



OHIO AUDITOR OF STATE  
**KEITH FABER**





CITY OF LAKEWOOD  
CUYAHOGA COUNTY  
DECEMBER 31, 2022

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**CITY OF LAKEWOOD  
CUYAHOGA COUNTY, OHIO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

Federal Grantor/ <i>Pass-Through Grantor/ Program Title</i>	Federal CFDA Number	Pass-Through Entity Number	Pass-Through to Subrecipient	Total Federal Expenditures
<b><u>U.S. Department of Housing and Urban Development</u></b>				
<i>Direct Programs</i>				
CDBG-Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218	N/A	\$ 1,068,984 *	\$ 1,926,149
COVID-19 - Community Development Block Grants	14.218		54,598	71,247
Total CDBG-Entitlement Grants Cluster			<u>1,123,582</u>	<u>1,997,396</u>
Emergency Solutions Grant Program	14.231	N/A	0	189,183
COVID-19 - Emergency Solutions Grant Program	14.231	N/A	4,589	20,853
Total Emergency Solutions Grant Program			<u>4,589</u>	<u>210,036</u>
<i>Total Direct Programs</i>			<u>1,128,171</u>	<u>2,207,432</u>
<i>Pass-Through Cuyahoga County Housing Consortium</i>				
HOME Investment Partnerships Program Grant	14.239	CE-0400-354-01	0 *	180,263
<i>Total Pass-Through Programs</i>			<u>0</u>	<u>180,263</u>
<b>Total U.S. Department of Housing and Urban Development</b>			<u>1,128,171</u>	<u>2,387,695</u>
<b><u>U.S. Department of Justice</u></b>				
<i>Direct Program</i>				
Bulletproof Vest Partnership Program	16.607	N/A	0	1,308
Equitable Sharing Program	16.922	N/A	0	15,818
<b>Total U.S. Department of Justice</b>			<u>0</u>	<u>17,126</u>
<b><u>U.S. Department of Transportation</u></b>				
<i>Pass-Through Ohio Department of Transportation</i>				
Detroit-Sloane	20.205	PID 111136	0	303,232
<b>Total U.S. Department of Transportation</b>			<u>0</u>	<u>303,232</u>
<b><u>U.S. Department of Health and Human Services</u></b>				
<i>Pass-Through Western Reserve Area Agency on Aging</i>				
Aging Cluster:				
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	N/A	0	70,125
Special Programs for the Aging - Title III, Part C - Grants for Supportive Services and Senior Centers	93.045	N/A	0	33,316
Total Aging Cluster			<u>0</u>	<u>103,441</u>
<b>Total U.S. Department of Health and Human Services</b>			<u>0</u>	<u>103,441</u>
<b><u>U.S. Department of Treasury</u></b>				
<i>Direct Program</i>				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	875,727	1,677,530
<i>Pass-Through Cuyahoga County</i>				
COVID-19 - Emergency Rental Assistance I	21.023	N/A	909,459	909,459
<b>Total U.S. Department of Treasury</b>			<u>1,785,186</u>	<u>2,586,989</u>
<b><u>Executive Office of the President</u></b>				
<i>Pass-Through Westshore Council of Governments</i>				
High Intensity Drug Trafficking Areas Program	95.001	N/A	0	1,606
<b>Total Executive Office of the President</b>			<u>0</u>	<u>1,606</u>
<b><u>Federal Emergency Management Agency</u></b>				
<i>Direct Program</i>				
Federal Emergency Management Agency Equipment Grant	97.044	EMW-2020-FG-12603	0	162,075
<b>Total Federal Emergency Management Agency</b>			<u>0</u>	<u>162,075</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 2,913,357</u>	<u>\$ 5,562,164</u>

\* Includes program income.

See notes to the Schedule of Expenditures of Federal Awards.

**CITY OF LAKEWOOD  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

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NOTE 1: **BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Lakewood, Ohio, under programs of the federal government for the year ended December 31, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City of Lakewood, Ohio, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Lakewood, Ohio.

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3: **INDIRECT COST RATE**

The City of Lakewood, Ohio, has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4: **SUBRECIPIENTS**

The City passes through certain federal assistance received from the U.S. Department of Housing and Urban Development (HUD) to other governments or not-for-profit agencies (subrecipients). As described above in Note 2, the City records expenditures of federal monies to subrecipients when paid in cash.

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

NOTE 5: **MATCHING REQUIREMENTS**

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

**CITY OF LAKEWOOD  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

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**NOTE 6: U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND HOME PROGRAM GRANTS**

The City has established a revolving loan program to provide low-interest loans to persons from low to moderate income households to rehabilitate their homes. The U.S. Department of Housing and Urban Development (HUD) grants monies for these loans directly to the City. The initial loan of these monies is recorded as a disbursement on the accompanying Schedule. Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as disbursements on this Schedule. These loans are collateralized by mortgages on the property. At December 31, 2022, the gross amount of loans outstanding under this program is \$1,226,074. The Emergency Solutions Grant and the Homelessness Prevention and Rapid Re-Housing Program Grant are directly received by the City. HUD's HOME Program grant is passed through the Cuyahoga County Housing Consortium.

**NOTE 7: FOOD DISTRIBUTION**

The U.S. Department of Health and Human Services allocated \$6,467 to the City for the Congregate Meal Program and \$160,385 for the Home Delivered Meal Program, and these funds were passed through the Western Reserve Area Agency on Aging. Meals received from the Western Reserve Area Agency on Aging are valued at \$2.86 for the Congregate Meal Program per meal served and \$5.91 for the Home Delivered Meal Program per meal served. For the year ended December 31, 2021, the City served 2,264 and 27,147 meals through the City's Office on Aging Congregate Meal Program and Home Delivered Meal Program, respectively.

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# OHIO AUDITOR OF STATE KEITH FABER



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

City of Lakewood  
Cuyahoga County  
12650 Detroit Avenue  
Lakewood, Ohio 44107

To the City Council:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lakewood, Cuyahoga County, (the City) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 29, 2023.

### ***Report on Internal Control Over Financial Reporting***

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

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

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

***Report on Compliance and Other Matters***

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

***Purpose of This Report***

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



Keith Faber  
Auditor of State  
Columbus, Ohio

June 29, 2023

# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

City of Lakewood  
Cuyahoga County  
12650 Detroit Avenue  
Lakewood, Ohio 44107

To the City Council:

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

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

We have audited the City of Lakewood's, Cuyahoga County, (the City) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the City of Lakewood's major federal programs for the year ended December 31, 2022. The City of Lakewood's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, the City of Lakewood complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

The City's Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

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

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

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of this testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

#### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Lakewood, Cuyahoga County, (the City) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated June 29, 2023. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Keith Faber  
Auditor of State  
Columbus, Ohio

June 29, 2023

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**CITY OF LAKEWOOD  
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
DECEMBER 31, 2022**

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unmodified
<b>(d)(1)(ii)</b>	<b>Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material weaknesses in internal control reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unmodified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under 2 CFR § 200.516(a)?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) – AL #21.027; Emergency Rental Assistance Program – AL #21.023; Community Development Block Grants – AL #14.218
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 750,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee under 2 CFR § 200.520?</b>	Yes

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

None

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

None





City of Lakewood, Ohio

# Annual Comprehensive Financial Report

For the Year Ending December 31, 2022



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# CITY OF LAKEWOOD, OHIO



## ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED

DECEMBER 31, 2022

Issued by:

City of Lakewood  
Department of Finance

Peter M. Rancatore, Jr. Finance Director  
Keith D. Schuster, CPA, Assistant Finance Director  
John Hribar, Accounting Manager

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# **INTRODUCTORY SECTION**



**City of Lakewood, Ohio**  
*Annual Comprehensive Financial Report*  
*For the Year Ended December 31, 2022*  
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12650 DETROIT AVENUE • 44107 • 216/529-6092 • FAX 216/529-6806 [www.lakewoodoh.gov](http://www.lakewoodoh.gov)

**Peter M. Rancatore, Jr.**  
**Director of Finance**

**June 29, 2023**

Dear Members of Council and Citizenry of the City of Lakewood:

We are pleased to submit the Annual Comprehensive Financial Report of the City of Lakewood (the “City”) for the year ended December 31, 2022.

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

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

The Ohio Auditor of State has issued an unmodified (“clean”) opinion on the City of Lakewood’s financial statements for the year ended December 31, 2022. The Independent Auditor’s Report is located at the front of the financial section of this report.

The Management’s Discussion and Analysis (MD&A) immediately follows the Independent Auditor’s Report, and provides a narrative introduction, overview, and analysis of the Basic Financial Statements. The MD&A complements this letter of transmittal, which should be read in conjunction with it.

### **City of Lakewood’s Profile**

The City is primarily a residential community covering 5.53 square miles and is on the shores of Lake Erie in Northeast Ohio, approximately five miles west of downtown Cleveland. The City is home to a population of 50,942 residents according to the 2020 Federal Census. The City enjoys proximity to major cultural, educational, and medical facilities in Northeast Ohio, as well as ease of access to many interstate highways and Cleveland Hopkins International Airport—which makes it a desirable location for residents and commercial enterprises.

The City was incorporated in 1911. The City operates and is governed by the laws of the State of Ohio, and its own charter that provides for a mayor-council form of government. The City’s chief executive and administrative officer is the Mayor, who is elected to a four-year term and serves in a full-time capacity. Legislative authority is vested in a seven-member council, which consists of three at-large and four ward representatives. Council members are elected to four-year terms. All members of Council serve in a part-time capacity. The Lakewood Municipal Court provides judicial services for the City.

## **Lakewood's Operational Structure**

Established by charter, the municipal government currently consists of seven departments. A director, who is appointed by and reports directly to the Mayor, heads each department. All directors work closely with the Mayor to provide quality services to the citizens of the City.

**The Law Department**, under the direction of the City's Law Director, functions as the attorney for the City and its officials by providing legal advice to the Mayor, City Council, and all departments. The Law Department represents the City in all court proceedings and before any administrative body. The Law Department prepares legislation, contracts, and all legal documents to ensure all business of the City is conducted in a proper and legal manner.

**The Finance Department** performs the following administrative functions: financial reporting, general accounting (including accounts receivable and accounts payable), payroll, purchasing, capital asset recordkeeping, budget development, debt issuance, cash management, risk management, income tax collection, utility billing, and vital statistics. It is also responsible for the city's internal control framework.

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

**The Department of Public Safety** consists of the Division of Police, the Division of Fire and the Division of Housing and Building. The Mayor serves as the ex-officio Director of Public Safety and appoints the chiefs of the Divisions of Police and Fire. The chiefs have exclusive control of assignment of duties and stationing of all other officers and employees of their respective divisions. The Division of Building and Housing is under the Department of Public Safety and is under the Building Commissioner.

**The Department of Planning and Development** coordinates long-range planning, zoning, and economic development for the City as well as administers the Federal Community Development Block Grant Funds awarded to the City by the U.S. Department of Housing and Urban Development. The Department works directly with the Lakewood Planning Commission, the Board of Zoning Appeals, the Board of Building Standards/Architectural Board of Review and Sign Review Board, the Lakewood Heritage Advisory Board, and the Citizens Advisory Committee.

**The Department of Human Services** provides a continuum of responsive programs and services that enhance and promote the health and well-being of individuals, families, and the community. The department is comprised of the Aging, Youth, and Early Childhood divisions.

**The Department of Human Resources** is responsible for recruitment, retention, and selection of employees; employee classification and compensation; labor relations; ensuring equal employment opportunity; employee training and development; administering employee benefits; administering the City's worker's compensation program; and human resources management and employee relations.

