



**CITY OF WESTLAKE  
CUYAHOGA COUNTY**

**REGULAR AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 2005**



**Auditor of State  
Betty Montgomery**



CITY OF WESTLAKE  
CUYAHOGA COUNTY

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## **Auditor of State Betty Montgomery**

### **INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

City of Westlake  
Cuyahoga County  
27700 Hilliard Boulevard  
Westlake, Ohio 44145

To the Members of City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Westlake, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2005, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 27, 2006. 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 the Comptroller General of the United States' *Government Auditing Standards*.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City's internal control over financial reporting to determine our auditing procedures in order to express our opinions on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the City's management dated June 27, 2006, we reported other matters involving internal control over financial reporting we did not deem reportable conditions.

#### **Compliance and Other Matters**

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*. In a separate letter to the City's management dated June 27, 2006, we reported other matters related to noncompliance we deemed immaterial.

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City of Westlake  
Cuyahoga County  
Independent Accountants' Report on Internal Control Over  
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We intend this report solely for the information and use of audit committee, management and City Council. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

June 27, 2006

City of Westlake, Ohio

**Comprehensive  
Annual Financial Report**  
for the year ended December 31, 2005

**Prepared by the Department of Finance**  
Anne A. Fritz, Director  
Bonnie L. Freeh, Assistant Director





**City of Westlake, Ohio**  
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# City of Westlake

27700 HILLIARD BOULEVARD • WESTLAKE, OHIO 44145 • (440) 871-3300

Dennis M. Clough, Mayor

June 27, 2006

Members of City Council  
Citizens of Westlake, Ohio

We are pleased to submit the comprehensive annual financial report of the City of Westlake for the year ended December 31, 2005. Responsibility for both the accuracy of the information contained herein, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Comprehensive Annual Financial Report is presented in three sections: introductory, financial, and statistical. The introductory section includes a table of contents, the letter of transmittal, the City's organizational charts, a list of principal elected and appointed officials, and the certificate of achievement. The financial section includes the independent accountants' report on the financial statements and schedules, management's discussion and analysis, the basic financial statements, the combining and individual fund statements and schedules. The statistical section includes selected financial and demographic data that provide users a summarized history of information.

A reporting entity includes the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City includes all funds, departments, and activities that are part of the legal entity. 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; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes.

Using these criteria, the City has excluded from this report various autonomous agencies, such as the Westlake City Schools, Westlake Health Campus, Porter Public Library, the Crown Water Filtration Plant operated by the City of Cleveland Department of Public Utilities, and other various not-for-profit institutions and agencies. The City is affiliated with the Rocky River Wastewater Treatment Plant, a joint venture financed by the cities of Westlake, Rocky River, Bay Village, and Fairview Park, and operated by the City of Rocky River (See Note 19). The City is also associated with four jointly governed organizations, the West Shore Council of Governments, Tri-City Park, S.A.F.E. Council of Governments, and the West Shore Area Rescue Association (See Note 20).

Generally Accepted Accounting Principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Westlake's MD&A can be found immediately following the independent accountants' report.

## HISTORY OF WESTLAKE

In October of 1811, the Porter and Cahoon families settled in an area known as Township 7, Range 15 of the Connecticut Western Reserve. By 1812, enough people resided in the region to make it necessary to elect trustees to oversee the community and the Township of Dover was established. With Lake Erie as the northern boundary, the township grew, reaching a population of over 2,200 by the early 1900s. By 1908, the township split into three communities with Bay Village to the north and North Olmsted to the south. In 1912, the township was incorporated as Dover Village, making Frank Bailey the first mayor. Dover Village was renamed the Village of Westlake in 1940 to avoid confusion with Dover, Ohio located in Tuscarawas County. As the Cleveland suburbs grew following World War II, so did Westlake, reaching a population just under 5,000 by 1950. In 1957, the Village of Westlake became the City of Westlake.

Situated in the western reach of Cuyahoga County, Westlake is 13 miles from downtown Cleveland. Current population, per the 2000 Census, is 31,719 with a total land area of 16.5 square miles. Proximity to Interstate highways I-80, I-90, and I-480 and to Cleveland Hopkins International Airport makes Westlake a desirable locality for residents and commercial enterprise.

## FORM OF GOVERNMENT

Westlake operates and is governed by the laws of the State of Ohio and its own charter that was first adopted by the electorate on November 6, 1956. The charter provides for a mayor-council form of government. Legislative authority is vested in a seven-member council. The Council is composed of a president who is elected at-large and six councilpersons elected by wards for four-year terms. All members of Council serve in a part-time capacity.

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. The Mayor may veto legislation passed by Council. A two-thirds vote of all members of Council will override a veto.

The Rocky River Municipal Court provides judicial services for the City of Westlake. The jurisdiction of the court, as established by the Ohio Revised Code, encompasses the contiguous cities of Westlake, Rocky River, Bay Village, Fairview Park, and North Olmsted.

Established by the charter, the municipal government consists of eleven departments. A director, who is appointed by and reports directly to the Mayor, heads each department. All directors work closely with the Mayor in providing the citizens of Westlake with the highest quality of services while maintaining efficiency and cost effectiveness.

The **Police Department** enforces local, state, and federal laws in addition to protecting citizens and their property. Most recently, the department has taken a more community oriented policing approach that has met with great success. Numerous programs are offered to citizens and students. The department, which is headed by the Chief of Police, consists of three bureaus. The Field Operations Bureau oversees jail operations, animal control, and the auxiliary police, as well as the staff of patrol officers. The Administrative Services Bureau consists of secretaries, dispatchers, school guards, park patrol officers, building/vehicle maintenance, and community services. The Criminal Investigations Bureau is responsible for the City's investigative services. The Police Department is located in a separate facility next to City Hall.

The **Fire Department** provides fire protection and emergency medical services to citizens, as well as placing strong emphasis on community involvement and education. A chief and his assistant head the department. A Fire Prevention unit focuses on the reduction of potential fires and loss of property within the City. Two fire facilities located on the east and west sides of the City provide protection.

The **Service Department** is comprised of several divisions administered by a director and an assistant. The City Services Division is responsible for the maintenance of all City vehicles, buildings and signs, and snow and leaf removal. The Storm/Sanitary Sewers Division maintains proper drainage control. The Parks Division maintains four parks and includes forestry services. The Streets Division is responsible for all non-contractual street repairs. The City also owns and operates two cemeteries. A new Service Center facility will open in 2006.

The **Recreation Department** provides numerous courses and programs throughout the year. During summer months, the department operates the pool at Clague Park where swimming lessons are also offered. The City owns the twenty-seven hole Meadowood Golf Course which operates on a profit/loss basis. The department's main responsibility is the operation of the Recreation Center that offers numerous programs and classes to residents.

The **Community Services Department** provides programs and assistance to seniors, and numerous seniors participate and volunteer their time. The department also provides assistance and aid to families in need.

The **Finance Department** is responsible for the accurate recording of all receipts and disbursements. The department issues bi-weekly payrolls and maintains a capital asset system. The department compiles the Annual Budget, prepares the Comprehensive Annual Financial Report and Popular Annual Financial Report for residents, and assists the Mayor in all financial decisions.

The **Law Department** advises the Mayor, Council, and all departments on legal matters concerning the City. The department prepares all contracts, legislation, and legal documents.

The **Purchasing Department** furnishes the City with the materials, equipment, and supplies needed to maintain operations. The department also handles all personnel matters, including health insurance.

The **Planning Department** is responsible for implementing plans and programs that promote the comprehensive and orderly development of the City. The department works in conjunction with the Planning Commission, Board of Zoning Appeals, and Board of Building Appeals and Architectural Standards.

The **Inspections Department** is responsible for interpreting and enforcing all building codes in the City. The department issues permits and citations, conducts site inspections, and licenses all contractors.

The **Engineering Department** must insure that all contractors working in Westlake meet the general engineering requirements of the City. Engineering controls the review and implementation of plans and programs relating to infrastructure.

## **ECONOMIC CONDITION AND OUTLOOK**

Residential and commercial properties have grown considerably over the past years resulting in several new subdivisions, offices, and retail spaces in Westlake. Several other major projects were completed in 2005 and many will follow in 2006.

In November of 2000, voters approved the construction of Crocker Park, a mixed-use planned development on seventy-five acres in western Westlake. The development features high-end retailers, restaurants, office space, and residential dwellings within a “pedestrian-friendly” setting. Phase I opened in October of 2004, showcasing “trendy” retailers, office space overlooking a “European-styled” park with fountains and an outdoor chess area, and apartments above the retail space. Beautiful landscaping and gardens are scattered among the complex and an ice rink is featured in the winter. Four parking garages that were built in Crocker Park opened in 2004 with 1,351 parking spaces. Roadway improvements were also completed, adding additional lanes, widening the Detroit/Crocker intersection, and adding retaining walls and a landscaped median. In 2006, construction will begin on 116 units of residential housing consisting of lofts and town homes that will surround the themed gardens. Initial reaction from the public has been very positive with great praise for the planning and design of the lifestyle center.

Several commercial and industrial developments were completed or began construction in 2005. These include Fairchild Chevrolet on Detroit Road, the Premier Physicians Center on Center Ridge Road, the Cheesecake Factory at Crocker Park, and a 60,000 square foot addition at Hyland Software. Freedom Tierce Office Park, a new three building complex, and a 97,000 square foot addition to the Lutheran Home have been approved. Plans have also been accepted for the Beacon West Flex Building, 56,000 square feet of warehouse and office space, and the Gerent subdivision, initially comprised of 38 lots.

Several office facilities are located throughout the City. The King James Office Park, Phases I through V, houses 335,000 square feet of office space including a fitness center. The Reserve Office Park was completed next to the Gemini Office Towers and features an Applebee’s Restaurant. The new Jamestown Office Building on Detroit Road and the Clemens Road West Office Building were completed in 2003. The Eveready Energizer Research Center is a 227,500 square foot facility and is the second largest employer in the City.

Several industrial parks are located in Westlake. The Sharon Drive Industrial Park features numerous businesses including the North American headquarters for Radiometer America. Several businesses are located on Sperry Drive in addition to the Marriott Courtyard and Towneplace Suites. Five restaurants are also situated on Sperry Drive. The First Street Industrial area and the Crocker Road Industrial area are sites of such facilities as Bonne Bell and USG/American Metals. The Clemens/Ranney Corporate Parkway is home to Scott Fetzer, Nordson Corporation, Electronic Data Systems and many more companies.

The Promenade of Westlake, located next to Crocker Park, features 240,000 square feet of retail space with a newly renovated Regal Cinema consisting of 16 movie theaters with stadium seating. St. John’s West Shore Hospital is a seventy-acre health campus with 248 beds and is the City’s largest employer with a staff of over 900 employees. The hospital expanded its cardiac care center in 2000. University Hospital recently opened an ambulatory surgical center that also features an emergency and treatment center. Satellites of Lakewood Hospital and the Cleveland Clinic are also located in Westlake.

To encourage industrial and commercial development, the City offers four financial assistance tools. Through Industrial Development Revenue Bonds, State law allows the Westlake Community Improvement Corporation (C.I.C.) and City Council to approve the issuance of revenue bonds. The principal of these reduced interest bonds can be used for land acquisition, building construction, and equipment purchases.

In 1994, Westlake established an Enterprise Zone under State law. This program offers real and personal property tax abatement for the construction and expansion of commercial facilities located within the designated zone. The State of Ohio and County Commissioners allow up to 75 percent abatement over ten years upon approval.



Westlake received State approval to establish a Community Reinvestment Area in 1996. This program covers enterprises located in most of Westlake's industrial zone north of Detroit Road. New construction and renovation over \$100,000 can receive up to 100 percent real property tax abatement with a ten year maximum for commercial development and fifteen years for industry. This program requires the approval of City Council and Westlake Tax Incentive Review Council.

The Cuyahoga County Department of Development has also established Improved Target Areas by which local business owners can apply for small grants and low interest loans to renovate commercial buildings. Three ITA areas currently exist in Westlake.

Starting in the mid-1960's, the City has used an outside firm to formulate a plan to govern future development. The plan is updated approximately every twenty years and the City finished its third plan in December of 2005. The plan addresses residential and commercial development through usage factors and recommends the placement of roadways and green spaces. The plan forecasts full growth by 2020 and the City refers to the guide when planning future development.

Another planning project completed in 2005 was the "Dover Village Commercial Design Guidelines" study with the assistance of the Kent State Urban Design Center and the Westlake C.I.C. and Planning Commission. A number of meetings were held with business property owners and City officials. The Guidelines were approved with recommended zoning changes.

In 2004, the City joined the Home Heritage Loan program. Under the County program, residents who own homes over fifty years in age can borrow up to \$150,000 over ten years at a reduced rate of interest to maintain, repair, and improve their properties. Currently, Westlake has over 1,700 homes that qualify for the program. The City has also been approached to join the Housing Enhancement Loan Program (H.E.L.P.) enabling residents with homes having tax valuation below \$250,000 to qualify for improvements loans at 3.0 percentage points below normal bank rates.

## **MAJOR INITIATIVES**

**Current Year Projects.** The mission of the City of Westlake, its mayor, council, and employees, is to enhance the quality of life for all residents by providing the highest level of service in an efficient and cost effective manner. In 2005, the City upheld that mission by expanding and improving services, upgrading infrastructure, and enhancing public grounds and facilities.

The Police Department continued its commitment to public safety and awareness. Programs such as the Community Police Academy, the Police Teen Academy, and the Ride-Along Program provided residents first-hand training and experiences. Student programs such as Safety Town and Drug Awareness Resistance Education (D.A.R.E.) continued with much success and classes in firearm safety and Rape Aggression Defense were held. Numerous advances in technology were also initiated during 2005. The department replaced its computer network and twenty-five work stations. Ten new laptops with touch screens were installed in vehicles and a new Mobile Data Terminal allows officers to complete reports in the field. The current video arraignment system was also updated.

The Fire Department responded to 1,082 fire related calls, 2,812 emergency medical calls, and 364 service calls in 2005. In 2004, the City was awarded a \$566,000 Federal Emergency Management Agency (F.E.M.A.) grant for the purchase of equipment for the new Central Dispatching Center. The new center will be shared by the cities of Westlake, Bay Village, Rocky River, and Fairview Park and located at St. John's West Shore Hospital in 1,042 square feet of emergency room space. The Center, which opened in March of 2006, will be supervised by a full-time supervisor and assistant supervisor and will employ seven full-time and seven part-time dispatchers.

The Service Department is involved in the maintenance of City streets, sewers, parks, buildings, and vehicles. The City out-sources rubbish and recycling collection to an outside contractor in an effort to better utilize the time and skills of personnel. The department assists with such community events as the Easter Egg and Pumpkin Hunts, the July 4<sup>th</sup> Party in the Park, and community band concerts. The Sign Department received its second State award for the design of the D.A.R.E. van. A new Service Department facility will open in July of 2006. The new 66,650 square foot structure will replace the present Service Department buildings and incorporate all divisions of the department. The facility will house vehicle maintenance, vehicle storage, and administration. In 2005, the department responded to over 5,700 requests for services.

The Inspections Department issued 1,449 permits during 2005, with an estimated value of almost \$92 million. There were 115 new residential units built with an estimated value of \$40 million or \$344,000 per unit. The Planning Department was instrumental in the success of the Westlake in Bloom project, where 230 residents and businesses competed for awards in various categories relating to City beautification. The department published the "Westlake Magazine" and updated the City's web-site. To monitor compliance, 107 site inspections were made and to improve communications with local businesses, personnel met with or visited 136 companies.

Over 8,900 Westlake residents, or 28 percent of the population, are sixty years of age or older. The Department of Community Services offers such services as referrals to social service agencies, prescription aid, transportation, health screening, and support groups with 743 referrals, 8,386 rides and 443 social worker visits provided in 2005. Westlake Assistance supplied holiday baskets to an average of 96 families on three occasions. The "Are You OK?" computerized calling system is used to monitor thirty-five seniors on a daily basis. Numerous seniors volunteer their time and participate in programs, activities, and trips. The department completed an expansion of the facility in 2004 with the aid of a Community Development Block Grant.

The Westlake Recreation Center opened in November of 1998. Situated in an 86 acre park setting, the 82,700 square foot facility offers numerous amenities to residents. The Center features five pools, a gymnasium with two full size basketball courts, an overhead track, and exercise and craft rooms. In 2005, construction began on an expansion project. The addition added a one-story, 18,000 square foot fitness center, and renovated 3,000 square feet in office space. Over 5,000 square feet in the mezzanine exercise area was reconfigured to conference, multi-purpose, and exercise rooms. The new addition opened in December of 2005. Peterson Pool at Clague Park is an outdoor facility offering swimming lessons throughout the summer season. In addition to the numerous classes and activities held at the Recreation Center, the department organized the Fourth of July Party in the Park, the Fall Pumpkin Festival and Hunt, the Junior Olympics, and the annual Fishing Derby. It also operates Meadowood Golf Course.

Various improvements to infrastructure occurred throughout the City in 2005. Almost \$6.8 million was spent on road maintenance. Hilliard Boulevard was widened from Dover Road past the high school and Center Ridge Road was resurfaced. The Westwood Road water main was replaced and the final two phases of the Center Ridge Road III sanitary project were completed.

In 2005, the City introduced several new technology programs to improve communications between departments and with residents and local businesses. The City began broadcasting on local cable at an accelerated pace, featuring a production video that gives an overview of Westlake, highlighting the many amenities of the City. The HAR (Highway Advisory Radio) AM channel was established, dedicated to community and emergency messages, weather advisories, and Amber alerts. The City's web-site was redesigned and now features information about all departments and access to various City forms. It contains maps, City news, and information about local businesses, churches, and other establishments. Kiosks were located at various City locations and at Crocker Park for access to the web. Council meetings are now web-cast, placing them on local cable and on our web-site. The Mayor also issued quarterly newsletters and the City published a "Westlake Magazine" featuring articles and information about Westlake and its citizens.

**Future Projects.** Numerous projects are planned for 2006. The Crocker/Stearns Road extension is scheduled for construction beginning in 2006, connecting Interstate 90 to Interstate 480. As mentioned, the new Service Center facility will open in 2006. Sidewalks will be installed in all the remaining areas of the City and road maintenance is budgeted at \$3.5 million. Walter Road will be resurfaced and the Porter and Center Ridge Road intersection will be improved.

## **FINANCIAL INFORMATION**

**Internal Control.** Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

An independent appraisal is done periodically on the capital assets of the City to establish values and insure their existence. The Finance Department is committed to strengthening internal controls to assure the safeguarding of assets and to provide reasonable assurance that all financial transactions are properly recorded. A capital asset software system allows for detailed reporting and analysis. Individual departments perform an annual physical inventory and work with the Finance Department to assure accuracy and accountability.

**Budgetary System.** Detailed provisions for the City's budget, tax levies, and appropriations are set forth in the Ohio Revised Code and in the City Charter. With the assistance of the Finance Director, the Mayor is required to submit to Council, no less than 120 days before the end of each year, an estimate of revenue and expenditures termed the "budget" for the succeeding year. The "budget" is accepted and passed by Council at its first meeting in July and forwarded to the Cuyahoga County Budget Commission by July 20th. Council is required to adopt an annual appropriation ordinance within 90 days after the receipt of a Certificate of Estimated Resources from the County Auditor or from the beginning of the year, whichever shall last occur. Council adopts temporary appropriations in December with final appropriations adopted at the second January meeting of the budget year. The legal level of control has been established by Council at the object level within each department in the General Fund and at the object level for all other funds.

The City maintains budgetary control on a cash basis by department for salaries, other expenditures and debt service. Estimated expenditure amounts must be encumbered prior to release of purchase orders to vendors or finalization of other contracts. Encumbrances which would exceed the available appropriation level are identified on an on-going basis and are not approved or recorded until City Council authorizes additional appropriations or transfers. Unencumbered appropriations lapse at the end of each calendar year. As an additional control over expenditures, the City Charter requires that all contracts in excess of \$25,000 shall be authorized and directed by ordinance of City Council.

The City compiles its annual budget in document form. The budget presents anticipated revenues and expenditures by fund and department in line item detail with additional supporting documentation that explains the budgetary process and individual departmental goals. The budget is submitted to the Government Finance Officers Association (GFOA) and has received the Distinguished Budget Presentation Award from 1998 through 2005.

**Accounting System.** The City uses automated governmental accounting software developed and licensed by Sungard Pentamotion, Inc. This software controls budgetary accounting, payroll, utility billing, and capital assets. With the opening of the City Hall in 2002, the Finance Department purchased this new software package in addition to new computer hardware. Land management and internet access software packages will be put into service in 2006.

The City's accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein. These funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. Generally accepted accounting principles determine the type of funds used. Prudent financial administration determines the number of individual funds established.

The City maintains records on a budgetary basis for all fund types. After year-end closing, adjusting entries are prepared for the various funds to convert the budgetary basis records to the modified accrual basis of accounting for all governmental fund types and to the accrual basis of accounting for the proprietary fund types. The fund statements are then converted to entity-wide financial statements, and classified as either governmental or business-type activities, using the accrual basis of accounting. Modified accrual basis accounting requires that revenues be recognized when both measurable and available. Expenditures are recorded as fund liabilities when incurred, except for interest on long-term debt which is recorded when due. The accrual basis of accounting recognizes revenues when earned and expenses when incurred. A more detailed explanation of the basis of accounting for the various funds is included in the Notes to the Basic Financial Statements, located in the Financial Section of this report.

## **CASH MANAGEMENT**

The Finance Department has an aggressive cash management program to maximize the use of the City's cash resources. The primary objectives of the City's investment policy are safety, liquidity, and yield. The protection of investment principal is of prime importance. In addition to protecting investments, the City must plan for short and long-term liabilities. The City currently invests in interest bearing checking accounts, certificates of deposit, and U.S. treasury and agency securities. Cash balances and investment schedules are continually evaluated to ensure both liquidity and maximum yield. In 2005, the City earned \$1,587,484 in interest in the general fund.

Beginning in 1995, the Finance Department requested further contractual requirements to safeguard pledged collateral. These addendums guarantee against the substitution of pledged collateral without the written consent of the Finance Director and the dual pledging of collateral. A designated review board of each depository institution approves pledged collateral. Both the City and the depository institution hold collateral jointly. Currently, all collateral is held at the Federal Reserve Bank of Cleveland.

In 1972, the City established an equipment replacement account within the General Fund. The account is used to create a reserve for major equipment purchases at replacement values. At present, the account is used to purchase vehicles, major equipment and computer hardware.

## **RISK MANAGEMENT**

The City insures all risk, with the exception of health insurance, through private insurance carriers. Property valuations are revised annually to provide insurance companies and the City with an accurate inventory of insurable property and replacement cost values.

In March, 1989, the City entered into a self insurance program for employee health care. Reinsurance for maximum benefit levels is incorporated as part of the plan. Resources are accumulated in the internal service fund to meet current and future claims. The City expects to assume no additional risks in the near future.

## OTHER INFORMATION

**Independent Audit.** Included in this report is an unqualified audit opinion regarding the City's financial statements for the year ended December 31, 2005. The Auditor of the State of Ohio completed this year's audit.

**Certificate of Achievement.** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Westlake, Ohio, for its comprehensive annual financial report (CAFR) for the year ended December 31, 2004. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to the program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Westlake has received a Certificate of Achievement for the last twenty-two consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

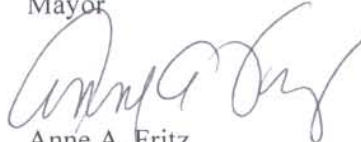
**Acknowledgments.** This comprehensive annual financial report was prepared by the Finance Department with the efficient and dedicated services of its entire staff. This report was prepared in accordance with generally accepted accounting principles (GAAP). Appreciation also is expressed to those other City departments that assisted in preparing supporting documentation. In addition, we would like to thank the Mayor and Members of Council for their continuing support toward the preparation of this report.

On behalf of the City of Westlake, we personally thank our State Auditor, Betty Montgomery and her staff for their involvement and support in putting together the GASB 34 statements. Betty Montgomery and her staff certainly exemplify the fact that they seek the State of Ohio to be one of the more respected financial reporting governments and have committed themselves toward leading the way and providing the necessary guidance to enable all communities the opportunity to reach a level of excellence.

Respectfully submitted,



Dennis M. Clough  
Mayor

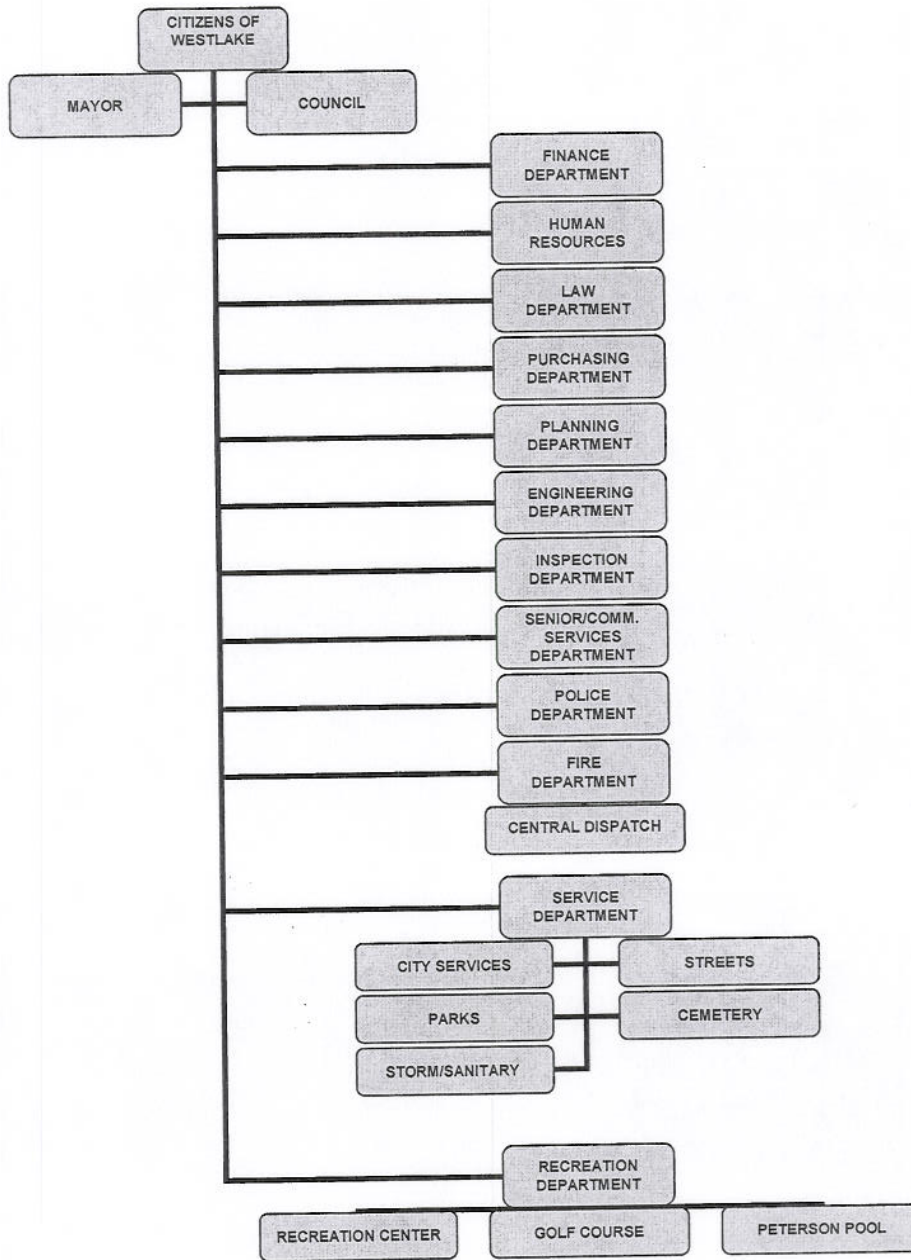


Anne A. Fritz  
Director of Finance

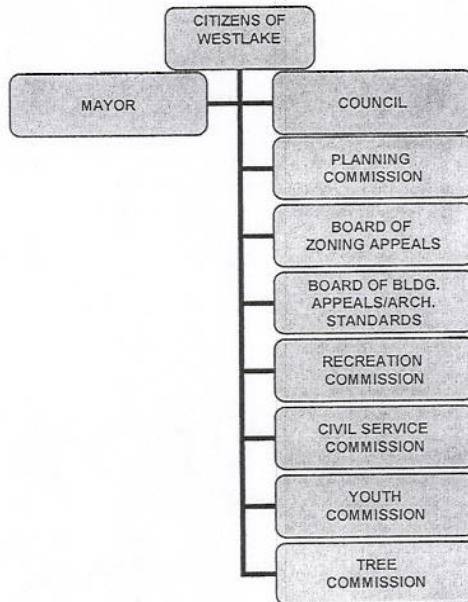


Bonnie L. Freeh  
Assistant Director of Finance

# CITY OF WESTLAKE ORGANIZATIONAL CHART DEPARTMENTS



# CITY OF WESTLAKE ORGANIZATIONAL CHART COMMISSIONS



**CITY OF WESTLAKE, OHIO**

**PRINCIPAL OFFICIALS  
DECEMBER 31, 2005**

*ELECTED OFFICIALS*

---

Mayor.....	Dennis M. Clough
President of Council.....	Michael F. Killeen
Council Members	
Ward 1.....	Edward Hack
Ward 2.....	James Connole
Ward 3.....	William Sexton
Ward 4.....	Michael O'Donnell
Ward 5.....	Nan Baker
Ward 6.....	Kenneth Brady

*APPOINTED OFFICIALS*

---

Director of Engineering .....	Robert Kelly
Director of Finance .....	Anne Fritz
Director of Inspections.....	Robert Patton
Director of Law.....	John Wheeler
Director of Planning.....	Robert Parry
Director of Purchasing .....	Mary Calabrese
Director of Recreation.....	Michael Rump
Director of Community Services .....	Joyce Able Schroth
Director of Service.....	Donald Glauner
Chief of Police .....	Richard Wallings
Chief of Fire.....	Richard Pietrick



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Westlake,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2004

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.



*Carla E. Judge*

President

*Jeffrey R. Emer*

Executive Director

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## Auditor of State Betty Montgomery

### INDEPENDENT ACCOUNTANTS' REPORT

City of Westlake  
Cuyahoga County  
27700 Hilliard Boulevard  
Westlake, Ohio 44145

To the Members of City Council:

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 Westlake, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2005, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Westlake, Cuyahoga County, Ohio, as of December 31, 2005, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General Fund and Recreation special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2006, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund statements and schedules and statistical tables provide additional information and are not a required part of the basic financial statements. We subjected the combining and individual nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

June 27, 2006

**City of Westlake, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2005*  
*Unaudited*

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The discussion and analysis of The City of Westlake's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2005. 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 2005 are as follows:

- Total assets of the City of Westlake exceeded its liabilities at the close of the most recent year by \$216,617,134 (*net assets*). Of this amount, \$44,642,945 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to its citizens and creditors, subject to and in accordance with their respective purposes.
- Total Net Assets slightly increased from 2004, increasing by \$6,672,647. The increase was primarily due to an increase of \$12,627,236 in investment for capital assets, offset by a decrease of \$11,698,098 in net assets restricted for capital projects. Unrestricted net assets increased by \$391,768.
- Equity in Pooled Cash and Cash Equivalents decreased by \$5,898,178 from 2004, relating to the use of accumulated cash to fund capital infrastructure projects.
- Program expenses of governmental activities of \$41,037,801 were funded primarily (88 percent) through General revenues.
- Total Depreciable Capital Assets increased by \$4,885,045 or 3.69 percent from 2004. Non-depreciable Capital Assets increased by \$5,160,229 over 2004, primarily due to increases in construction in progress for sanitary sewer projects.
- As of the close of the current year, the City of Westlake's governmental funds reported combined ending fund balances of \$53,394,892, a decrease of \$4,949,351 in comparison with the prior year.

### **Overview of the Financial Statements**

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

**City of Westlake, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2005*  
*Unaudited*

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**Government-wide Financial Statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Westlake's finances, in a manner similar to private-sector businesses. The *statement of net assets* and *statement of activities* provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short term as well as what dollars remain for future spending. The fund financial statement also looks at the City's most significant funds with all other major funds presented in total in one column.

The *statement of net assets* presents information on all of the City of Westlake's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of Westlake is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City of Westlake that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Westlake include general government, security of persons and property, public health services, transportation, community environment, basic utility services and leisure time activities. The business-type activities include sewer and golf course.

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

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Westlake, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Westlake 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 may be 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 balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

**City of Westlake, Ohio**  
*Management's Discussion and Analysis*  
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The City of Westlake maintains 41 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, recreation fund, Issue II Improvements fund, and service center construction, all of which are considered to be major funds. Data from the other 37 governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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

***Proprietary Funds*** The City of Westlake maintains two different types of 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 sewer operations and golf course activity. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains such a fund for its self-insurance of health related employee benefits. Because this predominately benefits governmental rather than business functions, it has 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 sewer operations as it is considered a major fund, while the golf course enterprise fund is a nonmajor fund. The internal service fund is for self-insurance of health benefits.

The basic proprietary fund financial statements can be found on pages 26 through 29 of this report.

***Notes to the Basic 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 basic financial statements can be found on pages 31 through 59 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 basic financial statements, the combining statements referred to earlier in connection with nonmajor governmental funds are presented, as well as individual detailed budgetary comparisons for all nonmajor funds. This information can be found on pages 60 through 132 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 2005?" The Statement of Net Assets and the Statement of Activities answers this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by the private sector. The basis for this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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These two statements report the City's net assets and the changes in those assets. The change in assets is important because it tells the reader whether, for the City as a whole, 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 City capital assets will also need to be evaluated.

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

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

**The City of Westlake as a Whole**

Recall that the Statement of Net Assets looks at the City as a whole. The following provides a summary of the City's net assets for 2005 compared to 2004.

