844</u>	<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>
3,131,139	3,823,391	3,237,102	3,771,588	6,034,201	3,832,595
733,201	1,773,409	2,514,850	2,489,614	1,371,018	2,159,101
343,522	1,698,091	685,942	1,245,313	1,519,878	1,162,940
4,386,784	1,906,203	4,457,614	3,283,734	2,806,361	2,196,372
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>8,594,646</u>	<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><u>\$14,095,490</u></u>	<u><u>\$11,257,267</u></u>	<u><u>\$14,202,536</u></u>	<u><u>\$14,810,022</u></u>	<u><u>\$15,569,184</u></u>	<u><u>\$14,933,063</u></u>

# City of Lakewood, Ohio

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

	2012	2011	2010	2009	2008
<b>Revenues</b>					
Property Taxes	\$12,041,251	\$12,041,503	\$12,301,006	\$13,194,723	\$13,257,834
Payments in Lieu of Taxes	379,614	328,790	341,399	308,520	340,341
Municipal Income Taxes	19,542,235	18,766,179	17,850,439	18,355,581	18,480,218
Charges for Services	3,396,958	4,036,644	3,578,550	3,598,946	3,033,174
Licenses, Permits and Fees	2,351,660	1,630,554	1,886,868	1,823,254	1,971,510
Fines and Forfeitures	1,811,478	1,814,547	1,690,587	1,592,897	1,710,782
Intergovernmental	10,383,636	11,984,530	14,727,449	13,197,654	11,824,139
Special Assessments	75,390	4,360	47,459	24,642	240,001
Interest	6,758	8,792	68,060	214,275	533,257
Contributions and Miscellaneous	936,797	824,613	544,005	724,928	817,733
<i>Total Revenues</i>	<u>50,925,777</u>	<u>51,440,512</u>	<u>53,035,822</u>	<u>53,035,420</u>	<u>52,208,989</u>
<b>Expenditures</b>					
Current:					
General Government	9,147,337	7,691,955	8,149,714	7,875,387	7,930,675
Security of Persons and Property					
Police	12,000,737	12,223,002	12,069,033	12,220,039	12,139,328
Fire	9,299,325	9,197,428	9,282,338	9,662,410	10,088,610
Public Health Services	1,914,502	2,268,579	2,281,603	2,428,498	3,352,685
Transportation	1,768,040	2,151,849	1,867,759	1,704,157	1,980,543
Community Environment	4,559,327	6,084,834	6,727,225	6,250,805	5,669,977
Basic Utilities Services	3,012,214	3,331,914	3,150,020	3,699,636	4,466,994
Leisure Time Activities	1,510,669	1,732,556	1,542,088	1,513,654	1,733,290
Capital Outlay	3,870,084	3,022,809	760,521	6,842,067	5,280,879
Debt Service:					
Principal Retirement	11,002,721	11,686,748	11,949,421	4,087,490	8,637,976
Interest and Fiscal Charges	1,536,273	1,734,982	1,830,823	2,085,801	2,057,441
Bond Issuance Costs	81,512	114,820	0	0	0
<i>Total Expenditures</i>	<u>59,702,741</u>	<u>61,241,476</u>	<u>59,610,545</u>	<u>58,369,944</u>	<u>63,338,398</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(8,776,964)</u>	<u>(9,800,964)</u>	<u>(6,574,723)</u>	<u>(5,334,524)</u>	<u>(11,129,409)</u>
<b>Other Financing Sources (Uses)</b>					
General Obligation Bonds Issued	0	10,845,268	0	0	0
Refunding Bonds Issued	3,097,661	0	0	0	0
Bond Anticipation Notes	5,896,000	1,948,000	7,771,000	7,771,000	7,771,000
Refunding Bond Anticipation Notes	3,427,889	0	0	0	0
Premium on General Obligation Bonds	137,491	62,105	0	0	0
Sale of Capital Assets	130,124	25,308	0	0	0
Inception of Capital Lease	974,285	1,487,326	0	2,175,159	4,110,632
Current Refunding	0	0	0	(7,771,000)	0
Payment to Refunded Bond Escrow Agent	(3,497,340)	(3,048,069)	0	0	0
Transfers In	4,286,718	2,777,968	4,000,770	13,561,547	3,077,261
Transfers Out	(4,724,168)	(2,836,216)	(4,118,272)	(11,696,386)	(2,786,509)
<i>Total Other Financing Sources (Uses)</i>	<u>9,728,660</u>	<u>11,261,690</u>	<u>7,653,498</u>	<u>4,040,320</u>	<u>12,172,384</u>
<i>Restatements</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,795,248</u>
<i>Net Change in Fund Balances</i>	<u>\$951,696</u>	<u>\$1,460,726</u>	<u>\$1,078,775</u>	<u>(\$1,294,204)</u>	<u>\$2,838,223</u>
Debt Service as a Percentage of Noncapital Expenditures	19.8%	21.0%	23.1%	11.7%	18.5%