## **Economic Development**

The local economy benefits from the City's location on Lake Erie on the Westside of Cleveland and easy access to the interstates, downtown job centers and Cleveland Hopkins International Airport. There are approximately 1,000 brick and mortar businesses and approximately 4,300 employers overall that provide more than 12,000 local jobs. The City has a population of more than 50,000 residents and is the most densely populated city in Ohio with more than 9,000 residents per square mile. This makes the community an attractive location for business both from a trade area and customer point of view as well as availability of high-quality workforce.

The City has utilized Community Development Block Grant Funds and Home Improvement Partnership Grant Funds to invest in commercial revitalization through the Storefront Renovation Program and help finance residential improvement via such programs as the Low-Interest Home Loan, First Time Homebuyer and Home Improvement Grants.

Additionally, the City has helped to foster business investments through programs such as the Municipal SBA Grant Program. This program is a partnership between the United States Small Business Administration (US SBA), Cuyahoga County, and the City offering down payment assistance to business making real estate purchases and/or qualifying property improvements using US SBA loan products.

## **Retail**

Despite the COVID-19 pandemic and its lingering impacts, the City's businesses remained stable. The City's retail occupancy remained consistent, and the Detroit Avenue corridor continues to maintain occupancy above 90%. The occupancy rate does account for storefronts that are not occupied and also not listed.

Madison Avenue, the community's second major retail corridor, also has a strong retail and business corridor with occupancy rates comparable to Detroit Avenue. The historic Birdtown neighborhood continues to benefit from investment and new business development. The rehabilitation of the historic former BiRite building is nearly complete and almost fully occupied prior to opening. Nearby, the former Sts. Cyril and Methodius School building is being adaptively reused as 19 residential rental units, while the former Misencik Funeral Home is being redeveloped as a Korean restaurant and grocery store.

## **Commercial Office and Industrial**

The City's tech sector is holding strong and seeing gains with growth companies such as Onix, Within3, Inc., NeoGraf, Tempest, and Ferry Cap & Screw. Within3, Inc. recently relocated to a larger space in the renovated St. James School. Completed in 2022, the long vacant building has been renovated into a 23,000 sq. ft. office building that is fully occupied and includes a second-floor co-working space. Earnest Machine Products acquired the 80,000 sq. ft. industrial building located at 12500 Berea Road to relocate and expand their machining and distribution of specialty nuts and bolts.

In January 2016, Roundstone Insurance ("Roundstone") purchased the former Christian Science Church in the downtown area of the City in order to relocate its corporate headquarters from the city of Westlake. Since then, Roundstone has invested more than \$500,000 in improvements to buildout the space for the 45-person firm. The company continues to show signs of growth, with over 130 full-time employees as of the end of 2022, an increase of 288% over the last seven years.

In addition to those mentioned, there have been several innovative commercial projects in the City over several years. A long-vacant former storage building was redeveloped into Western Reserve Distillery for a total redevelopment cost of \$3 million. Also approved, filling a long-vacant commercial lot, was the Lakewood Truck Park, a beer garden and food truck concept that includes a \$1.5 million investment.

The City's storefront renovation grants continue to be popular with businesses. Although participation has slowed since the pandemic, five projects received storefront grants with a total of \$107,020 disbursed. Since 2015, over \$1.4 million has been disbursed to 73 properties.

### **Residential**

Housing is the City's largest economic engine, and that strength comes from a diversity of housing types and styles at price points to meet the needs of a diverse community. The majority of the 13,000 one- and two-family homes were built before the depression and are of a quality that will last for another century if well maintained.

To assist in supporting the next century of housing, the City launched Housing Forward in 2011 to better coordinate proactive code enforcement and residents reinvesting in their homes. The initial city-wide housing survey in 2011 was updated in 2013, 2015, 2018, and 2021. The survey is a disciplined strategy to focus the City's attention on the properties that have major code violations or are in need of small improvements.

The improvements in the housing stock are being demonstrated in property value. The City saw 8% growth in housing value as of the 2015 triennial update, one of only three communities in the County to see such improvement. This was followed by a 22.5% increase in the 2018 sexennial reappraisal for residential property followed by another 27% increase in the 2021 triennial update. The Multiple Listing Service (MLS) reported that the single-family home median sale price in the City has increased from \$135,000 in 2015 to \$295,000 in 2022.

In addition to educating property owners on best practices to improve their homes, the City is making significant effort to connect homeowners to resources for improvements through the Division of Community Development. Since 2015, over \$1.7 million has been invested into 171 residential homes in the City through its homeowner rehabilitation programs.

The City has partnered with private developers to construct and rehabilitate houses. The City has invested nearly \$1.2 million in HOME funds from 2015 through 2022 to renovate 25 properties as part of the City's affordable housing strategy.

Over the past five years, there has been significant investment in multifamily development in the City as well. The \$17 million McKinley Place project added 40 units in 2019. Rockport Townhomes completed 51 townhouse units in a \$12 million development in 2018. The Mews, a \$2.5 million nine-unit townhouse complex was completed in 2020. The \$14 million Center North project that converted an antiquated office high-rise to 183 apartment units was completed in 2018. In 2020, the \$4 million Marlowe townhomes project was approved and will include the construction of 16 new units on a former Catholic school property. The former Marathon gas station on Lake Avenue is also being redeveloped into four residential units with first floor master bedrooms at a total project cost of \$3 million.

### **Redevelopment**

As a built out inner ring suburb, the City does not typically have significant acreage to redevelop for new projects. However, the community is able to see gains when opportunities arise to reposition key real estate due to strategic partnerships and a clearly articulated Community Vision.

The Cleveland Clinic Foundation's new Lakewood Family Health Center opened in July 2018. This 64,700 square foot, \$34 million project in the heart of the City's downtown area offers a variety of outpatient services and features 60 exam rooms and a 24/7 emergency department.



In 2020, St. Edward High School opened a 15,000 square foot addition creating a new entrance, dining hall, and courtyard for their students. Recently, two local projects received State of Ohio historic tax credits for their rehabilitation projects. The Nest received \$657,101 in tax credits to support the \$4 million renovation of the former BiRite building in historic Birdtown and Scalish Construction received \$849,000 in tax credits for the \$6 million adaptive reuse of the former Trinity Lutheran Church. As noted earlier, in 2023, the former St. James School was renovated into an office building.

In 2022, West 117 Development completed the first phase of their project by rehabbing and adaptively reusing the former Mack Products building at the east end of the city. The property is now the Fieldhouse at Studio West 117 and provides recreation, entertainment, and culinary education spaces serving the LGBTQ+ community. Future phases include the renovation of the historic Phantasy Theater and the redevelopment of the former NTB Tire & Service Center into a mixed-use retail, office, medical, and housing complex.

The City owns 5.7 acres of vacant land in the City's downtown area that was previously the home of Lakewood Hospital. The former hospital was demolished in 2019, and the site is currently being prepared for redevelopment. Recently, the City selected CASTO Development ("CASTO") to lead the redevelopment of this property into a dense, mixed-use project. The estimated project value is \$100 million. Upon approval of the development agreement and plans prepared by CASTO, construction on the 5.7 acres may begin in 2023 and will include retail, residential, and a public plaza.

The former Spitzer Car dealership site at Detroit Avenue and Bunts Avenue has been approved for 120 apartment units in two separate multi-story structures with amenities such as a community room and a fitness center. The estimated construction value of the project is \$25 million. The developer, Jerome Solove Development Inc., has obtained the necessary approvals from the City Boards and Commissions and has submitted plans to the Building Department. Construction is scheduled to begin in 2023.

In 2022, the State of Ohio awarded Liberty Development with historic tax credits in support of their purchase of the former Lakewood Board of Education Building and historic Rockport School building. Anticipated to begin in 2023, this rehabilitation project will adaptively reuse the historic buildings to create mixed use office and multi-family residential development in the City's downtown area.

NewBrook Partners has proposed to redevelop the former Barry Buick car dealership on Detroit Avenue into a 2.7-acre mixed-use project in western Lakewood. The \$30 million development includes approximately 200 apartment units and retail space and is expected to begin construction in 2023.

### **Recreation**

The City continues to invest in its park spaces as part of Lakewood's Park System Strategic Plan. In 2020, Wagar Park was completely reconstructed with a budget of \$1 million. During 2021 and 2022, over \$700,000 in improvements were made at Kauffman Park (the City's third largest park property), and Clifton Prado, the City's second smallest park property, which was renovated with new play equipment, bench swings, and accessible seating. In 2022, the City began the renovation of Foster Pool at Lakewood Park. This \$6+ million renovation will replace the seventy-year-old pool with modern facilities serving people of all ages and abilities. The City continues to reinvest in the park system by undertaking planning efforts for Merl Bunts Park and Madison Park and is evaluating the feasibility of a pier in Lakewood Park. In all, an estimated \$8 million has been spent improving the City's public parks over the past five years.

## **Capital Plan**

In accordance with Article V, Section 7 of the City of Lakewood Third Amended Charter annually, after consultation with the mayor and the heads of affected city departments, the director of finance shall prepare and submit to the mayor and council a recommended five-year financial plan for the city's capital needs.

## **Awards and Acknowledgements**

### ***Awards:***

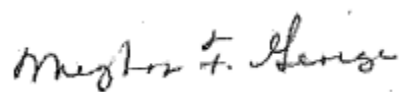
- The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Lakewood for its Annual Comprehensive Financial Report for the year ended December 31, 2021. This was the 41st consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized annual financial report. The annual report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of only one year. The Finance Department believes the current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and is submitting it to the GFOA for determination of eligibility for another certificate.
- The City also received the Ohio Auditor of State Award with Distinction for the year ended December 31, 2021. This prestigious award is selectively earned by meeting stringent financial recordkeeping practices and requirements outlined by the Ohio Auditor of State's office in leading to a "clean" audit.
- The City was also awarded the GFOA's Distinguished Budget Presentation Award for the 2022 budget cycle.

### ***Acknowledgements:***

This Annual Comprehensive Financial Report was prepared by the dedicated staff of the Finance Department's administrative division, and special recognition is noteworthy for Assistant Finance Director Keith Schuster and Accounting Manager John Hribar. We also recognize the support of departments and directors throughout the City, especially Shawn Leininger, the Director of Planning and Development who made significant contributions to this transmittal correspondence. We also appreciate City Council's continued support and recognition of the Department of Finance and its financial management of City projects.

Finally, we thank Zupka & Associates for assistance in the preparation of this report, and the Auditor of State Keith Faber and his outstanding staff for their efforts and professional conduct throughout the audit engagement with the City.

Respectfully submitted,

A handwritten signature in cursive script that reads "Meghan F. George". The signature is written in black ink on a white background.

**Meghan F. George**  
Mayor

A handwritten signature in cursive script that reads "Peter Rancatore". The signature is written in black ink on a white background.