TABLE 1

	Governmental Activities		Business-Type Activities		Total	
	2005	2004	2005	2004	2005	2004
Current and Other Assets	\$83,012,010	\$82,718,477	\$20,641,428	\$20,954,827	\$103,653,438	\$103,673,304
Capital Assets, Net	130,804,134	121,261,813	33,192,749	32,689,796	163,996,883	153,951,609
<i>Total Assets</i>	<u>213,816,144</u>	<u>203,980,290</u>	<u>53,834,177</u>	<u>53,644,623</u>	<u>267,650,321</u>	<u>257,624,913</u>
Current and Other Liabilities	19,786,490	18,732,864	114,431	56,403	19,900,921	18,789,267
Long-Term Liabilities:						
Due within One Year	3,645,031	3,665,032	0	0	3,645,031	3,665,032
Due in More than One Year	27,487,235	25,226,127	0	0	27,487,235	25,226,127
<i>Total Liabilities</i>	<u>50,918,756</u>	<u>47,624,023</u>	<u>114,431</u>	<u>56,403</u>	<u>51,033,187</u>	<u>47,680,426</u>
Invested in Capital Assets, Net of Related Debt	107,532,355	95,408,072	33,192,749	32,689,796	140,725,104	128,097,868
Restricted for:						
Capital Projects	16,408,432	28,106,530	0	0	16,408,432	28,106,530
Debt Service	8,170,876	3,899,141	0	0	8,170,876	3,899,141
Other Purpose	6,669,777	5,589,771	0	0	6,669,777	5,589,771
Unrestricted	24,115,948	23,352,753	20,526,997	20,898,424	44,642,945	44,251,177
<i>Total Net Assets</i>	<u>\$162,897,388</u>	<u>\$156,356,267</u>	<u>\$53,719,746</u>	<u>\$53,588,220</u>	<u>\$216,617,134</u>	<u>\$209,944,487</u>



**City of Westlake, Ohio**  
*Management's Discussion and Analysis*  
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*Unaudited*

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. For the City of Westlake, total assets exceed total liabilities by \$216,617,134 at the close of the most recent year.

The largest portion of the City's net assets (66 percent) reflects investments in capital assets (e.g. land, construction in progress, buildings, improvements, machinery and equipment, vehicles, and infrastructure), less any related debt to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City's investment in its 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 \$10,025,408 from 2004 to 2005, while the City's total liabilities increased by \$3,352,761. The most significant change in assets was a decrease in Equity in Pooled Cash and Cash Equivalents, which declined \$5,898,178 during the year. This is due to the City using its accumulated resources to finance its ongoing capital infrastructure program.

At the end of the current year, the City of Westlake is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

Our total net assets of the City's governmental activities increased \$6,541,121 during the current year, primarily due to the increase in assets mentioned above. Unrestricted net assets increased slightly by \$763,195, while restricted net assets for capital projects decreased by \$11,698,098, reflecting their use in acquiring capital assets.

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

**CHANGES IN NET ASSETS**  
**TABLE 2**

	Governmental Activities		Business-Type Activities		Total	
	2005	2004	2005	2004	2005	2004
<b>Revenues</b>						
Program Revenues:						
Charges for Services	\$4,103,186	\$4,324,645	\$2,322,225	\$2,322,402	\$6,425,411	\$6,647,047
Operating Grants and Contributions	1,991,525	1,494,552	0	0	1,991,525	1,494,552
Capital Grants and Contributions	6,508,012	615,617	0	0	6,508,012	615,617
<b>Total Program Revenues</b>	<b>12,602,723</b>	<b>6,434,814</b>	<b>2,322,225</b>	<b>2,322,402</b>	<b>14,924,948</b>	<b>8,757,216</b>
General Revenues:						
Property and Other Local Taxes	11,946,930	11,947,650	0	0	11,946,930	11,947,650
Income Taxes	17,819,187	15,582,576	0	0	17,819,187	15,582,576
Grants and Entitlements	3,805,291	4,380,362	0	0	3,805,291	4,380,362
Investment Earnings	2,203,618	1,503,231	329,882	331,106	2,533,500	1,834,337
Gain on Sale of Capital Assets	0	117,337	0	0	0	117,337
Other	256,046	1,361,340	11,165	19,311	267,211	1,380,651
<b>Total General Revenues</b>	<b>36,031,072</b>	<b>34,892,496</b>	<b>341,047</b>	<b>350,417</b>	<b>36,372,119</b>	<b>35,242,913</b>
<b>Total Revenues</b>	<b>\$48,633,795</b>	<b>\$41,327,310</b>	<b>\$2,663,272</b>	<b>\$2,672,819</b>	<b>\$51,297,067</b>	<b>\$44,000,129</b>

(continued)

**City of Westlake, Ohio**  
*Management's Discussion and Analysis*  
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*Unaudited*

**CHANGES IN NET ASSETS**

TABLE 2 (Continued)

	Governmental Activities		Business - Type Activities		Total	
	2005	2004	2005	2004	2005	2004
<b>Program Expenses</b>						
General Government	7,374,119	6,143,020	0	0	7,374,119	6,143,020
Security of Persons and Property	12,050,809	11,750,100	0	0	12,050,809	11,750,100
Public Health and Welfare	874,171	789,438	0	0	874,171	789,438
Transportation	12,801,841	9,106,958	0	0	12,801,841	9,106,958
Community Environment	1,635,242	1,628,983	0	0	1,635,242	1,628,983
Basic Utility	1,688,932	1,714,687	0	0	1,688,932	1,714,687
Leisure Time Activities	3,436,612	3,308,446	0	0	3,436,612	3,308,446
Interest and Fiscal Charges	1,176,075	1,439,879	0	0	1,176,075	1,439,879
Sewer	0	0	3,076,178	3,021,810	3,076,178	3,021,810
Golf Course	0	0	510,441	483,123	510,441	483,123
<i>Total Program Expenses</i>	<u>41,037,801</u>	<u>35,881,511</u>	<u>3,586,619</u>	<u>3,504,933</u>	<u>44,624,420</u>	<u>39,386,444</u>
<i>Increase (Decrease) in Net Assets Before Transfers and Contributions</i>	7,595,994	5,445,799	(923,347)	(832,114)	6,672,647	4,613,685
Transfers and Contributions	<u>(1,054,873)</u>	<u>(597,815)</u>	<u>1,054,873</u>	<u>597,815</u>	<u>0</u>	<u>0</u>
<i>Change in Net Assets</i>	6,541,121	4,847,984	131,526	(234,299)	6,672,647	4,613,685
<i>Net Assets Beginning of Year</i>	<u>156,356,267</u>	<u>151,508,283</u>	<u>53,588,220</u>	<u>53,822,519</u>	<u>209,944,487</u>	<u>205,330,802</u>
<i>Net Assets End of Year</i>	<u>\$162,897,388</u>	<u>\$156,356,267</u>	<u>\$53,719,746</u>	<u>\$53,588,220</u>	<u>\$216,617,134</u>	<u>\$209,944,487</u>

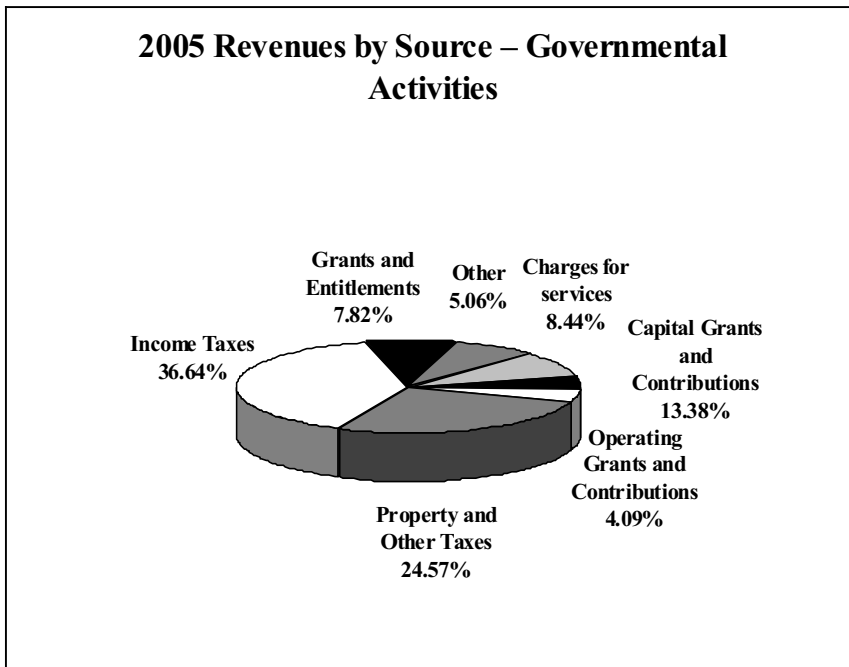
***Governmental Activities***

Governmental activities increased the City's net assets by \$6,541,121 during 2005, as compared to an increase of \$4,847,984 during 2004. While total revenues increased by \$7,306,485, program expenses increased by \$5,156,290. The reason for the increase in net assets during 2005 is due to the City's significant capital infrastructure being financed through current City revenues. The infrastructure is capitalized and depreciated (expensed) over its useful life - up to fifty years - but the revenue is recognized when earned. Thus, while revenues are recorded in the current fiscal year, the expenses will be recognized as the capital item is depreciated over time.

Several types of revenues fund our governmental activities, with the City income tax being the biggest contributor. The income tax rate was 1.5 percent for 2005, the same as the prior year. Both residents of the City and non-residents who work inside the City are subject to the income tax. However if residents work in a locality that has a municipal income tax, the City provides 100 percent credit up to 1.5 percent for those who pay income tax to another city. City Council could by Ordinance, choose to vary that income tax credit and create additional revenues for the City.

**City of Westlake, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2005*  
*Unaudited*

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The income tax revenue for 2005 was \$17,819,187, an increase of \$2,236,611 or 14.35 percent from 2004. Of the \$48,633,795 in total revenues, income tax accounts for 36.64 percent of the total, as compared to 38 percent of the total for 2004. Property and Other local taxes for 2005 were \$11,946,930, a \$720 decrease, or flat from 2004.

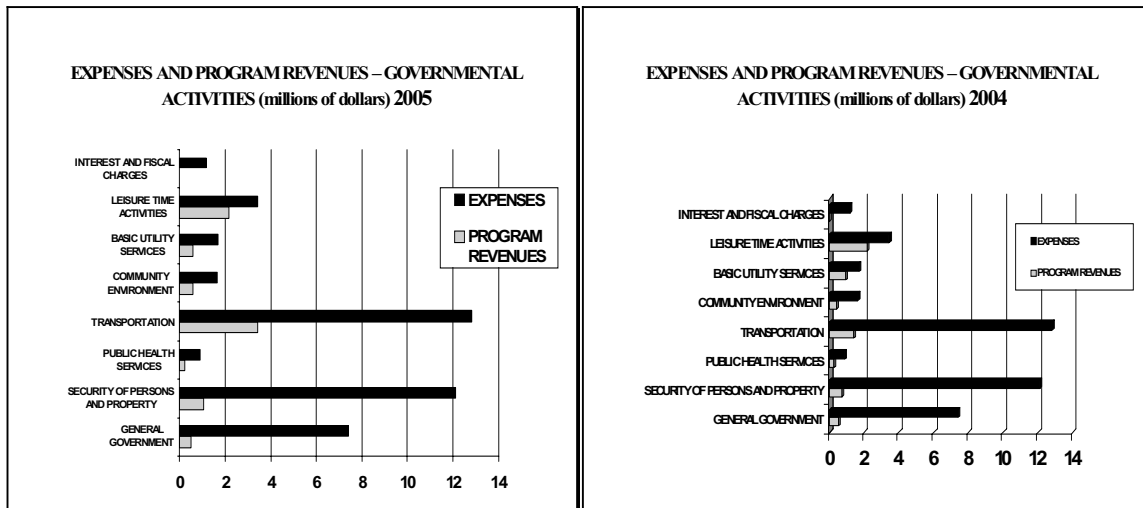
Capital grants and contributions increased \$5,892,395 during 2005, which primarily resulted from grants awarded for certain water line improvements and central dispatch equipment.

General revenues from grants and entitlements, such as local government funds, are also revenue generators. With the combination of property tax, income tax and intergovernmental funding, all expenses in the governmental activities are funded. The City monitors its source of revenues very closely for fluctuations.

The largest program function for the City for 2005 relates to transportation, which increased significantly (\$3,694,883, or 41 percent) during 2005 due to the large road maintenance program. Security of persons and property, which includes police and fire services, increased 2.56 percent with overall expenses higher in 2005 due to increases in labor costs, as well as filling new positions. Next is general government which accounts for the basic operations of the City including council, mayor, finance, law, purchasing, civil service, engineering, building maintenance among other departments and services. The increase in general government expenses from 2004 to 2005 was \$1,231,099, due to increases in labor and new program related costs, including the web casting of council meetings, the new HAR emergency radio system, and the community cable channel.

Leisure time activity expense increased slightly during 2005, increasing 3.87 percent, primarily due to increased labor costs. Community environment also increased slightly (\$6,259 or 0.38 percent) due to increased labor costs. Expenses for basic utility services decreased slightly from 2004 to 2005.

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The charts above reflect how the City funds its programs through program revenues. As can be seen above, all programs have a heavy reliance on general revenues, with over 74 percent of total 2005 revenues coming from general revenues. Leisure time activities receive the most program revenue, primarily from the city recreation center which is a membership only facility.

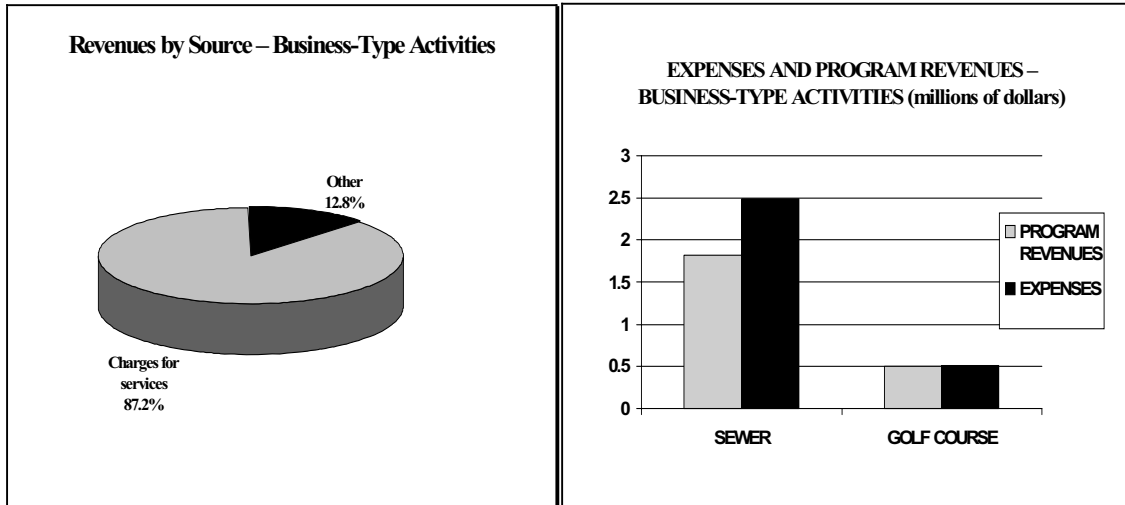
While security of persons and property is a large program expense, only a small portion of the total program expense is offset by program revenues. The primary program revenue is from police fines and forfeitures. The fire and emergency rescue department is funded entirely through general revenues, with no user-related charges.

Transportation program expense is only partially funded through operating grants and contributions, which are the state-collected gasoline and motor vehicle licenses taxes. The remaining program expense must be funded through city general revenues. With the City's aggressive infrastructure program in place, transportation program expense will continue to make up a large portion of the City's overall expenses as the roadways are capitalized and depreciated over time.

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***Business-Type Activities***

The Business-Type activities of the City, which include the City's sewer operations and golf activities, increased the City's net assets by \$131,526 during 2005.



Program expenses exceeded program revenues in the amount of \$1,258,594 for the sewer operations for 2005. This is due to increased contributions required to the City's share of operating expenses of the Rocky River Wastewater Treatment Plant. General revenue investment earnings of \$329,882 provided additional funding to the sewer operations.

Expenses exceeded revenue in the Golf Course activity in the amount of \$5,800 for the current year, reflecting depreciation from the new clubhouse.

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

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

**Governmental Funds**

Funds are created and segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. An activity not required to be reported in a separate fund is included in the General fund. Governmental funds are used to account for tax-supported activities.

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balances may serve as a useful measure of a government's net resources available for spending at the end of the year. Information about the City's governmental funds begins on page 20. These funds are accounted for by using the modified accrual basis of accounting.

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Fund balances are the differences between assets and liabilities reported in a governmental fund. The reserved fund balance is that portion of a governmental fund's net assets that are not available for appropriation. Unreserved fund balances are amounts available for appropriation. Designated unreserved fund balance reflects a government's self-imposed limitations on the use or otherwise available expendable financial resources in governmental funds.

As of the end of the current fiscal year, the City of Westlake's governmental funds reported combined ending fund balances of \$53,394,892, which was a decrease of \$4,949,351 from 2004. Of the total governmental fund balances, \$7,591,251 is designated for capital acquisition through the City's equipment replacement program, and \$14,071,956 constitutes undesignated General fund balances. Other undesignated fund balances include amounts that are in special revenue funds (\$7,702,689), debt service funds (\$2,279,073), and capital projects funds (\$6,336,540). The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchases of the prior period (\$8,487,410), and to reflect amounts advanced to other funds (\$6,627,800).

All governmental funds had total revenues of \$44,122,432 and expenditures of \$54,178,736, with expenditures exceeding revenues by \$10,056,304. The primary reason for expenditures exceeding revenues for 2005 relates to the capital outlay expended (\$22,774,913) for the construction of roadway improvements, the new service center, and other capital improvements.

The General fund is the chief operating fund of the City. At the end of the current year, total fund balance for the General fund was \$29,469,652, of which \$880,472 was reserved for encumbrances, \$6,627,800 reserved for advances, \$298,173 was reserved for unclaimed monies, \$7,591,251 was designated for capital acquisition, and \$14,071,956 was undesignated for financial reporting purposes. As a measure of the General fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to annual fund expenditures. Undesignated General fund balance represents 67.5 percent of total General fund expenditures, while total fund balance represents 141 percent of that same amount.

During the current year, the fund balance of the City's General fund increased by \$2,871,837, resulting from the City's increased revenues in excess of original estimates.

During the current year, the fund balance of the City's Issue 11 and Service Center Construction capital projects funds decreased by \$7,605,185 and \$1,310,332 respectively, resulting from the City's ongoing construction projects.

***General Fund Budgeting 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 2005 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 City does allow small interdepartmental budget changes that modify line items within departments within the same fund. The General fund supports many of our major activities such as our Police Department and Fire Department as well as most legislative and executive activities. The General fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

For the General fund, original budgeted revenues were \$24,155,583. The final budgeted revenue amount was \$24,140,657, with the decline due to the reduction in estimated property taxes for 2005. Original General fund budgeted expenditures were \$25,823,328, and the final amended budget was \$26,384,328.

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Actual General fund expenditures were \$22,201,595 or \$4,182,733 less than was budgeted due to certain capital projects being delayed until 2006, and other operating expenditures less than originally estimated.

Advances in to the General fund were budgeted at \$3,873,500, but the actual was \$1,344,000. The difference was the repayment of the advance from certain funds was budgeted for 2005, but will not be repaid until 2006 as the projects are still ongoing.

The differences between the General fund's original budget and the final amended budget were minor, except for the changes as follows:

- An additional \$347,000 was appropriated for miscellaneous expenditures for grounds maintenance (\$75,000), computer related equipment (\$153,500), advance for the FEMA grant (\$105,000), additional fuel costs (\$10,000), and additional labor costs (\$3,500).
- An additional \$123,000 was appropriated for the fire department for the fire study (\$26,000), fuel (\$7,000), and for additional fire overtime (\$90,000).
- An additional \$80,000 was appropriated for city services for the replacement of certain vehicles.
- An additional \$70,000 was appropriated for snow removal salaries and related expenses.
- An additional \$46,000 was appropriated for certain legal, police, and community services department expenses.

**Capital Assets and Debt Administration**

**CAPITAL ASSETS AT DECEMBER 31**  
**(NET OF DEPRECIATION)**  
 TABLE 3

	Governmental Activities		Business-Type Activities	
	2005	2004	2005	2004
Land	\$5,739,494	\$5,739,494	\$1,499,176	\$1,499,176
Construction in Progress	16,774,856	13,069,103	2,699,265	1,244,789
Buildings	27,450,229	27,929,649	100,115	1,572,395
Improvements	2,626,949	2,458,420	1,537,455	108,799
Machinery and Equipment	1,778,114	1,445,149	93,939	65,270
Furniture and Fixtures	831,687	812,787	19,865	23,414
Vehicles	2,245,508	2,594,180	199,122	262,755
Infrastructure				
Roads	39,621,637	33,732,884	0	0
Water Mains	15,037,038	14,411,323	0	0
Storm Sewers	13,430,628	13,586,870	0	0
Sewers	0	0	27,043,812	27,913,198
Culverts	1,136,822	1,234,361	0	0
Traffic Signals	2,831,417	2,912,905	0	0
Bridges	1,299,755	1,334,688	0	0
<b>Total</b>	<b>\$130,804,134</b>	<b>\$121,261,813</b>	<b>\$33,192,749</b>	<b>\$32,689,796</b>

**City of Westlake, Ohio**  
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Total capital assets net of depreciation for governmental activities of the City of Westlake for the year 2005 were \$130,804,134, as compared to \$121,261,813 in 2004. The most significant increases in our capital assets came in roads, which increased by \$5,888,753 during 2005. Total capital assets for business-type activities increased from \$32,689,796 in 2004 to \$33,192,749 in 2005, due to new sewer lines and additional machinery placed into service during 2005.

The City is committed to a long-term goal of meeting the needs of its infrastructure and facilities. We have a five-year capital plan in place that provides for street improvements and adding additional facilities to complement our current structures. For additional information see Note 11.

***Debt***

As of December 31, 2005, the City of Westlake had \$26,803,199 in bonds and loans outstanding.

**OUTSTANDING DEBT AT DECEMBER 31**  
**TABLE 4**

	Governmental Activities	
	2005	2004
General Obligation Bonds	\$19,564,505	\$22,292,439
Special Assessment Bonds	6,309,179	1,584,090
Notes	0	4,367,000
OPWC Loans	929,515	990,277
Total	\$26,803,199	\$29,233,806

The general obligation bonds are composed of (1) Sewer Improvement – a 1986 voted debt issue repaid from charges for services; (2) 1997 Safety Facility voted issue for the construction of police and fire facilities repaid from property taxes, (3) 1997 Recreation Center voted issue for the construction of the City recreation center to be repaid from a dedicated 1/8 percent of the City's municipal income tax; (4) Sewer Construction and Improvement Bonds to be repaid from charges for services; (5) Issue II debt for streets and other infrastructure to be repaid from the proceeds of the Issue II capital improvement dedicated income tax of 3/8 of one percent; and (6) Various purpose other bonds including advance refunding bonds issued in 1997 for the safety facilities debt, and further advance refunding bonds issues in 2004.

The special assessment bonds consist of the Crocker/Detroit intersection improvement assessment, various sewer construction projects, Ranney Parkway, various sidewalk improvements, the Marview Waterline, and various other improvements. The principal and interest for these bonds are paid from the collection of special assessments by the County Auditor from the specific property owners who primarily benefited from the projects.

The OPWC Loans are being paid semi-annually from the Issue Two Improvement Fund funded by property taxes for various infrastructure projects being financed through the Ohio Public Works Program.

The \$4,367,000 in notes were for roadway improvements related to the Crocker Road/Detroit Road project and were repaid during 2005 from bond proceeds for the special assessment project.



**City of Westlake, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2005*  
*Unaudited*

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State statutes limit the amount of general obligation debt a governmental entity may issue to 10 ½ percent of total assessed valuation. The City's overall legal debt margin was \$119,235,603 at December 31, 2005.

Additional information concerning the City's debt can be found in notes 15 and 16 to the basic financial statements.

### **Current Financial Related Activities**

The City of Westlake maintained throughout 2005 a Moody's Investors Service and Fitch's Aaa rating, and Standard and Poor's AAA rating. Westlake remains the only suburb in Ohio to have been awarded all of the Aaa/AAA ratings.

The Administration and City Council developed a master plan for the acquisition of equipment and the building or upgrading of City facilities. As a result, we have seen a remarkable increase in our capital assets over that period of time and the expansion of all City services. During 2005, the City completed the renovations on the recreation center expansion, and a very aggressive roadway maintenance and improvement program. Plans for the upcoming year include a new City service facility under construction at \$6,900,000, as well continued street, water line, sewer line, and other infrastructure improvements.

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

This financial report is designed to provide our citizens, tax payers, creditors and investors with a general overview of the City's finances and show the City's accountability for all money it receives, spends, or invests. If you have any questions about this report or need financial information contact Director of Finance Anne A. Fritz, City of Westlake, 27700 Hilliard Blvd., Westlake, Ohio 44145, telephone 440-617-4252, or web site at [www.cityofwestlake.org](http://www.cityofwestlake.org).

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**City of Westlake, Ohio**

*Statement of Net Assets*

December 31, 2005

	Governmental Activities	Business - Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$54,823,210	\$10,423,799	\$65,247,009
Cash and Cash Equivalents with Fiscal Agents	25,166	0	25,166
Cash and Cash Equivalents with Escrow Agents	1,215,295	37,001	1,252,296
Materials and Supplies Inventory	242,771	10,373	253,144
Accrued Interest Receivable	1,177,542	217,428	1,394,970
Accounts Receivable	26,192	373,089	399,281
Internal Balances	250,000	(250,000)	0
Intergovernmental Receivable	1,796,965	0	1,796,965
Prepaid Items	223,785	0	223,785
Municipal Income Taxes Receivable	4,272,608	0	4,272,608
Property Taxes Receivable	12,557,431	0	12,557,431
Special Assessments Receivable	5,972,000	0	5,972,000
Deferred Charges	429,045	0	429,045
Investment in Joint Venture	0	9,829,738	9,829,738
Nondepreciable Capital Assets	22,514,350	4,198,441	26,712,791
Depreciable Capital Assets, Net	108,289,784	28,994,308	137,284,092
<i>Total Assets</i>	<u>213,816,144</u>	<u>53,834,177</u>	<u>267,650,321</u>
<b>Liabilities</b>			
Accounts Payable	403,605	61,714	465,319
Contracts Payable	1,046,737	0	1,046,737
Accrued Wages and Benefits	559,473	13,613	573,086
Retainage Payable	1,215,295	37,001	1,252,296
Judgment Payable	4,000,000	0	4,000,000
Accrued Interest Payable	73,713	0	73,713
Matured Compensated Absences	53,193	0	53,193
Intergovernmental Payable	216,048	2,103	218,151
Deferred Revenue	12,001,822	0	12,001,822
Claims Payable	216,604	0	216,604
Long-Term Liabilities:			
Due Within One Year	3,645,031	0	3,645,031
Due In More Than One Year	27,487,235	0	27,487,235
<i>Total Liabilities</i>	<u>50,918,756</u>	<u>114,431</u>	<u>51,033,187</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	107,532,355	33,192,749	140,725,104
Restricted for:			
Capital Projects	16,408,432	0	16,408,432
Debt Service	8,170,876	0	8,170,876
Recreation	1,067,298	0	1,067,298
Street Maintenance	1,012,872	0	1,012,872
State Highway	634,198	0	634,198
Police and Fire Operating	1,641,398	0	1,641,398
Other Purposes	2,314,011	0	2,314,011
Unrestricted	24,115,948	20,526,997	44,642,945
<i>Total Net Assets</i>	<u>\$162,897,388</u>	<u>\$53,719,746</u>	<u>\$216,617,134</u>

See accompanying notes to the basic financial statements

**City of Westlake, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2005

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities</b>				
General Government	\$7,374,119	\$127,184	\$369,744	\$0
Security of Persons and Property	12,050,809	982,712	44,620	0
Public Health Services	874,171	245,703	0	0
Transportation	12,801,841	800	1,520,884	6,508,012
Community Environment	1,635,242	2,464	56,277	0
Basic Utility Services	1,688,932	591,125	0	0
Leisure Time Activities	3,436,612	2,153,198	0	0
Interest and Fiscal Charges	1,176,075	0	0	0
<i>Total Governmental Activities</i>	<u>41,037,801</u>	<u>4,103,186</u>	<u>1,991,525</u>	<u>6,508,012</u>
<b>Business-Type Activities</b>				
Sewer	3,076,178	1,817,584	0	0
Golf Course	510,441	504,641	0	0
<i>Total Business-Type Activities</i>	<u>3,586,619</u>	<u>2,322,225</u>	<u>0</u>	<u>0</u>
<i>Totals</i>	<u>\$44,624,420</u>	<u>\$6,425,411</u>	<u>\$1,991,525</u>	<u>\$6,508,012</u>

**General Revenues**

Property and Other Local Taxes Levied for:

General Purposes

Other Purposes

Debt Service

Municipal Income Taxes Levied for:

General Purposes

Other Purposes

Debt Service

Capital Outlay

Grants and Entitlements not Restricted  
to Specific Programs

Investment Earnings

Miscellaneous

*Total General Revenues*

Transfers

*Total General Revenues and Transfers*

*Change in Net Assets*

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

*Net Assets End of Year*

See accompanying notes to the basic financial statements

Net (Expense) Revenue and  
Changes in Net Assets

Governmental Activities	Business-Type Activities	Total
(\$6,877,191)	\$0	(\$6,877,191)
(11,023,477)	0	(11,023,477)
(628,468)	0	(628,468)
(4,772,145)	0	(4,772,145)
(1,576,501)	0	(1,576,501)
(1,097,807)	0	(1,097,807)
(1,283,414)	0	(1,283,414)
(1,176,075)	0	(1,176,075)
<u>(28,435,078)</u>	<u>0</u>	<u>(28,435,078)</u>
0	(1,258,594)	(1,258,594)
<u>0</u>	<u>(5,800)</u>	<u>(5,800)</u>
0	(1,264,394)	(1,264,394)
<u>(28,435,078)</u>	<u>(1,264,394)</u>	<u>(29,699,472)</u>
9,003,584	0	9,003,584
1,769,604	0	1,769,604
1,173,742	0	1,173,742
11,995,713	0	11,995,713
252,404	0	252,404
2,477,782	0	2,477,782
3,093,288	0	3,093,288
3,805,291	0	3,805,291
2,203,618	329,882	2,533,500
256,046	11,165	267,211
36,031,072	341,047	36,372,119
<u>(1,054,873)</u>	<u>1,054,873</u>	<u>0</u>
34,976,199	1,395,920	36,372,119
6,541,121	131,526	6,672,647
<u>156,356,267</u>	<u>53,588,220</u>	<u>209,944,487</u>
<u>\$162,897,388</u>	<u>\$53,719,746</u>	<u>\$216,617,134</u>

**City of Westlake, Ohio**

*Balance Sheet*

*Governmental Funds*

*December 31, 2005*

	General	Recreation	Issue 11 Improvements	Service Center Construction	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$19,412,964	\$1,057,993	\$7,359,020	\$5,360,705	\$20,964,320	\$54,155,002
Cash and Cash Equivalents:						
with Fiscal Agents	0	0	0	0	25,166	25,166
with Escrow Agents	0	0	509,654	320,415	385,226	1,215,295
Materials and Supplies Inventory	242,510	261	0	0	0	242,771
Accrued Interest Receivable	790,271	9,894	149,394	0	227,983	1,177,542
Accounts Receivable	9,420	5,619	0	0	0	15,039
Interfund Receivable	629,500	0	0	0	0	629,500
Intergovernmental Receivable	1,107,798	0	0	0	689,167	1,796,965
Prepaid Items	223,785	0	0	0	0	223,785
Municipal Income Taxes Receivable	2,866,063	62,141	673,164	0	671,240	4,272,608
Property Taxes Receivable	9,577,491	0	0	0	2,979,940	12,557,431
Special Assessments Receivable	0	0	0	0	5,972,000	5,972,000
Advances to Other Funds	6,627,800	0	0	0	0	6,627,800
<i>Total Assets</i>	<u>\$41,487,602</u>	<u>\$1,135,908</u>	<u>\$8,691,232</u>	<u>\$5,681,120</u>	<u>\$31,915,042</u>	<u>\$88,910,904</u>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities</b>						
Accounts Payable	\$297,333	\$28,927	\$1,593	\$0	\$75,752	\$403,605
Contracts Payable	0	0	305,558	660,242	80,937	1,046,737
Accrued Wages and Benefits	410,149	34,507	600	743	113,474	559,473
Retainage Payable	0	0	509,654	320,415	385,226	1,215,295
Judgment Payable	0	0	4,000,000	0	0	4,000,000
Interfund Payable	0	0	0	0	629,500	629,500
Matured Compensated Absences Payable	0	0	0	0	53,193	53,193
Intergovernmental Payable	193,500	5,176	239	112	17,021	216,048
Deferred Revenue	11,116,968	20,441	200,165	0	9,676,787	21,014,361
Advances From Other Funds	0	0	0	1,900,000	4,477,800	6,377,800
<i>Total Liabilities</i>	<u>12,017,950</u>	<u>89,051</u>	<u>5,017,809</u>	<u>2,881,512</u>	<u>15,509,690</u>	<u>35,516,012</u>
<b>Fund Balances</b>						
Reserved for Encumbrances	880,472	10,606	2,746,669	2,914,053	1,935,610	8,487,410
Reserved for Advances	6,627,800	0	0	0	0	6,627,800
Reserved for Unclaimed Monies	298,173	0	0	0	0	298,173
Unreserved:						
Designated for Capital Acquisitions	7,591,251	0	0	0	0	7,591,251
Undesignated (Deficit), Reported in:						
General Fund	14,071,956	0	0	0	0	14,071,956
Special Revenue Funds	0	1,036,251	0	0	6,666,438	7,702,689
Debt Service Funds	0	0	0	0	2,279,073	2,279,073
Capital Projects Funds	0	0	926,754	(114,445)	5,524,231	6,336,540
<i>Total Fund Balances</i>	<u>29,469,652</u>	<u>1,046,857</u>	<u>3,673,423</u>	<u>2,799,608</u>	<u>16,405,352</u>	<u>53,394,892</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$41,487,602</u>	<u>\$1,135,908</u>	<u>\$8,691,232</u>	<u>\$5,681,120</u>	<u>\$31,915,042</u>	<u>\$88,910,904</u>

See accompanying notes to the basic financial statements

**City of Westlake, Ohio**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities*  
 December 31, 2005

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**Total Governmental Fund Balances** \$53,394,892

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

Capital assets used in governmental activities are not financial  
 resources and therefore are not reported in the funds 130,804,134

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

Property and Other Taxes	397,740
Municipal Income Tax	1,412,224
Intergovernmental	1,230,575
Special Assessments	<u>5,972,000</u>

Total 9,012,539

An internal service fund is used by management to charge the  
 costs of insurance to individual funds. The assets and liabilities  
 of the internal service fund are included in governmental  
 activities in the statement of net assets. 462,757

Bond issuance costs will be amortized over the life of the bonds  
 on the statement of net assets. 429,045

In the statement of activities, interest is accrued on outstanding  
 bonds, whereas in governmental funds, an interest expenditure  
 is reported when due. (73,713)

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

General Obligation Bonds	(17,791,980)
Capital Appreciation Bonds	(1,760,474)
Special Assessment Bonds	(5,997,240)
Premium on Bonds	(323,990)
OPWC Loans	(929,515)
Landfill Postclosure Costs	(670,860)
Compensated Absences Payable	<u>(3,658,207)</u>

Total (31,132,266)

*Net Assets of Governmental Activities* \$162,897,388

See accompanying notes to the basic financial statements

**City of Westlake, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2005*

	General	Recreation	Issue 11 Improvements	Service Center Construction	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Property and Other Local Taxes	\$9,154,317	\$0	\$0	\$0	\$3,000,902	\$12,155,219
Municipal Income Taxes	11,800,768	250,000	2,799,185	0	2,728,523	17,578,476
Charges for Services	531,139	1,841,095	0	0	453,450	2,825,684
Licenses, Permits and Fees	687,181	0	0	0	237,122	924,303
Fines and Forfeitures	226,632	0	0	0	68,899	295,531
Intergovernmental	3,422,948	0	1,016,052	0	3,123,035	7,562,035
Special Assessments	0	0	0	0	207,000	207,000
Interest	1,587,484	8,289	93,919	0	513,926	2,203,618
Rentals	53,868	3,800	0	0	0	57,668
Donations	0	0	0	0	56,852	56,852
Miscellaneous	232,710	4,500	5,408	0	13,428	256,046
<i>Total Revenues</i>	<u>27,697,047</u>	<u>2,107,684</u>	<u>3,914,564</u>	<u>0</u>	<u>10,403,137</u>	<u>44,122,432</u>
<b>Expenditures</b>						
Current:						
General Government	5,242,358	0	0	0	607,117	5,849,475
Security of Persons and Property	8,586,786	0	0	0	2,492,818	11,079,604
Public Health Services	522,076	0	0	0	212,215	734,291
Transportation	3,580,294	0	0	0	904,468	4,484,762
Community Environment	1,302,616	0	0	0	63,822	1,366,438
Basic Utility Services	535,304	0	0	0	67,751	603,055
Leisure Time Activities	630,541	1,971,908	0	0	199,913	2,802,362
Capital Outlay	447,885	0	11,519,749	4,117,332	6,689,947	22,774,913
Debt Service:						
Principal Retirement	0	0	0	0	3,117,762	3,117,762
Interest and Fiscal Charges	0	0	0	0	1,048,657	1,048,657
Bond Issuance Costs	0	0	0	0	317,417	317,417
<i>Total Expenditures</i>	<u>20,847,860</u>	<u>1,971,908</u>	<u>11,519,749</u>	<u>4,117,332</u>	<u>15,721,887</u>	<u>54,178,736</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>6,849,187</u>	<u>135,776</u>	<u>(7,605,185)</u>	<u>(4,117,332)</u>	<u>(5,318,750)</u>	<u>(10,056,304)</u>
<b>Other Financing Sources (Uses)</b>						
Sale of Capital Assets	38,985	0	0	0	0	38,985
Bonds Issued	0	0	0	0	4,620,000	4,620,000
Bond Premium	0	0	0	0	314,530	314,530
Transfers In	25,638	0	0	2,807,000	1,384,440	4,217,078
Transfers Out	(4,041,973)	0	0	0	(41,667)	(4,083,640)
<i>Total Other Financing Sources (Uses)</i>	<u>(3,977,350)</u>	<u>0</u>	<u>0</u>	<u>2,807,000</u>	<u>6,277,303</u>	<u>5,106,953</u>
<i>Net Change in Fund Balances</i>	2,871,837	135,776	(7,605,185)	(1,310,332)	958,553	(4,949,351)
<b>Fund Balances</b>						
<i>Beginning of Year - Restated (See Note 3)</i>	<u>26,597,815</u>	<u>911,081</u>	<u>11,278,608</u>	<u>4,109,940</u>	<u>15,446,799</u>	<u>58,344,243</u>
<i>Fund Balances End of Year</i>	<u>\$29,469,652</u>	<u>\$1,046,857</u>	<u>\$3,673,423</u>	<u>\$2,799,608</u>	<u>\$16,405,352</u>	<u>\$53,394,892</u>

See accompanying notes to the basic financial statements



**City of Westlake, 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, 2005*

**Net Change in Fund Balances - Total Governmental Funds** (\$4,949,351)

*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 is the current period.