**Table 4**

2007	2006	2005	2004	2003
\$13,502,272	\$12,316,987	\$12,388,236	\$12,388,112	\$10,332,736
368,523	241,589	241,480	100,617	0
18,143,485	17,080,608	17,785,152	16,842,902	16,626,831
3,494,517	3,597,914	3,479,982	3,432,921	3,776,654
2,035,413	1,930,932	1,159,966	939,434	718,147
1,458,771	1,535,840	1,385,746	1,478,391	1,594,776
13,239,249	13,184,935	13,989,782	12,359,013	12,180,349
123,219	105,230	91,836	84,302	196,560
1,130,083	1,479,546	830,725	396,491	483,266
381,542	752,522	510,219	402,279	408,462
<u>53,877,074</u>	<u>52,226,103</u>	<u>51,863,124</u>	<u>48,424,462</u>	<u>46,317,781</u>
8,607,515	7,261,972	7,215,127	7,601,675	8,335,408
11,678,468	11,484,234	10,598,682	10,662,735	10,118,491
10,567,772	10,080,039	9,573,450	9,304,473	9,394,378
4,089,118	4,501,420	4,258,873	4,286,363	3,532,193
2,617,950	1,770,566	2,057,427	2,175,057	2,337,498
6,787,327	6,619,518	6,359,746	5,656,644	6,060,535
5,089,792	4,661,348	4,094,876	4,328,373	4,340,840
1,944,398	1,809,858	1,912,849	1,962,346	1,930,211
4,525,704	3,838,417	6,132,047	5,422,606	2,848,800
11,230,978	2,905,047	9,353,547	5,652,579	2,007,312
1,924,401	1,794,537	1,738,257	1,505,688	1,597,061
300,690	0	225,403	306,388	110,619
<u>69,364,113</u>	<u>56,726,956</u>	<u>63,520,284</u>	<u>58,864,927</u>	<u>52,613,346</u>
(15,487,039)	(4,500,853)	(11,657,160)	(10,440,465)	(6,295,565)
10,520,000	0	6,495,637	4,265,000	5,219,000
0	0	7,335,000	0	0
5,374,000	8,311,000	4,228,000	7,064,800	3,555,500
0	0	0	0	0
57,987	5,367	241,575	30,823	120,589
0	0	5,500	7,592	0
1,375,314	0	10,137	0	173,991
0	(3,973,000)	0	0	0
(4,844,725)	0	(7,380,660)	0	0
3,631,000	1,969,098	3,970,791	2,620,130	2,127,437
<u>(3,571,806)</u>	<u>(2,419,098)</u>	<u>(4,007,982)</u>	<u>(3,125,130)</u>	<u>(2,327,437)</u>
<u>12,541,770</u>	<u>3,893,367</u>	<u>10,897,998</u>	<u>10,863,215</u>	<u>8,869,080</u>
0	0	0	213,371	(1,159,504)
<u>(\$2,945,269)</u>	<u>(\$607,486)</u>	<u>(\$759,162)</u>	<u>\$636,121</u>	<u>\$1,414,011</u>

20.7%

9.3%

19.0%

13.6%

7.5%

# City of Lakewood, Ohio

## Assessed Valuations and Estimated Actual Values of Taxable Property

### Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value			Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU	Estimated Actual Value	Assessed Value	Estimated Actual Value
2012	\$721,599,290	\$163,222,160	\$2,528,061,286	\$12,758,240	\$14,498,000
2011	727,775,410	166,733,970	2,555,741,086	12,400,630	14,091,625
2010	728,076,240	167,461,630	2,558,679,629	12,391,260	14,080,977
2009	779,592,560	179,148,740	2,739,260,857	10,241,580	11,638,159
2008	781,245,420	179,298,480	2,744,411,143	9,869,670	11,215,534
2007	786,898,880	168,582,420	2,729,946,571	14,577,400	16,565,227
2006	706,658,210	156,111,470	2,465,056,229	15,069,300	17,124,205
2005	707,459,690	154,201,870	2,461,890,171	16,590,000	18,852,273
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

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax was phased out beginning in 2006. Both types of general business tangible personal property were assessed at 12.50 for 2007, 6.25 percent for 2008 zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local interexchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers (except telephone companies whose last year to pay tangible personal property tax is 2010). During 2011, the City did not include an assessed value for general business tangible personal property.

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

Source: Cuyahoga County, Ohio; Fiscal Officer

**Table 5**

Tangible Personal Property		Total		Ratio	Tax Rate per \$1,000 of Assessed Value
General Business		Assessed	Estimated		
Assessed Value	Estimated Actual Value	Value	Value		
\$0	\$0	\$897,579,690	\$2,542,559,286	35.30 %	\$17.40
0	0	906,910,010	2,569,832,711	35.29	17.40
0	0	907,929,130	2,572,760,606	35.29	17.40
3,507,600	28,060,800	972,490,480	2,778,959,816	34.99	17.40
12,438,513	66,338,736	982,852,083	2,821,965,413	34.83	17.40
15,903,081	84,816,432	985,961,781	2,831,328,230	34.82	17.40
21,872,491	116,653,285	899,711,471	2,598,833,719	34.62	17.40
23,673,865	102,929,848	901,925,425	2,583,672,292	34.91	17.40
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