**Peter M. Rancatore, Jr.**  
Director of Finance





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Lakewood  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2021

*Christopher P. Morill*

Executive Director/CEO

**City of Lakewood, Ohio**

*Elected Officials  
December 31, 2022*

Mayor..... Meghan F. George  
Municipal Court Judge..... Tess Neff  
City Council At Large..... Thomas Bullock  
City Council At Large..... Sarah Kepple, Vice-President  
City Council At Large..... Tristan Rader

City Council by Wards:

Ward 1..... Kyle Baker  
Ward 2..... Jason Shachner  
Ward 3..... John Litten, Council President  
Ward 4..... Cindy Marx

**City of Lakewood, Ohio**

*Appointed Officials*

*December 31, 2022*

**Office of Council**

Clerk of Council.....Maureen Bach

**Municipal Court**

Clerk of Court .....Gregory Tischler

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

**Department of Law**

Director of Law .....Ernie Vargo

**Department of Finance**

Director of Finance ..... Peter Rancatore, Jr

**Department of Public Works**

Director of Public Works ..... Christopher Gordon

**Department of Public Safety**

Chief of Police ..... Kevin Kauchek

Chief of Fire.....Timothy Dunphy

**Department of Human Services**

Director of Human Services.....Chad Berry

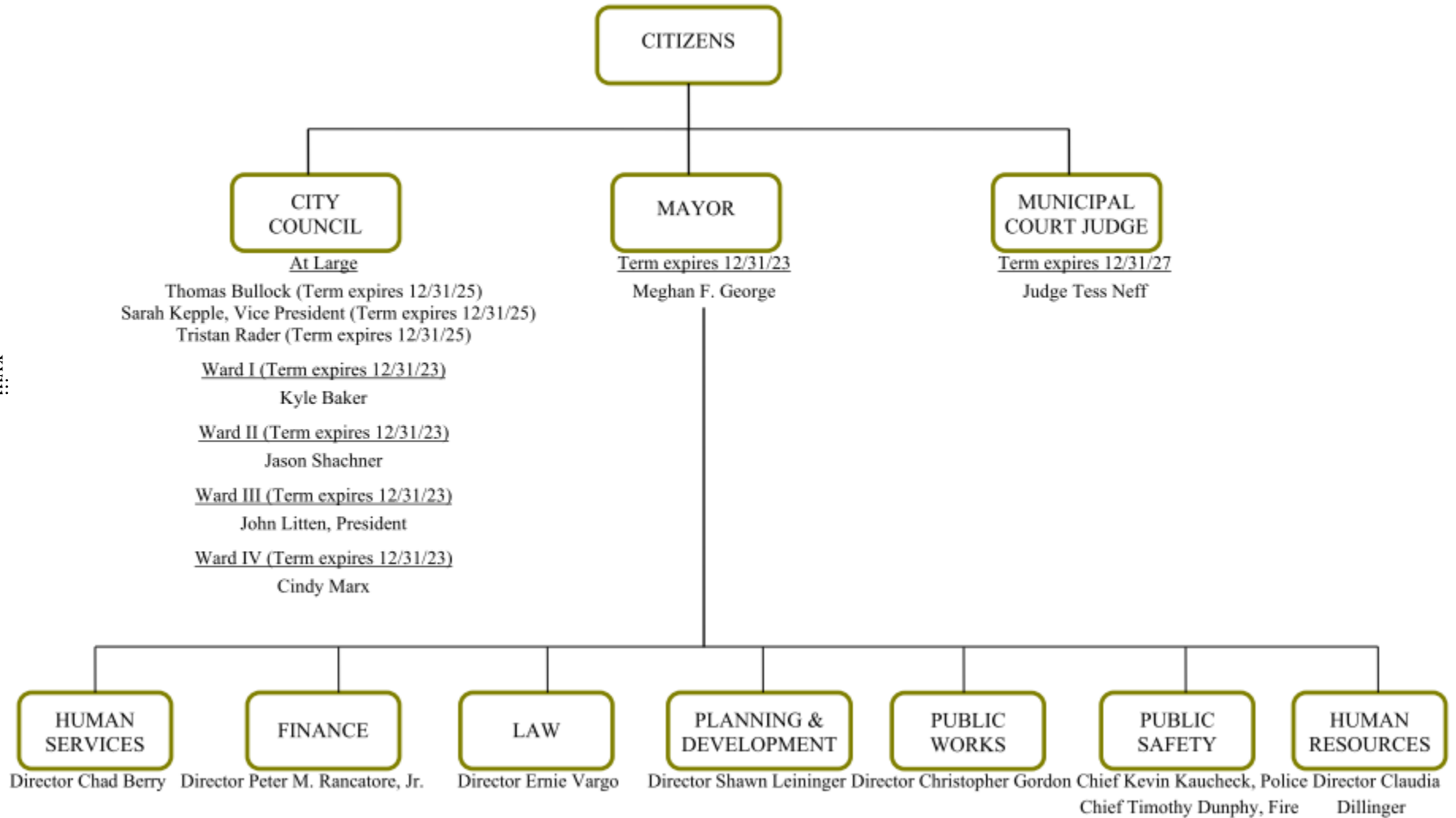
**Department of Planning and Community Development**

Director of Planning and Development .....Shawn Leininger

**Department of Human Resources**

Director of Human Resources..... Claudia Dillinger

**City of Lakewood, Ohio**  
*Organizational Chart*  
 December 31, 2022



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## **FINANCIAL SECTION**



# OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street  
Columbus, Ohio 43215  
ContactUs@ohioauditor.gov  
(800) 282-0370

## INDEPENDENT AUDITOR'S REPORT

City of Lakewood  
Cuyahoga County  
12650 Detroit Avenue  
Lakewood, Ohio 44107

To the City Council:

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lakewood, Cuyahoga County, Ohio (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lakewood, Cuyahoga County, Ohio as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, Police and Fire Pension Fund, Community Development Block Grant Fund, Lakewood Hospital Fund and American Rescue Plan Fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

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

***Supplementary information***

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

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

***Other Information***

Management is responsible for the other information included in the annual financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we will also issue our report dated June 29, 2023, 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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Keith Faber  
Auditor of State  
Columbus, Ohio

June 29, 2023

**City of Lakewood, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2022*  
*Unaudited*

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The discussion and analysis of the City of Lakewood's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2022. 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 2022 are as follows:

- Overall, governmental activities revenues (including transfers) of \$73,989,896 exceeded the expenses, which came in at \$60,241,652 resulting an increase in net position by \$13,748,244 for the year 2022. The total governmental activities' net position was \$77,734,072 compared to \$63,985,828 in the previous year.
- Overall, business-type activities revenues of \$30,747,867 exceeded the expenses (including transfers) which came in at \$18,502,436 resulting in an increase in net position by \$12,245,431 for the year 2022. The total business-type activities' net position was \$126,442,300 compared to \$114,196,869 in the previous year.
- The City issued bond anticipation notes during 2022 for roadway improvements, various park improvements, sidewalk improvements, building improvements, and water and sewer improvements.
- The City is committed to providing the Citizens of Lakewood with the highest quality of services while maintaining efficiency and cost effectiveness. The City actively pursues grants to offset costs of providing services and to offer new programs.

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

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

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

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

**City of Lakewood, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2022*  
*Unaudited*

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

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

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

The government-wide financial statements can be found starting on page 21 of this report.

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

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

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

The City maintains various individual governmental funds. Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Police and Fire Pension Fund, Community Development Block Grant Fund, Lakewood Hospital Fund, American Rescue Plan, Permanent Capital Improvement and Debt Service Fund; all of which are considered to be major funds. Data from the other non-major governmental funds are combined into a single fund, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.



**City of Lakewood, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2022*  
*Unaudited*

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

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

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

The basic proprietary fund financial statements can be found on pages 33-36 of this report.

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

The basic fiduciary fund financial statements can be found on page 37-38 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 39-102 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain other information that the City believes readers will find useful. After the notes to the financial statements, the required supplementary information related to the net pension liability and net OPEB liability, the combining statements referred to earlier in connection with non-major governmental and proprietary funds are presented, as well as individual detailed budgetary comparisons for non-major funds. This information can be found on pages 103-193 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 2022?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by the private sector. The basis of this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

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

**The City of Lakewood as a Whole**

Recall that the Statement of Net Position looks at the City as a whole. The following table on the next page provides a summary of the City's net position for 2022 compared to 2021.

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	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>ASSETS</b>						
Current and other assets	\$151,520,423	\$124,038,828	\$59,668,476	\$51,755,736	\$211,188,899	\$175,794,564
Capital assets, net	110,533,223	102,943,839	156,191,795	150,647,041	266,725,018	253,590,880
Net Pension Asset	234,930	159,202	60,739	39,274	295,669	198,476
Net OPEB Asset	2,549,488	1,436,086	659,152	354,277	3,208,640	1,790,363
<b>Total Assets</b>	<b>264,838,064</b>	<b>228,577,955</b>	<b>216,580,162</b>	<b>202,796,328</b>	<b>481,418,226</b>	<b>431,374,283</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferral on Refunding	99,681	125,792	172,390	198,679	272,071	324,471
Pension	16,263,096	8,373,973	881,320	443,864	17,144,416	8,817,837
OPEB	3,724,726	4,636,152	10,010	177,734	3,734,736	4,813,886
<b>Total Deferred Outflows of Resources</b>	<b>20,087,503</b>	<b>13,135,917</b>	<b>1,063,720</b>	<b>820,277</b>	<b>21,151,223</b>	<b>13,956,194</b>
<b>LIABILITIES</b>						
Current and other liabilities	44,567,496	21,536,609	3,063,564	3,378,366	47,631,060	24,914,975
Long-term liabilities:						
Due within one year	20,440,803	12,494,385	13,499,164	8,799,570	33,939,967	21,293,955
Due in more than one year:						
Net Pension Liability	46,926,111	54,811,983	1,873,710	3,012,450	48,799,821	57,824,433
Net OPEB Liability	6,961,515	6,621,043	0	0	6,961,515	6,621,043
Other Amounts	41,245,236	44,517,131	67,342,509	69,156,109	108,587,745	113,673,240
<b>Total Liabilities</b>	<b>160,141,161</b>	<b>139,981,151</b>	<b>85,778,947</b>	<b>84,346,495</b>	<b>245,920,108</b>	<b>224,327,646</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Property Taxes	17,849,671	17,994,858	2,317,750	2,336,996	20,167,421	20,331,854
Payments in Lieu of Taxes	1,498,522	1,166,030	0	0	1,498,522	1,166,030
Pension	22,342,666	11,048,870	2,368,733	1,516,741	24,711,399	12,565,611
OPEB	5,359,475	7,537,135	736,152	1,219,504	6,095,627	8,756,639
<b>Total Deferred Inflows of Resources</b>	<b>47,050,334</b>	<b>37,746,893</b>	<b>5,422,635</b>	<b>5,073,241</b>	<b>52,472,969</b>	<b>42,820,134</b>
<b>NET POSITION</b>						
Net Investment in						
Capital Assets	58,373,532	57,204,474	92,452,876	88,393,432	150,826,408	145,597,906
Restricted	42,339,582	36,467,444	0	0	42,339,582	36,467,444
Unrestricted	(22,979,042)	(29,686,090)	33,989,424	25,803,437	11,010,382	(3,882,653)
<b>Total Net Position</b>	<b>\$77,734,072</b>	<b>\$63,985,828</b>	<b>\$126,442,300</b>	<b>\$114,196,869</b>	<b>\$204,176,372</b>	<b>\$178,182,697</b>

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2022 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The City previously adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB, net pension asset, and net OPEB asset.

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Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability/asset and the net OPEB liability/asset to equal the City's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service
2. Minus plan assets available to pay these benefits

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

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In accordance with GASB 68 and GASB 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability/asset and net OPEB liability/asset, respectively, not accounted for as deferred inflows/outflows.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$204,176,372 at the close of 2022.

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

Total assets and deferred outflows of resources increased by \$57,238,972 from 2021 to 2022, while the City's total liabilities and deferred inflows of resources increased by \$31,245,297. Total net position increased \$25,993,675 with governmental activities comprising \$13,748,244 and business-type activities comprising \$12,245,431 of that amount. Most of the increase in net position is because of the increase in Municipal Income Taxes.