Capital Asset Additions	15,644,103	
Current Year Depreciation	(5,985,050)	
<b>Total</b>		9,659,053

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (116,732)

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

Delinquent Property Taxes	(208,289)	
Municipal Income Taxes	240,711	
Intergovernmental	105,941	
Special Assessments	4,373,000	
<b>Total</b>		4,511,363

Other financing sources in the governmental funds increased long-term net assets. Governmental funds report the effect of premiums when the debt is first issued; however, these amounts are deferred and amortized on the statement of activities.

Bonds Issued	(4,620,000)	
Premium on Bonds	(314,530)	
<b>Total</b>		(4,934,530)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 3,117,762

Bond issuance cost will be amortized over the life of the bonds on the statement of net assets. 317,417

In the statement of activities, interest accrued on outstanding bonds and bond accretion, bond premium, bond issuance costs and gain/loss on refunding are amortized over the terms of the bonds, whereas in the governmental funds the expenditure is reported when the bonds are issued.

Accrued Interest	9,019	
Annual Accretion	(108,625)	
Amortization of Bond Premium	5,420	
Amortization of Bond Issuance Costs	(16,812)	
Amortization of Loss on Refunding	(16,420)	
<b>Total</b>		(127,418)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures.

Compensated Absences	(341,984)	
Landfill	37,270	
<b>Total</b>		(304,714)

The internal service fund used by management to charge the costs of insurance to individual funds is not reported in entity-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities. (631,729)

*Change in Net Assets of Governmental Activities* \$6,541,121

See accompanying notes to the basic financial statements

**City of Westlake, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property and Other Local Taxes	\$8,603,230	\$8,598,120	\$9,122,724	\$524,604
Municipal Income Taxes	10,661,333	10,655,000	11,530,426	875,426
Charges for Services	412,543	412,500	529,732	117,232
Licenses, Permits and Fees	688,611	688,000	705,222	17,222
Fines and Forfeitures	207,123	207,000	228,327	21,327
Intergovernmental	2,552,653	2,551,137	3,405,606	854,469
Interest	850,505	850,000	1,155,854	305,854
Rentals	51,030	51,000	53,868	2,868
Miscellaneous	128,555	127,900	234,682	106,782
<i>Total Revenues</i>	<u>24,155,583</u>	<u>24,140,657</u>	<u>26,966,441</u>	<u>2,825,784</u>
<b>Expenditures</b>				
Current:				
General Government	7,161,218	7,427,218	6,067,121	1,360,097
Security of Persons and Property	9,909,793	10,052,793	8,719,031	1,333,762
Public Health Services	616,157	618,157	525,871	92,286
Transportation	4,164,739	4,314,739	3,852,856	461,883
Community Environment	1,466,474	1,466,474	1,326,441	140,033
Basic Utility Services	693,763	693,763	538,474	155,289
Leisure Time Activities	834,378	834,378	680,229	154,149
Capital Outlay	976,806	976,806	491,572	485,234
<i>Total Expenditures</i>	<u>25,823,328</u>	<u>26,384,328</u>	<u>22,201,595</u>	<u>4,182,733</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,667,745)</u>	<u>(2,243,671)</u>	<u>4,764,846</u>	<u>7,008,517</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Capital Assets	350,208	350,000	38,985	(311,015)
Advances In	3,875,820	3,873,500	1,344,000	(2,529,500)
Transfers In	766,461	766,000	25,638	(740,362)
Advances Out	(829,500)	(934,500)	(829,500)	105,000
Transfers Out	(4,068,973)	(4,068,973)	(4,041,973)	27,000
<i>Total Other Financing Sources (Uses)</i>	<u>94,016</u>	<u>(13,973)</u>	<u>(3,462,850)</u>	<u>(3,448,877)</u>
<i>Net Change in Fund Balance</i>	<u>(1,573,729)</u>	<u>(2,257,644)</u>	<u>1,301,996</u>	<u>3,559,640</u>
<i>Fund Balance Beginning of Year</i>	15,564,309	15,564,309	15,564,309	0
Prior Year Encumbrances Appropriated	1,474,251	1,474,251	1,474,251	0
<i>Fund Balance End of Year</i>	<u>\$15,464,831</u>	<u>\$14,780,916</u>	<u>\$18,340,556</u>	<u>\$3,559,640</u>

See accompanying notes to the basic financial statements

**City of Westlake, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recreation Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Municipal Income Taxes	\$250,000	\$250,000	\$250,000	\$0
Charges for Services	1,777,500	1,777,500	1,840,782	63,282
Interest	17,000	17,000	16,793	(207)
Miscellaneous	3,000	3,000	4,500	1,500
<i>Total Revenues</i>	2,047,500	2,047,500	2,112,075	64,575
<b>Expenditures</b>				
Current:				
Leisure Time Activities	2,348,302	2,348,302	1,999,516	348,786
<i>Net Change in Fund Balance</i>	(300,802)	(300,802)	112,559	413,361
<i>Fund Balance Beginning of Year</i>	873,549	873,549	873,549	0
Prior Year Encumbrances Appropriated	32,352	32,352	32,352	0
<i>Fund Balance End of Year</i>	<u>\$605,099</u>	<u>\$605,099</u>	<u>\$1,018,460</u>	<u>\$413,361</u>

See accompanying notes to the basic financial statements

**City of Westlake, Ohio**  
*Statement of Fund Net Assets*  
*Proprietary Funds*  
*December 31, 2005*

	Business Type Activities - Enterprise Funds			Governmental
	Sewer	Non Major	Total	Activities - Internal Service Fund
<b>Assets</b>				
<i>Current Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$10,356,591	\$67,208	\$10,423,799	\$668,208
Cash and Cash Equivalents with Escrow Agents	37,001	0	37,001	0
Materials and Supplies Inventory	0	10,373	10,373	0
Accrued Interest Receivable	217,428	0	217,428	0
Accounts Receivable	373,089	0	373,089	11,153
<i>Total Current Assets</i>	<u>10,984,109</u>	<u>77,581</u>	<u>11,061,690</u>	<u>679,361</u>
<i>Noncurrent Assets</i>				
Investment in Joint Venture	9,829,738	0	9,829,738	0
Nondepreciable Capital Assets	2,699,265	1,499,176	4,198,441	0
Depreciable Capital Assets, Net	28,117,248	877,060	28,994,308	0
<i>Total Noncurrent Assets</i>	<u>40,646,251</u>	<u>2,376,236</u>	<u>43,022,487</u>	<u>0</u>
<i>Total Assets</i>	<u>51,630,360</u>	<u>2,453,817</u>	<u>54,084,177</u>	<u>679,361</u>
<b>Liabilities</b>				
<i>Current Liabilities</i>				
Accounts Payable	61,388	326	61,714	0
Claims Payable	0	0	0	216,604
Accrued Wages and Benefits	8,096	5,517	13,613	0
Intergovernmental Payable	1,214	889	2,103	0
Retainage Payable	37,001	0	37,001	0
<i>Total Current Liabilities</i>	<u>107,699</u>	<u>6,732</u>	<u>114,431</u>	<u>216,604</u>
<i>Long-Term Liabilities</i>				
Advances From Other Funds	0	250,000	250,000	0
<i>Total Liabilities</i>	<u>107,699</u>	<u>256,732</u>	<u>364,431</u>	<u>216,604</u>
<b>Net Assets</b>				
Invested in Capital Assets	30,816,513	2,376,236	33,192,749	0
Unrestricted (Deficit)	20,706,148	(179,151)	20,526,997	462,757
<i>Total Net Assets</i>	<u>\$51,522,661</u>	<u>\$2,197,085</u>	<u>\$53,719,746</u>	<u>\$462,757</u>

See accompanying notes to the basic financial statements

**City of Westlake, Ohio**  
*Statement of Revenues, Expenses  
and Changes in Fund Net Assets  
Proprietary Funds  
For the Year Ended December 31, 2005*

	Business Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Sewer	Non Major	Total	Self Insurance
<b>Operating Revenues</b>				
Charges for Services	\$1,651,856	\$502,641	\$2,154,497	\$1,461,953
Tap-In-Fees	165,728	0	165,728	0
Rentals	0	2,000	2,000	0
Miscellaneous	30	11,135	11,165	0
<i>Total Operating Revenues</i>	<u>1,817,614</u>	<u>515,776</u>	<u>2,333,390</u>	<u>1,461,953</u>
<b>Operating Expenses</b>				
Personal Services	279,101	241,575	520,676	0
Fringe Benefits	88,469	59,622	148,091	0
Contractual Services	884,908	78,823	963,731	259,359
Materials and Supplies	11,952	64,399	76,351	0
Depreciation	1,034,487	44,739	1,079,226	0
Other	25,722	21,213	46,935	0
Claims	0	0	0	1,837,526
<i>Total Operating Expenses</i>	<u>2,324,639</u>	<u>510,371</u>	<u>2,835,010</u>	<u>2,096,885</u>
<i>Operating Income (Loss)</i>	<u>(507,025)</u>	<u>5,405</u>	<u>(501,620)</u>	<u>(634,932)</u>
<b>Non Operating Revenue (Expenses)</b>				
Interest	329,882	0	329,882	3,203
Loss on Disposal of Capital Assets	0	(70)	(70)	0
Equity in Loss of Joint Venture	(751,539)	0	(751,539)	0
<i>Total Non Operating Revenues (Expenses)</i>	<u>(421,657)</u>	<u>(70)</u>	<u>(421,727)</u>	<u>3,203</u>
<i>Income (Loss) Before Capital Contributions and Transfers</i>	<u>(928,682)</u>	<u>5,335</u>	<u>(923,347)</u>	<u>(631,729)</u>
Capital Contributions	1,188,311	0	1,188,311	0
Transfers Out	(133,438)	0	(133,438)	0
<i>Total Capital Contributions and Transfers</i>	<u>1,054,873</u>	<u>0</u>	<u>1,054,873</u>	<u>0</u>
<i>Change in Net Assets</i>	126,191	5,335	131,526	(631,729)
<i>Net Assets Beginning of Year</i>	<u>51,396,470</u>	<u>2,191,750</u>	<u>53,588,220</u>	<u>1,094,486</u>
<i>Net Assets End of Year</i>	<u>\$51,522,661</u>	<u>\$2,197,085</u>	<u>\$53,719,746</u>	<u>\$462,757</u>

See accompanying notes to the basic financial statements

**City of Westlake, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2005

	Business Type Activities Enterprise Funds			Governmental Activities- Internal Service Fund
	Sewer	Non Major	Total	
<b><i>Increase (Decrease) In Cash and Cash Equivalents</i></b>				
<b>Cash Flows from Operating Activities</b>				
Cash Received from Customers	\$1,628,204	\$504,641	\$2,132,845	\$0
Cash Received from Interfund Services	0	0	0	1,455,040
Cash Received from Other Operating Sources	30	11,135	11,165	0
Cash Received from Tap-In Fees	165,728	0	165,728	0
Cash Payments to Suppliers for Goods and Services	(840,381)	(145,170)	(985,551)	(299,768)
Cash Payments for Claims	0	0	0	(1,852,839)
Cash Payments for Employee Services and Benefits	(365,939)	(301,281)	(667,220)	0
Cash Payments for Other Operating Expenses	(25,722)	(21,213)	(46,935)	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>561,920</u>	<u>48,112</u>	<u>610,032</u>	<u>(697,567)</u>
<b>Cash Flows from Noncapital Financing Activities</b>				
Advance Out	0	(50,000)	(50,000)	0
Transfer Out	(133,438)	0	(133,438)	0
<i>Net Cash Used for Noncapital Financing Activities</i>	<u>(133,438)</u>	<u>(50,000)</u>	<u>(183,438)</u>	<u>0</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Acquisition of Capital Assets	(392,744)	(1,194)	(393,938)	0
<b>Cash Flows from Investing Activities</b>				
Interest	225,754	0	225,754	22,695
Capital Contributions to Joint Venture	(160,720)	0	(160,720)	0
<i>Net Cash Provided by Investing Activities</i>	<u>65,034</u>	<u>0</u>	<u>65,034</u>	<u>22,695</u>
<i>Net Increase (Decrease) In Cash and Cash Equivalents</i>	100,772	(3,082)	97,690	(674,872)
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>10,292,820</u>	<u>70,290</u>	<u>10,363,110</u>	<u>1,343,080</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$10,393,592</u>	<u>\$67,208</u>	<u>\$10,460,800</u>	<u>\$668,208</u>

(continued)

**City of Westlake**  
*Statement of Cash Flows*  
*Proprietary Funds (continued)*  
*For the Year Ended December 31, 2005*

	Business Type Activities Enterprise Funds			Governmental Activities- Internal Service Fund
	Sewer	Non Major	Total	
	_____	_____	_____	
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>				
<i>Operating Income (Loss)</i>	(\$507,025)	\$5,405	(\$501,620)	(\$634,932)
Adjustments:				
Depreciation	1,034,487	44,739	1,079,226	0
Increase in Assets:				
Accounts Receivable	(23,652)	0	(23,652)	(6,913)
Materials and Supplies Inventory	0	(1,950)	(1,950)	0
Increase/(Decrease) in Liabilities:				
Accounts Payable	60,308	2	60,310	(40,409)
Accrued Wages	1,419	(116)	1,303	0
Retainage Payable	(3,829)	0	(3,829)	0
Intergovernmental Payable	212	32	244	0
Claims Payable	0	0	0	(15,313)
<i>Net Cash Provided by (Used by) Operating Activities</i>	<u>\$561,920</u>	<u>\$48,112</u>	<u>\$610,032</u>	<u>(\$697,567)</u>

**Noncash Capital Financing Activities**

During 2005, the sewer enterprise fund received sewer lines, vehicles and construction in progress from the sanitary sewer capital projects fund valued at \$1,188,311.

See accompanying notes to the basic financial statements

**City of Westlake, Ohio**  
*Statement of Fiduciary Assets and Liabilities*  
*Fiduciary Funds*  
*December 31, 2005*

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	<u>Agency</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$1,803,371</u>
<b>Liabilities</b>	
Undistributed Monies	\$114,192
Deposits Held and Due to Others	<u>1,689,179</u>
<i>Total Liabilities</i>	<u>\$1,803,371</u>

See accompanying notes to the basic financial statements



**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

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**Note 1 - Reporting Entity**

The City of Westlake is a home rule municipal corporation established under the laws of the State of Ohio which operates under its own Charter. The current Charter, which provides for a Council/Mayor form of government, was adopted in 1956.

A 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. This definition of reporting entity is found in GASB Statement No. 14, "The Financial Reporting Entity".

The City of Westlake's primary government consists of all funds and departments which are not legally separate from the City. They include a police force, a fire fighting force, a street maintenance and sanitation force, planning and zoning departments, a parks and recreation system, a sewer system, one golf course, and a staff to provide essential support to these service providers.

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; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations which are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes. The reporting entity of the City does not include any component units.

The Rocky River Wastewater Treatment Plant is a joint venture, owned and operated by the cities of Westlake, Rocky River, Bay Village, and Fairview Park. The mayors of each city serve during their terms in office as members of the Management Committee of the Rocky River Wastewater Treatment Plant. Each City is responsible for a percentage of the operating expenses of the plant based on volume of flow into the plant (See Note 19).

The City is associated with four jointly governed organizations, the West Shore Council of Governments, Tri-City Park, Safe Air For Environment (S.A.F.E) Council of Governments, and West Shore Area Rescue Association. These organizations are presented in Note 20 to the basic financial statements.

The City is also associated with the Westlake Community Improvement Corporation (WCIC). The WCIC is a not-for-profit corporation which was founded in 1976. The seven-member Board, which consists of three elected officials of the City and four members appointed by the trustees promotes industrial, commercial, distribution and research activities within the City. The WCIC has been excluded from the reporting entity.

**Note 2 - Summary of Significant Accounting Policies**

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

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

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**A. Basis of Presentation**

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

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

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

**Fund Financial Statements** During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of 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 fund is 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. There are three categories of funds: governmental, proprietary and fiduciary.

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

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

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

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**Recreation Fund** The recreation fund accounts for membership and program fees to be used for the operation and maintenance of the recreational center.

**Issue 11 Improvements Fund** The Issue 11 fund accounts for the costs of all capital projects funded by a 3/8 percent increase in the municipal income tax.

**Service Center Construction Fund** The Service Center Construction fund accounts for monies to be used to construct a new service center.

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

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

**Enterprise Funds** Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The sewer fund is the City's major enterprise fund.

**Sewer Fund** The sewer fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

**Internal Service Fund** 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 internal service fund reports on a self-insurance program for employee medical benefits.

**Fiduciary Funds** Fiduciary fund reporting focuses on net assets and changes in net assets. 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 held for contractors and developers.

### ***C. Measurement Focus***

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

**Fund Financial Statements** All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities 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 a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

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

***D. Basis of Accounting***

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

***Revenues - Exchange and 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.

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 fees), fines and forfeitures, interest, grants and entitlements and rentals.

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

Property taxes for which there is an enforceable legal claim as of December 31, 2005, but which were levied to finance year 2006 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

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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.

***E. Budgetary Data***

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 resolution 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 object level within each department in the general fund and at the object level for all other funds. Budgetary modifications may only be made by resolution 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 amended certificate of estimated resources in effect at the time the final appropriations were enacted by Council.

The appropriation resolution 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.

***F. Pooled 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. Interest in the pool is presented as "equity in pooled cash and cash equivalents".

Investments are reported at fair value which is based on quoted market prices, with the exception of nonparticipating certificates of deposit and repurchase agreements, which are reported at cost.

During 2005, investments were limited to repurchase agreements, non-negotiable certificates of deposit, Federal Home Loan Bank Bonds and Federal Home Loan Mortgage Corporation Notes.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2005 amounted to \$1,587,484 which includes \$896,996 assigned from other City funds.

Cash held for the City by KeyBank, for the payment of debt principal and interest as they come due, is included on the financial statements as "cash and cash equivalents with fiscal agent". The City utilizes financial institutions to account for retainage accounts. The balance in these accounts is presented as "cash and cash equivalents with escrow agent."

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

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

***G. Materials and Supplies Inventory***

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

***H. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2005 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.

***I. 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 assets 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 assets 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. Donated capital assets are recorded at their fair market values as of the date received. 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). The City maintains a capitalization threshold of one thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of proprietary fund capital assets is also capitalized.

All 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 replacement. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings and Improvements	50 years	50 years
Land Improvements	20 years	20 years
Machinery and Equipment	5 years	5 years
Furniture and Fixtures	10 years	10 years
Vehicles	5-10 years	5-10 years
Infrastructure	20-50 years	50 years

The City's infrastructure consists of roads, water mains, storm sewers, culverts, traffic signals and bridges and includes infrastructure acquired prior to December 31, 1980.

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

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***J. Interfund Balances***

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as “interfund receivables/payables”. Interfund loans which do not represent available expendable resources are offset by a fund balance reserve account. Interfund balance amounts are eliminated in the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

On fund financial statements, long-term interfund loans, reported as “advances to/from other funds”, are equally offset by a fund balance reserve account which indicate that they do not constitute “available expendable financial resources” even though it is a component of net current assets. Repayment is expected to be made within a reasonable time.

***K. 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 employer will compensate the employees for the benefits through paid time off or some other means. The City records a liability for all 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 that 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 twenty years). The amount is based on accumulated sick leave and employee wage rates at year end taking into consideration any limits specified in the City's termination policy.

***L. 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 contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and long-term loans are recognized as a liability on the governmental fund financial statements when due.

***M. Fund Balance Reserves and Designations***

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. Fund balance reserves have been established for encumbrances, long-term advances and unclaimed monies. Fund balance designations have been established for capital acquisitions. Council intends for this portion of fund balance to be used for the acquisition of capital assets.

***N. Net Assets***

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

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of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The government-wide statement of net assets reports \$31,249,085 of restricted net assets, of which \$7,788,536 is restricted by enabling legislation.

Net assets restricted for other purposes include recreation, street construction and repair, and the operation of the police and fire departments.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

***O. Operating Revenues and Expenses***

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for sewer services, golf and self-insurance programs. Operating expenses are necessary costs that have been incurred in order to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

***P. Contributions of Capital***

Contributions of capital in 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, from grants or outside contributions of resources restricted to capital acquisition and construction, or from other funds within the City.

***Q. Interfund Activity***

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

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

***R. Bond Issuance Costs***

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



**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

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***S. Bond Premium***

On the government-wide financial statement, bond premiums are deferred and amortized over the term of the bonds using 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 or new debt, which ever 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.

***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.

**Note 3 – Changes in Accounts Principles and Restatement of Prior Year’s Fund Balance and Net Assets**

For 2005, the City has implemented GASB Statement No. 40, “Deposit and Investment Risk Disclosures,” and GASB Statement No. 42 “Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries.”

GASB Statement No. 40 establishes new disclosure requirements for risk associated with deposits and investments.

GASB Statement No. 42 establishes accounting and financial reporting standards for impairment of capital assets and clarifies and establishes accounting requirements for insurance recoveries. The implementation of GASB Statement No. 42 did not affect the presentation of the financial statements of the City.

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

During 2005, it was determined that accrued interest receivable and retainage payable were overstated at December 31, 2004. The restatement had the following effect on fund balance at December 31, 2004:

	<u>General</u>	<u>Recreation</u>	<u>Issue 11 Improvements</u>
Fund Balance			
December 31, 2004	\$26,597,815	\$911,081	\$11,278,608
Accrued Interest Receivable	0	0	0
Retainage Payable	<u>0</u>	<u>0</u>	<u>0</u>
Restated Fund Balance, December 31, 2004	<u>\$26,597,815</u>	<u>\$911,081</u>	<u>\$11,278,608</u>

(continued)

	<u>Service Center Construction</u>	<u>Nonmajor</u>	<u>Total</u>
Fund Balance			
December 31, 2004	\$4,109,940	\$15,411,264	\$58,308,708
Accrued Interest Receivable	0	(53,871)	(53,871)
Retainage Payable	<u>0</u>	<u>89,406</u>	<u>89,406</u>
Restated Fund Balance, December 31, 2004	<u>\$4,109,940</u>	<u>\$15,446,799</u>	<u>\$58,344,243</u>

Adjustments for accrued interest receivable and retainage payable had the following effect on net assets at 12/31/04:

	<u>Governmental Activities</u>
Net Assets, December 31, 2004	\$156,320,732
Accrued Interest Receivable	(53,871)
Retainage Payable	<u>89,406</u>
Restated Net Assets, December 31, 2004	<u>\$156,356,267</u>

**Note 4 - Accountability**

The fund balances at December 31, 2005 included the following individual fund deficits:

<b>Special Revenue Fund</b>	
FEMA	\$22,195
<b>Capital Projects Funds</b>	
Sanitary Sewer Improvement	1,648,387
Issue 2 Improvements	921,815

The deficits are a result of interfund loans which are used to finance activities until resources are accumulated to repay the general fund.

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

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**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), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statements of Revenues, Expenditures, and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the general fund and the recreation major special revenue fund 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 that:

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- (b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- (c) Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
- (d) Advances-In and Advances-Out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
- (e) Investments are reported at fair value (GAAP) rather than cost (budget).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budget basis statements for the general fund and the recreation special revenue fund.

	General	Recreation
GAAP Basis	\$2,871,837	\$135,776
Net Adjustment for Revenue Accruals	(465,990)	4,391
Advances In	1,344,000	0
Beginning Fair Value Adjustment for Investments	(264,616)	0
Ending Fair Value Adjustment for Investments	(105,787)	0
Net Adjustment for Expenditure Accruals	(69,753)	11,925
Advance Out	(829,500)	0
Encumbrances	(1,178,195)	(39,533)
Budget Basis	\$1,301,996	\$112,559

**Note 6 - Deposits and Investments**

Monies held by the City are classified by State statute 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 withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

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Inactive deposits are public deposits that the 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 which will be needed before the end of the current period of designation of 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 can be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to payment of principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, 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 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 two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
6. The State Treasurer's investment pool (STAROhio).

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

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

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

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

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

**Deposits**

***Custodial Credit Risk*** Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in possession of an outside party. At year end, the City's bank balance of \$44,012,792 was insured and collateralized. Although the securities were held by the pledging financial institutions' trust department and all statutory requirements for the investment of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be 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, 2005, the City had the following investments:

	<u>Fair Value</u>	<u>Average Maturity</u>
Federal Home Loan Bank Bonds	\$19,860,000	3/24/06 - 4/13/06
Federal Home Loan Mortgage Corporation Bonds	5,200,000	1/30/06 - 4/12/06
STAROhio	<u>32,412</u>	39 days
Total	<u><u>\$25,092,412</u></u>	

***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 two years.

***Credit Risk*** The Federal Home Loan Bank Bonds and the Federal Home Loan Mortgage Corporation Bonds carry a rating of AAA by Standard & Poor's and STAROhio also carries a rating of AAAM by Standard & Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The City has no investment policy that would further limit its investment choices.

**City of Westlake, Ohio**  
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**Concentration of Credit Risk** The City places no limit on the amount it may invest in any one issuer. The following is the City's allocation as of December 31, 2005:

Investment	Percentage of Investments
Federal Home Loan Bank Bonds	79.15%
Federal Home Loan Mortgage Corporation Bonds	20.72%
STAROhio	0.13%

**Note 7 - Interfund Transfers and Balances**

At December 31, 2005 interfund transfers were as follows:

Transfer To	Transfer From				Total
	General	Senior Center Construction	Recreation Center Bond Construction	Sewer	
<b>Major Fund</b>					
General	\$0	\$25,638	\$0	\$0	\$25,638
<b>Nonmajor Funds</b>					
Police Pension	200,000	0	0	0	200,000
Fire Pension	250,000	0	0	0	250,000
Cemetery Operating	100,000	0	0	0	100,000
Central Dispatch	136,000	0	0	0	136,000
General Obligation Bond Retirement	0	0	0	133,438	133,438
Service Center Construction	2,807,000	0	0	0	2,807,000
Sidewalks	548,973	0	0	0	548,973
Recreation Center Construction	0	0	16,029	0	16,029
<b>Total</b>	<b>\$4,041,973</b>	<b>\$25,638</b>	<b>\$16,029</b>	<b>\$133,438</b>	<b>\$4,217,078</b>

The general fund transfers to the major and nonmajor governmental funds were made to provide additional resources for current operations and capital improvements. The transfer from the senior center construction capital projects fund to the general fund was to return unused funds that the general fund had previously transferred to the senior center construction capital projects fund to cover the cost of a construction project. The transfer from the sewer enterprise fund to the general obligation bond retirement fund was made for the payment of debt.

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
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As of December 31, 2005, interfund balances were as follows:

	Receivable		Payable	
	Interfund	Advance to Other Funds	Interfund	Advance from Other Funds
<b>Major Funds</b>				
General Fund	\$629,500	\$6,627,800	\$0	\$0
Sanitary Sewer Improvement	0	0	0	2,300,000
<b>Nonmajor Funds</b>				
Issue 2 Improvements	0	0	0	2,177,800
FEMA	0	0	629,500	0
Service Center Construction	0	0	0	1,900,000
<i>Total Governmental Activities</i>	629,500	6,627,800	629,500	6,377,800
<b>Business-Type Activity</b>				
Golf Course	0	0	0	250,000
<i>Totals</i>	<u>\$629,500</u>	<u>\$6,627,800</u>	<u>\$629,500</u>	<u>\$6,627,800</u>

Interfund balances at December 31, 2005, consisted of a general fund advance of \$250,000 to the golf enterprise fund to pay for the construction of a new clubhouse and \$7,007,300 in advances to major and nonmajor governmental funds to finance capital projects.

**Note 8 - Receivables**

Receivables at December 31, 2005, consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, accrued interest on investments, and accounts (billings for utility service).

No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant.

Special assessments expected to be collected in more than one year amount to \$5,695,000 in the special assessment bond retirement fund. At December 31, 2005, the amount of delinquent special assessments was \$51,159.

**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 2005 for real and public utility property taxes represents collections of the 2004 taxes. Property tax payments received during 2004 for tangible personal property (other than public utility property) are for 2005 taxes.

2005 real property taxes are levied after October 1, 2005, on the assessed value as of January 1, 2005, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2005 real property taxes are collected in and intended to finance 2006 operations.

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

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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. 2005 public utility property taxes which became a lien December 31, 2004, are levied after October 1, 2005, and are collected in 2006 with real property taxes.

2005 tangible personal property taxes are levied after October 1, 2004, on the values as of December 31, 2004. Collections are made in 2005. Tangible personal property assessments are 25 percent of true value for capital assets and 23 percent for inventory.

The full tax rate for all City operations for the year ended December 31, 2005 was \$10.10 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2005 property tax receipts were based are as follows:

Real Property	\$1,209,488,350
Public Utility Real Property	21,120
Public Utility Tangible Property	22,225,550
Tangible Personal Property	<u>64,928,167</u>
Total	<u><u>\$1,296,663,187</u></u>

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 to be established.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable at September 20.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Westlake. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2005 and for which there is an enforceable legal claim. In the general fund; police pension, fire pension and police and fire operating special revenue funds; and general obligation bond debt service fund; the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2005 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

***B. Income Taxes***

The City levies an income tax of 1.5 percent on all income earned within the City as well as income of residents earned outside the City. The City allows a credit of 100 percent of the tax paid to another municipality, not to exceed the amount owed. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually.

The Regional Income Tax Agency administers and collects income taxes for the City. Payments are remitted monthly net of collection fees of 3 percent.



**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

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**C. Intergovernmental Receivables**

A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
<b>Governmental Activities</b>	
Homestead and Rollback	\$741,472
Estate Tax	356,569
Gasoline Tax	205,751
Excise Tax	204,700
Local Government	139,140
Permissive Tax	95,183
Westlake City School District	38,721
Court Fines	15,029
Prisoner Housing	<u>400</u>
Total	<u><u>\$1,796,965</u></u>

**Note 9 – Compensated Absences**

Vacation leave is earned at rates which vary depending upon length of service and standard work week. Current policy permits vacation leave to be accumulated up to two years. City employees are paid for earned, unused vacation leave at the time of termination of employment.