## City of Lakewood, Ohio

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

#### Last Ten Years

	2012	2011	2010	2009	2008
<b>Charter Millage</b>					
Sinking Fund	\$3.4700	\$3.4700	\$3.4700	\$3.4700	\$3.4700
1976 Charter/Current Expenses	8.6500	8.6500	8.6500	8.6500	8.6500
1976 Charter/Fire	1.6800	1.6800	1.6800	1.6800	1.6800
1976 Charter/Police	1.6000	1.6000	1.6000	1.6000	1.6000
1976 Charter/Sewer	2.0000	2.0000	2.0000	2.0000	2.0000
<b>Total Charter Millage</b>	<b>\$17.4000</b>	<b>\$17.4000</b>	<b>\$17.4000</b>	<b>\$17.4000</b>	<b>\$17.4000</b>
<b>Overlapping Rates by Taxing District</b>					
<b>Lakewood City School District</b>					
Residential/Agricultural Real	\$58.5508	\$56.6894	\$56.4019	\$48.8809	\$45.9650
Commercial/Industrial and Public Utility Real	72.8585	70.3761	69.8953	62.3184	61.3095
General Business and Public Utility Personal	115.4000	115.4000	115.4000	107.9000	107.2000
<b>Cuyahoga County Council (1)</b>					
Residential/Agricultural Real	16.4335	16.3035	16.3660	15.8789	15.1504
Commercial/Industrial and Public Utility Real	16.1672	15.9138	15.9620	15.5327	15.4894
General Business and Public Utility Personal	16.4500	16.4500	16.5500	16.2500	16.2500
<b>Special Taxing Districts (2)</b>					
Residential/Agricultural Real	4.3544	4.1938	4.1657	4.1608	3.8697
Commercial/Industrial and Public Utility Real	4.5847	4.3906	4.3529	4.3492	4.3243
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

**Table 6**

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$3.4700	\$3.4700	\$3.4700	\$3.4700	\$3.4700
8.6500	8.6500	8.6500	8.6500	8.6500
1.6800	1.6800	1.6800	1.6800	1.6800
1.6000	1.6000	1.6000	1.6000	1.6000
2.0000	2.0000	2.0000	2.0000	2.0000
<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>
\$45.5754	\$49.5692	\$49.5065	\$43.6947	\$47.5575
60.4273	65.9849	65.6697	59.6364	61.6842
106.9000	107.4000	107.4000	101.6000	100.2500
15.1210	14.1728	13.4245	13.4429	12.4609
14.3558	15.2977	14.6624	14.7364	12.8764
16.3500	16.4500	16.4500	16.4500	14.6500
3.8656	4.2827	4.2776	3.5972	2.8193
4.2874	4.7054	4.6776	4.1416	3.1081
5.3500	5.3500	5.3500	5.0500	3.8000

# City of Lakewood, Ohio

## Property Tax Levies and Collections

### Last Ten Years

**Table 7**

Collection Year	Current Tax Levy (2)	Current Tax Collections (2)	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes (3)	Percentage of Delinquent Taxes To Total Tax Levy
2012	\$16,076,676	\$15,291,655	95.12 %	\$688,402	\$15,980,057	99.40 %	\$1,224,804	7.62 %
2011	16,135,708	15,259,060	94.57	565,338	15,824,398	98.07	1,244,407	7.71
2010	16,154,477	15,383,763	95.23	641,045	16,024,808	99.20	1,214,467	7.52
2009	17,211,840	16,061,636	93.32	697,562	16,759,198	97.37	1,285,160	7.47
2008	17,327,947	16,331,350	94.25	723,290	17,054,640	98.42	1,275,020	7.36
2007	17,346,544	16,547,580	95.39	687,163	17,234,743	99.36	1,122,078	6.47
2006	16,052,661	15,078,364	93.93	510,427	15,588,791	97.11	937,196	5.84
2005	16,053,584	15,305,464	95.34	581,629	15,887,093	98.96	564,880	3.52
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

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 Taxpayers – Real Estate Tax

2012 and 2003

Table 8

Taxpayer	2012	
	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Cleveland Electric Illuminating Company	\$11,443,000	1.28 %
14600 Detroit Avenue	5,057,510	0.57
Lakewood Senior Campus	3,481,430	0.39
Castlewood Association	2,067,460	0.23
Lakewood Senior Citizens Inc.	2,066,970	0.23
Marine Towers	2,014,360	0.23
Lakewood Ohio Wal LLC	1,942,500	0.22
Lakewood Heath Care	1,863,930	0.21
One Lakewood Company LLC	1,811,260	0.20
Lakewood Association L.P.	1,819,790	0.19
<b>Total</b>	<b>\$33,568,210</b>	<b>3.75 %</b>
<b>Total Real Property Assessed Valuation</b>	<b>\$894,509,380</b>	
Taxpayer	2003	
	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Cleveland Electric Illuminating Company	\$7,248,960	0.90 %
Ohio Bell Telephone Company	5,829,610	0.72
Lakewood Operating Associates	2,309,130	0.29
Lakewood Senior Citizens, Inc.	2,231,010	0.28
Marine Towers	2,096,990	0.26
Castlewood Association	1,994,760	0.25
Fame-Midamco Company	1,720,990	0.21
Lakewood Heath Care	1,690,860	0.21
Lakewood Association L.P.	1,641,230	0.20
Lakeshore Associates	1,596,360	0.20
<b>Total</b>	<b>\$28,359,900</b>	<b>3.52 %</b>
<b>Total Real Property Assessed Valuation</b>	<b>\$804,897,929</b>	