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

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	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>REVENUES</b>						
Program Revenues:						
Charges for Services	\$9,781,465	\$6,492,098	\$27,239,823	\$26,620,871	\$37,021,288	\$33,112,969
Operating Grants and Contributions	8,190,868	14,181,573	298,672	241,507	8,489,540	14,423,080
Capital Grants and Contributions	1,655,495	1,434,383	1,888,569	1,993,887	3,544,064	3,428,270
<b>Total Program Revenues</b>	<b>19,627,828</b>	<b>22,108,054</b>	<b>29,427,064</b>	<b>28,856,265</b>	<b>49,054,892</b>	<b>50,964,319</b>
General Revenues:						
Property Taxes	18,715,964	14,880,919	2,430,657	1,932,571	21,146,621	16,813,490
Municipal Income Taxes	32,378,677	27,661,079	0	0	32,378,677	27,661,079
Payments in Lieu of Taxes	1,521,530	1,174,427	0	0	1,521,530	1,174,427
Grants and Entitlements	2,918,053	4,648,635	0	0	2,918,053	4,648,635
Investment Income	(2,319,103)	(352,554)	(1,227,499)	(247,265)	(3,546,602)	(599,819)
All Other Revenues	179,485	684,669	117,645	110,865	297,130	795,534
<b>Total General Revenues</b>	<b>53,394,606</b>	<b>48,697,175</b>	<b>1,320,803</b>	<b>1,796,171</b>	<b>54,715,409</b>	<b>50,493,346</b>
<b>Total Revenues</b>	<b>73,022,434</b>	<b>70,805,229</b>	<b>30,747,867</b>	<b>30,652,436</b>	<b>103,770,301</b>	<b>101,457,665</b>
<b>EXPENSES</b>						
Program Expenses:						
Security of Persons and Property:						
Police and Others **	14,935,517	14,967,173	0	0	14,935,517	14,967,173
Fire **	14,202,840	12,804,836	0	0	14,202,840	12,804,836
Public Health Services	1,594,008	1,091,146	0	0	1,594,008	1,091,146
Leisure Time Activities	2,918,115	2,012,005	0	0	2,918,115	2,012,005
Community Environment	7,720,225	7,683,465	0	0	7,720,225	7,683,465
Basic Utility Services	3,535,914	2,671,961	0	0	3,535,914	2,671,961
Transportation	2,588,206	2,250,116	0	0	2,588,206	2,250,116
General Government	11,421,889	7,900,650	0	0	11,421,889	7,900,650
Interest and Fiscal Charges	1,324,938	1,352,888	0	0	1,324,938	1,352,888
Water	0	0	9,065,616	9,123,445	9,065,616	9,123,445
Sewer	0	0	7,810,029	6,747,116	7,810,029	6,747,116
Parking Facilities	0	0	278,751	272,201	278,751	272,201
Winterhurst Ice Rink	0	0	380,578	364,817	380,578	364,817
<b>Total Expenses</b>	<b>60,241,652</b>	<b>52,734,240</b>	<b>17,534,974</b>	<b>16,507,579</b>	<b>77,776,626</b>	<b>69,241,819</b>
Change in Net Position before Transfers	12,780,782	18,070,989	13,212,893	14,144,857	25,993,675	32,215,846
Transfers	967,462	1,363,088	(967,462)	(1,363,088)	0	0
Change in Net Position	13,748,244	19,434,077	12,245,431	12,781,769	25,993,675	32,215,846
Net Position - Beginning of Year	63,985,828	44,551,751	114,196,869	101,415,100	178,182,697	145,966,851
<b>Net Position - End of Year</b>	<b>\$77,734,072</b>	<b>\$63,985,828</b>	<b>\$126,442,300</b>	<b>114,196,869</b>	<b>\$204,176,372</b>	<b>\$178,182,697</b>

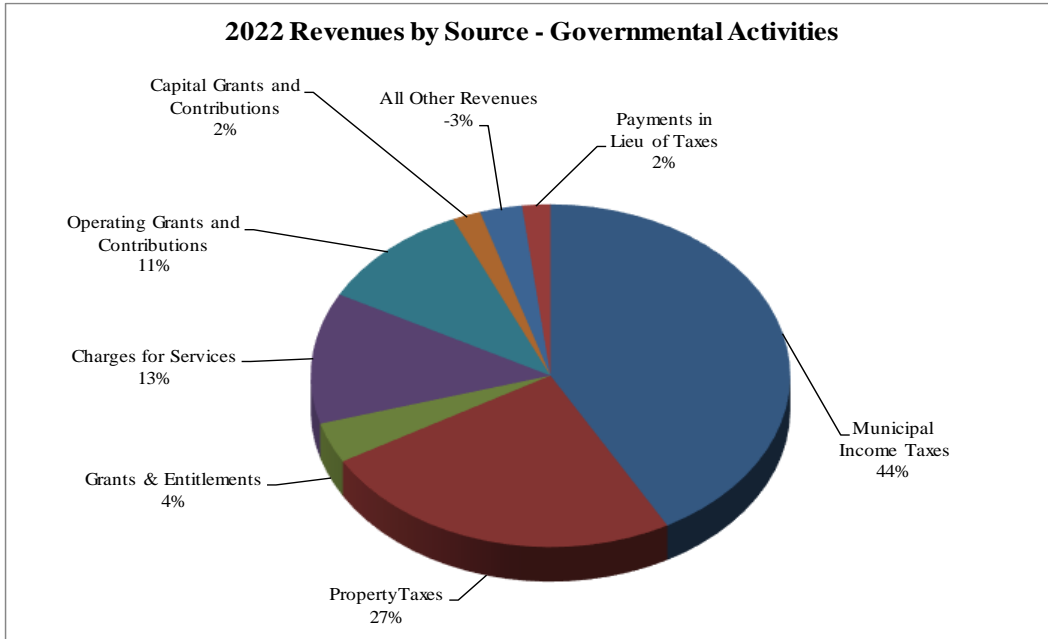
**Governmental Activities**

Several types of revenues fund the City's governmental activities, with the City's municipal income tax being the biggest contributor. The income tax rate was 1.5 percent in 2022. Both residents and non-residents who work inside the City are subject to the income tax.

However, residents of the City are granted a credit for income taxes paid to other municipalities to a maximum of one-half of one percent of income earned outside the City. The income tax revenue for 2022 was \$32,378,677. Of the \$73,022,434 in total governmental revenues, income tax accounts for 44 percent of that total. Property taxes and payment in lieu of taxes of \$20,237,494 account for 28 percent of total revenues. Operating/capital grants and contributions, and general revenues from grants and entitlements account for 18 percent of total revenues, and charges for services, investment income and other revenue make up the remaining 10 percent.

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



Total revenues for governmental activities increased by \$2,217,205 from 2021 to 2022. Municipal Income Taxes experienced the largest increase of \$4,717,598. Investment Income also decreased by \$1,966,549 due to reductions in interest rates by the Federal Reserve Board.

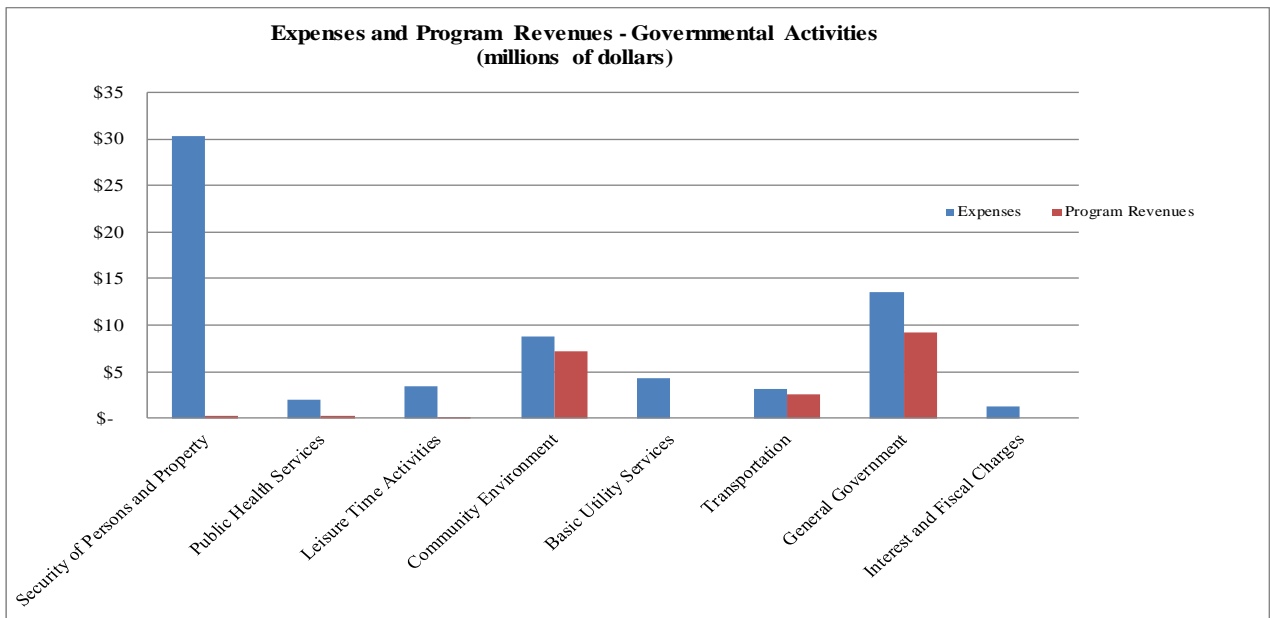
The provisions of GASB Statements 68 and 75 require the City to recognize a pension/OPEB accrual adjustment that decreased expenses by \$6,596,091 and \$10,333,976 respectively in 2021 and 2022. As a result, it is difficult to ascertain the true operational cost of services and the changes in cost of service from year to year. The table below shows the total expenses by function with the GASB Statements 68 and 75 pension and OPEB expenses removed.

	Governmental Activities	
	2022	2021
<b>EXPENSES</b>		
Program Expenses:		
Security of Persons and Property:		
Police and Others	\$ 15,891,054	\$ 15,990,770
Fire	14,394,230	12,696,476
Public Health Services	1,995,640	1,868,498
Leisure Time Activities	3,445,825	2,972,332
Community Environment	8,807,859	9,609,543
Basic Utility Services	4,311,551	4,028,646
Transportation	3,155,402	2,941,403
General Government	13,511,244	11,607,660
Interest and Fiscal Charges	1,324,938	1,352,888
<b>Total Expenses</b>	<b>\$ 66,837,743</b>	<b>\$ 63,068,216</b>

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Total expenses (from table on the previous page) of governmental activities for 2022 were \$66,837,743. The largest program function for the City relates to Security of Persons and Property, which includes the Police and Fire departments. Total Security of Persons and Property accounted for program expenses of \$30,285,284, which is 45 percent of the program expenses for governmental activities. General Government is the next largest program expense at 20 percent, followed by Community Environment expenses of 13 percent.

Total expenses of governmental activities increased by \$3,769,527 from 2021 to 2022. This was mainly due to wage and benefit changes in General Government and fire.