Sick leave is earned at the rate of four and six-tenths hours for every eighty hours worked. A maximum of 2,500 hours may be accumulated by each employee. Those employees whose accumulation exceeds 2,500 hours are paid, in December of each year, one-fourth of those hours at their current rate. Each employee with ten or more years of service with the City is paid for one-half of the employee's earned unused sick leave upon termination with the City, transfer to another governmental agency, or retirement, 60 percent after 17 years of service, 68 percent after 20 years of service and 75 percent after 25 years of service.

**Note 10 - Landfill Closure and Postclosure Care Cost**

State and Federal laws and regulations require the City to perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. The City's landfill placed its final cover in 1989. The \$670,860 reported as landfill postclosure costs in the long-term liabilities due in more than one year line of the governmental activities column of the statement of net assets at December 31, 2005, represents the estimated cost of maintenance and monitoring through 2023. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The City is required by State and Federal laws and regulations to provide assurances that financial resources will be available to provide for postclosure care and remediation or containment of environmental hazards at the landfill. Financial assurances may take the form of a financial test and corporate guarantee. The financial test was performed on the 2005 audited financial statements and the City was in compliance.

**City of Westlake, Ohio**  
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For the Year Ended December 31, 2005

**Note 11 – Capital Assets**

A summary of changes in capital assets during 2005 follows:

	Balance 12/31/04	Additions	Deletions	Balance 12/31/05
<b>Governmental Activities</b>				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$5,739,494	\$0	\$0	\$5,739,494
Construction in Progress	13,069,103	14,126,423	(10,420,670)	16,774,856
<i>Total Capital Assets Not Being Depreciated</i>	<u>18,808,597</u>	<u>14,126,423</u>	<u>(10,420,670)</u>	<u>22,514,350</u>
<i>Capital Assets, Being Depreciated</i>				
Buildings	32,618,118	170,961	(14,517)	32,774,562
Improvements	4,519,792	382,704	(745)	4,901,751
Machinery and Equipment	5,588,918	836,297	(141,417)	6,283,798
Furniture and Fixtures	1,340,855	132,122	(5,886)	1,467,091
Vehicles	9,071,023	310,485	(530,439)	8,851,069
Infrastructure				
Roads	87,522,712	8,709,043	0	96,231,755
Water Mains	26,261,761	1,094,739	0	27,356,500
Storm Sewers	23,194,283	301,999	0	23,496,282
Culverts	3,278,631	0	0	3,278,631
Traffic Signals	3,178,031	0	0	3,178,031
Bridges	1,980,831	0	0	1,980,831
<i>Total Capital Assets, Being Depreciated</i>	<u>198,554,955</u>	<u>11,938,350</u>	<u>(693,004)</u>	<u>209,800,301</u>
Less Accumulated Depreciation:				
Buildings	(4,688,469)	(640,654)	4,790	(5,324,333)
Improvements	(2,061,372)	(214,017)	587	(2,274,802)
Machinery and Equipment	(4,143,769)	(495,574)	133,659	(4,505,684)
Furniture and Fixtures	(528,068)	(112,949)	5,613	(635,404)
Vehicles	(6,476,843)	(560,341)	431,623	(6,605,561)
Infrastructure				
Roads	(53,789,828)	(2,820,290)	0	(56,610,118)
Water Mains	(11,850,438)	(469,024)	0	(12,319,462)
Storm Sewers	(9,607,413)	(458,241)	0	(10,065,654)
Culverts	(2,044,270)	(97,539)	0	(2,141,809)
Traffic Signals	(265,126)	(81,488)	0	(346,614)
Bridges	(646,143)	(34,933)	0	(681,076)
<i>Total Accumulated Depreciation</i>	<u>(96,101,739)</u>	<u>(5,985,050) *</u>	<u>576,272</u>	<u>(101,510,517)</u>
<i>Total Capital Assets, Being Depreciated, Net</i>	<u>102,453,216</u>	<u>5,953,300</u>	<u>(116,732)</u>	<u>108,289,784</u>
<i>Total Governmental Capital Assets, Net</i>	<u>\$121,261,813</u>	<u>\$20,079,723</u>	<u>(\$10,537,402)</u>	<u>\$130,804,134</u>

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
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	Balance 12/31/04	Additions	Deletions	Balance 12/31/05
<b>Business-Type Activities</b>				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$1,499,176	\$0	\$0	\$1,499,176
Construction in Progress	1,244,789	1,454,476	0	2,699,265
<i>Total Capital Assets Not Being Depreciated</i>	<u>2,743,965</u>	<u>1,454,476</u>	<u>0</u>	<u>4,198,441</u>
<i>Capital Assets, Being Depreciated</i>				
Land Improvements	233,675	0	0	233,675
Buildings	1,759,602	0	0	1,759,602
Machinery and Equipment	327,776	62,044	(2,680)	387,140
Furniture and Fixtures	36,853	0	0	36,853
Vehicles	661,037	0	0	661,037
Sewer Lines	46,755,796	65,729	0	46,821,525
<i>Total Capital Assets, Being Depreciated</i>	<u>49,774,739</u>	<u>127,773</u>	<u>(2,680)</u>	<u>49,899,832</u>
Less Accumulated Depreciation:				
Land Improvements	(124,876)	(8,684)	0	(133,560)
Buildings	(187,207)	(34,940)	0	(222,147)
Machinery and Equipment	(262,506)	(33,305)	2,610	(293,201)
Furniture and Fixtures	(13,439)	(3,549)	0	(16,988)
Vehicles	(398,282)	(63,633)	0	(461,915)
Sewer Lines	(18,842,598)	(935,115)	0	(19,777,713)
<i>Total Accumulated Depreciation</i>	<u>(19,828,908)</u>	<u>(1,079,226)</u>	<u>2,610</u>	<u>(20,905,524)</u>
<i>Total Capital Assets, Being Depreciated, Net</i>	<u>29,945,831</u>	<u>(951,453)</u>	<u>(70)</u>	<u>28,994,308</u>
<i>Total Business-Type Capital Assets, Net</i>	<u>\$32,689,796</u>	<u>\$503,023</u>	<u>(\$70)</u>	<u>\$33,192,749</u>

\* Depreciation expense was charged to governmental functions as follows:

General Government	\$390,750
Security of Persons and Property	586,631
Public Health	113,510
Transportation	3,289,097
Community Environment	24,388
Basic Utility Services	1,054,072
Leisure Time Activities	526,602
Total	<u>\$5,985,050</u>

**City of Westlake, Ohio**  
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**Note 12 - Defined Benefit Pension Plans**

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

The City of Westlake 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 that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, 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 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 that may be obtained by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642 or by calling (614) 222-6705 or (800) 222-7377.

For the year ended December 31, 2005, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 8.5 percent of their annual covered salaries. Members participating in the traditional plan who were in law enforcement contributed 10.1 percent of their annual covered salary; members in public safety contributed 9 percent. The City's contribution rate for pension benefits for 2005 was 9.55 percent, except for those plan members in law enforcement or public safety. For those classifications, the City's pension contributions were 12.7 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

The City's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2005, 2004, and 2003 were \$817,845, \$743,265, and \$636,523 respectively; 94.91 percent has been contributed for 2005 and 100 percent for 2004 and 2003. Contributions to the member-directed plan for 2005 were \$9,795 made by the City and \$6,145 made by the plan members.

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

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

Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations while the City is required to contribute 11.75 percent for police officers and 16.25 percent for firefighters. Contributions are authorized by State statute. The City's contributions to the Fund for police and firefighters were \$393,744 and \$490,565 for the year ended December 31, 2005, \$360,985 and \$455,404 for the year ended December 31, 2004 and \$346,761 and \$434,332 for the year ended December 31, 2003. The full amount has been contributed for 2004 and 2003. 97.68 percent and 96.41 percent has been contributed for 2005.

**Note 13 – Postemployment Benefits**

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

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in *GASB Statement No. 12*. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2005 local government employer contribution rate was 13.55 percent of covered payroll (16.7 percent for public safety and law enforcement); 4 percent of covered payroll was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2004, include a rate of return on investments of 8 percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase between 1 and 6 percent annually for the next eight years and 4 percent annually after eight years.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually.

The number of active contributing participants in the traditional and combined plans was 376,109. Actual employer contributions for 2005 which were used to fund postemployment benefits were \$342,553. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2004, (the latest information available) were \$10.8 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$29.5 billion and \$18.7 billion, respectively.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to increasing health care costs. Member and employer contribution rates increased as of January 1, 2006, which will allow additional funds to be allocated to the health care plan.

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

The Ohio Police and Fire Pension Fund (OP&F) provides postretirement health care coverage to 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. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school full-time or on a 2/3 basis.

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in *GASB Statement No. 12*. The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health

**City of Westlake, Ohio**  
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care costs paid from the funds of OP&F shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution rate is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll, of which 7.75 percent of covered payroll was applied to the postemployment health care program during 2005 and 2004. In addition, since July 1, 1992, most retirees and survivors have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

The City's actual contributions for 2005 that were used to fund postemployment benefits were \$259,703 for police and \$233,962 for firefighters. The OP&F's total health care expense for the year ended December 31, 2004, (the latest information available) was \$102,173,796, which was net of member contributions of \$55,665,341. The number of OP&F participants eligible to receive health care benefits as of December 31, 2004, was 13,812 for police and 10,528 for firefighters.

**Note 14 - Risk Management**

The City is exposed to various risks of loss related to torts; theft, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year the City contracted with McGowan and Company for all their insurance. The types of coverage and deductibles are as follows:

Type of Coverage	Coverage	Deductible
St. Paul Fire and Marine Insurance Company		
Blanket Property and Contents, Replacement	\$40,906,366	\$2,500
Inland Marine	13,150,179	1,000
General Liability	1,000,000/2,000,000	0
Automobile Liability	1,000,000/2,000,000	1,000/5,000
Umbrella Excess Liability	10,000,000	0
Police Professional Liability	1,000,000/2,000,000	10,000
Employment Practice Liability	1,000,000/2,000,000	25,000
Computer - Hardware	2,045,669	1,000
Computer - Software	1,000,000	1,000
Travelers Insurance		
Public Officials	25,000	1,000
Forgery Liability	25,000	1,000
American Alternative Insurance		
Public Officials Liability	1,000,000/2,000,000	15,000

Settled claims have not exceeded this commercial coverage in any of the past three years.

The City has elected to provide employee hospital/medical, prescription, dental, and vision insurance benefits through a partially self insured program. The City established a Self Insurance internal service fund to account for and finance the cost of this program.

The program provides three medical plans with different deductible options for single and family coverage, a dental plan with a \$25 deductible and a \$1,500 limit per person per year, a \$10 co-pay on generic and a \$15 co-pay on name brand prescriptions, and a vision plan providing \$50 every 2 years per individual for exams and up to \$150 for prescription lenses.

**City of Westlake, Ohio**  
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A third party administrator reviews and processes the claims which the City then pays. The City purchased stop loss coverage of \$70,000 per individual and \$1,366,142 aggregate per year. For each employee, the City paid monthly into the Self Insurance internal service fund \$200 for single and \$550 for family coverage. These rates are paid by the fund from which the employees' salary is paid.

The claims liability of \$216,604 as estimated by the third party administrator and reported in the Self Insurance internal service fund at December 31, 2005, is 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 indicates that it is probable that a liability has been incurred at the date 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 funds claims liability amount in 2004 and 2005 were as follows:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2004	\$202,337	\$1,793,125	\$1,763,545	\$231,917
2005	231,917	1,837,526	1,852,839	216,604

Workers' compensation coverage is provided by the State of Ohio. The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

**Note 15 - Notes Payable**

Note activity for the year ended December 31, 2005, consisted of the following:

	Outstanding 12/31/04	Issued	Retired	Outstanding 12/31/05
<b>Capital Projects Funds</b>				
1.25% Maturity - 6/12/05				
Crocker Road Improvements - 2004	\$4,367,000	\$4,367,000	\$8,734,000	\$0

The notes were rolled over on June 12, 2005 and paid off on October 10, 2005.

**City of Westlake, Ohio**  
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**Note 16 - Long-term Obligations**

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

	Original Issue Date	Maturity Date	Interest Rate	Original Issue Amount
<b>General Obligation Bonds</b>				
Recreation Center	1997	2020	3.85-6.90 %	\$12,600,000
Sewer Improvements	1986	2007	6.75	2,250,000
Safety Facility Refunding Bonds	1997	2010	3.85-10.90	1,395,000
Safety Facility Refunding Capital Appreciation Bond	1997	2010	3.85-10.90	354,900
Advance Refunding Bonds	1997	2008	3.85-6.40	1,105,000
Advance Refunding Bonds	1997	2008	3.85-10.90	2,105,000
Advance Refunding Capital Appreciation Bonds	1997	2008	3.85-10.90	193,297
Issue 11 Various Purpose	1999	2004	3.15-3.95	4,900,000
Issue 11 Sewers Refunding Bonds	2004	2013	1.25-2.00	1,390,000
Issue 11 D.W.A.K. Refunding Bonds	2004	2008	1.25-2.00	650,000
Issue 11 Clague Park Dam and Street Improvements Refunding Bonds	2004	2007	1.25-2.00	1,655,000
Street Improvements Refunding Bonds	2004	2014	1.25-3.40	1,020,000
Issue 11 Water Lines and Street Improvements Refunding Bonds	2004	2007	1.25-2.00	1,440,000
<b>Special Assessment Bonds</b>				
Clemens Road	1985	2005	9.25	680,000
Sewer System Improvements	1986	2006	6.75	40,000
West Hedgewood Sewer Improvements	1987	2007	7.88	100,000
Marview Waterline	1997	2010	3.30-4.15	88,000
Bradley Sidewalks	1997	2005	3.85-5.00	102,000
Various Purpose Improvements	1999	2009	3.30-4.15	285,000
Various Purpose Improvements	2001	2021	2.65-5.00	765,000
Issue 11 Sewers Refunding Bonds	2004	2013	1.25-3.30	345,000
Issue 11 D.W.A.K. Refunding Bonds	2004	2008	1.25-2.00	115,000
Sewer System Phase III Refunding Bonds	2004	2014	1.25-3.40	225,000
Street Improvement Bonds	2005	2025	3.00-5.25	4,620,000
<b>OPWC Loans</b>				
Issue 11	1994	2014	0	411,308
Issue 2	2003	2023	0	806,235



**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2005

Changes in long-term obligations during the year ended December 31, 2005, consisted of the following:

	Balance 12/31/04	Increase	Decrease	Balance 12/31/05	Amounts Due in One Year
<b>General Obligation Bonds</b>					
Recreation Center	\$11,700,000	\$0	\$295,000	\$11,405,000	\$340,000
Sewer Improvements	375,000	0	125,000	250,000	125,000
Safety Facility Refunding Bonds	445,000	0	220,000	225,000	225,000
Safety Facility Capital Appreciation Bonds	354,900	0	0	354,900	0
Accretion on Capital Appreciation Bonds	671,532	60,242	0	731,774	0
Advance Refunding Bonds	500,000	0	115,000	385,000	120,000
Advance Refunding Bonds	570,000	0	280,000	290,000	290,000
Advance Refunding Capital Appreciation Bonds	193,297	0	0	193,297	0
Accretion on Capital Appreciation Bonds	432,120	48,383	0	480,503	0
Issue 11 Various Purpose	1,815,000	0	580,000	1,235,000	605,000
Issue 11 Sewers Refunding Bonds	1,295,000	0	135,000	1,160,000	135,000
Issue 11 D.W.A.K. Refunding Bonds	555,000	0	135,000	420,000	140,000
Issue 11 Clague Park Dam and Street Improvements Refunding Bonds	1,345,000	0	440,000	905,000	450,000
Street Improvements Refunding Bonds	1,005,000	0	140,000	865,000	140,000
Street Improvements and Water Lines Refunding Bonds	1,170,000	0	385,000	785,000	390,000
Unamortized Premium	13,390	0	1,339	12,051	0
Deferred Amount on Refunding	(147,800)	0	(14,780)	(133,020)	0
<i>Total General Obligation Bonds</i>	<u>22,292,439</u>	<u>108,625</u>	<u>2,836,559</u>	<u>19,564,505</u>	<u>2,960,000</u>
<b>Special Assessment Bonds (with governmental commitment)</b>					
Clemens Road	40,000	0	40,000	0	0
Sewer System Improvements	4,000	0	2,000	2,000	2,000
West Hedgewood Sewer Improvements	15,000	0	5,000	10,000	5,000
Marview Waterline	50,000	0	5,000	45,000	5,000
Bradley Sidewalks	15,000	0	15,000	0	0
Various Purpose Improvements	155,000	0	30,000	125,000	30,000
Various Purpose Improvements	690,000	0	30,000	660,000	30,000
Issue 11 Sewers Refunding Bonds	100,000	0	25,000	75,000	25,000
Issue 11 D.W.A.K. Refunding Bonds	320,000	0	35,000	285,000	35,000
Sewer System Phase III Refunding Bonds	210,000	0	20,000	190,000	20,000
Street Improvements Bond	0	4,620,000	0	4,620,000	125,000
Unamortized Premium	1,490	314,530	4,081	311,939	0
Deferred Amount on Refunding	(16,400)	0	(1,640)	(14,760)	0
<i>Total Special Assessment Bonds</i>	<u>1,584,090</u>	<u>4,934,530</u>	<u>209,441</u>	<u>6,309,179</u>	<u>277,000</u>
<b>OPWC Loans</b>					
Issue 11	184,042	0	20,450	163,592	20,449
Issue 2	806,235	0	40,312	765,923	40,312
<b>Total OPWC Loans</b>	<u>990,277</u>	<u>0</u>	<u>60,762</u>	<u>929,515</u>	<u>60,761</u>
Compensated Absences Payable	3,316,223	1,554,035	1,212,051	3,658,207	310,000
Landfill Postclosure Costs	708,130	0	37,270	670,860	37,270
<b>Total Governmental Long-Term Liabilities</b>	<u>\$28,891,159</u>	<u>\$6,597,190</u>	<u>\$4,356,083</u>	<u>\$31,132,266</u>	<u>\$3,645,031</u>

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

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**General obligation bonds** General obligation bonds are direct obligations of the City for which its full faith and credit are pledged for repayment. General obligation bonds are to be repaid from both voted and unvoted general property taxes levied on all taxable property located within the City. Tax monies will be received in and the debt will be retired from the general obligation bond debt service fund.

The 1997 safety facility refunding and advance refunding bonds include serial bonds and capital appreciation bonds. This year the addition on these bonds was \$108,625 which represents the annual accretion of discounted interest. The final amount of these bonds will be \$1,580,000, with a maturity date of December 2010.

Sewer general obligation bonds are paid out of the Sewer enterprise fund to the extent that resources are available.

**Special assessment bonds** Special assessment bonds are payable from the proceeds of assessments against the specific property owners who primarily benefited from the project. Special assessment monies will be received in and the debt will be retired from the special assessment debt service fund. In the event that property owners fail to make their special assessment payments, the City is responsible for providing the resources to meet the annual principal and interest payments.

***Refunded Bonds***

On March 22, 2004, the City issued \$6,155,000 in general obligation refunding bonds and \$685,000 in special assessment refunding bonds at interest rates varying from 1.25 percent to 3.40 percent. Proceeds were used to refund \$6,540,000 of the outstanding 1993, 1994 and 1997 Issue 11 and street and water line improvements general obligation and special assessment bonds.

Proceeds were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded 1993 and 1994 water and sewer construction bonds. As a result, \$6,540,000 of these bonds were considered defeased and the liability for the refunded bonds has been removed from the basic financial statements. The amount still outstanding at December 31, 2005 is \$1,950,000.

**Other long-term obligations** Compensated absences will be paid from the reserve for compensated absences special revenue fund, in accordance with section 5705.13(B), Ohio Revised Code. The Issue 2 Loan liability is payable semiannually from the general obligation bond debt service fund. The loans are interest free.

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

The City's overall legal debt margin was \$119,235,603 at December 31, 2005. Principal and interest requirements to retire the long-term obligations outstanding at December 31, 2005, are as follows:

Year	General Obligation Bonds		Capital Appreciation Bonds	
	Principal	Interest	Principal	Interest
2006	\$2,960,000	\$840,765	\$0	\$0
2007	2,540,000	734,762	0	0
2008	920,000	643,300	180,565	369,435
2009	705,000	600,040	162,381	387,619
2010	765,000	569,518	105,982	134,018
2011-2015	4,665,000	2,220,715	99,269	140,731
2016-2020	5,370,000	922,462	0	0
2021-2025	0	0	0	0
<b>Total</b>	<b>\$17,925,000</b>	<b>\$6,531,562</b>	<b>\$548,197</b>	<b>\$1,031,803</b>

Year	Special Assessment Bonds		OPWC Loans	Total	
	Principal	Interest		Principal	Interest
2006	\$277,000	\$290,076	\$60,761	\$3,297,761	\$1,130,841
2007	320,000	243,812	60,761	2,920,761	978,574
2008	320,000	233,933	60,761	1,481,326	1,246,668
2009	310,000	224,208	60,761	1,238,142	1,211,867
2010	295,000	214,141	60,761	1,226,743	917,677
2011-2015	1,415,000	919,610	262,907	6,442,176	3,281,056
2016-2020	1,465,000	637,950	201,559	7,036,559	1,560,412
2021-2025	1,610,000	256,160	161,244	1,771,244	256,160
<b>Total</b>	<b>\$6,012,000</b>	<b>\$3,019,890</b>	<b>\$929,515</b>	<b>\$25,414,712</b>	<b>\$10,583,255</b>

**Note 17 - Construction and Other Significant Commitments**

At December 31, 2005, the City's significant contractual commitments consisted of:

Project	Contract Amount	Amount Paid	Remaining on Contract
Service Center Construction	\$6,671,421	\$4,177,020	\$2,494,401
Road Improvements	5,050,093	4,582,671	467,422
Recreation Center Expansion	2,682,600	2,626,369	56,231
Center Ridge Resurfacing	2,114,470	1,233,745	880,725
Westwood Road Water Improvements	1,543,173	1,185,863	357,310
<b>Total</b>	<b>\$18,061,757</b>	<b>\$13,805,668</b>	<b>\$4,256,089</b>

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

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**Note 18 - Industrial Development Revenue Bonds**

The City has issued three series of industrial development revenue bonds in the aggregate outstanding principal amount of \$27,190,000 at December 31, 2005 for facilities used by private corporations or other entities. The City is not obligated in any way to pay debt related charges on the bonds from any of its funds, and therefore, they have been excluded entirely from the City's debt presentation. There has not been and there is not currently any condition of default under the bonds or the related financing documents.

**Note 19 - Joint Venture - Rocky River Wastewater Treatment Plant**

The Rocky River Wastewater Treatment Plant (the "Plant") is a joint venture among the cities of Fairview Park, Bay Village, Rocky River and Westlake. The plant is governed by a Management Committee consisting of the elected mayors of the four member cities and a fifth person nominated and elected by the mayors. The Management Committee has authority over all aspects of the Plant's operation, however, all employees are employees of the City of Rocky River. The Plant supplies all participating residents of the member cities with sewer services. Each city owns the sewage lines located in its city and bills its residents for usage. Continued existence of the Plant is dependent on the City's continued participation, and the City has an equity interest in the Plant. The City's equity interest is \$9,829,738 which represents 40.18 percent of the total equity in the Plant. The Plant is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit to or burden on the City. Complete financial statements can be obtained from the City of Rocky River, 21012 Hilliard Boulevard, Rocky River, Ohio 44116.

**Note 20 - Jointly Governed Organizations**

***A. West Shore Council of Governments***

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 is comprised of one member from each of the six participating entities. The board 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. In 2005, the City contributed \$69,399 which represented 19.68 percent of total contributions. Complete financial information statements can be obtained from the City of Bay Village 350 Dover Center Road, Bay Village, Ohio 44140.

The council has established two subsidiary organizations, the West Shore Hazardous Materials Committee ("HAZ MAT") which provides hazardous material protection and assistance, and the West Shore Enforcement Bureau which provides extra assistance to cities in the form of a Swat Team.

***B. Tri-City Park***

The Tri-City Park provides a recreational park to the cities of Westlake, Rocky River, and Fairview Park. The park is governed by a board consisting of the elected mayors of the three cities. The Board exercises total control over the operation of the park including budgeting, appropriating, contracting, and designating management.

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2005*

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Budgets are adopted by the Board. Each City's degree of control is limited to its representation on the Board. In 2005, the City contributed \$1,000 which represented 33 percent of total contributions.

***C. S.A.F.E Council of Governments***

The S.A.F.E Council of Governments was formed between municipalities to oppose changes to Cleveland Hopkins International Airport air traffic pattern. The Cities of Rocky River, Bay Village, Fairview Park and Westlake govern by a board consisting of the elected mayors. The board 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. The City of Westlake did not make any contributions to the S.A.F.E. in 2005.

***D. West Shore Area Rescue Association***

The West Shore Area Rescue Association (Weshare) helps foster cooperation between municipalities and hospitals to provide optimum emergency medical services. The Board is comprised of one member from each of the nine participating entities. The Board exercises total control over the operation of Weshare 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. In 2005, the City contributed \$300 which represented 8.3 percent of total contributions.

**Note 21 - Contingent Liabilities**

The City of Westlake is a party to legal proceedings seeking damages. The City management is of the opinion that ultimate disposition of these claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

**Note 22 – Subsequent Event**

On March 27, 2006, \$4,524,000 was awarded by a jury to a defendant in an eminent domain proceeding where the City took possession of certain land for a roadway construction project. The City appealed the verdict, and the initial appeal was denied. On June 14, 2006, a final settlement amount of \$4,000,000 was reached, subject to City Council approval. A liability has been recorded as "judgment payable" on the City's financial statements at December 31, 2005 for the final settlement amount.

# **Combining Statements and Individual Fund Schedules**

## ***Fund Descriptions - Nonmajor Funds***

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### ***Nonmajor Special Revenue Funds***

To account for revenues from specific sources which legally, or otherwise, are restricted to expenditures for specific purposes.

***Street Maintenance Fund*** - To account for that portion of the State gasoline tax and motor vehicle registration fees designated for street maintenance and repair.

***State Highway Fund*** - To account for that portion of the State gasoline tax and motor vehicle registration fees designated for maintenance of State highways within the City.

***Permissive Motor Vehicle License Fund*** - To account for the additional motor vehicle registration fees designated for maintenance and repair of streets within the City.

***Police Pension Fund*** - To account for accumulated property taxes levied for the payment of current employer contributions for police disability and pension benefits and the accrued liability.

***Fire Pension Fund*** - To account for accumulated property taxes levied for the payment of current employer contributions for fire disability and pension benefits and the accrued liability.

***Police and Fire Operating Fund*** - To account for accumulated property taxes levied for the payment of salaries and related expenditures for the safety forces. This is in addition to expenditures made from the general fund.

***Law Enforcement Fund*** - To account for monies seized from criminals by law enforcement officials in the course of their work and restricted, by State statute, for expenditures that would enhance the police department.

***Mandatory Drug Fines Fund*** - To account for the resources obtained from confiscated monies from criminal offenses and designated, by State statute, for expenditures that would enhance the police department.

***Alcohol Education Fund*** - To account for court fees obtained from D.W.I. cases and restricted by State statute for expenditures that would promote education about driving while intoxicated.

***Juvenile Diversion Fund*** - To account for monies received from Cuyahoga County to be used to establish or expand community policing programs.

***Federal Equitable Fund*** - To account for federal forfeiture monies returned to the City restricted for certain law enforcement purposes.

***FEMA Fund*** - To account for federal and State monies used for restoration of areas hit by natural disasters.

***Federal Grants Fund*** - To account for major receipts and disbursements of federal grant monies.

***Swimming Pool Operation Fund*** - To account for State and Federal monies used for the operation of the public swimming pool.

(continued)

### ***Fund Descriptions - Nonmajor Funds (continued)***

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***Senior/Community Service Fund*** - To account for money paid from participants in the City Office on Aging Programs.

***Central Dispatch Fund*** – To account for monies used for the salaries of dispatchers.

***Cemetery Operating Fund*** - To account for the operation and maintenance of two public cemeteries.

***Cemetery Investment Fund*** - To account for proceeds from the sale of cemetery lots.

***Westlake/Bay Ecological Fund*** - To account for proceeds from the sale of humus that is restricted to expenditures that promote recycling of yard waste materials and maintain and improve the appearance of the landfill.

***Newsletter Fund*** - To account for donations used to print the City-wide newsletter.

***Reserve for Compensated Absences Fund*** - To account for the accumulation of resources for accumulated sick leave and vacation leave, upon the termination of employment of employees in the City.

***City Donations Fund*** - To account for contributions from private sources whose use is restricted.

#### ***Nonmajor Debt Service Funds***

***General Obligation Bond Retirement Fund*** - To account for resources used for the payment of principal and interest and fiscal charges on general obligation debt.

***Special Assessment Bond Retirement Fund*** - To account for resources used for the retirement of debt issued to finance public improvements deemed to benefit the properties against which special assessments are levied.

***Issue 11 Bond Retirement Fund*** - To account for resources from a 3/8 percent increase in the income tax levy to be used for the retirement of debt issued to finance capital projects within the City.

#### ***Nonmajor Capital Projects Funds***

***Sanitary Sewer Improvement Fund*** – To account for State monies and interest revenues to be used for the cost of construction of new sewer lines within the City that will be donated to the sewer enterprise fund.

***Storm Drainage Fund*** - To account for charges to developers which are used to finance the City's cost of installing or cleaning ditches.

***Crocker Road Improvements Fund*** – The Crocker Road improvement fund accounts for note proceeds to be used for the Crocker Road improvement project.

***Issue 2 Improvements Fund*** - To account for the contractors costs and reimbursements on the Issue 2 infrastructure project.

***Grants Fund*** - To account for various State and Federal monies which are used for historical site preservation and the construction of recreation facilities.

***Senior Center Construction Fund*** - To account for monies and grants to be used to improve the senior center.

(continued)



***Fund Descriptions - Nonmajor Funds (continued)***

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***Park Improvements Fund*** - To account for the charges to developers for the construction of new park facilities and the acquisition of new park land.

***Impact Fees Fund*** - To account for impact fees charged to developers for new park facilities.

***Sidewalks Fund*** - To account for special assessments used for the construction of sidewalks throughout the City.

***City Hall Construction Fund*** - The City Hall construction fund accounts for note proceeds to be used to construct a new City Hall.

***Recreation Center Construction Fund*** - To account for income tax proceeds to be used for improvements to the recreation center.

***Recreation Center Bond Construction Fund*** - To account for interest revenue to be used for the construction of the recreation center. These monies are returned when the work is completed.