Source: Cuyahoga County, Ohio; Fiscal Officer

# City of Lakewood, Ohio

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

### Last Ten Years

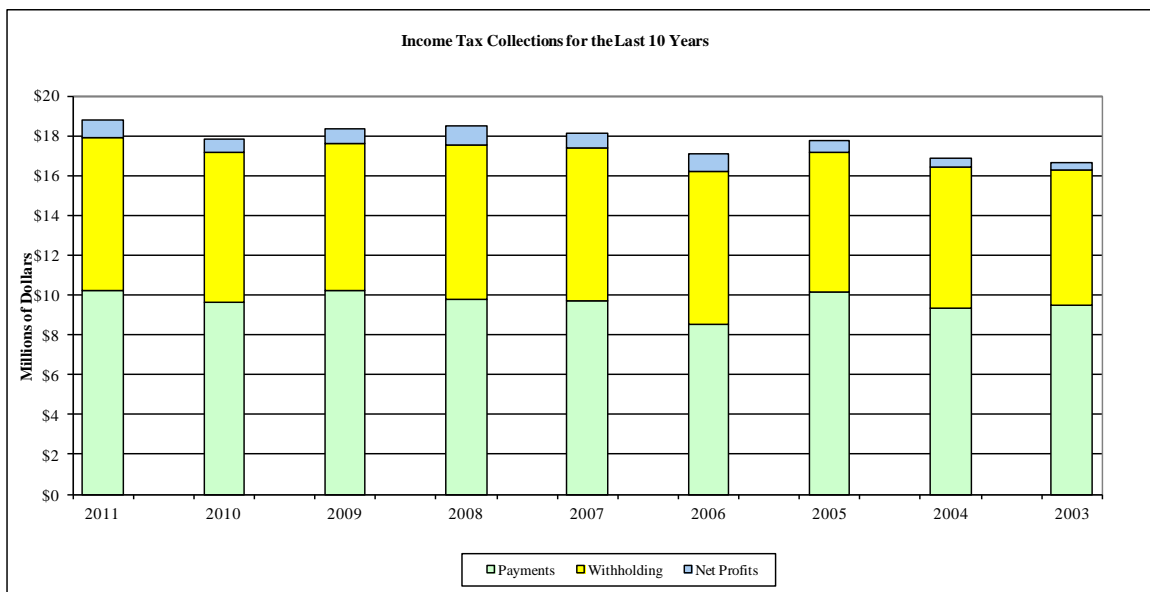
**Table 9**

Tax Year	Tax Rate	Total Tax Collected (1)	Taxes From Individual Payments	Percentage of Taxes From Individual Payments	Taxes From Withholding	Percentage of Taxes From Withholding	Taxes From Net Profits	Percentage of Taxes From Net Profits
2012	1.50%	\$19,542,235	\$10,574,337	54.11%	\$8,008,136	40.98%	\$959,762	4.91%
2011	1.50	18,766,179	10,191,507	54.31	7,696,981	41.02	877,691	4.67
2010	1.50	17,850,439	9,656,284	54.10	7,484,885	41.93	709,270	3.97
2009	1.50	18,355,581	10,199,250	55.56	7,422,370	40.44	733,961	4.00
2008	1.50	18,480,218	9,814,844	53.11	7,691,467	41.62	973,907	5.27
2007	1.50	18,143,485	9,719,464	53.57	7,676,509	42.31	747,512	4.12
2006	1.50	17,080,608	8,529,917	49.94	7,650,455	44.79	900,236	5.27
2005	1.50	17,785,152	10,153,562	57.09	7,038,931	39.58	592,659	3.33
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

(1) Modified Accrual Basis

(2) The City is statutorily prohibited from presenting individual taxpayer information.

(3) The City's basic income tax rate may only be increased by a majority vote of City residents.





# City of Lakewood, Ohio

## Ratio of Outstanding Debt by Type

### Last Ten Years

**Table 10**

Year	Governmental Activities	Business Activities	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
2012	\$29,444,981	\$7,153,314	1.44 %	\$564.83	\$0	\$184,800	\$6,015,960	\$3,956,143
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

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)
2012	\$7,153,314	\$22,443,126	\$0	\$2,541,600	\$3,107,421	\$74,847,345	5.23 %	\$1,435.76	\$0.00
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

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

(1) See S14-15 for taxable property value data.

(2) See S30 for population and personal income data.

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

# City of Lakewood, Ohio

## Legal Debt Margin

### Last Ten Years

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Overall Legal Debt Limit (10.5% of Assessed Valuation)	\$94,245,867	\$95,225,551	\$95,332,559	\$102,111,500
Net Debt Applicable to Debt Limit	<u>33,491,466</u>	<u>33,491,466</u>	<u>34,466,401</u>	<u>37,460,332</u>
Overall Legal Debt Margin (10.5% of Assessed Valuation)	<u>\$60,754,401</u>	<u>\$61,734,085</u>	<u>\$60,866,158</u>	<u>\$64,651,168</u>
Legal Debt Margin as a Percentage of Debt Limit	<u>64.46%</u>	<u>64.83%</u>	<u>63.85%</u>	<u>63.31%</u>
Unvoted Legal Debt Limit (5.5% of Assessed Valuation)	\$49,366,883	\$49,880,051	\$49,936,102	\$53,486,976
Net Debt Applicable to Debt Limit	<u>33,491,466</u>	<u>33,491,466</u>	<u>34,466,401</u>	<u>37,460,332</u>
Unvoted Legal Debt Margin (5.5% of Assessed Valuation)	<u>\$15,875,417</u>	<u>\$16,388,585</u>	<u>\$15,469,701</u>	<u>\$16,026,644</u>
Legal Debt Margin as a Percentage of Debt Limit	<u>32.16%</u>	<u>32.86%</u>	<u>30.98%</u>	<u>29.96%</u>