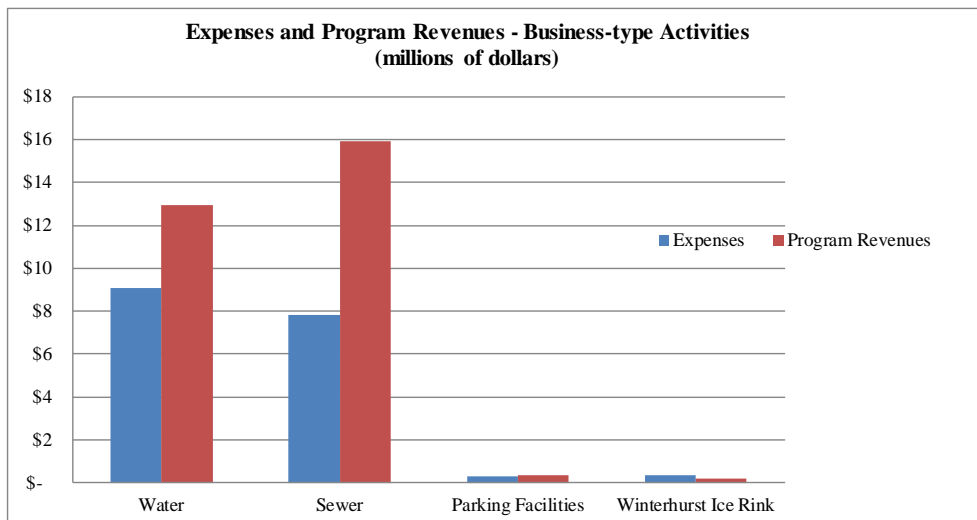
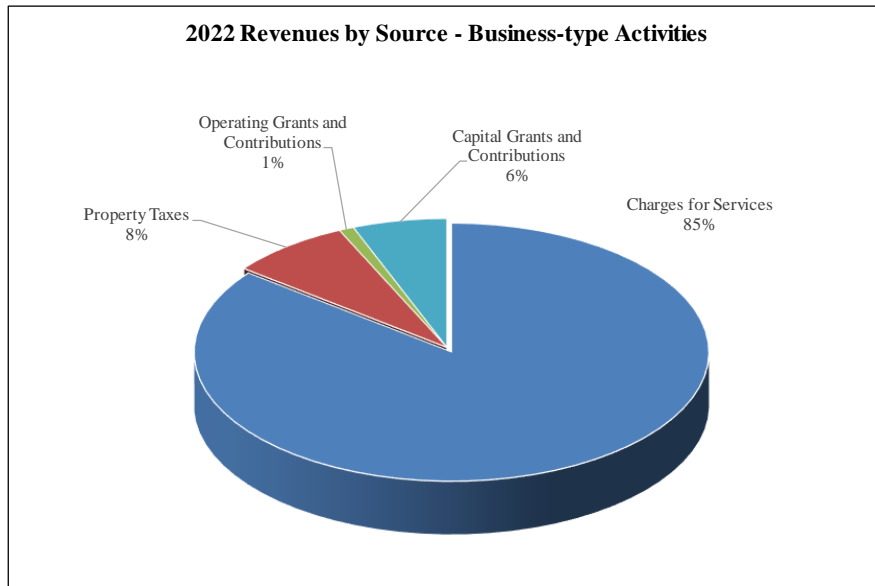


**Business-Type Activities**

Business-type activities increased the City's net position by \$12,245,431. The increase is due primarily to the City's efforts to keep expenses in line with revenues and the increase in capital grants and contributions. Total expenses of business-type activities were \$17,534,974, with the Water Department comprising 52 percent of that amount followed by the Sewer Department at 45 percent. Total revenues increased by \$95,431. Total expenses increased by \$1,027,395 from 2021 to 2022.



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

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

***Governmental Funds***

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance serves as a useful measure of a government's net resource available for spending at the end of the fiscal year. Information about the City's governmental funds begins on page 24. These funds are accounted for using the modified accrual basis of accounting.

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As of December 31, 2022, the City's governmental funds reported combined ending fund balances of \$61,737,997, a \$4,637,626 increase from 2021. Of that amount, \$10,209,905 constitutes unassigned fund balances, which are available for spending at the government's discretion. The remainder of fund balance is classified as nonspendable, restricted, committed or assigned to indicate that it is not available for new spending and will be used for loans and to liquidate contracts and purchases of the prior period.

The General Fund had total revenues of \$49,931,034 and expenditures of \$50,076,118 (not including other financing sources and uses) leaving an increase in fund balance after other financing sources and uses of \$706,396. This increase is primarily due to an increase in intergovernmental and Municipal Income Taxes.

The General Fund is the chief operating fund of the City. At the end of the current year, the unassigned fund balance of the General Fund was \$10,304,755, while the total fund balance reached \$21,861,043. As a measure of the General Fund's liquidity, it is useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents approximately 19 percent of total General Fund expenditures (including other financing uses), while total fund balance represents 41 percent of that same amount.

The Police and Fire Pension Fund had total revenues of \$4,436,376 and expenditures of \$3,624,352 with a change in fund balance of \$812,024. The increase is due to an increase in property taxes in 2022.

The Community Development Block Grant had total revenues of \$1,811,419 and expenditures of \$1,805,425 with a net change in fund balance of \$5,994. The increase is due a decrease in community environment expenditure.

The Lakewood Hospital Fund had total revenues of \$640,283 and expenditures of \$1,152,160 with a net change in fund balance after other financing uses of \$(511,877). The decrease is due to an increase in community environment and capital outlay expenditures.

The American Rescue Plan Fund had total revenues of \$1,764,539 and expenditures of \$1,764,539. The fund balance at year end was \$0.

The Debt Service Fund had total revenues of \$5,130,932, expenditures of \$7,700,352, and a net change in fund balance after other financing sources and uses of \$1,294,158. The fund balance increase was due to an increase in property taxes.

The Permanent Capital Improvement Fund had total revenues of \$1,570,593 and expenditures of \$8,485,176 with a net change in fund balance after other financing uses of \$1,395,417. The increase in fund balance is due to an increase in bond anticipation notes issued.

***Proprietary Funds***

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of all enterprise funds at the end of the year amounted to \$33,989,424. The City's Water and Sewer Funds experienced increases in net position during 2022. The City's efforts to keep utility rates sufficient to cover expenses are evident in the increases in net position for 2022.

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**General Fund Budgetary Highlights**

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund. During 2022, the City amended its General Fund budget on various occasions. All recommendations for budget changes come to the Finance Committee of City Council for review before going to the whole Council for Ordinance enactment on the change. The legal level of budgetary control is at the object level (i.e. personnel costs).

Adjustments to the budget can only be made within a department and then within each category. The General Fund supports many of our major activities such as the Police, Fire and Refuse departments, as well as most legislative and executive activities. The General Fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

For the General Fund, original and final budgeted revenues and other financing sources were both \$47,408,577. Actual revenues and other financial sources were \$53,764,402. The main differences between budgeted and actual revenues are intergovernmental, income tax revenues and property taxes revenues. Due to economic factors during the year, property taxes, income taxes, licenses, permits and fees, interest, and miscellaneous increased in 2022 over 2021 while charges for services and intergovernmental decreased in 2022 compared to 2021. Original General Fund budgeted expenditures and other financing uses were \$47,263,263 and the final amended budget was \$60,630,174. Actual General Fund expenditures and other financing uses were \$59,466,502 or \$1,163,672 less than budgeted due to operating expenditures less than originally estimated in all programs of the General Fund. The City's ending unencumbered cash balance in the General Fund of \$9,990,049 was \$7,519,497 above the final budgeted amount of \$2,470,552.

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*Unaudited*

**Capital Assets and Debt Administration**

**Capital Assets** - The City's investment in capital assets for governmental and business-type activities as of December 31, 2022, amounts to \$266,725,018 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, land improvements, furniture and equipment, vehicles, roads, traffic signals, sidewalks, curbing, water lines, and sewer lines.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$6,270,477	\$6,270,477	\$78,140	\$78,140	\$6,348,617	\$6,348,617
Construction in progress	5,814,110	8,080,454	33,357,483	28,344,518	39,171,593	36,424,972
<b>Total Non-Depreciable</b>	<b>12,084,587</b>	<b>14,350,931</b>	<b>33,435,623</b>	<b>28,422,658</b>	<b>45,520,210</b>	<b>42,773,589</b>
Land improvements	9,586,521	8,292,376	12,324,225	10,560,851	21,910,746	18,853,227
Buildings and improvements	23,358,407	15,541,200	21,009,241	20,932,965	44,367,648	36,474,165
Furniture and equipment	2,221,019	2,216,674	2,194,179	2,461,347	4,415,198	4,678,021
Vehicles	9,403,227	9,811,671	1,409,067	1,476,458	10,812,294	11,288,129
Infrastructure:						
Roads	41,954,759	41,065,446	0	0	41,954,759	41,065,446
Traffic Signals	4,182,386	4,241,497	0	0	4,182,386	4,241,497
Sidewalks	6,947,678	6,617,665	60,561	61,212	7,008,239	6,678,877
Curbing	794,639	806,379	0	0	794,639	806,379
Water Lines	0	0	52,622,378	53,247,241	52,622,378	53,247,241
Sewer Lines	0	0	33,136,521	33,484,309	33,136,521	33,484,309
<b>Total Depreciable, Net of Depreciation</b>	<b>98,448,636</b>	<b>88,592,908</b>	<b>122,756,172</b>	<b>122,224,383</b>	<b>221,204,808</b>	<b>210,817,291</b>
<b>Total Capital Assets, Net of Depreciation</b>	<b>\$110,533,223</b>	<b>\$102,943,839</b>	<b>\$156,191,795</b>	<b>\$150,647,041</b>	<b>\$266,725,018</b>	<b>\$253,590,880</b>

The total increase in the City's capital assets for the current fiscal year was \$13,134,138, a \$7,589,384 increase for governmental activities and a \$5,544,754 increase for business-type activities. The most significant increase in capital assets came in the land improvements and buildings and improvements within the governmental activities. The most significant decrease in capital assets came in the construction in progress.

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

**Debt** – As of December 31, 2022, the City had \$133,520,484 in bonds, notes, loans, and financed purchases outstanding. Of this amount, \$28,970,318 is due within one year.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
General Obligation Notes -						
Long-term	11,749,703	3,980,384	\$9,562,029	\$5,307,139	\$21,311,732	\$9,287,523
General Obligation Bonds	34,501,447	37,485,304	39,628,550	42,197,580	74,129,997	79,682,884
OPWC Loans	0	0	11,835,458	11,606,415	11,835,458	11,606,415
OWDA Loan	0	0	17,702,278	16,212,182	17,702,278	16,212,182
Financed Purchases	6,889,913	7,225,569	1,651,106	2,095,692	8,541,019	9,321,261
<b>Total Outstanding Debt</b>	<b>\$53,141,063</b>	<b>\$48,691,257</b>	<b>\$80,379,421</b>	<b>\$77,419,008</b>	<b>\$133,520,484</b>	<b>\$126,110,265</b>

**City of Lakewood, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2022*  
*Unaudited*

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

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

The City's overall legal debt margin was \$103,933,735 at December 31, 2022.

See Notes 11, 12, 13, and 14 of the Basic Financial Statements for additional information on the City's debt.

**Current Financial Related Activities**

American Rescue Plan Act (ARPA) - During 2022, the City received the second tranche of ARPA funds as provided for in the ARPA legislation passed by the United States Congress in March of 2021, bringing the total ARPA dollars received by Lakewood to \$47,219,575. The City is in the process of obligating and spending all ARPA funds in compliance with provisions outlined in the legislation and rules set forth by the US Treasury. Mayor George proposed, and the Lakewood City Council approved various projects and uses for the funds which must be spent or encumbered by December 31, 2024, with project completion required by December 31, 2026. Additional commitments continue into 2023 as the City explores the best uses for these funds.

**Contacting the City's Finance Department**

This annual comprehensive financial report conforms with stringent governmental accounting standards and is designed to provide citizens, taxpayers, creditors, and investors with a detailed financial report that provides financial transparency in public funds received, spent, invested, and held in trust with the City of Lakewood, Ohio. Questions concerning information in this report or associated with the City's finances should be directed to the Director of Finance, 12650 Detroit Avenue, Lakewood, OH 44107; email [finance@lakewoodoh.net](mailto:finance@lakewoodoh.net); call (216)-529-6090; or visit the City's finance department on the City website: <https://www.lakewoodoh.gov/finance/>.