***Proprietary Fund***

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

***Enterprise Fund***

***Golf Course Fund*** - The golf course fund accounts for the operations of the City owned golf course.

**City of Westlake, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2005*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$7,615,476	\$1,837,207	\$11,511,637	\$20,964,320
Cash and Cash Equivalents with Fiscal Agents	0	25,166	0	25,166
with Escrow Agents	0	0	385,226	385,226
Accrued Interest Receivable	28,853	0	199,130	227,983
Intergovernmental Receivable	615,754	73,413	0	689,167
Municipal Income Taxes Receivable	0	621,413	49,827	671,240
Property Taxes Receivable	1,859,136	1,120,804	0	2,979,940
Special Assessments Receivable	0	5,972,000	0	5,972,000
<i>Total Assets</i>	<u>\$10,119,219</u>	<u>\$9,650,003</u>	<u>\$12,145,820</u>	<u>\$31,915,042</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$39,571	\$0	\$36,181	\$75,752
Contracts Payable	0	0	80,937	80,937
Accrued Wages and Benefits	112,916	0	558	113,474
Retainage Payable	0	0	385,226	385,226
Interfund Payable	629,500	0	0	629,500
Matured Compensated Absences Payable	53,193	0	0	53,193
Intergovernmental Payable	16,937	0	84	17,021
Deferred Revenue	2,290,002	7,370,930	15,855	9,676,787
Advances From Other Funds	0	0	4,477,800	4,477,800
<i>Total Liabilities</i>	<u>3,142,119</u>	<u>7,370,930</u>	<u>4,996,641</u>	<u>15,509,690</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	310,662	0	1,624,948	1,935,610
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	6,666,438	0	0	6,666,438
Debt Service Funds	0	2,279,073	0	2,279,073
Capital Projects Funds	0	0	5,524,231	5,524,231
<i>Total Fund Balances</i>	<u>6,977,100</u>	<u>2,279,073</u>	<u>7,149,179</u>	<u>16,405,352</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$10,119,219</u>	<u>\$9,650,003</u>	<u>\$12,145,820</u>	<u>\$31,915,042</u>

**City of Westlake, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2005*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Property and Other Local Taxes	\$1,800,537	\$1,200,365	\$0	\$3,000,902
Municipal Income Taxes	0	2,500,100	228,423	2,728,523
Charges for Services	452,300	0	1,150	453,450
Licenses, Permits and Fees	0	0	237,122	237,122
Fines and Forfeitures	68,899	0	0	68,899
Intergovernmental	2,064,249	146,826	911,960	3,123,035
Special Assessments	0	207,000	0	207,000
Interest	68,448	73,196	372,282	513,926
Donations	56,852	0	0	56,852
Miscellaneous	190	0	13,238	13,428
<i>Total Revenues</i>	<u>4,511,475</u>	<u>4,127,487</u>	<u>1,764,175</u>	<u>10,403,137</u>
<b>Expenditures</b>				
Current:				
General Government	607,117	0	0	607,117
Security of Persons and Property	2,492,818	0	0	2,492,818
Public Health Services	212,215	0	0	212,215
Transportation	904,468	0	0	904,468
Community Environment	63,822	0	0	63,822
Basic Utility Services	67,751	0	0	67,751
Leisure Time Activities	199,913	0	0	199,913
Capital Outlay	0	0	6,689,947	6,689,947
Debt Service:				
Principal Retirement	0	3,057,000	60,762	3,117,762
Interest and Fiscal Charges	0	954,479	94,178	1,048,657
Bond Issuance Costs	0	0	317,417	317,417
<i>Total Expenditures</i>	<u>4,548,104</u>	<u>4,011,479</u>	<u>7,162,304</u>	<u>15,721,887</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(36,629)</u>	<u>116,008</u>	<u>(5,398,129)</u>	<u>(5,318,750)</u>
<b>Other Financing Sources (Uses)</b>				
Bonds Issued	0	0	4,620,000	4,620,000
Bond Premium	0	0	314,530	314,530
Transfers In	686,000	133,438	565,002	1,384,440
Transfers Out	0	0	(41,667)	(41,667)
<i>Total Other Financing Sources (Uses)</i>	<u>686,000</u>	<u>133,438</u>	<u>5,457,865</u>	<u>6,277,303</u>
<i>Net Change in Fund Balances</i>	649,371	249,446	59,736	958,553
<i>Fund Balances Beginning of Year</i>	<u>6,327,729</u>	<u>2,029,627</u>	<u>7,089,443</u>	<u>15,446,799</u>
<i>Fund Balances End of Year</i>	<u>\$6,977,100</u>	<u>\$2,279,073</u>	<u>\$7,149,179</u>	<u>\$16,405,352</u>

**City of Westlake, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2005*

	Street Maintenance	State Highway	Permissive Motor Vehicle License	Police Pension
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$643,049	\$614,218	\$468,203	\$148,651
Accrued Interest Receivable	2,360	8,542	7,021	0
Intergovernmental Receivable	379,668	30,783	95,183	22,024
Property Taxes Receivable	0	0	0	371,827
<i>Total Assets</i>	<u>\$1,025,077</u>	<u>\$653,543</u>	<u>\$570,407</u>	<u>\$542,502</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$3,083	\$19,345	\$0	\$0
Accrued Wages and Benefits	7,932	0	0	0
Interfund Payable	0	0	0	0
Matured Compensated Absences Payable	0	0	0	0
Intergovernmental Payable	1,190	0	0	0
Deferred Revenue	240,347	19,487	60,912	393,851
<i>Total Liabilities</i>	<u>252,552</u>	<u>38,832</u>	<u>60,912</u>	<u>393,851</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	13,203	0	0	0
Unreserved, Undesignated (Deficit)	759,322	614,711	509,495	148,651
<i>Total Fund Balances</i>	<u>772,525</u>	<u>614,711</u>	<u>509,495</u>	<u>148,651</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,025,077</u>	<u>\$653,543</u>	<u>\$570,407</u>	<u>\$542,502</u>

<u>Fire Pension</u>	<u>Police and Fire Operating</u>	<u>Law Enforcement</u>	<u>Mandatory Drug Fines</u>	<u>Alcohol Education</u>	<u>Juvenile Diversion</u>	<u>Federal Equitable</u>
\$90,031	\$1,579,799	\$165,177	\$20,914	\$37,423	\$2,090	\$296,180
0	0	0	0	0	0	6,402
22,024	66,072	0	0	0	0	0
<u>371,827</u>	<u>1,115,482</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$483,882</u>	<u>\$2,761,353</u>	<u>\$165,177</u>	<u>\$20,914</u>	<u>\$37,423</u>	<u>\$2,090</u>	<u>\$302,582</u>
\$0	\$0	\$0	\$0	\$5,500	\$0	\$0
0	34,709	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	5,206	0	0	0	0	0
<u>393,851</u>	<u>1,181,554</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>393,851</u>	<u>1,221,469</u>	<u>0</u>	<u>0</u>	<u>5,500</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0	8,000
<u>90,031</u>	<u>1,539,884</u>	<u>165,177</u>	<u>20,914</u>	<u>31,923</u>	<u>2,090</u>	<u>294,582</u>
<u>90,031</u>	<u>1,539,884</u>	<u>165,177</u>	<u>20,914</u>	<u>31,923</u>	<u>2,090</u>	<u>302,582</u>
<u>\$483,882</u>	<u>\$2,761,353</u>	<u>\$165,177</u>	<u>\$20,914</u>	<u>\$37,423</u>	<u>\$2,090</u>	<u>\$302,582</u>

(continued)

**City of Westlake, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2005 (continued)*

	FEMA	Swimming Pool Operation	Senior/ Community Service	Central Dispatch
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$607,305	\$55,442	\$36,937	\$38,401
Accrued Interest Receivable	0	0	0	0
Intergovernmental Receivable	0	0	0	0
Property Taxes Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$607,305</u>	<u>\$55,442</u>	<u>\$36,937</u>	<u>\$38,401</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$0	\$55	\$797	\$7,116
Accrued Wages and Benefits	0	0	0	19,440
Interfund Payable	629,500	0	0	0
Matured Compensated Absences Payable	0	0	0	0
Intergovernmental Payable	0	0	0	2,916
Deferred Revenue	0	0	0	0
<i>Total Liabilities</i>	<u>629,500</u>	<u>55</u>	<u>797</u>	<u>29,472</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	262,154	0	2,622	19,072
Unreserved, Undesignated (Deficit)	<u>(284,349)</u>	<u>55,387</u>	<u>33,518</u>	<u>(10,143)</u>
<i>Total Fund Balances</i>	<u>(22,195)</u>	<u>55,387</u>	<u>36,140</u>	<u>8,929</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$607,305</u>	<u>\$55,442</u>	<u>\$36,937</u>	<u>\$38,401</u>

Cemetery Operating	Cemetery Investment	Westlake/ Bay Ecological	Newsletter	Reserve for Compensated Absences	City Donations	Total Nonmajor Special Revenue Funds
\$138,102	\$425,206	\$135,713	\$5,136	\$1,973,151	\$134,348	\$7,615,476
4,528	0	0	0	0	0	28,853
0	0	0	0	0	0	615,754
0	0	0	0	0	0	1,859,136
<u>\$142,630</u>	<u>\$425,206</u>	<u>\$135,713</u>	<u>\$5,136</u>	<u>\$1,973,151</u>	<u>\$134,348</u>	<u>\$10,119,219</u>

\$1,285	\$0	\$232	\$0	\$0	\$2,158	\$39,571
1,051	0	1,610	0	48,174	0	112,916
0	0	0	0	0	0	629,500
0	0	0	0	53,193	0	53,193
157	0	241	0	7,227	0	16,937
0	0	0	0	0	0	2,290,002
<u>2,493</u>	<u>0</u>	<u>2,083</u>	<u>0</u>	<u>108,594</u>	<u>2,158</u>	<u>3,142,119</u>
3,660	0	1,242	0	0	709	310,662
136,477	425,206	132,388	5,136	1,864,557	131,481	6,666,438
<u>140,137</u>	<u>425,206</u>	<u>133,630</u>	<u>5,136</u>	<u>1,864,557</u>	<u>132,190</u>	<u>6,977,100</u>
<u>\$142,630</u>	<u>\$425,206</u>	<u>\$135,713</u>	<u>\$5,136</u>	<u>\$1,973,151</u>	<u>\$134,348</u>	<u>\$10,119,219</u>

**City of Westlake, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2005*

	Street Maintenance	State Highway	Permissive Motor Vehicle License	Police Pension
<b>Revenues</b>				
Property and Other Local Taxes	\$0	\$0	\$0	\$360,107
Charges for Services	0	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	1,146,570	92,965	235,306	44,048
Interest	12,059	15,754	14,277	0
Donations	0	0	0	0
Miscellaneous	100	0	0	0
<i>Total Revenues</i>	<u>1,158,729</u>	<u>108,719</u>	<u>249,583</u>	<u>404,155</u>
<b>Expenditures</b>				
Current:				
General Government	0	0	0	0
Security of Persons and Property	0	0	0	631,338
Public Health Services	0	0	0	0
Transportation	885,123	19,345	0	0
Community Environment	0	0	0	0
Basic Utility Services	0	0	0	0
Leisure Time Activities	0	0	0	0
<i>Total Expenditures</i>	<u>885,123</u>	<u>19,345</u>	<u>0</u>	<u>631,338</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	273,606	89,374	249,583	(227,183)
<b>Other Financing Sources</b>				
Transfers In	0	0	0	200,000
<i>Net Change in Fund Balances</i>	273,606	89,374	249,583	(27,183)
<i>Fund Balances Beginning of Year</i>	<u>498,919</u>	<u>525,337</u>	<u>259,912</u>	<u>175,834</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$772,525</u></u>	<u><u>\$614,711</u></u>	<u><u>\$509,495</u></u>	<u><u>\$148,651</u></u>



Fire Pension	Police and Fire Operating	Law Enforcement	Mandatory Drug Fines	Alcohol Education	Juvenile Diversion	Federal Equitable
\$360,107	\$1,080,323	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
0	0	20,246	19,664	25,989	3,000	0
44,048	132,143	0	0	0	0	0
0	0	0	0	0	0	10,079
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>404,155</u>	<u>1,212,466</u>	<u>20,246</u>	<u>19,664</u>	<u>25,989</u>	<u>3,000</u>	<u>10,079</u>
0	0	0	0	0	0	0
699,324	974,770	14,036	18,262	5,256	3,220	19,541
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	0
0	0	0	0	0	0	0
<u>699,324</u>	<u>974,770</u>	<u>14,036</u>	<u>18,262</u>	<u>5,256</u>	<u>3,220</u>	<u>19,541</u>
(295,169)	237,696	6,210	1,402	20,733	(220)	(9,462)
<u>250,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(45,169)	237,696	6,210	1,402	20,733	(220)	(9,462)
<u>135,200</u>	<u>1,302,188</u>	<u>158,967</u>	<u>19,512</u>	<u>11,190</u>	<u>2,310</u>	<u>312,044</u>
<u>\$90,031</u>	<u>\$1,539,884</u>	<u>\$165,177</u>	<u>\$20,914</u>	<u>\$31,923</u>	<u>\$2,090</u>	<u>\$302,582</u>

(continued)

**City of Westlake, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Year Ended December 31, 2005*

	FEMA	Swimming Pool Operation	Senior/ Community Service	Central Dispatch
<b>Revenues</b>				
Property and Other Local Taxes	\$0	\$0	\$0	\$0
Charges for Services	0	226,321	131,785	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	369,169	0	0	0
Interest	0	0	0	0
Donations	0	0	0	0
Miscellaneous	0	90	0	0
<i>Total Revenues</i>	<u>369,169</u>	<u>226,411</u>	<u>131,785</u>	<u>0</u>
<b>Expenditures</b>				
Current:				
General Government	391,364	0	0	0
Security of Persons and Property	0	0	0	127,071
Public Health Services	0	0	126,181	0
Transportation	0	0	0	0
Community Environment	0	0	0	0
Basic Utility Services	0	0	0	0
Leisure Time Activities	0	199,913	0	0
<i>Total Expenditures</i>	<u>391,364</u>	<u>199,913</u>	<u>126,181</u>	<u>127,071</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(22,195)	26,498	5,604	(127,071)
<b>Other Financing Sources</b>				
Transfers In	0	0	0	136,000
<i>Net Change in Fund Balances</i>	(22,195)	26,498	5,604	8,929
<i>Fund Balances Beginning of Year</i>	<u>0</u>	<u>28,889</u>	<u>30,536</u>	<u>0</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>(\$22,195)</u></u>	<u><u>\$55,387</u></u>	<u><u>\$36,140</u></u>	<u><u>\$8,929</u></u>

Cemetery Operating	Cemetery Investment	Westlake/ Bay Ecological	Newsletter	Reserve for Compensated Absences	City Donations	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$0	\$1,800,537
12,425	19,920	61,849	0	0	0	452,300
0	0	0	0	0	0	68,899
0	0	0	0	0	0	2,064,249
16,279	0	0	0	0	0	68,448
0	0	0	575	0	56,277	56,852
0	0	0	0	0	0	190
<u>28,704</u>	<u>19,920</u>	<u>61,849</u>	<u>575</u>	<u>0</u>	<u>56,277</u>	<u>4,511,475</u>
0	0	0	0	215,753	0	607,117
0	0	0	0	0	0	2,492,818
83,209	2,825	0	0	0	0	212,215
0	0	0	0	0	0	904,468
0	0	0	0	0	63,822	63,822
0	0	67,751	0	0	0	67,751
0	0	0	0	0	0	199,913
<u>83,209</u>	<u>2,825</u>	<u>67,751</u>	<u>0</u>	<u>215,753</u>	<u>63,822</u>	<u>4,548,104</u>
(54,505)	17,095	(5,902)	575	(215,753)	(7,545)	(36,629)
<u>100,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>686,000</u>
45,495	17,095	(5,902)	575	(215,753)	(7,545)	649,371
<u>94,642</u>	<u>408,111</u>	<u>139,532</u>	<u>4,561</u>	<u>2,080,310</u>	<u>139,735</u>	<u>6,327,729</u>
<u>\$140,137</u>	<u>\$425,206</u>	<u>\$133,630</u>	<u>\$5,136</u>	<u>\$1,864,557</u>	<u>\$132,190</u>	<u>\$6,977,100</u>

**City of Westlake, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Debt Service Funds*  
*December 31, 2005*

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Issue 11 Bond Retirement	Total Nonmajor Debt Service Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$1,457,132	\$338,590	\$41,485	\$1,837,207
Cash and Cash Equivalents with Fiscal Agents	0	0	25,166	25,166
Intergovernmental Receivable	73,413	0	0	73,413
Municipal Income Taxes Receivable	236,137	0	385,276	621,413
Property Taxes Receivable	1,120,804	0	0	1,120,804
Special Assessments Receivable	0	5,972,000	0	5,972,000
<i>Total Assets</i>	<u>\$2,887,486</u>	<u>\$6,310,590</u>	<u>\$451,927</u>	<u>\$9,650,003</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Deferred Revenue	\$1,267,854	\$5,972,000	\$131,076	\$7,370,930
<b>Fund Balances</b>				
Unreserved, Undesignated	<u>1,619,632</u>	<u>338,590</u>	<u>320,851</u>	<u>2,279,073</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$2,887,486</u>	<u>\$6,310,590</u>	<u>\$451,927</u>	<u>\$9,650,003</u>

**City of Westlake, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Debt Service Funds*  
*For the Year Ended December 31, 2005*

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Issue 11 Bond Retirement	Total Nonmajor Debt Service Funds
<b>Revenues</b>				
Property and Other Local Taxes	\$1,200,365	\$0	\$0	\$1,200,365
Municipal Income Taxes	954,200	0	1,545,900	2,500,100
Intergovernmental	146,826	0	0	146,826
Special Assessments	0	207,000	0	207,000
Interest	0	73,196	0	73,196
<i>Total Revenues</i>	<u>2,301,391</u>	<u>280,196</u>	<u>1,545,900</u>	<u>4,127,487</u>
<b>Expenditures</b>				
Debt Service:				
Principal Retirement	1,445,000	207,000	1,405,000	3,057,000
Interest and Fiscal Charges	805,176	64,333	84,970	954,479
<i>Total Expenditures</i>	<u>2,250,176</u>	<u>271,333</u>	<u>1,489,970</u>	<u>4,011,479</u>
<i>Excess of Revenues Over Expenditures</i>	51,215	8,863	55,930	116,008
<b>Other Financing Sources</b>				
Transfers In	133,438	0	0	133,438
<i>Net Change in Fund Balances</i>	184,653	8,863	55,930	249,446
<i>Fund Balances Beginning of Year</i>	<u>1,434,979</u>	<u>329,727</u>	<u>264,921</u>	<u>2,029,627</u>
<i>Fund Balances End of Year</i>	<u>\$1,619,632</u>	<u>\$338,590</u>	<u>\$320,851</u>	<u>\$2,279,073</u>

**City of Westlake, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2005*

	Sanitary Sewer Improvement	Storm Drainage	Crocker Road Improvements	Issue 2 Improvements	Grants
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$651,613	\$5,101,423	\$202,896	\$1,257,975	\$296,609
Cash and Cash Equivalents with Escrow Agents	44,043	0	0	151,599	0
Accrued Interest Receivable	0	174,546	0	0	0
Municipal Income Taxes Receivable	0	0	0	0	0
<i>Total Assets</i>	<u>\$695,656</u>	<u>\$5,275,969</u>	<u>\$202,896</u>	<u>\$1,409,574</u>	<u>\$296,609</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts Payable	\$0	\$0	\$0	\$1,875	\$0
Contracts Payable	0	0	0	0	0
Accrued Wages and Benefits	0	0	0	100	0
Retainage Payable	44,043	0	0	151,599	0
Intergovernmental Payable	0	0	0	15	0
Deferred Revenue	0	0	0	0	0
Advances From Other Funds	2,300,000	0	0	2,177,800	0
<i>Total Liabilities</i>	<u>2,344,043</u>	<u>0</u>	<u>0</u>	<u>2,331,389</u>	<u>0</u>
<b>Fund Balances</b>					
Reserved for Encumbrances	420,537	0	2,810	719,374	0
Unreserved, Undesignated (Deficit)	(2,068,924)	5,275,969	200,086	(1,641,189)	296,609
<i>Total Fund Balances (Deficit)</i>	<u>(1,648,387)</u>	<u>5,275,969</u>	<u>202,896</u>	<u>(921,815)</u>	<u>296,609</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$695,656</u>	<u>\$5,275,969</u>	<u>\$202,896</u>	<u>\$1,409,574</u>	<u>\$296,609</u>

<u>Park Improvements</u>	<u>Impact Fees</u>	<u>Sidewalks</u>	<u>City Hall Construction</u>	<u>Recreation Center Construction</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$13,898	\$1,739,180	\$31,622	\$789,686	\$1,426,735	\$11,511,637
0	0	0	0	189,584	385,226
0	24,584	0	0	0	199,130
0	0	0	0	49,827	49,827
<u>\$13,898</u>	<u>\$1,763,764</u>	<u>\$31,622</u>	<u>\$789,686</u>	<u>\$1,666,146</u>	<u>\$12,145,820</u>
\$0	\$0	\$0	\$0	\$34,306	\$36,181
0	0	0	0	80,937	80,937
0	0	0	0	458	558
0	0	0	0	189,584	385,226
0	0	0	0	69	84
0	0	0	0	15,855	15,855
0	0	0	0	0	4,477,800
0	0	0	0	321,209	4,996,641
0	0	0	30,000	452,227	1,624,948
<u>13,898</u>	<u>1,763,764</u>	<u>31,622</u>	<u>759,686</u>	<u>892,710</u>	<u>5,524,231</u>
<u>13,898</u>	<u>1,763,764</u>	<u>31,622</u>	<u>789,686</u>	<u>1,344,937</u>	<u>7,149,179</u>
<u>\$13,898</u>	<u>\$1,763,764</u>	<u>\$31,622</u>	<u>\$789,686</u>	<u>\$1,666,146</u>	<u>\$12,145,820</u>

**City of Westlake, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2005*

	Sanitary Sewer Improvement	Storm Drainage	Crocker Road Improvements	Issue 2 Improvements	Grants
<b>Revenues</b>					
Municipal Income Taxes	\$0	\$0	\$0	\$0	\$0
Charges for Services	350	0	0	800	0
Licenses, Permits and Fees	0	155,140	0	0	0
Intergovernmental	0	0	0	911,960	0
Interest	0	226,437	2,970	0	0
Miscellaneous	0	0	0	0	0
<i>Total Revenues</i>	<u>350</u>	<u>381,577</u>	<u>2,970</u>	<u>912,760</u>	<u>0</u>
<b>Expenditures</b>					
Capital Outlay	1,167,819	13,173	264,911	1,851,683	8,135
Debt Service:					
Principal Retirement	0	0	0	60,762	0
Interest and Fiscal Charges	0	0	94,178	0	0
Bond Issuance Cost	0	0	317,417	0	0
<i>Total Expenditures</i>	<u>1,167,819</u>	<u>13,173</u>	<u>676,506</u>	<u>1,912,445</u>	<u>8,135</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,167,469)</u>	<u>368,404</u>	<u>(673,536)</u>	<u>(999,685)</u>	<u>(8,135)</u>
<b>Other Financing Sources (Uses)</b>					
Bonds Issued	0	0	4,620,000	0	0
Bond Premium	0	0	314,530	0	0
Transfers In	0	0	0	0	0
Transfers Out	0	0	0	0	0
<i>Total Other Financing Sources</i>	<u>0</u>	<u>0</u>	<u>4,934,530</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(1,167,469)</u>	<u>368,404</u>	<u>4,260,994</u>	<u>(999,685)</u>	<u>(8,135)</u>
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>(480,918)</u>	<u>4,907,565</u>	<u>(4,058,098)</u>	<u>77,870</u>	<u>304,744</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>(\$1,648,387)</u></u>	<u><u>\$5,275,969</u></u>	<u><u>\$202,896</u></u>	<u><u>(\$921,815)</u></u>	<u><u>\$296,609</u></u>



Senior Center Construction	Park Improvements	Impact Fees	Sidewalks	City Hall Construction	Recreation Center Construction	Recreation Center Bond Construction	Total Nonmajor Capital Projects Funds
\$0	\$0	\$0	\$0	\$0	\$228,423	\$0	\$228,423
0	0	0	0	0	0	0	1,150
0	0	81,982	0	0	0	0	237,122
0	0	0	0	0	0	0	911,960
0	0	83,815	59,060	0	0	0	372,282
0	0	0	0	11,838	1,400	0	13,238
0	0	165,797	59,060	11,838	229,823	0	1,764,175
18,943	112,309	52,432	1	0	3,200,541	0	6,689,947
0	0	0	0	0	0	0	60,762
0	0	0	0	0	0	0	94,178
0	0	0	0	0	0	0	317,417
18,943	112,309	52,432	1	0	3,200,541	0	7,162,304
(18,943)	(112,309)	113,365	59,059	11,838	(2,970,718)	0	(5,398,129)
0	0	0	0	0	0	0	4,620,000
0	0	0	0	0	0	0	314,530
0	0	0	548,973	0	16,029	0	565,002
(25,638)	0	0	0	0	0	(16,029)	(41,667)
(25,638)	0	0	548,973	0	16,029	(16,029)	5,457,865
(44,581)	(112,309)	113,365	608,032	11,838	(2,954,689)	(16,029)	59,736
44,581	126,207	1,650,399	(576,410)	777,848	4,299,626	16,029	7,089,443
\$0	\$13,898	\$1,763,764	\$31,622	\$789,686	\$1,344,937	\$0	\$7,149,179

## *Fund Descriptions - Fiduciary Fund*

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### *Fiduciary Fund*

Fiduciary fund reporting focuses on net assets and changes in net assets. 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's only trust fund is the Unclaimed Monies private purpose trust. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

### *Agency Fund*

***Deposits Fund*** - This fund accounts for deposits from various contractors, developers or individuals to insure compliance with City Ordinances. These monies are returned when the work is completed.

**City of Westlake, Ohio**  
*Statement of Changes in Assets and Liabilities*  
*Agency Fund*  
*For the Year Ended December 31, 2005*

	Balance 12/31/04	Additions	Reductions	Balance 12/31/05
<b>Deposits</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$1,703,315	\$439,447	\$339,391	\$1,803,371
<b>Liabilities</b>				
Undistributed Monies	\$114,192	\$0	\$0	\$114,192
Deposits Held and Due to Others	1,589,123	439,447	339,391	1,689,179
<i>Total Liabilities</i>	<u>\$1,703,315</u>	<u>\$439,447</u>	<u>\$339,391</u>	<u>\$1,803,371</u>

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

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property and Other Local Taxes	\$8,603,230	\$8,598,120	\$9,122,724	\$524,604
Municipal Income Taxes	10,661,333	10,655,000	11,530,426	875,426
Charges for Services	412,543	412,500	529,732	117,232
Licenses, Permits and Fees	688,611	688,000	705,222	17,222
Fines and Forfeitures	207,123	207,000	228,327	21,327
Intergovernmental	2,552,653	2,551,137	3,405,606	854,469
Interest	850,505	850,000	1,155,854	305,854
Rentals	51,030	51,000	53,868	2,868
Miscellaneous	128,555	127,900	234,682	106,782
<i>Total Revenues</i>	<u>24,155,583</u>	<u>24,140,657</u>	<u>26,966,441</u>	<u>2,825,784</u>
<b>Expenditures</b>				
Current:				
General Government				
Council				
Salaries	158,700	158,700	158,265	435
Fringe Benefits	34,500	34,500	33,249	1,251
Contractual Services	38,325	38,325	13,025	25,300
Materials and Supplies	6,000	6,000	1,829	4,171
Other	6,751	6,751	1,994	4,757
Total Council	<u>244,276</u>	<u>244,276</u>	<u>208,362</u>	<u>35,914</u>
Mayor				
Salaries	182,200	182,200	177,733	4,467
Fringe Benefits	39,200	39,200	32,246	6,954
Contractual Services	22,040	22,040	14,779	7,261
Materials and Supplies	6,270	6,270	5,231	1,039
Capital Outlay	1,055	1,055	1,055	0
Other	10,642	10,642	4,139	6,503
Total Mayor	<u>261,407</u>	<u>261,407</u>	<u>235,183</u>	<u>26,224</u>
Finance Department				
Salaries	311,500	311,500	304,534	6,966
Fringe Benefits	104,181	104,181	84,760	19,421
Contractual Services	584,123	584,123	478,455	105,668
Materials and Supplies	11,295	11,295	10,832	463
Other	17,657	17,657	2,197	15,460
Total Finance Department	<u>\$1,028,756</u>	<u>\$1,028,756</u>	<u>\$880,778</u>	<u>\$147,978</u>

(continued)

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Law Department				
Salaries	\$317,500	\$337,500	\$317,540	\$19,960
Fringe Benefits	75,300	75,300	74,376	924
Contractual Services	155,600	159,600	157,170	2,430
Materials and Supplies	1,759	1,759	1,468	291
Other	3,583	3,583	2,975	608
Total Law Department	553,742	577,742	553,529	24,213
Purchasing				
Salaries	157,500	157,500	151,894	5,606
Fringe Benefits	44,100	44,100	33,439	10,661
Contractual Services	6,655	6,655	4,287	2,368
Materials and Supplies	5,665	5,665	3,590	2,075
Capital Outlay	1,000	1,000	899	101
Other	2,427	2,427	1,152	1,275
Total Purchasing	217,347	217,347	195,261	22,086
Civil Service				
Salaries	3,000	3,000	813	2,187
Fringe Benefits	500	500	22	478
Contractual Services	28,000	28,000	12,406	15,594
Material and Supplies	3,500	3,500	1,534	1,966
Other	2,200	2,200	1,010	1,190
Total Civil Service	37,200	37,200	15,785	21,415
Engineering				
Salaries	469,600	469,600	383,873	85,727
Fringe Benefits	142,500	142,500	127,403	15,097
Contractual Services	93,087	93,087	68,675	24,412
Material and Supplies	30,410	30,410	24,521	5,889
Capital Outlay	8,750	8,750	5,817	2,933
Other	13,272	13,272	1,178	12,094
Total Engineering	757,619	757,619	611,467	146,152
Building Maintenance				
Salaries	21,000	21,000	20,403	597
Fringe Benefits	3,100	3,100	3,002	98
Contractual Services	408,098	408,098	350,502	57,596
Material and Supplies	27,650	27,650	22,505	5,145
Capital Outlay	5,000	5,000	0	5,000
Other	10,575	10,575	9,726	849
Total Building Maintenance	\$475,423	\$475,423	\$406,138	\$69,285

(continued)

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Miscellaneous				
Salaries	\$133,500	\$137,000	\$133,636	\$3,364
Fringe Benefits	291,822	316,600	240,429	76,171
Contractual Services	855,408	927,978	796,861	131,117
Material and Supplies	91,164	98,905	80,410	18,495
Capital Outlay	303,540	329,314	227,257	102,057
Other	669,838	777,475	693,153	84,322
Total Miscellaneous	2,345,272	2,587,272	2,171,746	415,526
Cable TV				
Salaries	35,000	35,000	147	34,853
Fringe Benefits	5,000	5,000	22	4,978
Capital Outlay	375,950	375,950	49,546	326,404
Other	50	50	20	30
Total Cable TV	416,000	416,000	49,735	366,265
Contracts				
Contractual Services	824,176	824,176	739,137	85,039
<i>Total General Government</i>	7,161,218	7,427,218	6,067,121	1,360,097
Security of Persons and Property				
Police Department				
Salaries	4,188,000	4,188,000	3,810,241	377,759
Fringe Benefits	827,110	827,110	616,136	210,974
Contractual Services	508,329	528,329	409,303	119,026
Materials and Supplies	176,139	176,139	144,207	31,932
Capital Outlay	164,328	164,328	140,912	23,416
Other	160,754	160,754	31,484	129,270
Total Police Department	6,024,660	6,044,660	5,152,283	892,377
Fire Department				
Salaries	2,675,000	2,765,000	2,724,188	40,812
Fringe Benefits	489,360	522,360	377,008	145,352
Contractual Services	381,697	381,697	296,686	85,011
Materials and Supplies	135,858	135,858	114,843	21,015
Capital Outlay	30,129	30,129	23,385	6,744
Other	153,693	153,693	14,528	139,165
Total Fire Department	\$3,865,737	\$3,988,737	\$3,550,638	\$438,099

(continued)

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Safety Town				
Salaries	\$7,000	\$7,000	\$6,896	\$104
Fringe Benefits	1,110	1,110	853	257
Other	11,286	11,286	8,361	2,925
Total Safety Town	19,396	19,396	16,110	3,286
<i>Total Security of Persons and Property</i>	9,909,793	10,052,793	8,719,031	1,333,762
Public Health Services				
Senior/Community				
Salaries	391,500	391,500	340,389	51,111
Fringe Benefits	94,700	94,700	78,722	15,978
Contractual Services	87,505	87,505	77,283	10,222
Materials and Supplies	27,740	27,740	24,393	3,347
Capital Outlay	9,077	9,077	2,577	6,500
Other	5,635	7,635	2,507	5,128
Total Public Health Services	616,157	618,157	525,871	92,286
Transportation				
Service Director				
Salaries	137,700	137,700	136,153	1,547
Fringe Benefits	34,900	34,900	29,652	5,248
Contractual Services	9,636	9,636	1,673	7,963
Materials and Supplies	4,916	4,916	3,773	1,143
Other	5,030	5,030	1,126	3,904
Total Service Director	192,182	192,182	172,377	19,805
City Service				
Salaries	1,396,000	1,396,000	1,189,901	206,099
Fringe Benefits	464,608	464,608	388,020	76,588
Contractual Services	1,457,677	1,537,677	1,506,227	31,450
Materials and Supplies	214,777	214,777	214,777	0
Capital Outlay	99,916	99,916	96,258	3,658
Other	141,145	141,145	25,584	115,561
Total City Service	3,774,123	3,854,123	3,420,767	433,356
Snow Removal				
Salaries	150,000	180,000	179,277	723
Fringe Benefits	2,500	32,500	27,294	5,206
Contractual Services	44,434	54,434	52,766	1,668
Other	1,500	1,500	375	1,125
Total Total City Service	198,434	268,434	259,712	8,722
<i>Total Transportation</i>	\$4,164,739	\$4,314,739	\$3,852,856	\$461,883

(continued)



**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Community Environment				
Planning				
Salaries	\$273,800	\$273,800	\$265,704	\$8,096
Fringe Benefits	66,300	66,300	63,895	2,405
Contractual Services	44,062	44,062	32,751	11,311
Materials and Supplies	12,605	12,605	8,224	4,381
Capital Outlay	3,000	3,000	2,397	603
Other	7,663	7,663	519	7,144
Total Planning	407,430	407,430	373,490	33,940
Zoning				
Contractual Services	3,000	3,000	2,026	974
Materials and Supplies	1,000	1,000	466	534
Total Zoning	4,000	4,000	2,492	1,508
Board of Building Standards				
Contractual Services	380	380	0	380
Materials and Supplies	120	120	110	10
Total Board of Building Standards	500	500	110	390
Inspection				
Salaries	624,000	624,000	614,279	9,721
Fringe Benefits	164,300	164,300	146,423	17,877
Contractual Services	38,327	38,327	25,941	12,386
Materials and Supplies	21,133	21,133	17,936	3,197
Capital Outlay	3,000	3,000	1,873	1,127
Other	15,784	15,784	3,895	11,889
Total Inspection	866,544	866,544	810,347	56,197
Architect				
Contractual Services	150,000	150,000	109,974	40,026
Unclaimed Monies				
Salaries	5,000	5,000	0	5,000
Other	33,000	33,000	30,028	2,972
Total Unclaimed Monies	38,000	38,000	30,028	7,972
<i>Total Community Environment</i>	<u>\$1,466,474</u>	<u>\$1,466,474</u>	<u>\$1,326,441</u>	<u>\$140,033</u>

(continued)

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Basic Utility Services				
Forester				
Salaries	\$182,000	\$182,000	\$171,254	\$10,746
Fringe Benefits	63,400	63,400	44,851	18,549
Contractual Services	25,800	25,800	21,707	4,093
Materials and Supplies	2,000	2,000	864	1,136
Other	12,488	12,488	6,622	5,866
Total Forester	\$285,688	\$285,688	\$245,298	\$40,390
Storm Drainage				
Salaries	5,300	5,300	0	5,300
Fringe Benefits	800	800	0	800
Contractual Services	58,900	58,900	54,821	4,079
Materials and Supplies	1,600	1,600	682	918
Capital Outlay	79,610	79,610	49,295	30,315
Other	25,200	25,200	16,477	8,723
Total Storm Drainage	171,410	171,410	121,275	50,135
Leaf Pick-Up				
Salaries	160,000	160,000	119,689	40,311
Fringe Benefits	24,000	24,000	17,607	6,393
Contractual Services	46,896	46,896	34,113	12,783
Other	5,769	5,769	492	5,277
Total Leaf Pick-Up	236,665	236,665	171,901	64,764
<i>Total Basic Utility Services</i>	<i>693,763</i>	<i>693,763</i>	<i>538,474</i>	<i>155,289</i>
Leisure Time Activities				
Recreation				
Salaries	197,500	197,500	189,894	7,606
Fringe Benefits	54,900	54,900	46,650	8,250
Contractual Services	132,520	132,520	72,502	60,018
Materials and Supplies	20,500	20,500	19,442	1,058
Other	250	250	74	176
Total Recreation	\$405,670	\$405,670	\$328,562	\$77,108

(continued)