### Legal Debt Margin Calculation for the Year Ended December 31, 2012

	<u>Overall Margin Within 10.5%</u>	<u>Unvoted Margin Within 5.5%</u>
Assessed property value	<u>\$897,579,690</u>	<u>\$897,579,690</u>
Debt Limitation (percentage of assessed property value)	\$94,245,867	\$49,366,883
Gross Indebtedness:	66,098,014	66,098,014
Less: General Obligation Bonds	(3,825,000)	(3,825,000)
General Obligation Bonds - Enterprise Funds	(7,116,075)	(7,116,075)
Revenue Bonds	(22,165,000)	(22,165,000)
Debt Service Fund	<u>(599,028)</u>	<u>(599,028)</u>
Net Debt Applicable to Debt Limit	<u>32,392,911</u>	<u>32,392,911</u>
Legal Debt Margin Within Limitations	<u>\$61,852,956</u>	<u>\$16,973,972</u>

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

**Table 11**

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$103,199,469	\$103,525,987	\$94,469,704	\$94,702,170	\$95,005,332	\$84,487,541
<u>42,690,007</u>	<u>42,039,762</u>	<u>41,051,785</u>	<u>48,932,958</u>	<u>41,781,567</u>	<u>38,818,600</u>
<u>\$60,509,462</u>	<u>\$61,486,225</u>	<u>\$53,417,919</u>	<u>\$45,769,212</u>	<u>\$53,223,765</u>	<u>\$45,668,941</u>
<u>58.63%</u>	<u>59.39%</u>	<u>56.55%</u>	<u>48.33%</u>	<u>56.02%</u>	<u>54.05%</u>
\$54,056,865	\$54,227,898	\$49,484,131	\$49,605,898	\$49,764,698	\$44,255,379
<u>42,690,007</u>	<u>42,039,762</u>	<u>41,051,785</u>	<u>48,932,958</u>	<u>41,781,567</u>	<u>38,818,600</u>
<u>\$11,366,858</u>	<u>\$12,188,136</u>	<u>\$8,432,346</u>	<u>\$672,940</u>	<u>\$7,983,131</u>	<u>\$5,436,779</u>
<u>21.03%</u>	<u>22.48%</u>	<u>17.04%</u>	<u>1.36%</u>	<u>16.04%</u>	<u>12.29%</u>

## City of Lakewood, Ohio

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

December 31, 2012

Table 12

	Debt Attributable to Governmental Activities	Overlapping Percentage Applicable to Lakewood (1)	Amount of Direct and Overlapping Debt
<u>Direct:</u>			
City of Lakewood			
General Obligation Bonds	\$29,444,981	100.00 %	\$29,444,981
Notes Payable	3,956,143	100.00	3,956,143
Loans Payable	184,800	100.00	184,800
Capital Leases	6,015,960	100.00	6,015,960
Total Direct Debt	<u>39,601,884</u>		<u>39,601,884</u>
<u>Overlapping Debt:</u>			
Cuyahoga County	341,075,645	3.09	10,524,871
Regional Transit Authority	129,495,000	3.09	3,995,941
Lakewood City School District	115,187,396	100.00	115,187,396
Total Overlapping Debt	<u>585,758,041</u>		<u>129,708,208</u>
Total	<u><u>\$625,359,925</u></u>		<u><u>\$169,310,092</u></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 2012 collection year.



## City of Lakewood, Ohio

### *Pledged Revenue Coverage*

#### *Water*

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

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Net Available Revenue:					
Gross Revenues (1)	\$11,214,618	\$10,774,944	\$10,777,249	\$10,385,783	\$10,536,724
Less: Operating Expenses (2)	<u>9,190,160</u>	<u>8,128,431</u>	<u>8,468,811</u>	<u>7,812,615</u>	<u>8,042,899</u>
Net Available Revenue	<u><u>\$2,024,458</u></u>	<u><u>\$2,646,513</u></u>	<u><u>\$2,308,438</u></u>	<u><u>\$2,573,168</u></u>	<u><u>\$2,493,825</u></u>
Debt Service OPWC Loans:					
Principal	\$313,229	\$313,229	\$313,229	\$313,229	\$313,230
OPWC Coverage	<u>6.46</u>	<u>8.45</u>	<u>7.37</u>	<u>8.21</u>	<u>7.96</u>
Debt Service - Revenue Bonds:					
Principal	465,465	954,572	919,125	868,232	837,338
Interest	500,187	538,959	575,314	608,689	650,747
Revenue Bond Coverage	<u>2.10</u>	<u>1.77</u>	<u>1.54</u>	<u>1.74</u>	<u>1.68</u>
Total Debt Service:					
Principal	778,694	1,267,801	1,232,354	1,181,461	1,150,568
Interest	500,187	538,959	575,314	608,689	650,747
Total Coverage	<u>1.58</u>	<u>1.46</u>	<u>1.28</u>	<u>1.44</u>	<u>1.38</u>