## Basic Financial Statements

**City of Lakewood, Ohio**  
*Statement of Net Position*  
*December 31, 2022*

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Equity in Pooled Cash and Cash Equivalents	\$91,488,952	\$51,125,408	\$142,614,360
Cash and Cash Equivalents:			
In Segregated Accounts	901,589	158,552	1,060,141
With Fiscal Agents	1,854,554	115,271	1,969,825
With Escrow Agents	1,542,377	0	1,542,377
Materials and Supplies Inventory	461,263	457,134	918,397
Accounts Receivable	960,468	4,567,062	5,527,530
Less: Allowance for Doubtful Accounts	0	(79,120)	(79,120)
Accrued Interest Receivable	171,411	68,593	240,004
Intergovernmental Receivable	4,573,936	1,020,948	5,594,884
Internal Balances	170,603	(170,603)	0
Prepaid Items	695,694	0	695,694
Municipal Income Taxes Receivable	16,356,435	0	16,356,435
Property Taxes Receivable	18,523,278	2,405,231	20,928,509
Special Assessments Receivable	1,445,962	0	1,445,962
Payments in Lieu of Taxes Receivable	1,562,080	0	1,562,080
Loans Receivable	1,216,255	0	1,216,255
Assets Held for Resale	9,595,566	0	9,595,566
Net Pension Asset	234,930	60,739	295,669
Net OPEB Asset	2,549,488	659,152	3,208,640
Nondepreciable Capital Assets	12,084,587	33,435,623	45,520,210
Depreciable Capital Assets	98,448,636	122,756,172	221,204,808
<b>Total Assets</b>	<b>264,838,064</b>	<b>216,580,162</b>	<b>481,418,226</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferral on Refunding	99,681	172,390	272,071
Pension	16,263,096	881,320	17,144,416
OPEB	3,724,726	10,010	3,734,736
<b>Total Deferred Outflows of Resources</b>	<b>20,087,503</b>	<b>1,063,720</b>	<b>21,151,223</b>
<b>LIABILITIES</b>			
Accounts Payable	2,808,342	2,355,670	5,164,012
Accrued Wages and Benefits	1,182,142	126,085	1,308,227
Intergovernmental Payable	1,229,378	125,388	1,354,766
Matured Compensated Absences Payable	159,405	29,777	189,182
Accrued Interest Payable	321,872	268,092	589,964
Retainage Payable	720,064	158,552	878,616
Unearned Revenue	38,146,293	0	38,146,293
Long-term Liabilities:			
Due within one year	20,440,803	13,499,164	33,939,967
Due in more than one year:			
Net Pension Liability (See Note 15)	46,926,111	1,873,710	48,799,821
Net OPEB Liability (See Note 16)	6,961,515	0	6,961,515
Other Amounts	41,245,236	67,342,509	108,587,745
<b>Total Liabilities</b>	<b>160,141,161</b>	<b>85,778,947</b>	<b>245,920,108</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	17,849,671	2,317,750	20,167,421
Payments in Lieu of Taxes	1,498,522	0	1,498,522
Pension	22,342,666	2,368,733	24,711,399
OPEB	5,359,475	736,152	6,095,627
<b>Total Deferred Inflows of Resources</b>	<b>47,050,334</b>	<b>5,422,635</b>	<b>52,472,969</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	58,373,532	92,452,876	150,826,408
Restricted for:			
Capital Projects	7,206,140	0	7,206,140
Debt Service	8,139,332	0	8,139,332
Streets and Highways	2,322,068	0	2,322,068
Community Development	2,060,784	0	2,060,784
Courts	809,331	0	809,331
Lakewood Hospital	17,970,529	0	17,970,529
Police and Fire	3,092,372	0	3,092,372
Office on Aging	689,750	0	689,750
Other Purposes	49,276	0	49,276
Unrestricted	(22,979,042)	33,989,424	11,010,382
<b>Total Net Position</b>	<b>\$77,734,072</b>	<b>\$126,442,300</b>	<b>\$204,176,372</b>

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

**City of Lakewood, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2022

	<b>Program Revenues</b>			
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Primary Government:</b>				
<b>Governmental activities:</b>				
Security of Persons and Property:				
Police and Others	\$14,935,517	\$3,651	\$203,335	\$0
Fire	14,202,840	0	0	0
Public Health Services	1,594,008	29,115	218,344	0
Leisure Time Activities	2,918,115	0	0	90,000
Community Environment	7,720,225	587,610	5,105,934	1,481,734
Basic Utility Services	3,535,914	0	0	0
Transportation	2,588,206	0	2,554,929	83,761
General Government	11,421,889	9,161,089	108,326	0
Interest and Fiscal Charges	1,324,938	0	0	0
<b>Total Governmental activities</b>	<b>60,241,652</b>	<b>9,781,465</b>	<b>8,190,868</b>	<b>1,655,495</b>
<b>Business-type activities:</b>				
Water	9,065,616	12,338,643	0	617,539
Sewer	7,810,029	14,365,880	298,672	1,271,030
Parking Facilities	278,751	357,871	0	0
Winterhurst Ice Rink	380,578	177,429	0	0
<b>Total Business-type activities</b>	<b>17,534,974</b>	<b>27,239,823</b>	<b>298,672</b>	<b>1,888,569</b>
<b>Total Primary Government</b>	<b>\$77,776,626</b>	<b>\$37,021,288</b>	<b>\$8,489,540</b>	<b>\$3,544,064</b>

**General Revenues:**

Property Taxes levied for:  
    General Purposes  
    Debt Service Purpose  
    Police and Fire Pension  
    Sewer  
Municipal Income Taxes levied for:  
    General Purposes  
Payments in Lieu of Taxes  
Grants & Entitlements not restricted to specific programs  
Investment Income  
All Other Revenues  
Transfers  
    Total General Revenues and Transfers  
Change in Net Position  
Net Position - Beginning of Year  
**Net Position - End of Year**

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



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

<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
(\$14,728,531)	\$0	(\$14,728,531)
(14,202,840)	0	(14,202,840)
(1,346,549)	0	(1,346,549)
(2,828,115)	0	(2,828,115)
(544,947)	0	(544,947)
(3,535,914)	0	(3,535,914)
50,484	0	50,484
(2,152,474)	0	(2,152,474)
(1,324,938)	0	(1,324,938)
<u>(40,613,824)</u>	<u>0</u>	<u>(40,613,824)</u>
0	3,890,566	3,890,566
0	8,125,553	8,125,553
0	79,120	79,120
0	(203,149)	(203,149)
0	11,892,090	11,892,090
<u>(40,613,824)</u>	<u>11,892,090</u>	<u>(28,721,734)</u>
10,512,496	0	10,512,496
4,217,165	0	4,217,165
3,986,303	0	3,986,303
0	2,430,657	2,430,657
32,378,677	0	32,378,677
1,521,530	0	1,521,530
2,918,053	0	2,918,053
(2,319,103)	(1,227,499)	(3,546,602)
179,485	117,645	297,130
967,462	(967,462)	0
<u>54,362,068</u>	<u>353,341</u>	<u>54,715,409</u>
13,748,244	12,245,431	25,993,675
63,985,828	114,196,869	178,182,697
<u>\$77,734,072</u>	<u>126,442,300</u>	<u>\$204,176,372</u>

**City of Lakewood, Ohio**  
*Balance Sheet*  
**Governmental Funds**  
*December 31, 2022*

	General	Police and Fire Pension	Community Development Block Grant	Lakewood Hospital	American Rescue Plan	Debt Service	Permanent Capital Improvement	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>									
Equity in Pooled Cash and Cash Equivalents	\$15,570,119	\$3,266,788	\$293,244	\$7,399,373	\$38,146,293	\$6,002,831	\$7,401,944	\$6,352,193	\$84,432,785
Cash and Cash Equivalents:									
In Segregated Accounts	181,525	0	79,994	22,689	0	0	608,300	9,081	901,589
With Fiscal Agents	1,854,554	0	0	0	0	0	0	0	1,854,554
With Escrow Agents	0	0	0	1,542,377	0	0	0	0	1,542,377
Materials and Supplies Inventory	358,321	0	0	0	0	0	0	102,942	461,263
Accrued Interest Receivable	162,027	0	0	0	0	9,384	0	0	171,411
Accounts Receivable	942,695	0	0	3,983	0	0	0	13,790	960,468
Interfund Receivable	847,075	0	0	0	0	0	0	0	847,075
Intergovernmental Receivable	2,190,616	244,913	4,011	0	300,000	259,097	0	1,575,299	4,573,936
Prepaid Items	679,996	0	2,196	13,502	0	0	0	0	695,694
Municipal Income Taxes Receivable	16,356,435	0	0	0	0	0	0	0	16,356,435
Property Taxes Receivable	10,402,624	3,944,578	0	0	0	4,176,076	0	0	18,523,278
Special Assessments Receivable	18,577	0	0	0	0	1,427,385	0	0	1,445,962
Payments in Lieu of Taxes Receivable	0	0	0	0	0	0	0	1,562,080	1,562,080
Loans Receivable	0	0	1,216,255	0	0	0	0	0	1,216,255
Assets Held for Resale	161,000	0	0	9,165,239	0	0	0	269,327	9,595,566
<b>Total Assets</b>	<b>49,725,564</b>	<b>7,456,279</b>	<b>1,595,700</b>	<b>18,147,163</b>	<b>38,446,293</b>	<b>11,874,773</b>	<b>8,010,244</b>	<b>9,884,712</b>	<b>145,140,728</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>									
<b>Liabilities:</b>									
Accounts Payable	628,562	0	33,362	153,945	0	0	1,877,164	114,870	2,807,903
Accrued Wages and Benefits	1,063,948	0	12,955	0	0	0	0	105,239	1,182,142
Intergovernmental Payable	424,315	699,916	13,050	0	0	0	0	92,097	1,229,378
Matured Compensated Absences Payable	125,307	0	0	0	0	0	0	0	125,307
Matured Bonds Payable	0	0	0	0	0	0	0	34,098	34,098
Retainage Payable	0	0	79,994	22,689	0	0	608,300	9,081	720,064
Interfund Payable	741,691	0	184,338	0	0	0	0	654,787	1,580,816
Unearned Revenue	0	0	0	0	38,146,293	0	0	0	38,146,293
<b>Total Liabilities</b>	<b>2,983,823</b>	<b>699,916</b>	<b>323,699</b>	<b>176,634</b>	<b>38,146,293</b>	<b>0</b>	<b>2,485,464</b>	<b>1,010,172</b>	<b>45,826,001</b>
<b>Deferred Inflows of Resources:</b>									
Property Taxes and Payments in Lieu of Taxes	10,024,267	3,801,108	0	0	0	4,024,296	0	1,498,522	19,348,193
Unavailable Revenue - Delinquent Property Taxes and Payments in Lieu of Taxes	378,357	143,470	0	0	0	151,780	0	63,558	737,165
Unavailable Revenue - Income Taxes	12,801,121	0	0	0	0	0	0	0	12,801,121
Unavailable Revenue - Other	1,676,953	244,913	0	0	300,000	1,686,482	0	781,903	4,690,251
<b>Total Deferred Inflows of Resources</b>	<b>24,880,698</b>	<b>4,189,491</b>	<b>0</b>	<b>0</b>	<b>300,000</b>	<b>5,862,558</b>	<b>-</b>	<b>2,343,983</b>	<b>37,576,730</b>
<b>Fund Balances:</b>									
Nonspendable	2,046,392	0	2,196	13,502	0	0	0	102,942	2,165,032
Restricted	0	2,566,872	1,269,805	17,957,027	0	6,012,215	5,524,780	5,184,948	38,515,647
Committed	0	0	0	0	0	0	0	1,337,517	1,337,517
Assigned	9,509,896	0	0	0	0	0	0	0	9,509,896
Unassigned (Deficit)	10,304,755	0	0	0	0	0	0	(94,850)	10,209,905
<b>Total Fund Balances</b>	<b>21,861,043</b>	<b>2,566,872</b>	<b>1,272,001</b>	<b>17,970,529</b>	<b>0</b>	<b>6,012,215</b>	<b>5,524,780</b>	<b>6,530,557</b>	<b>61,737,997</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$49,725,564</b>	<b>\$7,456,279</b>	<b>\$1,595,700</b>	<b>\$18,147,163</b>	<b>\$ 38,446,293</b>	<b>\$11,874,773</b>	<b>\$ 8,010,244</b>	<b>\$9,884,712</b>	<b>\$145,140,728</b>

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

**City of Lakewood, Ohio**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Position of Governmental Activities  
 December 31, 2022*