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Year Ended December 31, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Park				
Salaries	\$183,200	\$183,200	\$156,327	\$26,873
Fringe Benefits	55,600	55,600	46,214	9,386
Contractual Services	162,057	162,057	128,735	33,322
Materials and Supplies	9,160	9,160	8,130	1,030
Capital Outlay	500	500	0	500
Other	18,191	18,191	12,261	5,930
Total Park	428,708	428,708	351,667	77,041
<i>Total Leisure Time Activities</i>	834,378	834,378	680,229	154,149
Capital Outlay				
Equipment Replacement				
Capital Outlay	976,806	976,806	491,572	485,234
<i>Total Expenditures</i>	25,823,328	26,384,328	22,201,595	4,182,733
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,667,745)	(2,243,671)	4,764,846	7,008,517
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Capital Assets	350,208	350,000	38,985	(311,015)
Advances In	3,875,820	3,873,500	1,344,000	(2,529,500)
Transfers In	766,461	766,000	25,638	(740,362)
Advances Out	(829,500)	(934,500)	(829,500)	105,000
Transfers Out	(4,068,973)	(4,068,973)	(4,041,973)	27,000
<i>Total Other Financing Sources (Uses)</i>	94,016	(13,973)	(3,462,850)	(3,448,877)
<i>Net Change in Fund Balance</i>	(1,573,729)	(2,257,644)	1,301,996	3,559,640
<i>Fund Balance Beginning of Year</i>	15,564,309	15,564,309	15,564,309	0
Prior Year Encumbrances Appropriated	1,474,251	1,474,251	1,474,251	0
<i>Fund Balance End of Year</i>	\$15,464,831	\$14,780,916	\$18,340,556	\$3,559,640

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recreation Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Municipal Income Taxes	\$250,000	\$250,000	\$250,000	\$0
Charges for Services	1,777,500	1,777,500	1,840,782	63,282
Interest	17,000	17,000	16,793	(207)
Miscellaneous	3,000	3,000	4,500	1,500
<i>Total Revenues</i>	<u>2,047,500</u>	<u>2,047,500</u>	<u>2,112,075</u>	<u>64,575</u>
<b>Expenditures</b>				
Current:				
Leisure Time Activities:				
Recreation:				
Salaries	1,037,850	1,037,850	962,691	75,159
Fringe Benefits	249,900	249,900	204,308	45,592
Contractual Services	692,071	692,071	605,930	86,141
Materials and Supplies	196,204	196,204	115,057	81,147
Capital Outlay	48,077	48,077	22,022	26,055
Other	124,200	124,200	89,508	34,692
<i>Total Expenditures</i>	<u>2,348,302</u>	<u>2,348,302</u>	<u>1,999,516</u>	<u>348,786</u>
<i>Net Change in Fund Balance</i>	(300,802)	(300,802)	112,559	413,361
<i>Fund Balance Beginning of Year</i>	873,549	873,549	873,549	0
Prior Year Encumbrances Appropriated	<u>32,352</u>	<u>32,352</u>	<u>32,352</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$605,099</u>	<u>\$605,099</u>	<u>\$1,018,460</u>	<u>\$413,361</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Issue 11 Improvements Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Municipal Income Taxes	\$2,400,000	\$2,400,000	\$2,708,200	\$308,200
Intergovernmental	0	0	1,021,541	1,021,541
Interest	185,000	185,000	194,371	9,371
Miscellaneous	0	0	5,408	5,408
<i>Total Revenues</i>	<u>2,585,000</u>	<u>2,585,000</u>	<u>3,929,520</u>	<u>1,344,520</u>
<b>Expenditures</b>				
Current:				
Capital Outlay:				
Issue 11 Improvements:				
Salaries	105,000	125,000	110,270	14,730
Fringe Benefits	16,300	16,300	16,186	114
Contractual Services	130,000	130,000	129,329	671
Capital Outlay	12,016,923	11,996,923	9,459,465	2,537,458
Other	83,315	83,315	74,217	9,098
<i>Total Expenditures</i>	<u>12,351,538</u>	<u>12,351,538</u>	<u>9,789,467</u>	<u>2,562,071</u>
<i>Net Change in Fund Balance</i>	(9,766,538)	(9,766,538)	(5,859,947)	3,906,591
<i>Fund Balance Beginning of Year</i>	9,920,756	9,920,756	9,920,756	0
Prior Year Encumbrances Appropriated	<u>755,038</u>	<u>755,038</u>	<u>755,038</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$909,256</u>	<u>\$909,256</u>	<u>\$4,815,847</u>	<u>\$3,906,591</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Service Center Construction Fund*  
*For the Year Ended December 31, 2005*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
	\$0	\$0	\$0	\$0
<b>Revenues</b>				
<b>Expenditures</b>				
Capital Outlay:				
Service Center Construction:				
Salaries	40,000	40,000	21,832	18,168
Fringe Benefits	6,000	6,000	3,274	2,726
Capital Outlay	7,012,084	7,012,084	6,651,409	360,675
Other	50,755	50,755	39,296	11,459
<i>Total Expenditures</i>	7,108,839	7,108,839	6,715,811	393,028
<i>Excess of Revenues Under Expenditures</i>	(7,108,839)	(7,108,839)	(6,715,811)	393,028
<b>Other Financing Sources (Uses)</b>				
Advances Out	(1,900,000)	(1,900,000)	0	1,900,000
Transfers In	3,000,000	3,000,000	2,807,000	(193,000)
<i>Total Other Financing Sources (Uses)</i>	1,100,000	1,100,000	2,807,000	1,707,000
<i>Net Change in Fund Balance</i>	(6,008,839)	(6,008,839)	(3,908,811)	2,100,028
<i>Fund Balance Beginning of Year</i>	5,942,797	5,942,797	5,942,797	0
Prior Year Encumbrances Appropriated	72,839	72,839	72,839	0
<i>Fund Balance End of Year</i>	\$6,797	\$6,797	\$2,106,825	\$2,100,028

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*in Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Sewer Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$1,835,000	\$1,835,000	\$1,628,204	(\$206,796)
Tap-In Fees	150,000	150,000	165,728	15,728
Interest	180,000	180,000	198,865	18,865
Miscellaneous	0	0	30	30
<i>Total Revenues</i>	<u>2,165,000</u>	<u>2,165,000</u>	<u>1,992,827</u>	<u>(172,173)</u>
<b>Expenses</b>				
Current:				
Sewer Fund:				
Personal Services	283,500	288,500	277,470	11,030
Fringe Benefits	91,280	91,280	88,469	2,811
Contractual Services	1,664,086	1,668,186	1,133,338	534,848
Materials and Supplies	16,319	16,319	11,972	4,347
Capital Outlay	552,945	552,945	552,595	350
Other	27,525	27,525	25,787	1,738
Debt Service:				
Principal Retirement	125,000	125,000	125,000	0
Interest and Fiscal Charges	25,500	25,500	25,313	187
<i>Total Expenses</i>	<u>2,786,155</u>	<u>2,795,255</u>	<u>2,239,944</u>	<u>555,311</u>
<i>Net Change in Fund Equity</i>	(621,155)	(630,255)	(247,117)	383,138
<i>Fund Equity Beginning of Year</i>	9,884,089	9,884,089	9,884,089	0
Prior Year Encumbrances Appropriated	<u>490,055</u>	<u>490,055</u>	<u>490,055</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$9,752,989</u>	<u>\$9,743,889</u>	<u>\$10,127,027</u>	<u>\$383,138</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Maintenance Fund*  
*For the Year Ended December 31, 2005*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Intergovernmental	\$950,000	\$950,000	\$1,153,683	\$203,683
Interest	5,000	5,000	10,321	5,321
Miscellaneous	0	0	100	100
<i>Total Revenues</i>	<u>955,000</u>	<u>955,000</u>	<u>1,164,104</u>	<u>209,104</u>
<b>Expenditures</b>				
Current:				
Transportation:				
Street Maintenance and Repair:				
Salaries	234,900	274,900	246,191	28,709
Fringe Benefits	77,800	77,800	69,864	7,936
Contractual Services	63,744	63,744	56,187	7,557
Materials and Supplies	519,316	589,316	571,793	17,523
Other	15,000	15,000	13,922	1,078
<i>Total Expenditures</i>	<u>910,760</u>	<u>1,020,760</u>	<u>957,957</u>	<u>62,803</u>
<i>Net Change in Fund Balance</i>	44,240	(65,760)	206,147	271,907
<i>Fund Balance Beginning of Year</i>	389,656	389,656	389,656	0
Prior Year Encumbrances Appropriated	<u>30,960</u>	<u>30,960</u>	<u>30,960</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$464,856</u></u>	<u><u>\$354,856</u></u>	<u><u>\$626,763</u></u>	<u><u>\$271,907</u></u>



**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*State Highway Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$75,000	\$75,000	\$93,542	\$18,542
Interest	11,000	11,000	11,219	219
<i>Total Revenues</i>	86,000	86,000	104,761	18,761
<b>Expenditures</b>				
Current:				
Transportation:				
State Highway				
Materials and Supplies	138,134	138,134	57,479	80,655
<i>Net Change in Fund Balance</i>	(52,134)	(52,134)	47,282	99,416
<i>Fund Balance Beginning of Year</i>	509,457	509,457	509,457	0
Prior Year Encumbrances Appropriated	38,134	38,134	38,134	0
<i>Fund Balance End of Year</i>	<u>\$495,457</u>	<u>\$495,457</u>	<u>\$594,873</u>	<u>\$99,416</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Permissive Motor Vehicle License Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$240,000	\$240,000	\$227,840	(\$12,160)
Interest	4,000	4,000	8,024	4,024
<i>Total Revenues</i>	244,000	244,000	235,864	(8,136)
<b>Expenditures</b>				
Current:				
Transportation:				
Permissive Motor Vehicle License:				
Other	11,893	11,893	5,255	6,638
<i>Net Change in Fund Balance</i>	232,107	232,107	230,609	(1,498)
<i>Fund Balance Beginning of Year</i>	225,701	225,701	225,701	0
Prior Year Encumbrances Appropriated	11,893	11,893	11,893	0
<i>Fund Balance End of Year</i>	<u>\$469,701</u>	<u>\$469,701</u>	<u>\$468,203</u>	<u>(\$1,498)</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police Pension Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property and Other Local Taxes	\$339,391	\$339,391	\$360,107	\$20,716
Intergovernmental	42,684	42,684	44,048	1,364
<i>Total Revenues</i>	382,075	382,075	404,155	22,080
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police Pension:				
Fringe Benefits	700,000	700,000	631,338	68,662
<i>Excess of Revenues Under Expenditures</i>	(317,925)	(317,925)	(227,183)	90,742
<b>Other Financing Sources</b>				
Transfers In	200,000	200,000	200,000	0
<i>Net Change in Fund Balance</i>	(117,925)	(117,925)	(27,183)	90,742
<i>Fund Balance Beginning of Year</i>	175,834	175,834	175,834	0
<i>Fund Balance End of Year</i>	<u>\$57,909</u>	<u>\$57,909</u>	<u>\$148,651</u>	<u>\$90,742</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Pension Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property and Other Local Taxes	\$339,391	\$339,391	\$360,107	\$20,716
Intergovernmental	42,684	42,684	44,048	1,364
<i>Total Revenues</i>	382,075	382,075	404,155	22,080
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Fire Pension:				
Fringe Benefits	725,000	740,000	699,324	40,676
<i>Excess of Revenues Under Expenditures</i>	(342,925)	(357,925)	(295,169)	62,756
<b>Other Financing Sources</b>				
Transfers In	250,000	250,000	250,000	0
<i>Net Change in Fund Balance</i>	(92,925)	(107,925)	(45,169)	62,756
<i>Fund Balance Beginning of Year</i>	135,200	135,200	135,200	0
<i>Fund Balance End of Year</i>	<u>\$42,275</u>	<u>\$27,275</u>	<u>\$90,031</u>	<u>\$62,756</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police and Fire Operating Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property and Other Local Taxes	\$1,018,177	\$1,018,177	\$1,080,323	\$62,146
Intergovernmental	128,047	128,047	132,143	4,096
<i>Total Revenues</i>	<u>1,146,224</u>	<u>1,146,224</u>	<u>1,212,466</u>	<u>66,242</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police and Fire Operating:				
Salaries	1,000,000	1,000,000	957,849	42,151
Fringe Benefits	14,500	14,500	14,100	400
<i>Total Expenditures</i>	<u>1,014,500</u>	<u>1,014,500</u>	<u>971,949</u>	<u>42,551</u>
<i>Net Change in Fund Balance</i>	131,724	131,724	240,517	108,793
<i>Fund Balance Beginning of Year</i>	<u>1,339,282</u>	<u>1,339,282</u>	<u>1,339,282</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,471,006</u></u>	<u><u>\$1,471,006</u></u>	<u><u>\$1,579,799</u></u>	<u><u>\$108,793</u></u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Law Enforcement Fund*  
*For the Year Ended December 31, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines and Forfeitures	\$23,000	\$23,000	\$20,246	(\$2,754)
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Capital Outlay	9,000	9,000	0	9,000
Other	31,000	31,000	19,536	11,464
<i>Total Expenditures</i>	40,000	40,000	19,536	20,464
<i>Net Change in Fund Balance</i>	(17,000)	(17,000)	710	17,710
<i>Fund Balance Beginning of Year</i>	158,967	158,967	158,967	0
<i>Fund Balance End of Year</i>	\$141,967	\$141,967	\$159,677	\$17,710

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Mandatory Drug Fines Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and Forfeitures	\$15,000	\$15,000	\$19,664	\$4,664
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Contractual Services	<u>20,000</u>	<u>20,000</u>	<u>18,262</u>	<u>1,738</u>
<i>Net Change in Fund Balance</i>	(5,000)	(5,000)	1,402	6,402
<i>Fund Balance Beginning of Year</i>	<u>19,512</u>	<u>19,512</u>	<u>19,512</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$14,512</u></u>	<u><u>\$14,512</u></u>	<u><u>\$20,914</u></u>	<u><u>\$6,402</u></u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Alcohol Education Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and Forfeitures	\$5,000	\$5,000	\$27,674	\$22,674
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Capital Outlay	41,000	41,000	36,000	5,000
Other	7,356	7,356	2,113	5,243
<i>Total Expenditures</i>	<u>48,356</u>	<u>48,356</u>	<u>38,113</u>	<u>10,243</u>
<i>Net Change in Fund Balance</i>	(43,356)	(43,356)	(10,439)	32,917
<i>Fund Balance Beginning of Year</i>	9,506	9,506	9,506	0
Prior Year Encumbrances Appropriated	<u>38,356</u>	<u>38,356</u>	<u>38,356</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$4,506</u></u>	<u><u>\$4,506</u></u>	<u><u>\$37,423</u></u>	<u><u>\$32,917</u></u>



**City of Westlake, 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, 2005*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and Forfeitures	\$6,000	\$6,000	\$3,000	(\$3,000)
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Salaries	4,000	4,000	2,757	1,243
Fringe Benefits	600	600	413	187
Other	1,400	1,400	50	1,350
<i>Total Expenditures</i>	<u>6,000</u>	<u>6,000</u>	<u>3,220</u>	<u>2,780</u>
<i>Net Change in Fund Balance</i>	0	0	(220)	(220)
<i>Fund Balance Beginning of Year</i>	<u>2,310</u>	<u>2,310</u>	<u>2,310</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,310</u></u>	<u><u>\$2,310</u></u>	<u><u>\$2,090</u></u>	<u><u>(\$220)</u></u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Federal Equitable Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Interest	\$6,000	\$6,000	\$4,081	(\$1,919)
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Capital Outlay	50,000	50,000	6,645	43,355
Other	50,000	50,000	20,896	29,104
<i>Total Expenditures</i>	<u>100,000</u>	<u>100,000</u>	<u>27,541</u>	<u>72,459</u>
<i>Net Change in Fund Balance</i>	(94,000)	(94,000)	(23,460)	70,540
<i>Fund Balance Beginning of Year</i>	<u>311,640</u>	<u>311,640</u>	<u>311,640</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$217,640</u></u>	<u><u>\$217,640</u></u>	<u><u>\$288,180</u></u>	<u><u>\$70,540</u></u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**FEMA Fund**  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$619,809	\$671,503	\$369,169	(\$302,334)
<b>Expenditures</b>				
Current:				
General Government:				
FEMA:				
Salaries	0	102,750	26,449	76,301
Fringe Benefits	100	100	0	100
Capital Outlay	627,193	629,447	626,215	3,232
Other	2,250	2,250	854	1,396
<i>Total Expenditures</i>	<u>629,543</u>	<u>734,547</u>	<u>653,518</u>	<u>81,029</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(9,734)</u>	<u>(63,044)</u>	<u>(284,349)</u>	<u>(221,305)</u>
<b>Other Financing Sources (Uses)</b>				
Advances In	639,138	692,444	629,500	(62,944)
Advances Out	(629,400)	(629,400)	0	629,400
<i>Total Other Financing Sources (Uses)</i>	<u>9,738</u>	<u>63,044</u>	<u>629,500</u>	<u>566,456</u>
<i>Net Change in Fund Balance</i>	4	0	345,151	345,151
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$4</u>	<u>\$0</u>	<u>\$345,151</u>	<u>\$345,151</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Federal Grants Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$150,000	\$150,000	\$0	(\$150,000)
<b>Expenditures</b>				
Current:				
Leisure Time Activities:				
Recreation:				
Salaries	100,000	100,000	0	100,000
Fringe Benefits	31,400	31,400	0	31,400
Other	18,600	18,600	0	18,600
<i>Total Expenditures</i>	<u>150,000</u>	<u>150,000</u>	<u>0</u>	<u>150,000</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Swimming Pool Operation Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$197,000	\$207,000	\$226,561	\$19,561
Miscellaneous	0	0	90	90
<i>Total Revenues</i>	<u>197,000</u>	<u>207,000</u>	<u>226,651</u>	<u>19,651</u>
<b>Expenditures</b>				
Current:				
Leisure Time Activities:				
Recreation:				
Salaries	115,600	115,600	115,497	103
Fringe Benefits	17,450	17,450	17,395	55
Contractual Services	34,622	44,622	27,790	16,832
Materials and Supplies	44,780	44,780	35,144	9,636
Other	11,130	11,130	4,119	7,011
<i>Total Expenditures</i>	<u>223,582</u>	<u>233,582</u>	<u>199,945</u>	<u>33,637</u>
<i>Net Change in Fund Balance</i>	(26,582)	(26,582)	26,706	53,288
<i>Fund Balance Beginning of Year</i>	28,649	28,649	28,649	0
Prior Year Encumbrances Appropriated	<u>32</u>	<u>32</u>	<u>32</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,099</u></u>	<u><u>\$2,099</u></u>	<u><u>\$55,387</u></u>	<u><u>\$53,288</u></u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Senior/Community Service Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for Services	\$102,000	\$107,000	\$131,785	\$24,785
<b>Expenditures</b>				
Current:				
Public Health Services:				
Senior/Community Services:				
Other	<u>113,959</u>	<u>138,959</u>	<u>135,052</u>	<u>3,907</u>
<i>Net Change in Fund Balance</i>	(11,959)	(31,959)	(3,267)	28,692
<i>Fund Balance Beginning of Year</i>	29,326	29,326	29,326	0
Prior Year Encumbrances Appropriated	<u>7,459</u>	<u>7,459</u>	<u>7,459</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$24,826</u></u>	<u><u>\$4,826</u></u>	<u><u>\$33,518</u></u>	<u><u>\$28,692</u></u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Central Dispatch Fund*  
*For the Year Ended December 31, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Fire Department:				
Salaries	166,200	166,200	73,465	92,735
Fringe Benefits	14,950	14,950	13,398	1,552
Contractual Services	21,950	21,950	21,119	831
Materials and Supplies	9,400	9,400	8,798	602
Capital Outlay	2,600	2,600	2,506	94
Other	4,900	4,900	4,501	399
<i>Total Expenditures</i>	220,000	220,000	123,787	96,213
<i>Excess of Revenues Under Expenditures</i>	(220,000)	(220,000)	(123,787)	96,213
<b>Other Financing Sources</b>				
Transfers In	220,000	220,000	136,000	(84,000)
<i>Net Change in Fund Balance</i>	0	0	12,213	12,213
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$12,213	\$12,213

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Cemetery Operating Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$15,000	\$15,000	\$12,425	(\$2,575)
Interest	7,000	7,000	17,387	10,387
<i>Total Revenues</i>	<u>22,000</u>	<u>22,000</u>	<u>29,812</u>	<u>7,812</u>
<b>Expenditures</b>				
Current:				
Public Health Services:				
Cemetery Operations:				
Salaries	40,900	40,900	34,053	6,847
Fringe Benefits	13,300	13,300	12,120	1,180
Contractual Services	18,600	18,600	12,229	6,371
Materials and Supplies	8,275	8,275	7,903	372
Capital Outlay	10,600	10,600	3,600	7,000
Other	23,535	23,535	17,847	5,688
<i>Total Expenditures</i>	<u>115,210</u>	<u>115,210</u>	<u>87,752</u>	<u>27,458</u>
<i>Excess of Revenues Under Expenditures</i>	(93,210)	(93,210)	(57,940)	35,270
<b>Other Financing Sources</b>				
Transfers In	100,000	100,000	100,000	0
<i>Net Change in Fund Balance</i>	6,790	6,790	42,060	35,270
<i>Fund Balance Beginning of Year</i>	90,237	90,237	90,237	0
Prior Year Encumbrances Appropriated	860	860	860	0
<i>Fund Balance End of Year</i>	<u>\$97,887</u>	<u>\$97,887</u>	<u>\$133,157</u>	<u>\$35,270</u>



**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Cemetery Investment Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for Services	\$15,000	\$15,000	\$19,920	\$4,920
<b>Expenditures</b>				
Current:				
Public Health Services:				
Cemetery Operations:				
Other	12,000	12,000	2,825	9,175
<i>Net Change in Fund Balance</i>	3,000	3,000	17,095	14,095
<i>Fund Balance Beginning of Year</i>	408,111	408,111	408,111	0
<i>Fund Balance End of Year</i>	<u>\$411,111</u>	<u>\$411,111</u>	<u>\$425,206</u>	<u>\$14,095</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Westlake/Bay Ecological Fund*  
*For the Year Ended December 31, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$40,000	\$40,000	\$61,849	\$21,849
<b>Expenditures</b>				
Current:				
Basic Utility Services:				
Litter Prevention:				
Salaries	25,000	25,000	13,259	11,741
Fringe Benefits	3,500	3,500	1,797	1,703
Contractual Services	30,281	30,281	27,727	2,554
Capital Outlay	19,390	19,390	13,690	5,700
Other	12,200	12,200	10,700	1,500
<i>Total Expenditures</i>	90,371	90,371	67,173	23,198
<i>Net Change in Fund Balance</i>	(50,371)	(50,371)	(5,324)	45,047
<i>Fund Balance Beginning of Year</i>	121,892	121,892	121,892	0
Prior Year Encumbrances Appropriated	17,671	17,671	17,671	0
<i>Fund Balance End of Year</i>	\$89,192	\$89,192	\$134,239	\$45,047

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Newsletter Fund*  
*For the Year Ended December 31, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Donations	\$700	\$700	\$575	(\$125)
<b>Expenditures</b>				
Current:				
General Government:				
Newsletter:				
Other	2,000	2,000	0	2,000
<i>Net Change in Fund Balance</i>	(1,300)	(1,300)	575	1,875
<i>Fund Balance Beginning of Year</i>	4,561	4,561	4,561	0
<i>Fund Balance End of Year</i>	<u>\$3,261</u>	<u>\$3,261</u>	<u>\$5,136</u>	<u>\$1,875</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Reserve for Compensated Absences Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Expenditures</b>				
Current:				
General Government:				
Compensated Absences:				
Personal Services	300,000	300,000	107,087	192,913
Fringe Benefits	10,000	10,000	72	9,928
<i>Total Expenditures</i>	<u>310,000</u>	<u>310,000</u>	<u>107,159</u>	<u>202,841</u>
<i>Net Change in Fund Balance</i>	(310,000)	(310,000)	(107,159)	202,841
<i>Fund Balance Beginning of Year</i>	<u>2,080,310</u>	<u>2,080,310</u>	<u>2,080,310</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,770,310</u></u>	<u><u>\$1,770,310</u></u>	<u><u>\$1,973,151</u></u>	<u><u>\$202,841</u></u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*City Donations Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Donations	\$44,500	\$44,500	\$56,277	\$11,777
<b>Expenditures</b>				
Current:				
Community Environment:				
Donations:				
Other	95,220	112,220	66,449	45,771
<i>Net Change in Fund Balance</i>	(50,720)	(67,720)	(10,172)	57,548
<i>Fund Balance Beginning of Year</i>	138,427	138,427	138,427	0
Prior Year Encumbrances Appropriated	3,226	3,226	3,226	0
<i>Fund Balance End of Year</i>	<u>\$90,933</u>	<u>\$73,933</u>	<u>\$131,481</u>	<u>\$57,548</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Obligation Bond Retirement Fund*  
*For the Year Ended December 31, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property and Other Local Taxes	\$950,000	\$950,000	\$950,000	\$0
Municipal Income Taxes	1,130,782	1,130,782	1,200,365	69,583
Intergovernmental	142,801	142,801	146,826	4,025
<i>Total Revenues</i>	2,223,583	2,223,583	2,297,191	73,608
<b>Expenditures</b>				
Debt Service:				
Principal Retirement	1,320,000	1,320,000	1,320,000	0
Interest and Fiscal Charges	797,500	797,500	796,738	762
<i>Total Expenditures</i>	2,117,500	2,117,500	2,116,738	762
<i>Net Change in Fund Balance</i>	106,083	106,083	180,453	74,370
<i>Fund Balance Beginning of Year</i>	1,276,679	1,276,679	1,276,679	0
<i>Fund Balance End of Year</i>	\$1,382,762	\$1,382,762	\$1,457,132	\$74,370

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Special Assessment Bond Retirement Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Special Assessments	\$340,000	\$340,000	\$280,196	(\$59,804)
<b>Expenditures</b>				
Debt Service:				
Principal Retirement	207,000	207,000	207,000	0
Interest and Fiscal Charges	66,000	66,000	64,333	1,667
<i>Total Expenditures</i>	<u>273,000</u>	<u>273,000</u>	<u>271,333</u>	<u>1,667</u>
<i>Net Change in Fund Balance</i>	67,000	67,000	8,863	(58,137)
<i>Fund Balance Beginning of Year</i>	<u>329,727</u>	<u>329,727</u>	<u>329,727</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$396,727</u>	<u>\$396,727</u>	<u>\$338,590</u>	<u>(\$58,137)</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Issue 11 Bond Retirement Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Municipal Income Taxes	\$1,550,000	\$1,550,000	\$1,550,000	\$0
<b>Expenditures</b>				
Debt Service:				
Principal Retirement	1,405,000	1,405,000	1,405,000	0
Interest and Fiscal Charges	110,500	110,500	110,136	364
<i>Total Expenditures</i>	<u>1,515,500</u>	<u>1,515,500</u>	<u>1,515,136</u>	<u>364</u>
<i>Net Change in Fund Balance</i>	34,500	34,500	34,864	364
<i>Fund Balance Beginning of Year</i>	<u>6,621</u>	<u>6,621</u>	<u>6,621</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$41,121</u>	<u>\$41,121</u>	<u>\$41,485</u>	<u>\$364</u>



**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Sanitary Sewer Improvement Fund*  
*For the Year Ended December 31, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$0	\$0	\$350	\$350
Special Assessments	30,000	30,000	0	(30,000)
<i>Total Revenues</i>	<u>30,000</u>	<u>30,000</u>	<u>350</u>	<u>(29,650)</u>
<b>Expenditures</b>				
Current:				
Capital Outlay:				
Sanitary Sewer Improvement:				
Salaries	40,000	40,000	3,242	36,758
Fringe Benefits	4,500	4,500	475	4,025
Capital Outlay	1,624,714	1,624,714	1,522,702	102,012
Other	50,100	50,100	59,876	(9,776)
<i>Total Expenditures</i>	<u>1,719,314</u>	<u>1,719,314</u>	<u>1,586,295</u>	<u>133,019</u>
<i>Excess of Revenues Under Expenditures</i>	(1,689,314)	(1,689,314)	(1,585,945)	103,369
<b>Other Financing Sources</b>				
Advances In	200,000	200,000	200,000	0
<i>Net Change in Fund Balance</i>	(1,489,314)	(1,489,314)	(1,385,945)	103,369
<i>Fund Balance Beginning of Year</i>	1,521,750	1,521,750	1,521,750	0
Prior Year Encumbrances Appropriated	139,314	139,314	139,314	0
<i>Fund Balance End of Year</i>	<u>\$171,750</u>	<u>\$171,750</u>	<u>\$275,119</u>	<u>\$103,369</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Storm Drainage Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Licenses, Permits and Fees	\$250,000	\$250,000	\$155,140	(\$94,860)
Interest	94,500	94,500	94,732	232
<i>Total Revenues</i>	<u>344,500</u>	<u>344,500</u>	<u>249,872</u>	<u>(94,628)</u>
<b>Expenditures</b>				
Current:				
Capital Outlay:				
Storm Drainage:				
Capital Outlay	<u>60,000</u>	<u>60,000</u>	<u>13,173</u>	<u>46,827</u>
<i>Total Expenses</i>	<u>60,000</u>	<u>60,000</u>	<u>13,173</u>	<u>46,827</u>
<i>Net Change in Fund Balance</i>	284,500	284,500	236,699	(47,801)
<i>Fund Balance Beginning of Year</i>	<u>4,894,180</u>	<u>4,894,180</u>	<u>4,894,180</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$5,178,680</u></u>	<u><u>\$5,178,680</u></u>	<u><u>\$5,130,879</u></u>	<u><u>(\$47,801)</u></u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Crocker Road Improvements Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Interest	\$20,445	\$38,970	\$39,220	250
<b>Expenditures</b>				
Current:				
Capital Outlay:				
Issue II Improvements:				
Salaries	4,000	24,000	5,467	18,533
Fringe Benefits	447	840	819	21
Capital Outlay	540,257	999,429	999,424	5
Other	12,358	23,240	23,220	20
Total Capital Outlay	557,062	1,047,509	1,028,930	18,579
Debt Service:				
Principal Retirement	4,644,717	8,734,000	8,734,000	0
Interest and Fiscal Charges	101,249	131,683	131,678	5
Bond Issuance Cost	137,581	317,417	317,417	0
Total Debt Service	4,883,547	9,183,100	9,183,095	5
<i>Total Expenditures</i>	5,440,609	10,230,609	10,212,025	18,584
<i>Excess of Revenues Under Expenditures</i>	(5,420,164)	(10,191,639)	(10,172,805)	18,834
<b>Other Financing Sources</b>				
Bonds Issued	1,910,366	4,620,000	4,620,000	0
Notes Issued	2,257,659	4,464,030	4,367,000	(97,030)
Bond Premium	314,530	314,530	314,530	0
<i>Total Other Financing Sources</i>	4,482,555	9,398,560	9,301,530	(97,030)
<i>Net Change in Fund Balance</i>	(937,609)	(793,079)	(871,275)	(78,196)
<i>Fund Balance Beginning of Year</i>	80,952	80,952	80,952	0
Prior Year Encumbrances Appropriated	990,409	990,409	990,409	0
<i>Fund Balance End of Year</i>	\$133,752	\$278,282	\$200,086	(\$78,196)

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Issue 2 Improvements Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$0	\$0	\$800	\$800
Intergovernmental	1,379,700	1,379,700	911,960	(467,740)
<i>Total Revenues</i>	<u>\$1,379,700</u>	<u>\$1,379,700</u>	<u>\$912,760</u>	<u>(\$466,940)</u>
<b>Expenditures</b>				
Current:				
Capital Outlay:				
Issue 2 Improvements:				
Salaries	20,000	50,000	26,846	23,154
Fringe Benefits	3,381	4,600	4,543	57
Capital Outlay	1,822,306	2,456,296	2,454,120	2,176
Other	59,885	81,469	48,963	32,506
Total Capital Outlay	1,905,572	2,592,365	2,534,472	57,893
Debt Service:				
Principal Retirement	53,293	72,500	60,762	11,738
<i>Total Expenditures</i>	<u>1,958,865</u>	<u>2,664,865</u>	<u>2,595,234</u>	<u>69,631</u>
<i>Net Change in Fund Balance</i>	(579,165)	(1,285,165)	(1,682,474)	(397,309)
<i>Fund Balance Beginning of Year</i>	1,487,434	1,487,434	1,487,434	0
Prior Year Encumbrances Appropriated	883,365	883,365	883,365	0
<i>Fund Balance End of Year</i>	<u>\$1,791,634</u>	<u>\$1,085,634</u>	<u>\$688,325</u>	<u>(\$397,309)</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Grants Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Capital Outlay:				
Grants:				
Other	9,850	9,850	8,135	1,715
<i>Net Change in Fund Balance</i>	(9,850)	(9,850)	(8,135)	1,715
<i>Fund Balance Beginning of Year</i>	304,744	304,744	304,744	0
<i>Fund Balance End of Year</i>	<u>\$294,894</u>	<u>\$294,894</u>	<u>\$296,609</u>	<u>\$1,715</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Senior Center Construction Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$43,908	\$43,908	\$0	(\$43,908)
<b>Expenditures</b>				
Current:				
Capital Outlay:				
Senior Center Construction:				
Capital Outlay	98,535	98,535	98,535	0
Other	3,590	3,590	3,590	0
<i>Total Expenditures</i>	<u>102,125</u>	<u>102,125</u>	<u>102,125</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(58,217)</u>	<u>(58,217)</u>	<u>(102,125)</u>	<u>(43,908)</u>
<b>Other Financing Uses</b>				
Advances Out	(344,000)	(344,000)	(344,000)	0
Transfer Out	(25,638)	(25,638)	(25,638)	0
<i>Total Other Financing Uses</i>	<u>(369,638)</u>	<u>(369,638)</u>	<u>(369,638)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(427,855)	(427,855)	(471,763)	(43,908)
<i>Fund Balance Beginning of Year</i>	365,633	365,633	365,633	0
Prior Year Encumbrances Appropriated	106,130	106,130	106,130	0
<i>Fund Balance End of Year</i>	<u>\$43,908</u>	<u>\$43,908</u>	<u>\$0</u>	<u>(\$43,908)</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Park Improvements Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Capital Outlay:				
Park Improvement:				
Capital Outlay	<u>126,207</u>	<u>126,207</u>	<u>112,309</u>	<u>13,898</u>
<i>Net Change in Fund Balance</i>	(126,207)	(126,207)	(112,309)	13,898
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	<u>126,207</u>	<u>126,207</u>	<u>126,207</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$13,898</u></u>	<u><u>\$13,898</u></u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Impact Fees Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Licenses, Permits and Fees	\$350,000	\$350,000	\$81,982	(\$268,018)
Interest	29,500	29,500	59,231	29,731
<i>Total Revenues</i>	<u>379,500</u>	<u>379,500</u>	<u>141,213</u>	<u>(238,287)</u>
<b>Expenditures</b>				
Current:				
Capital Outlay:				
Impact Fee:				
Capital Outlay	384,622	394,522	47,250	347,272
Other	9,900	9,900	9,851	49
<i>Total Expenditures</i>	<u>394,522</u>	<u>404,422</u>	<u>57,101</u>	<u>347,321</u>
<i>Net Change in Fund Balance</i>	(15,022)	(24,922)	84,112	109,034
<i>Fund Balance Beginning of Year</i>	1,636,546	1,636,546	1,636,546	0
Prior Year Encumbrances Appropriated	18,522	18,522	18,522	0
<i>Fund Balance End of Year</i>	<u>\$1,640,046</u>	<u>\$1,630,146</u>	<u>\$1,739,180</u>	<u>\$109,034</u>