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

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

**Table 13**

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$11,484,184	\$8,803,103	\$8,857,697	\$8,584,588	\$8,520,217
<u>8,470,561</u>	<u>7,364,732</u>	<u>7,770,689</u>	<u>7,481,671</u>	<u>7,085,228</u>
<u><u>\$3,013,623</u></u>	<u><u>\$1,438,371</u></u>	<u><u>\$1,087,008</u></u>	<u><u>\$1,102,917</u></u>	<u><u>\$1,434,989</u></u>
\$313,230	\$313,229	\$313,229	\$301,113	\$224,310
<u>9.62</u>	<u>4.59</u>	<u>3.47</u>	<u>3.66</u>	<u>6.40</u>
876,890	550,998	510,000	490,000	530,000
598,677	249,923	251,585	251,785	246,383
<u>2.04</u>	<u>1.80</u>	<u>1.43</u>	<u>1.49</u>	<u>1.85</u>
1,190,120	864,227	823,229	791,113	754,310
598,677	249,923	251,585	251,785	246,383
<u>1.68</u>	<u>1.29</u>	<u>1.01</u>	<u>1.06</u>	<u>1.43</u>

## City of Lakewood, Ohio

### *Pledged Revenue Coverage*

#### *Sewer*

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

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Net Available Revenue:					
Gross Revenues (1)	\$7,653,452	\$6,849,662	\$6,443,136	\$5,821,972	\$6,220,187
Less: Operating Expenses (2)	<u>3,976,850</u>	<u>3,757,052</u>	<u>4,207,534</u>	<u>4,264,238</u>	<u>4,720,506</u>
Net Available Revenue	<u><u>\$3,676,602</u></u>	<u><u>\$3,092,610</u></u>	<u><u>\$2,235,602</u></u>	<u><u>\$1,557,734</u></u>	<u><u>\$1,499,681</u></u>
Debt Service OWDA Loans:					
Principal	\$31,726	\$30,405	\$29,138	\$27,925	\$26,761
Interest	1,731	3,053	4,861	5,533	6,696
OWDA Coverage	<u>109.89</u>	<u>92.43</u>	<u>65.75</u>	<u>46.56</u>	<u>44.82</u>
Debt Service - OPWC Loans:					
Principal	34,486	34,486	34,485	34,485	34,487
OPWC Coverage	<u>106.61</u>	<u>89.68</u>	<u>64.83</u>	<u>45.17</u>	<u>43.49</u>
Debt Service - Revenue Bonds:					
Principal	405,000	390,000	375,000	360,000	350,000
Interest	535,863	551,463	566,463	580,863	594,862
Revenue Bond Coverage	<u>3.91</u>	<u>3.28</u>	<u>2.37</u>	<u>1.66</u>	<u>1.59</u>
Total Debt Service:					
Principal	471,212	454,891	438,623	422,410	411,248
Interest	537,594	554,516	571,324	586,396	601,558
Total Coverage	<u>3.64</u>	<u>3.06</u>	<u>2.21</u>	<u>1.54</u>	<u>1.48</u>

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

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



**Table 14**

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$7,628,335	\$6,081,419	\$6,145,671	\$5,620,370	\$5,037,686
<u>5,900,144</u>	<u>5,217,728</u>	<u>4,242,885</u>	<u>4,191,193</u>	<u>4,339,808</u>
<u>\$1,728,191</u>	<u>\$863,691</u>	<u>\$1,902,786</u>	<u>\$1,429,177</u>	<u>\$697,878</u>
\$25,647	\$24,578	\$23,555	\$22,573	\$22,573
7,811	8,879	9,902	10,884	10,884
<u>51.65</u>	<u>25.81</u>	<u>56.87</u>	<u>42.72</u>	<u>20.86</u>
34,487	0	0	0	0
<u>50.11</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
310,000	0	0	0	0
365,088	0	0	0	0
<u>2.56</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
370,314	24,578	23,555	22,573	22,573
372,899	8,879	9,902	10,884	10,884
<u>2.33</u>	<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*

**Table 15**

Year	Population (1)	Total Personal Income (5)	Personal Income Per Capita	Median Household Income (1)	Median Age (1)	Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (2)	Cuyahoga County Unemployment Rate (3)	Total Assessed Property Value (4)
2012	52,131	\$1,431,100,212	\$27,452	\$43,154	34.9	38.9%	5,870	6.6%	\$897,579,690
2011	52,131	1,431,100,212	27,452	43,154	34.9	38.9	5,667	7.1	906,910,010
2010	52,131	1,431,100,212	27,452	44,268	35.4	38.9	5,664	8.6	907,929,130
2009	56,646	1,357,351,452	23,962	40,527	34.2	35.9	5,665	9.0	972,490,480
2008	56,646	1,357,351,452	23,962	40,527	34.2	35.9	5,925	7.1	982,852,083
2007	56,646	1,357,351,452	23,962	40,527	34.2	35.9	5,755	6.1	985,961,781
2006	56,646	1,357,351,452	23,962	40,527	34.2	35.9	6,090	5.3	899,711,471
2005	56,646	1,357,351,452	23,962	40,527	34.2	35.9	6,229	5.4	901,925,425
2004	56,646	1,357,351,452	23,962	40,527	34.2	35.9	6,416	5.9	904,812,684
2003	56,646	1,357,351,452	23,962	40,527	34.2	35.9	6,708	5.7	804,643,249