**Total Governmental Funds Balance** \$61,737,997

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

Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds 110,533,223

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

Delinquent property taxes	673,607	
Delinquent payments in lieu of taxes	63,558	
Municipal income taxes	12,801,121	
Special assessments	1,445,962	
Intergovernmental	3,244,289	
Total		18,228,537

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in Governmental funds, an interest expenditure is reported when due. (321,872)

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

Net position	7,055,728	
Claims payable	904,344	
Total		7,960,072

The net pension liability and net OPEB liability are not due and payable in the current period; and the net pension asset and net OPEB asset are not available for spending in the current period; therefore, the liability, asset, and related deferred inflows/outflows are not reported in governmental funds:

Deferred Outflows - Pension	16,263,096	
Deferred Inflows - Pension	(22,342,666)	
Net Pension Liability	(46,926,111)	
Net Pension Asset	234,930	
Net OPEB Asset	2,549,488	
Deferred Outflows - OPEB	3,724,726	
Deferred Inflows - OPEB	(5,359,475)	
Net OPEB Liability	(6,961,515)	
Total		(58,817,527)

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

Long-term notes payable	(11,749,703)	
General obligation bonds	(31,219,729)	
Unamortized debt premiums	(3,281,718)	
Deferrals on refunding	99,681	
Financed Purchases	(6,889,913)	
Claims payable	(904,344)	
Compensated absences	(7,640,632)	
Total		(61,586,358)

**Net Position of Governmental Activities** \$77,734,072

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

**City of Lakewood, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
**Governmental Funds**  
*For the Year Ended December 31, 2022*

	General	Community			American Rescue Plan	Debt Service	Permanent Capital Improvement	Other Governmental Funds	Total Governmental Funds
		Police and Fire Pension	Development Block Grant	Lakewood Hospital					
<b>REVENUES</b>									
Property Taxes	\$10,407,662	\$3,946,550	\$0	\$0	\$0	\$4,175,110	\$0	\$0	\$18,529,322
Municipal Income Taxes	31,213,533	0	0	0	0	0	0	0	31,213,533
Payments in Lieu of Taxes	0	0	0	0	0	0	0	1,498,522	1,498,522
Intergovernmental	4,180,055	489,826	1,811,419	0	1,764,539	518,193	1,570,000	4,396,593	14,730,625
Interest	(2,191,810)	0	0	0	0	(127,672)	0	379	(2,319,103)
Fees, Licenses, and Permits	2,092,103	0	0	0	0	0	0	0	2,092,103
Fines and Forfeitures	1,203,087	0	0	0	0	0	0	143,828	1,346,915
Charges for Services	2,609,655	0	0	574,168	0	0	0	17,876	3,201,699
Contributions and Donations	0	0	0	0	0	0	0	69,630	69,630
Special Assessments	0	0	0	0	0	420,007	0	9,689	429,696
All Other Revenues	416,749	0	0	66,115	0	145,294	593	62,539	691,290
<b>Total Revenues</b>	<b>49,931,034</b>	<b>4,436,376</b>	<b>1,811,419</b>	<b>640,283</b>	<b>1,764,539</b>	<b>5,130,932</b>	<b>1,570,593</b>	<b>6,199,056</b>	<b>71,484,232</b>
<b>EXPENDITURES</b>									
Security of Persons and Property:									
Police and Other	13,181,679	1,686,706	0	0	0	0	0	121,616	14,990,001
Fire	11,285,217	1,937,646	0	0	0	0	0	162,075	13,384,938
Public Health Services	1,095,609	0	0	0	0	0	0	872,617	1,968,226
Leisure Time Activities	2,734,620	0	0	0	0	0	0	0	2,734,620
Community Environment	2,951,969	0	1,805,425	1,129,471	1,764,539	0	0	916,816	8,568,220
Basic Utility Services	3,781,021	0	0	0	0	0	0	0	3,781,021
Transportation	0	0	0	0	0	0	0	2,813,093	2,813,093
General Government	11,695,092	0	0	0	0	63,642	0	1,004,454	12,763,188
Capital Outlay	1,373,895	0	0	22,689	0	0	8,485,176	0	9,881,760
Debt Service:									
Principal Retirement	1,835,655	0	0	0	0	6,301,214	0	359,944	8,496,813
Interest and Fiscal Charges	141,361	0	0	0	0	1,293,235	0	34,652	1,469,248
Debt Issuance Costs	0	0	0	0	0	42,261	0	0	42,261
<b>Total Expenditures</b>	<b>50,076,118</b>	<b>3,624,352</b>	<b>1,805,425</b>	<b>1,152,160</b>	<b>1,764,539</b>	<b>7,700,352</b>	<b>8,485,176</b>	<b>6,285,267</b>	<b>80,893,389</b>
Excess of Revenues Over (Under) Expenditures	(145,084)	812,024	5,994	(511,877)	-	(2,569,420)	(6,914,583)	(86,211)	(9,409,157)
<b>OTHER FINANCING SOURCES (USES)</b>									
Sale of Capital Assets	193,254	0	0	0	0	0	0	1,799	195,053
Proceeds of Financed Purchases	1,500,000	0	0	0	0	0	0	0	1,500,000
Bond Anticipation Notes Issued	0	0	0	0	0	3,975,000	7,760,000	0	11,735,000
Premium on Debt Issuance	0	0	0	0	0	77,382	0	0	77,382
Transfers In	1,977,016	0	0	0	0	1,800,000	550,000	1,038,195	5,365,211
Transfers Out	(2,818,790)	0	0	0	0	(1,988,804)	0	(18,269)	(4,825,863)
<b>Total Other Financing Sources (Uses)</b>	<b>851,480</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,863,578</b>	<b>8,310,000</b>	<b>1,021,725</b>	<b>14,046,783</b>
Net Change in Fund Balances	706,396	812,024	5,994	(511,877)	0	1,294,158	1,395,417	935,514	4,637,626
Fund Balances - Beginning of Year	21,154,647	1,754,848	1,266,007	18,482,406	0	4,718,057	4,129,363	5,595,043	57,100,371
<b>Fund Balances - End of Year</b>	<b>\$21,861,043</b>	<b>\$2,566,872</b>	<b>\$1,272,001</b>	<b>\$17,970,529</b>	<b>0</b>	<b>\$6,012,215</b>	<b>\$5,524,780</b>	<b>\$6,530,557</b>	<b>\$61,737,997</b>

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

**City of Lakewood, Ohio**  
*Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances  
of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2022*

**Net Change in Fund Balances-Total Governmental Funds** \$4,637,626

*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 outlay exceeded depreciation in the current period.

Capital Outlay	11,370,048	
Depreciation	(3,430,299)	
Total		7,939,749

In the Statement of Activities, only the loss on the disposal of capital assets is reported, whereas, in the Governmental Funds, the proceeds from the disposals increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets. (350,365)

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

Delinquent property taxes	186,642	
Delinquent payments in lieu of taxes	23,008	
Municipal income taxes	1,165,144	
Special assessments	(438,010)	
Intergovernmental	601,418	
Total		1,538,202

Other financing sources in the Governmental funds increase long-term liabilities in the Statement of Net Position. These sources were attributed to the proceeds of financed purchases and the issuance of Bond Anticipation Notes and the respective premiums issued. (13,312,382)

Repayment of principal on capital leases, bonds, notes, and loans are expenditures in the Governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 8,496,813

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows

Pension		5,305,249
OPEB		95,998

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability, net pension asset, and net OPEB liability are reported as pension/OPEB expense in the statement of activities.

Pension		(748,322)
OPEB		1,943,166

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

Compensated absences	17,378	
Accrued interest on bonds	(153,081)	
Amortization of bond premiums	365,763	
Amortization of loss on refunding	(26,111)	
Total		203,949

Internal Service funds are used by management to charge costs to certain activities, such as insurance to individual funds. The net revenue (expense) of Internal Service funds are reported in the Governmental Activities. (2,001,439)

**Change in Net Position of Governmental Activities** \$13,748,244

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

**City of Lakewood, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances –  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2022*

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Property Taxes	\$10,162,679	\$10,162,679	\$10,407,662	\$244,983
Municipal Income Taxes	26,566,540	26,566,540	31,257,539	4,690,999
Charges for Services	2,601,320	2,601,320	2,510,549	(90,771)
Licenses, Permits and Fees	1,917,000	1,917,000	2,092,103	175,103
Fines and Forfeitures	1,206,000	1,206,000	1,149,698	(56,302)
Intergovernmental	3,780,653	3,780,653	4,092,710	312,057
Interest	315,000	315,000	1,207,305	892,305
Miscellaneous	248,385	248,385	491,582	243,197
<i>Total Revenues</i>	<u>46,797,577</u>	<u>46,797,577</u>	<u>53,209,148</u>	<u>6,411,571</u>
<b>Expenditures</b>				
<b>Current:</b>				
General Government	10,250,839	19,540,503	19,092,660	447,843
Security of Persons and Property	24,652,354	24,562,684	24,211,031	351,653
Public Health Services	1,066,593	1,229,643	1,177,124	52,519
Community Environment	3,052,294	4,723,511	4,527,189	196,322
Basic Utility Services	4,032,057	4,183,857	4,111,072	72,785
Leisure Time Activities	2,709,020	2,780,870	2,741,561	39,309
<i>Total Expenditures</i>	<u>45,763,157</u>	<u>57,021,068</u>	<u>55,860,637</u>	<u>1,160,431</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,034,420</u>	<u>(10,223,491)</u>	<u>(2,651,489)</u>	<u>7,572,002</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	161,000	161,000	193,254	32,254
Advance In	450,000	450,000	362,000	(88,000)
Transfers Out	(1,050,106)	(2,819,106)	(2,818,790)	316
Advance Out	(450,000)	(790,000)	(787,075)	2,925
<i>Total Other Financing Sources (Uses)</i>	<u>(889,106)</u>	<u>(2,998,106)</u>	<u>(3,050,611)</u>	<u>(52,505)</u>
<i>Net Change in Fund Balance</i>	145,314	(13,221,597)	(5,702,100)	7,519,497
<i>Fund Balance Beginning of Year</i>	9,223,437	9,223,437	9,223,437	0
<i>Prior Year Encumbrances Appropriated</i>	<u>6,468,712</u>	<u>6,468,712</u>	<u>6,468,712</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$15,837,463</u>	<u>\$2,470,552</u>	<u>\$9,990,049</u>	<u>\$7,519,497</u>

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

**City of Lakewood, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances –  
 Budget (Non-GAAP Basis) and Actual  
 Police and Fire Pension Fund  
 For the Year Ended December 31, 2022*

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Property Taxes	\$3,913,988	\$3,913,988	\$3,946,550	\$32,562
Intergovernmental	397,000	397,000	489,826	92,826
<i>Total Revenues</i>	<u>4,310,988</u>	<u>4,310,988</u>	<u>4,436,376</u>	<u>125,388</u>
<b>Expenditures</b>				
<b>Current:</b>				
Security of Persons and Property:				
Fringe Benefits Police	1,816,458	1,816,458	1,677,313	139,145
Fringe Benefits Fire	2,014,904	2,014,904	1,949,124	65,780
Total Expenditures	<u>3,831,362</u>	<u>3,831,362</u>	<u>3,626,437</u>	<u>204,925</u>
<i>Net Change in Fund Balance</i>	479,626	479,626	809,939	330,313
<i>Fund Balance Beginning of Year</i>	<u>2,298,696</u>	<u>2,298,696</u>	<u>2,298,696</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,778,322</u></u>	<u><u>\$2,778,322</u></u>	<u><u>\$3,108,635</u></u>	<u><u>\$330,313</u></u>

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

**City of Lakewood, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances –  
 Budget (Non-GAAP Basis) and Actual  
 Community Development Block Grant Fund  
 For the Year Ended December 31, 2022*