**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Sidewalks Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Special Assessments	\$70,100	\$70,100	\$59,060	(\$11,040)
<b>Expenditures</b>				
Current:				
Capital Outlay:				
Sidewalk Improvement:				
Salaries	6,000	6,000	0	6,000
Fringe Benefits	900	900	0	900
Capital Outlay	25,598	25,598	22,799	2,799
<i>Total Expenditures</i>	<u>32,498</u>	<u>32,498</u>	<u>22,799</u>	<u>9,699</u>
<i>Excess of Revenues Over Expenditures</i>	<u>37,602</u>	<u>37,602</u>	<u>36,261</u>	<u>(1,341)</u>
<b>Other Financing Sources (Uses)</b>				
Advances Out	(950,000)	(950,000)	(950,000)	0
Transfers In	534,288	534,288	548,973	14,685
<i>Total Other Financing Sources (Uses)</i>	<u>(415,712)</u>	<u>(415,712)</u>	<u>(401,027)</u>	<u>14,685</u>
<i>Net Change in Fund Balance</i>	(378,110)	(378,110)	(364,766)	13,344
<i>Fund Balance Beginning of Year</i>	373,590	373,590	373,590	0
Prior Year Encumbrances Appropriated	22,798	22,798	22,798	0
<i>Fund Balance End of Year</i>	<u>\$18,278</u>	<u>\$18,278</u>	<u>\$31,622</u>	<u>\$13,344</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*City Hall Construction Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Other	\$0	\$0	\$11,838	\$11,838
<b>Expenditures</b>				
Capital Outlay:				
City Hall Construction:				
Contractual Services	3,472	3,472	0	3,472
Capital Outlay	30,000	30,000	30,000	0
Other	317	317	0	317
<i>Total Expenditures</i>	<u>33,789</u>	<u>33,789</u>	<u>30,000</u>	<u>3,789</u>
<i>Excess of Revenues Under Expenditures</i>	(33,789)	(33,789)	(18,162)	15,627
<b>Other Financing Uses</b>				
Transfers Out	(744,059)	(744,059)	0	744,059
<i>Net Change in Fund Balance</i>	(777,848)	(777,848)	(18,162)	759,686
<i>Fund Balance Beginning of Year</i>	744,060	744,060	744,060	0
Prior Year Encumbrances Appropriated	33,788	33,788	33,788	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$759,686</u>	<u>\$759,686</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recreation Center Construction Fund*  
*For the Year Ended December 31, 2005*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Municipal Income Taxes	\$95,000	\$95,000	\$200,459	\$105,459
Other	0	0	1,400	1,400
<i>Total Revenues</i>	<u>95,000</u>	<u>95,000</u>	<u>201,859</u>	<u>106,859</u>
<b>Expenditures</b>				
Current:				
Capital Outlay:				
Recreation Center Construction:				
Salaries	30,000	30,000	13,688	16,312
Fringe Benefits	4,500	4,500	2,052	2,448
Contractual Services	42,600	42,600	42,542	58
Capital Outlay	4,101,922	4,101,922	3,337,544	764,378
Other	87,500	87,500	67,117	20,383
<i>Total Expenditures</i>	<u>4,266,522</u>	<u>4,266,522</u>	<u>3,462,943</u>	<u>803,579</u>
<i>Excess of Revenues Under Expenditures</i>	(4,171,522)	(4,171,522)	(3,261,084)	910,438
<b>Other Financing Sources</b>				
Transfers In	16,029	16,029	16,029	0
<i>Net Change in Fund Balance</i>	(4,155,493)	(4,155,493)	(3,245,055)	910,438
<i>Fund Balance Beginning of Year</i>	4,166,382	4,166,382	4,166,382	0
Prior Year Encumbrances Appropriated	127,522	127,522	127,522	0
<i>Fund Balance End of Year</i>	<u>\$138,411</u>	<u>\$138,411</u>	<u>\$1,048,849</u>	<u>\$910,438</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recreation Center Bond Construction Fund*  
*For the Year Ended December 31, 2005*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	0	0	0	0
<b>Other Financing Uses</b>				
Transfers Out	<u>(16,029)</u>	<u>(16,029)</u>	<u>(16,029)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(16,029)	(16,029)	(16,029)	0
<i>Fund Balance Beginning of Year</i>	<u>16,029</u>	<u>16,029</u>	<u>16,029</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*in Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Golf Course Fund*  
*For the Year Ended December 31, 2005*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Charges for Services	\$588,000	\$588,000	\$502,641	(\$85,359)
Interest	2,000	2,000	2,000	0
Other	10,000	10,000	11,135	1,135
<i>Total Revenues</i>	600,000	600,000	515,776	(84,224)
<b>Expenses</b>				
Personal Services	264,000	264,000	241,659	22,341
Fringe Benefits	63,300	63,300	59,622	3,678
Contractual Services	114,640	114,640	78,326	36,314
Materials and Supplies	88,190	88,190	66,703	21,487
Capital Outlay	46,500	46,500	6,101	40,399
Other	24,597	24,597	21,350	3,247
<i>Total Expenses</i>	601,227	601,227	473,761	127,466
<i>Excess of Revenues Over (Under) Expenses</i>	(1,227)	(1,227)	42,015	43,242
<b>Other Financing Uses</b>				
Advances Out	(50,000)	(50,000)	(50,000)	0
<i>Net Change in Fund Equity</i>	(51,227)	(51,227)	(7,985)	43,242
<i>Fund Equity Beginning of Year</i>	67,663	67,663	67,663	0
Prior Year Encumbrances Appropriated	2,627	2,627	2,627	0
<i>Fund Equity End of Year</i>	\$19,063	\$19,063	\$62,305	\$43,242

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*in Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Self Insurance Fund*  
*For the Year Ended December 31, 2005*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$1,493,000	\$1,493,000	\$1,455,040	(\$37,960)
Interest	38,300	38,300	19,125	(19,175)
<i>Total Revenues</i>	1,531,300	1,531,300	1,474,165	(57,135)
<b>Expenses</b>				
Contractual Services	305,000	305,000	299,768	5,232
Claims	1,800,409	2,060,409	1,852,839	207,570
<i>Total Expenses</i>	2,105,409	2,365,409	2,152,607	212,802
<i>Net Change in Fund Equity</i>	(574,109)	(834,109)	(678,442)	155,667
<i>Fund Equity Beginning of Year</i>	1,306,241	1,306,241	1,306,241	0
Prior Year Encumbrances Appropriated	40,409	40,409	40,409	0
<i>Fund Equity End of Year</i>	\$772,541	\$512,541	\$668,208	\$155,667

# Statistical Section

This part of the City of Westlake, Ohio'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.	<b>S2-S11</b>
<b>Revenue Capacity</b>  These schedules contain information to help the reader assess the city's most significant local revenue source, the property tax, and the municipal income tax.	<b>S12-S19</b>
<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.	<b>S20-S26</b>
<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.	<b>S27-S29</b>
<b>Operating Information</b> These schedules contain service and infrastructure 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.	<b>S30-S34</b>

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The city implemented GASB Statement 34 in 2001; schedules presenting government-wide information include information beginning in that year.

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**City of Westlake, Ohio**  
Net Assets by Component  
Last Five Years  
*(accrual basis of accounting)*

	2005	2004	2003	2002	2001
<b>Governmental Activities</b>					
Invested in Capital Assets, Net of Related Debt	\$107,532,355	\$95,408,072	\$90,918,473	\$87,726,914	\$76,571,036
Restricted	31,249,085	37,559,907	35,710,547	34,748,143	37,694,765
Unrestricted	24,115,948	23,388,288	24,879,263	23,396,704	30,332,036
<i>Total Governmental Activities Net Assets</i>	<u>162,897,388</u>	<u>156,356,267</u>	<u>151,508,283</u>	<u>145,871,761</u>	<u>144,597,837</u>
<b>Business-Type Activities</b>					
Invested in Capital Assets, Net of Related Debt	33,192,749	32,689,796	32,564,585	32,600,462	32,240,318
Unrestricted	20,526,997	20,898,424	21,257,934	22,046,837	22,848,345
<i>Total Business-Type Activities Net Assets</i>	<u>53,719,746</u>	<u>53,588,220</u>	<u>53,822,519</u>	<u>54,647,299</u>	<u>55,088,663</u>
<b>Primary government</b>					
Invested in Capital Assets, Net of Related Debt	140,725,104	128,097,868	123,483,058	120,327,376	108,811,354
Restricted	31,249,085	37,559,907	35,710,547	34,748,143	37,694,765
Unrestricted	44,642,945	44,286,712	46,137,197	45,443,541	53,180,381
<i>Total Primary Government Net Assets</i>	<u>\$216,617,134</u>	<u>\$209,944,487</u>	<u>\$205,330,802</u>	<u>\$200,519,060</u>	<u>\$199,686,500</u>

**City of Westlake, Ohio**  
Changes in Net Assets  
Last Five Years  
*(accrual basis of accounting)*

	2005	2004	2003	2002	2001
<b>Program Revenues</b>					
Governmental Activities:					
Charges for Services:					
General Government	\$127,184	\$479,604	\$439,045	\$557,528	\$328,544
Security of Persons and Property	982,712	697,379	358,014	301,778	315,400
Public Health Services	245,703	217,676	109,774	112,691	102,326
Transportation	800	0	0	23,335	0
Community Environment	2,464	395,233	422,031	367,209	413,710
Basic Utility Services	591,125	375,328	271,828	283,095	420,401
Leisure Time Activities	2,153,198	2,159,425	1,954,280	2,009,919	1,808,310
Operating Grants and Contributions	1,991,525	1,494,552	1,561,028	1,607,321	1,252,164
Capital Grants and Contributions	6,508,012	615,617	416,865	866,330	4,290,615
<i>Total Governmental Activities Program Revenues</i>	<u>12,602,723</u>	<u>6,434,814</u>	<u>5,532,865</u>	<u>6,129,206</u>	<u>8,931,470</u>
Business-Type Activities:					
Charges for Services:					
Sewer	1,817,584	1,847,391	1,578,261	1,648,297	1,718,173
Golf Course	504,641	475,011	456,882	479,338	477,505
<i>Total Business-Type Activities Program Revenues</i>	<u>2,322,225</u>	<u>2,322,402</u>	<u>2,035,143</u>	<u>2,127,635</u>	<u>2,195,678</u>
<i>Total Primary Government Program Revenues</i>	<u>14,924,948</u>	<u>8,757,216</u>	<u>7,568,008</u>	<u>8,256,841</u>	<u>11,127,148</u>
<b>Expenses</b>					
Governmental Activities:					
General Government	7,374,119	6,143,020	5,579,719	8,288,139	8,405,770
Security of Persons and Property	12,050,809	11,750,100	10,545,048	10,701,215	10,338,153
Public Health Services	874,171	789,438	681,078	755,224	653,421
Transportation	12,801,841	9,106,958	6,468,674	7,435,759	5,967,956
Community Environment	1,635,242	1,628,983	1,004,252	1,253,995	1,141,786
Basic Utility Services	1,688,932	1,714,687	2,274,064	2,682,560	2,919,802
Leisure Time Activities	3,436,612	3,308,446	3,187,993	3,321,751	3,183,996
Interest and Fiscal Charges	1,176,075	1,439,879	1,524,599	1,746,348	1,784,341
<i>Total Governmental Activities Expenses</i>	<u>41,037,801</u>	<u>35,881,511</u>	<u>31,265,427</u>	<u>36,184,991</u>	<u>34,395,225</u>
Business-Type Activities:					
Sewer	3,076,178	3,021,810	3,011,609	3,255,674	2,606,026
Golf	510,441	483,123	520,339	510,649	427,768
<i>Total Business-Type Activities Expenses</i>	<u>3,586,619</u>	<u>3,504,933</u>	<u>3,531,948</u>	<u>3,766,323</u>	<u>3,033,794</u>
<i>Total Primary Government Expenses</i>	<u>\$44,624,420</u>	<u>\$39,386,444</u>	<u>\$34,797,375</u>	<u>\$39,951,314</u>	<u>\$37,429,019</u>

(continued)

**City of Westlake, Ohio**  
Changes in Net Assets (continued)  
Last Five Years  
*(accrual basis of accounting)*

	2005	2004	2003	2002	2001
<b>Net (Expense)/Revenue</b>					
Governmental Activities	(\$28,435,078)	(\$29,446,697)	(\$25,732,562)	(\$30,055,785)	(\$25,463,755)
Business-Type Activities	(1,264,394)	(1,182,531)	(1,496,805)	(1,638,688)	(838,116)
<i>Total Primary Government Net Expense</i>	<u>(\$29,699,472)</u>	<u>(\$30,629,228)</u>	<u>(\$27,229,367)</u>	<u>(\$31,694,473)</u>	<u>(\$26,301,871)</u>
<b>General Revenues and Other Changes in Net Assets</b>					
Governmental Activities:					
Taxes:					
Property and Other Local Taxes Levied For:					
General Purposes	\$9,003,584	\$9,010,253	\$8,577,934	\$8,188,115	\$7,779,723
Other Purposes	1,769,604	1,700,673	1,628,652	1,541,622	1,465,913
Debt Service	1,173,742	1,236,724	1,408,516	1,333,378	1,270,462
Municipal Income Taxes Levied For:					
General Purposes	11,995,713	10,255,307	9,560,032	10,009,473	10,021,195
Other Purposes	252,404	255,214	241,261	244,093	254,744
Debt Service	2,477,782	2,760,486	2,541,856	2,543,848	2,623,865
Capital Outlay	3,093,288	2,311,569	2,102,777	2,317,580	2,110,910
Grants and Entitlements not Restricted to Specific Programs	3,805,291	4,380,362	4,316,817	2,956,228	3,378,432
Investment Earnings	2,203,618	1,503,231	1,286,215	2,725,652	3,216,845
Gain (Loss) on Sale of Capital Assets	0	117,337	763,927	0	0
Miscellaneous	256,046	1,361,340	239,166	353,604	561,441
Transfers	(1,054,873)	(597,815)	(824,450)	(883,884)	187,834
<i>Total Governmental Activities</i>	<u>34,976,199</u>	<u>34,294,681</u>	<u>31,842,703</u>	<u>31,329,709</u>	<u>32,871,364</u>
Business-Type Activities:					
Investment Earnings	329,882	331,106	85,088	197,583	518,911
Miscellaneous	11,165	19,311	91,348	115,857	175
Transfers	1,054,873	597,815	824,450	883,884	(187,834)
<i>Total Business-Type Activities</i>	<u>1,395,920</u>	<u>948,232</u>	<u>1,000,886</u>	<u>1,197,324</u>	<u>331,252</u>
<i>Total Primary Government</i>	<u>36,372,119</u>	<u>35,242,913</u>	<u>32,843,589</u>	<u>32,527,033</u>	<u>33,202,616</u>
<b>Change in Net Assets</b>					
Governmental Activities	6,541,121	4,847,984	6,110,141	1,273,924	7,407,609
Business-Type Activities	131,526	(234,299)	(495,919)	(441,364)	(506,864)
<i>Total Primary Government Change in Net Assets</i>	<u>\$6,672,647</u>	<u>\$4,613,685</u>	<u>\$5,614,222</u>	<u>\$832,560</u>	<u>\$6,900,745</u>

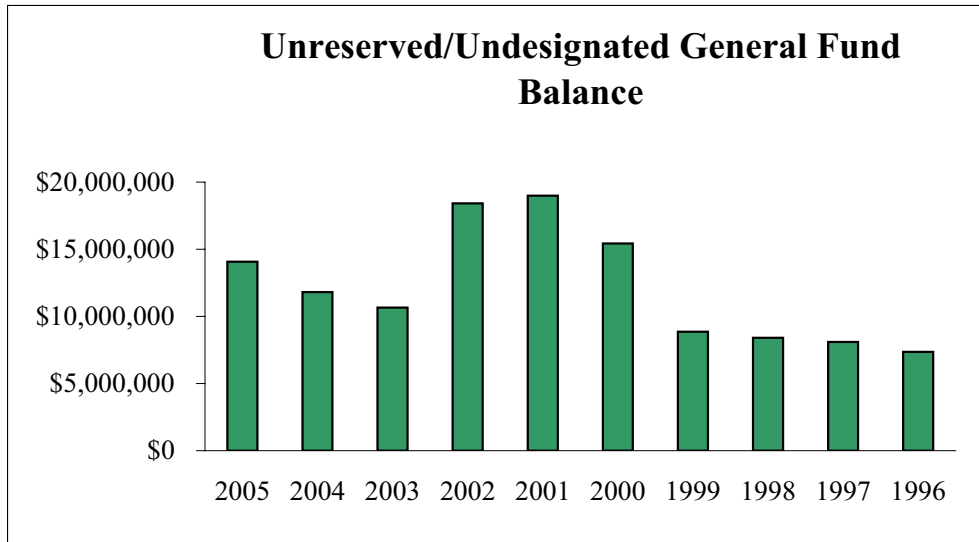
**City of Westlake, Ohio**  
Program Revenues by Function/Program  
Last Five Years  
*(accrual basis of accounting)*

	2005	2004	2003	2002	2001
<b>Function/Program</b>					
<b>Governmental Activities:</b>					
General Government	\$496,928	\$496,947	\$444,240	\$558,308	\$328,919
Security of Persons and Property	1,027,332	735,831	497,570	681,416	323,107
Public Health Services	245,703	261,584	365,866	112,691	102,326
Transportation	8,029,696	1,407,515	1,527,642	1,513,784	1,511,545
Community Environment	58,741	442,348	451,522	410,148	4,189,967
Basic Utility Services	591,125	931,164	291,745	842,940	420,401
Leisure Time Activities	2,153,198	2,159,425	1,954,280	2,009,919	2,055,205
<i>Total Governmental Activities</i>	<u>12,602,723</u>	<u>6,434,814</u>	<u>5,532,865</u>	<u>6,129,206</u>	<u>8,931,470</u>
<b>Business-type activities:</b>					
Sewer	1,817,584	1,847,391	1,578,261	1,648,297	1,718,173
Golf Course	504,641	475,011	456,882	479,338	477,505
<i>Total Business-Type Activities</i>	<u>2,322,225</u>	<u>2,322,402</u>	<u>2,035,143</u>	<u>2,127,635</u>	<u>2,195,678</u>
<i>Total Primary Government</i>	<u>\$14,924,948</u>	<u>\$8,757,216</u>	<u>\$7,568,008</u>	<u>\$8,256,841</u>	<u>\$11,127,148</u>

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**City of Westlake, Ohio**  
**Fund Balances, Governmental Funds**  
**Last Ten Years**  
*(modified accrual basis of accounting)*

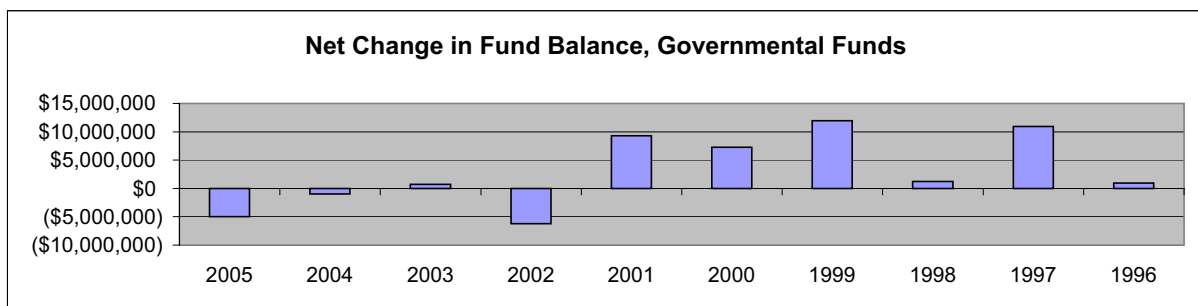
	2005	2004	2003	2002	2001
<b>General Fund</b>					
Reserved	\$7,806,445	\$6,815,484	\$10,021,597	\$7,935,585	\$8,836,531
Unreserved:					
Designated for Capital Acquisitions	7,591,251	7,969,632	7,796,347	0	0
Undesignated, Reported in:					
Unreserved	14,071,956	11,812,699	10,653,195	18,420,711	18,986,782
<b>Total General Fund</b>	<b>29,469,652</b>	<b>26,597,815</b>	<b>28,471,139</b>	<b>26,356,296</b>	<b>27,823,313</b>
<b>All Other Governmental Funds</b>					
Reserved	7,606,938	3,305,126	12,157,135	2,429,131	7,937,222
Undesignated, Reported in:					
Special Revenue funds	7,702,689	7,193,443	6,876,787	6,549,206	7,616,917
Debt Service funds	2,279,073	2,029,627	1,918,125	1,668,871	1,435,707
Capital Projects funds	6,336,540	19,218,232	9,725,106	21,400,641	19,807,379
<b>Total All Other Governmental Funds</b>	<b>23,925,240</b>	<b>31,746,428</b>	<b>30,677,153</b>	<b>32,047,849</b>	<b>36,797,225</b>
<b>Total Governmental Funds</b>	<b>\$53,394,892</b>	<b>\$58,344,243</b>	<b>\$59,148,292</b>	<b>\$58,404,145</b>	<b>\$64,620,538</b>



2000	1999	1998	1997	1996
\$7,885,805	\$12,269,450	\$10,161,530	\$4,597,043	\$1,919,236
7,342,068	6,129,196	6,209,483	5,910,842	5,340,056
15,422,886	8,857,270	8,409,420	8,091,929	7,360,496
30,650,759	27,255,916	24,780,433	18,599,814	14,619,788
3,755,925	6,022,584	1,397,739	7,456,960	727,983
4,515,270	4,203,606	3,803,157	2,841,148	2,675,938
0	1,330,876	1,096,150	1,434,344	833,427
15,961,874	8,786,877	4,063,271	3,665,030	4,234,786
24,233,069	20,343,943	10,360,317	15,397,482	8,472,134
\$54,883,828	\$47,599,859	\$35,140,750	\$33,997,296	\$23,091,922

**City of Westlake, Ohio**  
 Changes in Fund Balances, Governmental Funds  
 Last Ten Years  
 (modified accrual basis of accounting)

	2005	2004	2003	2002	2001
<b>Revenues</b>					
Property and Other Local Taxes	\$12,155,219	\$11,879,372	\$11,228,925	\$11,043,798	\$10,544,876
Municipal Income Taxes	17,578,476	15,470,140	14,784,860	15,188,139	15,615,349
Charges for Services	2,825,684	2,483,146	2,105,237	2,186,143	1,954,858
Licenses, Permits and Fees	924,303	1,318,527	1,053,268	1,000,703	1,080,632
Fines and Forfeitures	295,531	367,721	290,852	244,578	263,909
Intergovernmental	7,562,035	6,495,291	6,296,343	5,033,425	8,867,603
Special Assessments	221,910	236,764	218,000	254,419	325,453
Interest	2,188,708	1,503,231	1,243,422	2,725,652	3,216,845
Miscellaneous	370,566	1,545,841	353,887	940,834	724,365
<b>Total Revenues</b>	<b>44,122,432</b>	<b>41,300,033</b>	<b>37,574,794</b>	<b>38,617,691</b>	<b>42,593,890</b>
<b>Expenditures</b>					
Current:					
General Government	5,849,475	5,734,643	5,466,351	8,797,996	8,353,695
Security of Persons and Property	11,079,604	10,848,006	10,225,414	9,591,265	9,328,629
Public Health Services	734,291	705,667	611,694	679,044	552,394
Transportation	4,484,762	5,274,082	3,591,594	3,866,492	2,331,272
Community Environment	1,338,074	1,534,229	957,856	1,264,504	1,054,340
Basic Utility Services	603,055	673,328	1,349,688	1,969,874	1,714,022
Leisure Time Activities	2,802,362	2,722,184	2,705,819	2,759,712	2,542,274
Capital Outlay	22,774,913	11,202,721	8,584,014	11,509,834	3,726,438
Landfill Postclosure Costs	28,364	24,958	12,576	27,589	34,465
Debt service:					
Principal Retirement	3,117,762	3,142,450	2,968,450	2,814,449	2,814,453
Interest and Fiscal Charges	1,048,657	1,348,307	1,537,386	1,728,950	1,794,213
Bond Issuance Costs	317,417	138,718	0	0	0
<b>Total Expenditures</b>	<b>54,178,736</b>	<b>43,349,293</b>	<b>38,010,842</b>	<b>45,009,709</b>	<b>34,246,195</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(10,056,304)</b>	<b>(2,049,260)</b>	<b>(436,048)</b>	<b>(6,392,018)</b>	<b>8,347,695</b>
<b>Other Financing Sources (Uses)</b>					
Sale of Capital Assets	38,985	162,092	810,651	0	0
Notes and Bonds Issued	4,620,000	6,840,000	0	0	0
Bond Premium	314,530	16,067	0	0	0
Loan Issued	0	603,879	202,356	0	0
Special Assessment Bonds Issued	0	0	0	0	765,000
Proceeds of Bonds	0	0	0	0	0
Proceeds of Refunding Bonds	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	(6,717,348)	0	0	0
Transfers In	4,217,078	10,766,761	2,369,281	4,225,625	6,987,834
Transfers Out	(4,083,640)	(10,608,011)	(2,202,093)	(4,050,000)	(6,800,000)
<b>Total Other Financing Sources (Uses)</b>	<b>5,106,953</b>	<b>1,063,440</b>	<b>1,180,195</b>	<b>175,625</b>	<b>952,834</b>
<b>Net Change in Fund Balances</b>	<b>(\$4,949,351)</b>	<b>(\$985,820)</b>	<b>\$744,147</b>	<b>(\$6,216,393)</b>	<b>\$9,300,529</b>
Debt Service as a Percentage of Noncapital Expenditures	10.5%	13.9%	15.4%	13.5%	19.5%





2000	1999	1998	1997	1996
\$9,877,335	\$9,588,629	\$8,867,511	\$8,692,494	\$8,457,529
14,503,879	13,932,820	13,268,143	11,724,351	10,660,428
2,576,524	2,091,093	2,126,854	843,497	665,344
336,383	596,256	571,357	490,879	411,058
1,058,014	243,781	196,413	212,092	173,399
8,335,592	7,148,069	4,109,312	3,951,301	3,972,843
774,745	1,217,900	725,172	662,359	721,238
3,687,324	2,588,958	2,295,892	2,282,145	1,373,351
528,143	557,025	1,463,229	177,857	303,526
41,677,939	37,964,531	33,623,883	29,036,975	26,738,716
4,084,882	4,418,553	3,477,090	3,432,466	4,336,141
9,915,392	7,985,868	7,318,077	7,012,373	7,138,750
545,759	521,648	560,830	518,776	450,931
2,504,899	1,791,762	1,615,974	1,899,481	3,477,679
1,084,387	1,026,612	888,222	823,191	747,052
2,101,426	1,830,218	1,875,057	1,853,946	1,917,415
2,288,584	2,401,645	1,522,285	1,267,620	1,797,882
7,272,143	6,570,376	11,021,139	10,162,776	2,294,065
0	23,926	23,731	13,784	23,034
2,829,449	2,659,449	2,300,505	2,134,165	2,165,424
1,948,661	2,127,057	1,924,153	2,041,907	1,766,126
0	0	0	0	0
34,575,582	31,357,114	32,527,063	31,160,485	26,114,499
7,102,357	6,607,417	1,096,820	(2,123,510)	624,217
0	0	0	12,683	42,263
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	5,185,000	0	12,792,571	0
0	0	0	5,504,709	0
0	0	0	(5,404,882)	0
4,537,877	3,902,424	614,347	579,567	2,326,407
(4,388,299)	(3,752,857)	(464,780)	(430,000)	(2,064,828)
149,578	5,334,567	149,567	13,054,648	303,842
\$7,251,935	\$11,941,984	\$1,246,387	\$10,931,138	\$928,059
14.6%	16.2%	43.1%	18.3%	16.9%

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

	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
<b>Inside Millage</b>				
Operating	1.60000	1.50000	1.50000	1.50000
Debt	0.50000	0.60000	0.60000	0.60000
Fire Pension	0.30000	0.30000	0.30000	0.30000
Police Pension	0.30000	0.30000	0.30000	0.30000
Total Unvoted Millage	<u>2.70000</u>	<u>2.70000</u>	<u>2.70000</u>	<u>2.70000</u>
<b>Outside Millage</b>				
Operating	6.00000	6.00000	6.00000	6.00000
Debt	0.50000	0.50000	0.70000	0.70000
Police/Fire Operating	0.90000	0.90000	0.90000	0.90000
Total Voted Millage	<u>7.40000</u>	<u>7.40000</u>	<u>7.60000</u>	<u>7.60000</u>
<b>Total Millage</b>	<u><u>10.10000</u></u>	<u><u>10.10000</u></u>	<u><u>10.30000</u></u>	<u><u>10.30000</u></u>
<b>Overlapping Rates by Taxing District</b>				
Westlake School District				
Residential	27.86000	28.15000	30.00000	29.50000
General Business and Public Utility Personal	61.00000	61.00000	61.20000	60.60000
Westlake Porter Library				
Residential	2.30000	2.30000	1.80000	1.80000
General Business and Public Utility Personal	2.50000	2.50000	2.00000	2.00000
Cuyahoga County				
Residential	11.08000	11.09000	12.46000	11.38000
General Business and Public Utility Personal	13.52000	13.50000	14.65000	14.65000
City of Westlake				
Residential	10.10000	10.10000	10.30000	10.30000
General Business and Public Utility Personal	10.10000	10.10000	10.30000	10.30000
Special Taxing Districts (1)				
Residential	4.19000	3.51000	1.28000	1.28000
General Business and Public Utility Personal	4.48000	4.50000	1.55000	1.55000
Total				
Residential	55.53000	55.15000	55.84000	54.26000
General Business and Public Utility Personal	91.60000	91.60000	89.70000	89.10000

Source: Cuyahoga County Auditor

(1) Metro Parks, Port Authority, Community College

2001	2000	1999	1998	1997	1996
1.50000	1.38000	1.38000	1.38000	1.24000	1.18000
0.60000	0.72000	0.72000	0.72000	0.86000	0.92000
0.30000	0.30000	0.30000	0.30000	0.30000	0.30000
0.30000	0.30000	0.30000	0.30000	0.30000	0.30000
2.70000	2.70000	2.70000	2.70000	2.70000	2.70000
6.00000	6.00000	6.00000	6.00000	6.00000	6.00000
0.70000	0.90000	0.90000	0.60000	1.20000	1.30000
0.90000	0.90000	0.90000	0.90000	0.90000	0.90000
7.60000	7.80000	7.80000	7.50000	8.10000	8.20000
10.30000	10.50000	10.50000	10.20000	10.80000	10.90000
29.72000	27.62000	27.74000	27.81000	28.95000	26.71000
60.70000	61.10000	61.10000	61.00000	60.70000	58.30000
1.80000	1.97000	1.98000	1.67000	1.80000	1.80000
2.00000	2.00000	2.00000	2.00000	2.00000	2.00000
11.40000	11.41000	11.42000	9.66000	10.02000	10.03000
14.65000	13.75000	13.75000	15.05000	15.05000	15.05000
10.30000	10.50000	10.50000	10.20000	10.80000	10.90000
10.30000	10.50000	10.50000	10.20000	10.80000	10.90000
1.28000	1.43000	1.43000	1.43000	1.55000	1.55000
1.55000	1.55000	1.55000	1.55000	1.55000	1.55000
54.50000	52.93000	53.07000	50.77000	53.12000	50.99000
89.20000	88.90000	88.90000	89.80000	90.10000	87.80000

**City of Westlake, Ohio**  
 Assessed Valuation and Estimated True Values of Taxable Property  
 Last Ten Year

Collection Year	Real Property Assessed Values			Estimated Actual Value	Tangible Personal Property Assessed Values		Estimated Actual Value
	Residential/ Agricultural	Commercial Industrial	Public Utility		Public Utility	General Business	
2005	\$886,479,740	\$323,008,610	\$21,120	\$3,455,741,343	\$22,225,550	\$64,928,167	\$371,539,864
2004	872,094,890	309,650,930	21,100	3,376,476,914	22,652,240	67,303,512	318,365,147
2003	790,183,380	302,350,550	21,100	3,121,585,800	22,213,040	74,078,302	347,321,665
2002	782,899,333	289,565,507	21,100	3,064,245,543	23,522,370	77,021,986	361,608,166
2001	750,906,222	277,732,438	21,100	2,939,027,886	30,491,100	74,494,491	358,538,069
2000	652,167,196	241,212,524	16,670	2,552,561,114	30,889,430	69,493,252	337,246,199
1999	621,880,372	230,010,548	503,290	2,435,412,029	33,579,300	63,939,231	316,154,952
1998	604,993,464	223,764,706	503,290	2,369,318,457	34,326,270	64,750,544	320,531,229
1997	555,710,770	205,536,860	503,290	2,176,431,200	35,417,680	65,660,169	325,726,359
1996	538,934,925	199,332,095	514,810	2,110,805,229	35,226,690	57,920,927	291,860,447

Property is assessed every year. The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property is 88 percent. General businesspersonal property was assessed at 18.75 percent in 2005 and 23 percent in 2003 and 2004. 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%, 2 1/2% and homestead exemptions before being billed.