(1) Source: U. S. Census

(2) Source: Lakewood City School District

(3) Ohio Department of Job and Family Services

(4) Source: Cuyahoga County Fiscal Officer

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

# City of Lakewood, Ohio

## Principal Employers – Based on Income Tax Dollars Withheld

### Current and Nine Years Ago

**Table 16**

2012			
Employer	Nature of Activity	Employees *	Percentage of Total City Employment
Lakewood Hospital	Health Care	1,413	11.78%
Lakewood Board of Education	School District	1,409	11.75
City of Lakewood	Municipality	432	3.60
New York Life Insurance Company	Insurance Company	333	2.78
The MF Cachat Company	Special Chemical Sales	58	0.48
Graftech International Holdings	Graphite Industry	123	1.03
First Federal Saving and Loan Association of Lakewood	Financial Institution	242	2.02
Ohio Bell Telephone Company	Public Utility	160	1.33
Riser Foods Company	Grocer	290	2.42
Ferry Cap & Set Screw Company	Manufacturing	120	1.00
Total		4,580	38.18%
Total Employment within the City		11,996	
2003			
Employer	Nature of Activity	Employees **	
Lakewood Hospital	Health Care	1,410	
Lakewood Board of Education	School District	1,301	
City of Lakewood	Municipality	658	
New York Life Insurance Company	Insurance Company	173	
Lake Erie Screw Corporation	Manufacturing	172	
Aristocrat Lakewood	Health Care	168	
First Federal Savings and Loan	Financial Institution	136	
United Transportation Union	Union	115	
Bonnie Bell Inc.	Manufacturing	106	
Graph-Tech, Inc.	Manufacturing	105	
Total		4,344	
Total Employment within the City		n/a	

Source: City of Lakewood; Department of Taxation

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

\*\* Based on actual number of employees

n/a - not available

# City of Lakewood, Ohio

## Full-Time City Employees by Function/Program

*Last Nine Years (1)*

**Table 17**

Function/Program	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>General Government</b>									
Council	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00
Court	16.00	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	1.00
Mayor's Office	3.00	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	3.00	4.00	4.00	3.00
Community Relations	1.00	1.00	1.00	1.00	1.00	2.00	2.00	1.00	1.00
Finance	7.00	7.00	6.00	7.00	7.00	7.00	7.00	6.00	8.00
Income Tax	4.00	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	4.00	6.00	6.00	6.00	6.00
Utility Billing	2.00	3.00	2.00	2.00	4.00	4.00	5.00	5.00	5.00
Health/Vital Stats	2.00	2.00	3.00	3.00	3.00	8.00	11.00	10.00	13.00
Law	4.00	3.00	3.00	3.00	5.00	5.00	3.00	3.00	3.00
Planning and Development	5.00	5.00	6.00	6.00	5.00	3.00	3.00	3.00	2.00
Community Development	2.00	2.00	3.00	3.00	3.00	8.00	6.00	8.00	9.00
<b>Security of Persons and Property</b>									
Police	95.00	97.00	100.00	99.00	98.00	96.00	94.00	94.00	94.00
Police - Communications	11.00	10.00	10.00	11.00	11.00	12.00	11.00	10.00	11.00
Support of Prisoners	2.00	2.00	5.00	4.00	4.00	4.00	3.00	3.00	3.00
Fire	76.00	76.00	75.00	76.00	78.00	81.00	77.00	76.00	76.00
Emergency Medical Services	12.00	12.00	13.00	13.00	13.00	13.00	18.00	18.00	18.00
Housing and Building	12.00	13.00	15.00	16.00	14.00	19.00	22.00	21.00	19.00
Parking	2.00	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	3.00
<b>Public Works</b>									
Public Works Administration	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00
Parks	12.00	13.00	13.00	11.00	13.00	16.00	16.00	16.00	15.00
Buildings and Facilities	1.00	1.00	2.00	2.00	3.00	4.00	5.00	5.00	5.00
Construction	3.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00	8.00
Streets	14.00	14.00	15.00	12.00	13.00	16.00	17.00	19.00	21.00
Forestry	4.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00
Traffic Signs	2.00	2.00	3.00	3.00	4.00	4.00	3.00	4.00	5.00
Refuse	30.00	32.00	35.00	35.00	43.00	46.00	52.00	51.00	53.00
Fleet	10.00	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	0.00	2.00	2.00	2.00	2.00
Water Distributions	6.00	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	6.00	7.00
Wastewater Collections	12.00	11.00	12.00	13.00	14.00	14.00	16.00	15.00	17.00
Wastewater Treatment	23.00	22.00	23.00	22.00	23.00	23.00	23.00	22.00	23.00
Engineering	3.00	3.00	4.00	4.00	4.00	6.00	6.00	5.00	5.00
Winterhurst	0.00	0.00	0.00	0.00	1.00	2.00	3.00	3.00	3.00
<b>Human Services</b>									
Human Services Administration	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Office on Aging IIIB	12.00	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	0.00	7.00	7.00	7.00	7.00
Early Childhood	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00
Youth	6.00	8.00	8.00	10.00	10.00	12.00	11.00	9.00	9.00
Totals:	<u>417.00</u>	<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

Function/Program	2012	2011	2010
<b>General Government</b>			
<i>Clerk of Council</i>			
Number of ordinances passed	86	66	107
Number of resolutions passed	79	70	76
<i>Civil Service</i>			
Number of police and fire entry application processed	169	0	0
<i>Finance Department</i>			
Number of checks/ vouchers issued	7,232	8,705	8,924
Interest earnings for fiscal year (cash basis)	\$8,787	\$11,232	\$103,993
<i>Income Tax</i>			
Number of Annual withholding forms processed	25,456	24,275	22,794
Number of Business net profit forms processed	2,399	2,378	2,224
<b>Public Works</b>			
<i>Engineering</i>			
Dollar amount of Construction overseen by Engineer	\$3,642,342	\$3,687,241	\$3,925,960
<i>Forestry</i>			
Number of trees planted	65	6	272
<i>Parking Enforcement</i>			
Number of parking tickets	4,743	3,542	12,118
<i>Refuse</i>			
Collection of resident and business garbage in tons	16,049	16,369	16,296
<i>Water</i>			
Average (MCF) of water billed monthly (in thousands)	190,425	186,536	194,311
<i>Wastewater Collection</i>			
Average (MCF) of sewer billed monthly (in thousands)	190,425	186,536	194,311
<i>Wastewater Treatment</i>			
Influent flow in millions of gallons per year	2,577	3,793	2,520
Bio-solids wet tons per year	4,750	5,240	5,580

n/a - not available

(1) Information for some years is not available

**Table 18**

2009	2008	2007	2006	2005	2004	2003
94	100	95	98	126	120	90
62	101	73	102	103	124	117
0	240	0	340	n/a	n/a	n/a
9,291	11,014	9,335	7,083	6,846	7,039	7,013
\$292,662	\$741,464	\$1,763,496	\$2,004,475	\$908,127	\$322,705	\$420,188
22,142	22,709	22,919	9,727	8,931	7,546	6,871
2,271	2,195	2,065	1,405	1,072	741	845
\$3,501,473	\$3,443,940	\$12,590,150	\$13,859,602	\$9,173,108	\$2,874,226	\$4,386,804
259	206	186	296	n/a	n/a	n/a
11,178	12,004	10,287	11,868	5,251	8,455	7,983
17,010	19,990	21,026	22,137	21,868	23,971	25,506
203,999	206,902	214,515	216,729	221,803	225,509	236,812
203,999	206,902	214,515	216,729	221,803	225,509	236,812
2,771	3,324	3,101	3,228	2,947	3,441	3,064
5,002	5,101	5,348	5,643	5,209	5,311	4,638

# City of Lakewood, Ohio

## Operating Indicators by Function/Program (continued)

### Last Ten Years

Function/Program	2012	2011	2010
<b>Security of Persons and Property</b>			
<i>Police</i>			
Total calls for services	54,480	57,570	64,064
Number of citations issued	8,411	8,353	16,710
<i>Fire</i>			
Total calls for services-Fire	1,585	1,387	1,256
Total calls for services-EMS	5,653	5,399	5,208
<b>Community Environment</b>			
<i>Building Department</i>			
Estimated value of construction	\$30,828,918	\$21,012,297	\$25,472,201
Number of permits issued (all types)	2,573	2,473	2,552
<b>Leisure Time Activities</b>			
<i>Parks</i>			
Recreation Men's and Women's Leagues receipts	\$5,405	\$5,307	\$5,125
Recreation Youth Activities receipts	\$80,522	\$80,351	\$79,205

n/a - not available

(1) Information for some years is not available



**Table 18**

2009	2008	2007	2006	2005	2004	2003
55,802	46,247	50,316	49,733	52,053	48,376	53,633
16,262	15,747	14,009	15,007	14,872	16,744	18,596
1,411	1,795	2,163	2,067	2,245	1,903	1,848
5,251	5,006	5,006	5,111	5,028	4,722	4,540
\$18,660,849	\$34,568,567	\$44,249,478	\$73,425,066	\$44,324,510	\$21,658,746	\$19,708,966
2,216	2,683	2,724	2,781	3,011	2,948	3,305
\$5,025	\$5,100	\$4,250	\$3,619	\$8,341	\$3,200	n/a
\$78,700	\$76,500	\$73,500	\$89,347	\$68,881	\$22,830	n/a

# City of Lakewood, Ohio

## Capital Assets Statistics by Function/Program

### Last Ten Years

Function/Program	2012	2011	2010	2009	2008
<b>Security of Persons and Property</b>					
<b>Police</b>					
Stations	1	1	1	1	1
Vehicles	45	44	44	47	49
<b>Fire</b>					
Stations	3	3	3	3	3
Vehicles	19	17	17	17	18
<b>Leisure Time Activities</b>					
<b>Parks</b>					
Number of Parks	15	15	15	15	15
Number of Ice Rinks	2	2	2	2	2
Number of Skateboarding Areas	1	1	1	1	1
Number of Baseball Diamonds	5	5	5	5	5
Number of Soccer Fields	1	1	1	1	1
<b>Transportation</b>					
<b>Service</b>					
Streets (miles)	93	93	93	93	93
Street Lights	1,488	1,488	1,488	1,488	1,488
<b>Water and Sewer</b>					
Water Lines (miles)	112	112	112	112	112
Sanitary Sewers (miles)	75	75	75	75	75
Storm Sewers (miles)	66	66	66	66	66
Combined Sewers (miles)	25	25	25	25	25

Source: City of Lakewood

**Table 19**

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<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
1	1	1	1	1
51	52	50	49	n/a
3	3	3	3	3
17	18	18	17	n/a
15	15	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	112	111	111	111
75	75	75	75	75
66	66	66	66	66
25	25	25	25	25





# Dave Yost • Auditor of State

**CITY OF LAKEWOOD**

**CUYAHOGA COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 23, 2013**