Source: Cuyahoga County, Ohio; County Auditor

Assessed Values	Total		Direct Tax Rate
	Estimated Actual Value	Ratio	
\$1,296,663,187	\$3,827,281,207	33.88%	\$10.10
1,271,722,672	3,694,842,061	34.42%	10.10
1,188,846,372	3,468,907,465	34.27%	10.30
1,173,030,296	3,425,853,709	34.24%	10.30
1,133,645,351	3,297,565,954	34.38%	10.30
993,779,072	2,889,807,313	34.39%	10.50
949,912,741	2,751,566,981	34.52%	10.50
928,338,274	2,689,849,686	34.51%	10.20
862,828,769	2,502,157,559	34.48%	10.80
831,929,447	2,402,665,676	34.63%	10.90

**City of Westlake, Ohio**  
Property Tax Levies And Collections  
Last Ten Years

Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections (1)	Percent of Total Tax Collections To Tax Levy
2005	\$13,949,573	\$14,317,638	102.64 %	\$822,863	\$15,140,501	108.54 %
2004	13,961,856	12,644,208	90.56	458,047	13,102,255	93.84
2003	11,434,306	10,960,238	95.85	270,303	11,230,541	98.22
2002	11,225,940	10,695,012	95.27	307,667	11,002,679	98.01
2001	11,310,839	10,922,571	96.57	250,109	11,172,680	98.78
2000	9,908,961	9,338,060	94.24	174,345	9,512,405	96.00
1999	9,543,649	9,142,265	95.79	195,253	9,337,518	97.84
1998	9,078,834	8,598,110	94.71	113,626	8,711,736	95.96
1997	8,896,826	8,445,688	94.93	99,814	8,545,502	96.05
1996	8,637,861	8,250,402	95.51	120,360	8,370,762	96.91

Source: Cuyahoga County, Ohio; County Auditor

Note: The County does not identify delinquent collections by the year for which the tax was levied.

(1) State reimbursement of rollback and homestead exemptions are included.

**City of Westlake, Ohio**  
Principal Taxpayers  
January 1, 2004 and January 1, 1995

Taxpayer	January 1, 2004	
	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Toledo-Lucas County Port Authority (Crocker Park)	\$16,909,200	1.40%
Cleveland Electric Illuminating Company	11,651,843	0.96
King James Properties and Affiliates	9,704,010	0.80
Westlake Center Associates	9,030,945	0.75
University Hospital Health Systems	8,898,330	0.74
Energizer Battery Manufacturing, Inc.	7,381,185	0.61
Remington-OP & F, Incorporated	5,901,665	0.49
Sturbridge Square Apartments	5,507,215	0.46
Crossings Village Westlake LLC	5,380,410	0.44
WXZ Arbors, LLC	5,361,755	0.44
	\$85,726,558	7.09%
<b>Total Assessed Valuation</b>	<b>\$1,209,509,470</b>	

Taxpayer	January 1, 1995	
	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Cleveland Electric Illuminating Company	\$19,382,580	2.62%
Westlake Health Campus Association	10,548,060	1.43
Ohio Bell Telephone Co.	9,846,500	1.33
King James Park Ltd.	8,777,650	1.19
Westlake Center Associates	7,669,920	1.04
Eveready Battery Company	6,379,800	0.86
Columbia Gas of Ohio Inc.	5,987,520	0.81
Fort Austin Ltd. Partnership	5,223,050	0.71
Kopf-Newton Venture I	4,900,000	0.66
Metric Institutional Apartment Fund II	4,757,550	0.64
	\$83,472,630	11.29%
<b>Total Assessed Valuation</b>	<b>\$738,781,830</b>	

Note: Property assessed at 35 percent of fair market value. Real property taxes paid in 2005 are based on January 1, 2004 values. Real property taxes paid in 1996 are based on January 1, 1995 values.

Source: Cuyahoga County Auditor

**City of Westlake, Ohio**  
Income Tax Revenue Base and Collections  
Last Ten Years

Tax Year	Tax Rate	Total Tax Collected	Taxes From Withholding	Percentage of Taxes From Withholding	Taxes From Net Profits	Percentage of Taxes From Net Profits	Taxes From Individuals	Percentage of Taxes From Individuals
2005	1.50 %	\$16,511,134	\$12,981,410	79 %	\$1,316,119	8 %	\$2,213,605	13 %
2004	1.50	15,092,505	12,012,167	80	1,108,912	7	1,971,426	13
2003	1.50	14,878,677	11,696,293	79	1,190,241	8	1,992,143	13
2002	1.50	15,102,037	11,719,909	78	1,270,182	8	2,111,946	14
2001	1.50	14,711,782	11,202,349	76	1,511,533	10	1,997,900	14
2000	1.50	13,896,554	10,861,632	78	1,172,511	8	1,862,411	13
1999	1.50	13,388,076	10,186,585	76	1,504,171	11	1,697,320	13
1998	1.50	12,762,667	9,734,433	76	1,155,515	9	1,872,719	15
1997	1.50	11,602,867	8,750,062	75	1,233,356	11	1,619,449	14
1996*	1.50	10,391,448	7,888,922	76	1,046,825	10	1,455,701	14

% Represents percent of total tax collected

**Sources:** Regional Income Tax Agency data - certain amounts may be estimates - years are tax years. Number of filers does not equal total taxpayers due to taxpayers paying city taxes through employer withholding only without filing requirement.

*\*Beginning in 1996 a change in the income tax rate from 1.375% to 1.50% for Recreation Center construction was approved.*



**City of Westlake, Ohio**

Income Tax Statistics

Last Five Years

Income Averages For Westlake Tax Years 2000-2004					
Tax Year	Income Range (Dollars)	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
2004	0-24,999	3,880	32.60 %	\$7,209,472	0.72 %
2004	25,000-49,999	2,298	19.31	85,367,519	8.45
2004	50,000-74,999	1,675	14.07	103,513,856	10.25
2004	75,000-99,999	1,170	9.83	101,500,150	10.05
2004	Over 100,000	<u>2,879</u>	24.19	<u>712,181,078</u>	70.53
	Total	<u>11,902</u>		<u>\$1,009,772,075</u>	
2003	0-19,999	3,229	27.52	24,979,968	2.85
2003	20,000-49,999	2,949	25.13	102,360,059	11.68
2003	50,000-74,999	1,791	15.26	110,800,569	12.65
2003	75,000-99,999	1,192	10.16	103,754,628	11.84
2003	Over 100,000	<u>2,572</u>	21.92	<u>534,332,449</u>	60.98
	Total	<u>11,733</u>		<u>\$876,227,673</u>	
2002	0-19,999	3,294	28.04	\$25,396,943	3.00
2002	20,000-49,999	3,082	26.24	107,176,144	12.67
2002	50,000-74,999	1,699	14.46	104,556,114	12.36
2002	75,000-99,999	1,173	9.99	101,787,972	12.03
2002	Over 100,000	<u>2,498</u>	21.27	<u>507,296,130</u>	59.95
	Total	<u>11,746</u>		<u>\$846,213,303</u>	
2001	0-19,999	3,468	27.87	26,425,879	3.02
2001	20,000-49,999	3,318	26.66	115,759,132	13.21
2001	50,000-74,999	1,840	14.79	113,602,441	12.97
2001	75,000-99,999	1,241	9.97	107,507,315	12.27
2001	Over 100,000	<u>2,577</u>	20.71	<u>512,830,405</u>	58.53
	Total	<u>12,444</u>		<u>\$876,125,172</u>	
2000	0-19,999	3,436	27.64	26,804,405	3.06
2000	20,000-49,999	3,363	27.06	116,720,464	13.34
2000	50,000-74,999	1,865	15.00	114,720,584	13.11
2000	75,000-99,999	1,244	10.01	107,808,814	12.32
2000	Over 100,000	<u>2,522</u>	20.29	<u>509,075,322</u>	58.17
	Total	<u>12,430</u>		<u>\$875,129,589</u>	

**Sources:** Regional Income Tax Agency data - certain amounts may be estimates - years are tax years. Number of filers does not equal total taxpayers due to taxpayers paying city taxes through employer withholding only without filing requirement.

**City of Westlake, Ohio**  
Ratio of Outstanding Debt to  
Total Personal Income and Debt Per Capita  
Last Ten Years

Governmental Activities					
Year	General Obligation Bonds	Special Assessment Bonds	Bond Anticipation Notes	OPWC Loans	Landfill Postclosure Costs
2005	\$17,925,000	\$6,012,000	\$0	\$929,515	\$670,860
2004	19,808,197	1,584,090	4,367,000	990,277	708,130
2003	24,399,174	1,781,000	7,200,000	406,848	516,975
2002	27,129,174	1,999,000	229,000	224,942	551,440
2001	29,714,174	2,208,000	4,025,000	245,391	585,905
2000	32,182,724	1,768,453	1,480,000	265,841	620,370
1999	34,652,302	2,107,874	1,430,000	286,290	520,125
1998	32,021,481	2,147,307	200,000	306,739	547,500
1997	33,415,628	2,501,740	1,057,000	327,188	574,875
1996	22,486,832	2,688,173	750,000	347,637	602,250

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Total Debt	Percentage of Personal Income	Per Capita
\$25,537,375	2.16%	799
27,457,694	2.32	859
34,303,997	2.90	1,073
30,133,556	2.54	942
36,778,470	3.11	1,150
36,317,388	3.07	1,136
38,996,591	3.90	1,443
35,223,027	5.43	1,304
37,876,431	5.84	1,402
26,874,892	4.14	995

**City of Westlake, Ohio**  
Ratio of Net Obligation Bonded Debt to Assessed  
Value and Net Bonded Debt Per Capita  
Last Ten Years

Year	Population (1)	Estimated Actual Value of Taxable Property (2)	Gross Bonded Debt (3)	Debt Service Monies Available	Net Bonded Debt
2005	31,972 a	\$3,827,281,207	\$17,925,000	\$1,619,632	\$16,305,368
2004	31,972 a	3,694,842,061	19,808,197	1,434,979	18,373,218
2003	31,972 a	3,468,907,465	24,399,174	1,164,701	23,234,473
2002	31,972 a	3,425,853,709	27,129,174	979,231	26,149,943
2001	31,972 a	3,297,565,954	29,714,174	837,256	28,876,918
2000	31,972 a	2,889,807,313	32,182,724	741,894	31,440,830
1999	27,018 b	2,751,566,981	34,652,302	912,382	33,739,920
1998	27,018 b	2,689,849,686	32,021,481	854,666	31,166,815
1997	27,018 b	2,502,157,559	33,415,628	1,235,350	32,180,278
1996	27,018 b	2,402,665,676	22,486,832	52,101	22,434,731

Ratio of Net Bonded Debt to Estimated Actual Value of Taxable Property	Net Bonded Debt Per Capital
0.43%	510
0.50	575
0.67	727
0.76	818
0.88	903
1.09	983
1.23	1,249
1.16	1,154
1.29	1,191
0.93	830

**City of Westlake, Ohio**  
Ratios of General Bonded Debt Outstanding and Legal Debt Margin  
Last Ten Years

	2005	2004	2003
General Bonded Debt Outstanding:			
General Obligation Bonds	\$17,925,000	\$19,808,197	\$24,399,174
Special Assessment Bonds	6,012,000	1,584,090	1,781,000
Bond Anticipation Notes	0	4,367,000	7,200,000
OPWC Loans	929,515	990,277	406,848
Total	<u>24,866,515</u>	<u>26,749,564</u>	<u>33,787,022</u>
Percentage of Estimated Actual			
Property Value	1.92%	2.10%	2.66%
Assessed Property Value	1,296,663,187	1,271,722,672	1,271,722,672
Total Debt Per Capita	778	837	1,065
Less:			
Special Assessment Bonds	(6,012,000)	(1,584,090)	(1,781,000)
Recreation Center Bonds	0	0	0
General Obligation Bond Retirement Fund Balance	(1,619,632)	(1,434,979)	(1,164,701)
Special Assessment Bond Retirement Fund Balance	0	0	0
Issue Eleven Bond Retirement Fund Balance	<u>(320,851)</u>	<u>(264,921)</u>	<u>(424,437)</u>
Total Net Debt Applicable to Debt Limit	<u>16,914,032</u>	<u>23,465,574</u>	<u>30,416,884</u>
Overall Legal Debt Limit			
10 1/2% of Assessed Valuation	136,149,635	133,530,881	133,530,881
Legal Debt Margin Within 10 1/2% Limitations	<u>\$119,235,603</u>	<u>\$110,065,307</u>	<u>\$103,113,997</u>
Legal Debt Margin as a Percentage of the Debt Limit	87.58%	82.43%	77.22%
Unvoted Debt Limitation			
5 1/2% of Assessed Valuation	\$71,316,475	\$69,944,747	\$69,944,747
Net Unvoted Indebtedness Authorized by Council	13,461,515	15,049,564	21,852,022
Less:			
Special Assessment Bonds	(6,012,000)	(1,584,090)	(1,781,000)
General Obligation Bond Retirement Fund Balance	(1,619,632)	(1,434,979)	(1,164,701)
Issue Eleven Bond Retirement Fund Balance	<u>(320,851)</u>	<u>(264,921)</u>	<u>(424,437)</u>
Net Debt Within 5 1/2% Limitations	<u>5,509,032</u>	<u>11,765,574</u>	<u>18,481,884</u>
Unvoted Legal Debt Margin Within 5 1/2% Limitations	<u>\$65,807,443</u>	<u>\$58,179,173</u>	<u>\$51,462,863</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	92.28%	83.18%	73.58%

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

2002	2001	2000	1999	1998	1997	1996
\$27,129,174	\$29,714,174	\$32,182,724	\$34,652,302	\$32,021,481	\$33,415,628	\$22,486,832
1,999,000	2,208,000	1,768,453	2,107,874	2,147,307	2,501,740	2,688,173
229,000	4,025,000	1,480,000	1,430,000	200,000	1,057,000	750,000
224,942	245,391	265,841	286,290	306,739	327,188	347,637
29,582,116	36,192,565	35,697,018	38,476,466	34,675,527	37,301,556	26,272,642
2.52%	3.19%	3.59%	4.05%	3.74%	4.32%	3.16%
1,173,030,296	1,133,645,351	993,779,072	949,912,741	928,338,274	862,828,769	831,929,447
933	1,141	1,125	1,424	1,283	1,381	972
(1,999,000)	(2,208,000)	(1,768,453)	(2,107,874)	(2,147,307)	(2,501,740)	(2,688,173)
0	0	0	0	(12,570,000)	(12,585,000)	0
(979,231)	(837,256)	(741,894)	(912,382)	(854,666)	(1,235,350)	(52,101)
0	(173,773)	(97,486)	(49,769)	0	0	0
(431,065)	(424,678)	(351,371)	(368,725)	(256,380)	(248,071)	(237,533)
26,172,820	32,548,858	32,737,814	35,037,716	18,847,174	20,731,395	23,294,835
123,168,181	119,032,762	104,346,803	99,740,838	97,475,519	90,597,021	87,352,592
\$96,995,361	\$86,483,904	\$71,608,989	\$64,703,122	\$78,628,345	\$69,865,626	\$64,057,757
78.75%	72.66%	68.63%	64.87%	80.66%	77.12%	73.33%
\$64,516,666	\$62,350,494	\$54,657,849	\$52,245,201	\$51,058,605	\$47,455,582	\$45,756,120
17,287,116	21,364,565	21,013,565	23,068,592	18,928,220	20,764,816	17,246,832
(1,999,000)	(2,208,000)	(1,768,453)	(2,107,874)	(2,147,307)	(2,501,740)	(2,688,173)
(979,231)	(837,256)	(741,894)	(912,382)	(854,666)	(1,235,350)	(52,101)
(431,065)	(424,678)	(351,371)	(368,725)	(256,380)	(248,071)	(237,533)
13,877,820	17,894,631	18,151,847	19,679,611	15,669,867	16,779,655	14,269,025
\$50,638,846	\$44,455,863	\$36,506,002	\$32,565,590	\$35,388,738	\$30,675,927	\$31,487,095
78.49%	71.30%	66.79%	62.33%	69.31%	64.64%	68.82%

**City of Westlake, Ohio**  
 Computation of Direct and Overlapping Debt  
 December 31, 2005

Jurisdiction	Total Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City of Westlake
<b>Direct - City of Westlake</b>			
General Obligation Bonds	\$17,925,000	100.00%	\$17,925,000
Special Assessment Bonds	6,012,000	100.00	6,012,000
OPWC Loan	929,515	100.00	929,515
City of Westlake	<u>24,866,515</u>		<u>24,866,515</u>
<b>Overlapping (1)</b>			
Westlake School District			
General Obligation Bonds	28,535,000	100.00	28,535,000
Cuyahoga County			
General Obligation Bonds	231,365,971	4.30	9,948,737
Greater Cleveland Regional			
Transit Authority	<u>139,790,000</u>	4.30	<u>6,010,970</u>
<i>Total Overlapping Debt</i>	<u>399,690,971</u>		<u>44,494,707</u>
<b>Total</b>	<u><u>\$424,557,486</u></u>		<u><u>\$69,361,222</u></u>

Source: Cuyahoga County, Ohio; County Auditor

(1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation.  
 The debt outstanding includes general obligation bonds and note debt.



**City of Westlake, Ohio**  
Principal Employers  
Current Year, Previous Year, and Eleven Years Ago

<b>2005*</b>					
Employer	Employees	Percentage of Total City Employment			
St. John Westshore Hospital	1,240	4.83 %			
Westlake City Schools	552	2.15			
Energizer	500	1.95			
Hyland Software	438	1.71			
Bonne Bell	435	1.69			
City of Westlake	405	1.58			
USG Interiors/American Metals	301	1.17			
Harborside Healthcare	300	1.16			
Lutheran Home	291	1.13			
Travel Centers of America	280	1.09			
<b>Total</b>	<b>4,742</b>	<b>18.47 %</b>			
<b>Total City Employees</b>	<b>25,679</b>				
<b>2004**</b>			<b>1995***</b>		
Employer	Employees	Percentage of Total City Employment	Employer	Employees	Percentage of Total City Employment
St. John Westshore Hospital	1,232	4.95 %	St. John Westshore Hospital	930	n/a
Eveready Battery	530	2.13	USG Interiors, Inc.	700	n/a
Westlake City Schools	506	2.03	Eveready Battery Co., Inc.	525	n/a
Bonne Bell	498	2.00	Electronic Data Systems, Inc.	344	n/a
City of Westlake	417	1.67	Jacobs, Visconsi & Jacobs	325	n/a
USG Interiors/American Metals	310	1.25	Radiometer America, Inc.	222	n/a
Travel Centers of America	300	1.21	Cotter & Company	222	n/a
Lutheran Home	290	1.16	Bonne Bell	200	n/a
Hyland Software	267	1.07	Scott & Fetzer Corporation	200	n/a
Antares Management Solutions	250	1.00	Nordson Corporation	175	n/a
<b>Total</b>	<b>4,600</b>	<b>18.47 %</b>	<b>Total</b>	<b>3,843</b>	n/a
<b>Total City Employees</b>	<b>24,896</b>		<b>Total City Employees</b>	<b>n/a</b>	

**Source:** City of Westlake, Ohio, Department of Planning of Economic Development - amounts are estimates. Total City employment based upon estimate from the Regional Income Tax Authority 2005 withholding information.

n/a: Information not available

\*Updated 08/08/05

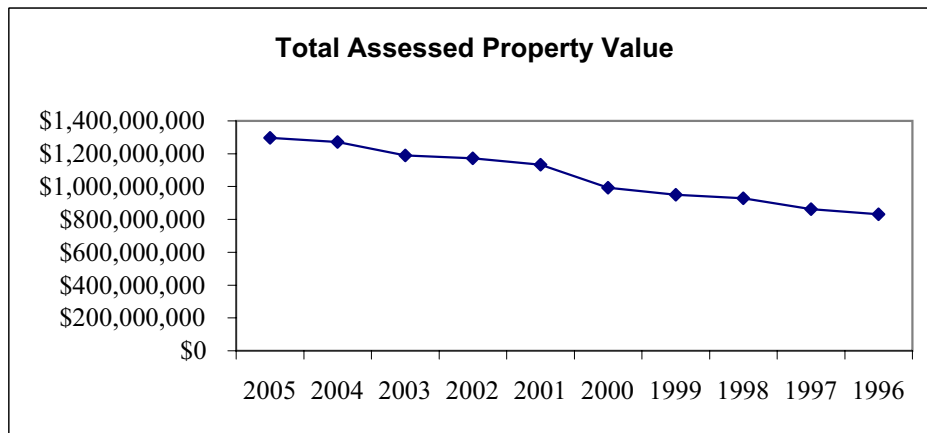
\*\*Updated 06/14/04

\*\*\*1996 and 1997 data not available

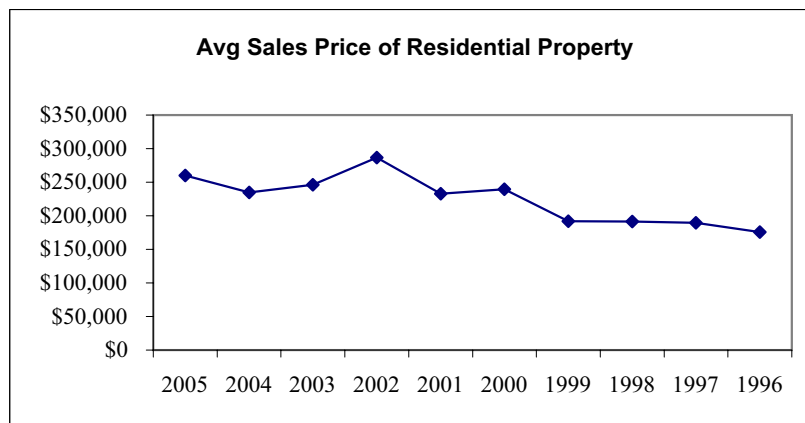
**City of Westlake, Ohio**  
Demographic and Economic Statistics  
Last Ten Years

Year	Population (1)	Total Personal Income (6)	Per Capita Personal Income (1)	Median Household Income (1)	Median Age (1)	Educational Attainment: Bachelor's Degree or higher (1)
2005	31,972 a	\$1,184,370,768	\$37,044 c	\$65,106 c	42.0 a	45.2 % a
2004	31,972 a	1,184,370,768	37,044 c	65,106 c	42.0 a	45.2 a
2003	31,972 a	1,184,370,768	37,044 c	65,106 c	42.0 a	45.2 a
2002	31,972 a	1,184,370,768	37,044 c	65,106 c	42.0 a	45.2 a
2001	31,972 a	1,184,370,768	37,044 c	65,106 c	42.0 a	45.2 a
2000	31,972 a	1,184,370,768	37,044 c	65,106 c	42.0 a	45.2 a
1999	27,018 b	1,000,854,792	37,044 c	65,106 c	37.4 b	37.7 b
1998	27,018 b	648,432,000	24,000 d	47,629 d	37.4 b	37.7 b
1997	27,018 b	648,432,000	24,000 d	47,629 d	37.4 b	37.7 b
1996	27,018 b	648,432,000	24,000 d	47,629 d	37.4 b	37.7 b

- (1) Source: U. S. Census, Census of population
  - (a) 2000 Federal Census
  - (b) 1990 Federal Census
  - (c) 1999 Census Report
  - (d) 1989 Census Report
- (2) Source: Westlake Board of Education
- (3) Source: City of Westlake Official Statement
  - (e) March 9, 2004
  - (f) August 11, 1994
- (4) Source: Ohio Dept. of Jobs and Family Services Civilian Labor Force Estimate
  - (g) Press Release dated Jan. 20, 2006
- (5) Source: Cuyahoga County Auditor
- (6) Computation of per capita personal income multiplied by population



School Enrollment (2)	Unemployment Rate (3) (4)	Average Sales Price of Residential Property (4)	Total Assessed Property Value (5)
4,020	5.7 % g	\$260,137	\$1,296,663,187
3,921	6.2 g	234,884	1,271,722,672
3,885	6.4 g	246,325	1,188,846,372
3,743	6.7 e	286,759	1,173,030,296
3,734	4.6 e	232,741	1,133,645,351
3,698	4.5 e	239,600	993,779,072
3,760	4.6 e	191,800	949,912,741
3,674	4.5 e	191,200	928,338,274
3,688	5.8 f	189,300	862,828,769
3,739	5.0 f	175,900	831,929,447



**City of Westlake, Ohio**  
 Full-Time Equivalent City Government Employees by Function/Program  
 Last Ten Years

<u>Function/program</u>	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
<b>General Government:</b>										
Council	5	5	5	5	5	5	5	5	5	5
Mayor	2	2	2	3	3	3	3	2.5	2.5	2.5
Finance	7	7	6.5	6.5	6.5	6	6	6	6.5	7
Law	7	7	7.5	7	7	6	5.5	3	3	3
Purchasing/Adm. Services	3	3.5	3	3	3	2.5	2.5	2.5	2.5	3
Planning	4.5	4.5	4.5	4.5	4	4	4	4	4	4
Safety Town	1.5	1.5	1.5	1	1.5	1.5	1.5	1.5	1.5	1.5
Central Dispatch	14	0	0	0	0	0	0	0	0	0
Police/Fire Operating Levy	16	16	16	16	16	16	16	16	16	16
Engineering	12.5	12.5	13	15.5	15.5	16	16	16	14.5	15
Inspection	11.5	11.5	10.5	11	11	10.5	10	10	10	9.5
<b>Security of Persons and Property:</b>										
Police	87	82	83.5	81	78.5	74	71.5	69.5	63	61.5
Fire	40.5	40	40.5	40.5	40.5	38.5	35.5	36.5	34.5	34
<b>Recreation:</b>										
Administration	5	4	5	4.5	4.5	4.5	0	0	4.5	4
Programs	0	0	0	0	0	0	0	0	15.5	15.5
Swimming Pool	44.5	58	45	45	45	38	34	30.5	38.5	44
Recreation Center (1)	64	56	70.5	101.5	98	86	92	96	0	0
Golf Course	16.5	15.5	17	17.5	15.5	16	17	19.5	18	18.5
<b>Senior/Community Services</b>										
Service:	12	11.5	11	9	9	9.5	8	7.5	7	5.5
Administration	2.5	2.5	2.5	3	3	3.5	3.5	3.5	3.5	2.5
Building Maintenance	1	1	1.5	1.5	1.5	3	3	2	2	2
City Services	37.5	36.5	33.5	26	21.5	14.5	21	18	16	16.5
Sanitary/Storm Drainage	6.5	7.5	7	9	12	8	7.5	8	7	6.5
Rubbish/Recycling	0	0	0	22	23.5	23	21.5	26	21.5	27
Parks	6.5	7	4	4	4	4	7.5	6.5	8.5	10
Forester	5	5	5	2	3	3	3	2	4	2.5
Street Maintenance	6	7	7.5	6	7	10	10	10	11	8.5
Cemetery	1	1.5	2.5	1.5	1.5	2	2	1.5	2	1.5
Miscellaneous	4	3.5	3.5	3	2	2	3.5	4.5	2.5	2.5
Totals:	423.5	409	409	449.5	442.5	410	410	408	324.5	329

**Source:** City of Westlake, Ohio 1998-2005 Annual Budgets

**Method:** Using 1.0 for each full-time employee, and 0.50 for each part-time and seasonal employee. Count taken at December 31.

(1) Recreation Center opened in 1998 - prior years' included in program area.

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**City of Westlake, Ohio**  
 Operating Indicators by Function/Program  
 Last Ten Years

Function/program	2005	2004	2003	2002
<b>General Government</b>				
Construction Permits Issued (2)	1,449	1,481	1,272	1,189
Estimated Value of Construction (2)	\$91,821,553	\$153,837,378	\$88,110,510	\$86,785,759
Economic Development Projects approved (square feet) (3)	413,432	538,835	626,268	452,304
Number of Planning Commission docket items (3)	115	140	105	111
Sewer Bills mailed (1)	44,100	43,508	42,257	42,959
Purchase Orders Issued (4)	3,903	3,960	4,228	4,255
Number of new litigations filed (5)	11	4	17	4
Number of pending litigations (5)	7	15	21	5
<b>Police (6)</b>				
Total Arrests	6,206	6,219	7,220	6,305
Part I Offenses (major offenses such as murder and theft)	679	592	495	491
DUI Arrests	353	266	264	254
Prisoners	1,363	1,340	1,188	1,041
Motor Vehicle Accidents	815	810	780	859
Calls for Service	32,233	33,342	33,349	33,284
<b>Fire (7)</b>				
Emergency responses	4,258	3,987	3,980	3,874
Fire Safety Inspections/Re-Inspections	994	291	132	200
Fire Protection Systems Inspected	534	330	437	541
Building/Fire Protection Plan Review	500	457	353	360
Number of Community Programs	100	80	75	53
<b>Public Service (8)</b>				
Road Maintenance (man hours)*	8,432	10,760	8,480	n/a
Asphalt (hot/cold) used in road maintenance (tons)	1,341	755	808	552
Concrete used in road maintenance (yards)	486	866	421	579
Number of Trees Removed	262	193	291	253
Number of Trees Planted	170	260	208	110
Truckloads of leaves picked-up	1,643	1,621	1,726	1,846
Cubic Yards of leaf humus delivered/sold	7,546	5,817	5,977	813
Cubic Yards of wood chips delivered/sold	4,400	6,605	1,106	1,604
Tons of snow melting salt purchased	9,445	7,972	7,686	4,478
Cemetery Internments	41	54	49	49
Grave purchases/Internment payments	\$33,445	\$42,365	\$27,875	\$25,325
<b>Recreation (9)</b>				
Recreation Center attendance**	395,495	386,937	388,020	399,671
No. of Peterson Pool Memberships	346	873	1,000	1,300
Learn to Swim enrollment (Peterson Pool only)	1,112	1,015	1,300	1,350
Average daily golf revenue (June, July, & August)	\$3,429	\$3,209	\$3,127	\$3,400
<b>Senior/Community Services (10)</b>				
Number of Activities/Programs	1,205	1,815		1,194
Social Services	2,278	2,071	1,890	1,522
Activity Trips	66	52	47	53
Number of Volunteers	152	134	194	92
Newsletters	n/a	13,995	13,995	13,685
Transports	8,386	8,807	8,595	8,405
Miles Transported	62,892	53,979	56,376	55,332
Donations, Center/Assistance/Prescriptions	\$50,083	\$39,431	\$17,932	\$30,573

**Sources:** (1) City of Westlake Finance Department (6) City of Westlake Police Department  
 (2) City of Westlake Building Department (7) City of Westlake Fire Department  
 (3) City of Westlake Department of Planning and Economic Development (8) City of Westlake Department of Public Service  
 (4) City of Westlake Purchasing Department (9) City of Westlake Recreation Department  
 (5) City of Westlake Law Department (10) City of Westlake Department of Senior and Community Services

\*amounts are estimates

\*\*attendance based upon calendar year except 1999, which includes November 2, 1998 - December 1999

n/a: Information not available

2001	2000	1999	1998	1997	1996
1,265	1,308	1,368	1,254	1,030	930
\$93,999,520	\$83,579,795	\$112,324,145	\$184,012,135	\$80,474,650	\$56,121,895
377,450	496,376	350,486	584,538	800,101	222,550
107	114	134	136	133	119
41,840	40,482	39,354	n/a	n/a	n/a
4,358	4,494	4,274	4,347	4,182	3,959
2	6	8	10	10	20
10	15	17	21	30	42
8,400	9,445	8,539	6,425	4,958	4,581
548	414	495	546	572	581
298	275	213	220	199	254
1,115	1,206	1,089	1,039	835	892
759	781	761	746	778	852
33,402	33,419	34,349	31,393	29,618	29,385
3,639	3,423	3,270	3,100	2,866	2,797
659	676	478	864	631	608
928	282	1,175	355	272	43
375	308	249	191	196	243
51	48	45	42	38	33
9,437	7,025	9,646	13,333	n/a	n/a
441	632	964	888	373	s16
731	550	1,024	1,120	579	87
115	234	228	81	205	
91	130	222	350	264	164
1,640	1,350	1,649	1,550	1,607	1,660
2,092	2,055	1,772	2,689	4,330	2,200
1,676	1,952	1,391	2,110	1,131	782
2,485	9,697	6,077	5,007	2,565	4,423
51	63	52	45	30	29
\$28,925	\$35,885	\$25,690	\$27,515	\$16,980	\$21,695
387,458	357,730	341,797	0	0	0
1,550	1,525	1,148	n/a	n/a	n/a
1,200	1,150	1,114	n/a	n/a	n/a
\$3,000	\$2,707	\$2,578	\$2,610	\$2,605	\$1,785
1,165	1,167	1,252	982	926	907
1,015	1,111	1,083	978	1,112	1,074
49	35	22	9	9	10
111	129	148	170	177	189
13,365	13,025	11,550	10,200	9,975	10,595
7,981	6,661	6,838	7,973	7,056	6,239
51,392	41,747	40,467	38,841	40,360	45,409
\$30,707	\$19,454	\$26,659	\$22,828	\$6,839	\$16,802

**City of Westlake, Ohio**  
 Capital Asset Statistics by Function/Program  
 Last Ten Years

<b>Function/program</b>	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
<b>General Government</b>										
Square Footage Occupied (1)	40,000	40,000	40,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Engineering Vehicles (2)	9	9	12	10	8	9	9	8	n/a	n/a
Inspection Vehicles (2)	9	9	8	8	8	8	9	9	n/a	n/a
Other Departmental Vehicles (2)	4	4	4	4	4	4	4	5	n/a	n/a
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Square Footage of Building (3)	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Vehicles (2)	35	35	38	35	33	33	34	26	n/a	n/a
<b>Fire stations</b>										
Stations	2	2	2	2	2	2	2	2	2	2
Vehicles (2)	18	20	20	19	17	17	14	14	n/a	n/a
<b>Other public works</b>										
Streets (miles)	135	135	135	135	135	134	132	132	132	130
Number of Streetlights (per light bill)	14,888	14,622	14,407	14,407	14,288	14,288	13,814	12,924	12,924	12,372
Public Service Vehicles (5)	57	57	67	68	64	73	70	63	n/a	n/a
<b>Recreation</b>										
Number of Parks	5	5	5	5	5	5	4	4	4	4
Recreation Centers	1	1	1	1	1	1	1	1	0	0
Recreation Center Square Footage	84,000	84,000	84,000	84,000	84,000	84,000	84,000	84,000	0	0
Vehicles (2)	7	7	7	6	7	5	4	4	n/a	n/a
<b>Senior/Community Services</b>										
Vehicles (4)	6	5	5	5	5	4	4	3	3	4
<b>Wastewater</b>										
Sanitary sewers (miles)	121	121	121	121	121	120	117	116	116	114

**Sources:**

- (1) City of Westlake Department of Engineering
  - (2) City of Westlake Finance Department
  - (3) City of Westlake Police Department
  - (4) City of Westlake Department of Senior and Community Services
  - (5) City of Westlake Department of Public Service
- n/a: Information not available





**Auditor of State  
Betty Montgomery**

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800-282-0370

Facsimile 614-466-4490

**CITY OF WESTLAKE**

**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 13, 2006**