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$2,832,930	\$2,832,930	\$1,943,895	(\$889,035)
<b>Expenditures</b>				
<b>Current:</b>				
Community Environment	4,159,464	2,188,664	1,960,308	228,356
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,326,534)	644,266	(16,413)	(660,679)
<b>Other Financing Sources (Uses)</b>				
Advances In	965,000	165,000	150,000	(15,000)
Advances Out	0	(130,000)	(130,000)	0
<i>Total Other Financing Sources (Uses)</i>	965,000	35,000	20,000	(15,000)
<i>Net Change in Fund Balance</i>	(361,534)	679,266	3,587	(675,679)
<i>Fund Balance Beginning of Year</i>	362,600	362,600	362,600	0
<i>Fund Balance End of Year</i>	\$1,066	\$1,041,866	\$366,187	(\$675,679)

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



**City of Lakewood, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances –  
 Budget (Non-GAAP Basis) and Actual  
 Lakewood Hospital Fund  
 For the Year Ended December 31, 2022*

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Miscellaneous	\$0	\$64,865	\$66,115	\$1,250
<b>Expenditures</b>				
<b>Current:</b>				
Community Environment	2,800,000	2,807,000	743,535	2,063,465
<i>Excess of Revenues Over Expenditures</i>	<u>(2,800,000)</u>	<u>(2,742,135)</u>	<u>(677,420)</u>	<u>2,064,715</u>
<i>Net Change in Fund Balance</i>	(2,800,000)	(2,742,135)	(677,420)	2,064,715
<i>Fund Balance Beginning of Year</i>	<u>8,099,482</u>	<u>8,099,482</u>	<u>8,099,482</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$5,299,482</u></u>	<u><u>\$5,357,347</u></u>	<u><u>\$7,422,062</u></u>	<u><u>\$2,064,715</u></u>

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

**City of Lakewood, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances –  
 Budget (Non-GAAP Basis) and Actual  
 American Rescue Plan Fund  
 For the Year Ended December 31, 2022*

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$23,609,788	\$23,609,788	\$23,417,444	(\$192,344)
<i>Total Revenues</i>	<u>23,609,788</u>	<u>23,609,788</u>	<u>23,417,444</u>	<u>(192,344)</u>
<b>Expenditures</b>				
<b>Current:</b>				
General Government	29,430,000	28,214,813	0	28,214,813
Community Environment	570,000	1,785,187	1,785,186	1
<i>Total Expenditures</i>	<u>30,000,000</u>	<u>30,000,000</u>	<u>1,785,186</u>	<u>28,214,814</u>
<i>Excess of Revenues Over Expenditures</i>	<u>(6,390,212)</u>	<u>(6,390,212)</u>	<u>21,632,258</u>	<u>28,022,470</u>
<i>Fund Balance Beginning of Year</i>	<u>16,514,035</u>	<u>16,514,035</u>	<u>16,514,035</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$10,123,823</u>	<u>\$10,123,823</u>	<u>\$38,146,293</u>	<u>\$28,022,470</u>

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

**City of Lakewood, Ohio**  
*Statement of Net Position*  
*Proprietary Funds*  
*December 31, 2022*

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Governmental</b>
	<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Nonmajor Funds</b>	<b>Total</b>	<b>Internal Service Funds</b>
<b>ASSETS</b>					
<b>Current Assets:</b>					
Equity in Pooled Cash and Cash Equivalents	\$18,524,079	\$30,943,561	\$1,657,768	\$51,125,408	\$7,056,167
Cash and Cash Equivalents:					
In Segregated Accounts	88,439	60,632	9,481	158,552	0
With Fiscal Agents	0	115,271	0	115,271	0
Materials and Supplies Inventory	144,828	286,200	26,106	457,134	0
Accrued Interest Receivable	68,593	0	0	68,593	0
Accounts Receivable	2,130,574	2,393,817	42,671	4,567,062	0
Less: Allowance for Doubtful Accounts	(45,376)	(33,744)	0	(79,120)	0
Interfund Receivable	0	0	0	0	904,344
Intergovernmental Receivable	843,632	177,316	0	1,020,948	0
Property Taxes Receivable	0	2,405,231	0	2,405,231	0
<b>Total Current Assets</b>	<b>21,754,769</b>	<b>36,348,284</b>	<b>1,736,026</b>	<b>59,839,079</b>	<b>7,960,511</b>
<b>Noncurrent Assets:</b>					
Net Pension Asset	17,268	41,530	1,941	60,739	0
Net OPEB Asset	187,396	450,694	21,062	659,152	0
Capital Assets:					
Land	0	1,010	77,130	78,140	0
Construction in Progress	6,656,625	26,700,858	0	33,357,483	0
Depreciable Assets, Net of Depreciation	61,574,586	56,370,204	4,811,382	122,756,172	0
<b>Total Noncurrent Assets</b>	<b>68,435,875</b>	<b>83,564,296</b>	<b>4,911,515</b>	<b>156,911,686</b>	<b>0</b>
<b>Total Assets</b>	<b>90,190,644</b>	<b>119,912,580</b>	<b>6,647,541</b>	<b>216,750,765</b>	<b>7,960,511</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferral on Refunding	52,315	104,392	15,683	172,390	0
Pension	250,558	602,600	28,162	881,320	0
OPEB	2,846	6,845	319	10,010	0
<b>Total Deferred Outflows of Resources</b>	<b>305,719</b>	<b>713,837</b>	<b>44,164</b>	<b>1,063,720</b>	<b>0</b>
<b>LIABILITIES</b>					
<b>Current Liabilities:</b>					
Accounts Payable	1,530,036	698,075	127,559	2,355,670	439
Accrued Wages and Benefits	33,886	88,232	3,967	126,085	0
Matured Compensated Absences Payable	0	29,777	0	29,777	0
Retainage Payable	88,439	60,632	9,481	158,552	0
Intergovernmental Payable	34,033	86,852	4,503	125,388	0
Interfund Payable	28,193	78,072	64,338	170,603	0
Compensated Absences Payable	1,094	98,742	3,170	103,006	0
Accrued Interest Payable	120,645	147,338	109	268,092	0
Claims Payable	0	0	0	0	904,344
General Obligation Bonds Payable	674,400	1,626,711	10,561	2,311,672	0
Notes Payable	5,606,950	3,955,079	0	9,562,029	0
OWDA Loans Payable	0	579,085	0	579,085	0
OPWC Loans Payable	531,373	30,481	0	561,854	0
Financed Purchased Payable	135,531	245,987	0	381,518	0
<b>Total Current Liabilities</b>	<b>8,784,580</b>	<b>7,725,063</b>	<b>223,688</b>	<b>16,733,331</b>	<b>904,783</b>
<b>Noncurrent Liabilities:</b>					
Compensated Absences Payable	99,055	247,955	12,236	359,246	0
General Obligation Bonds Payable	12,634,231	24,657,450	25,197	37,316,878	0
OWDA Loans Payable	0	17,123,193	0	17,123,193	0
OPWC Loans Payable	8,028,726	3,244,878	0	11,273,604	0
Financed Purchases Payable	717,099	552,489	0	1,269,588	0
Net Pension Liability	532,693	1,281,145	59,872	1,873,710	0
<b>Total Noncurrent Liabilities</b>	<b>22,011,804</b>	<b>47,107,110</b>	<b>97,305</b>	<b>69,216,219</b>	<b>0</b>
<b>Total Liabilities</b>	<b>30,796,384</b>	<b>54,832,173</b>	<b>320,993</b>	<b>85,949,550</b>	<b>904,783</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property Taxes	0	2,317,750	0	2,317,750	0
Pension	673,427	1,619,616	75,690	2,368,733	0
OPEB	209,287	503,342	23,523	736,152	0
<b>Total Deferred Inflows of Resources</b>	<b>882,714</b>	<b>4,440,708</b>	<b>99,213</b>	<b>5,422,635</b>	<b>0</b>
<b>NET POSITION</b>					
Net Investment in Capital Assets	38,972,983	48,611,456	4,868,437	92,452,876	0
Unrestricted	19,844,282	12,742,080	1,403,062	33,989,424	7,055,728
<b>Total Net Position</b>	<b>\$58,817,265</b>	<b>\$61,353,536</b>	<b>\$6,271,499</b>	<b>\$126,442,300</b>	<b>\$7,055,728</b>

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

**City of Lakewood, Ohio**  
*Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Proprietary Funds*  
*For the Year Ended December 31, 2022*

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Governmental Activities</b>
	<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Nonmajor Funds</b>	<b>Total</b>	<b>Internal Service Funds</b>
<b>OPERATING REVENUES</b>					
Charges for Services	\$12,203,959	\$14,219,920	\$535,300	\$26,959,179	\$5,279,798
Miscellaneous	2,190	300	115,155	117,645	1,302,294
<b>Total Operating Revenues</b>	<b>12,206,149</b>	<b>14,220,220</b>	<b>650,455</b>	<b>27,076,824</b>	<b>6,582,092</b>
<b>OPERATING EXPENSES</b>					
Salaries	881,867	2,329,278	66,956	3,278,101	0
Property Taxes	0	0	93,255	93,255	0
Materials and Supplies	260,911	617,344	42,550	920,805	0
Utilities	58,576	186,201	223,575	468,352	0
Contractual Services	582,488	1,696,817	70,202	2,349,507	297,751
Purchased Water	5,603,836	0	0	5,603,836	0
Depreciation	846,591	1,471,849	115,461	2,433,901	0
Claims	0	0	0	0	8,713,894
Other	366,452	690,309	43,415	1,100,176	0
<b>Total Operating Expense</b>	<b>8,600,721</b>	<b>6,991,798</b>	<b>655,414</b>	<b>16,247,933</b>	<b>9,011,645</b>
Operating Income (Loss)	3,605,428	7,228,422	(4,959)	10,828,891	(2,429,553)
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Interest	(1,227,499)	0	0	(1,227,499)	0
Interest and Fiscal Charges	(464,895)	(818,231)	(3,915)	(1,287,041)	0
Property Taxes	0	2,430,657	0	2,430,657	0
Intergovernmental	0	298,672	0	298,672	0
Special Assessments	134,684	145,960	0	280,644	0
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(1,557,710)</b>	<b>2,057,058</b>	<b>(3,915)</b>	<b>495,433</b>	<b>0</b>
Capital Contributions from Grants	617,539	1,271,030	0	1,888,569	0
Transfers In	0	0	832,538	832,538	428,114
Transfers Out	0	(1,800,000)	0	(1,800,000)	0
Change in Net Position	2,665,257	8,756,510	823,664	12,245,431	(2,001,439)
Net Position - Beginning of Year	56,152,008	52,597,026	5,447,835	114,196,869	9,057,167
<b>Net Position - End of Year</b>	<b>\$58,817,265</b>	<b>\$61,353,536</b>	<b>\$6,271,499</b>	<b>\$126,442,300</b>	<b>\$7,055,728</b>

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

**City of Lakewood, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2022

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water Fund	Sewer Fund	Nonmajor Funds	Total	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash Received from Charges for Services	\$12,089,769	\$14,123,120	\$546,477	\$26,759,366	\$5,037,703
Cash Received from Other Operating Sources	2,190	300	115,155	117,645	1,302,294
Cash Payments for Employee Services and Benefits	(1,296,150)	(3,205,291)	(154,632)	(4,656,073)	0
Cash Payments for Goods and Services	(6,405,626)	(2,128,571)	(393,774)	(8,927,971)	(297,751)
Cash Payments for Claims	0	0	0	0	(8,480,960)
Cash Payments for Other Operating Expenses	(366,452)	(690,309)	(43,415)	(1,100,176)	0
Net Cash Provided by (Used in) Operating Activities	<u>4,023,731</u>	<u>8,099,249</u>	<u>69,811</u>	<u>12,192,791</u>	<u>(2,438,714)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Property Taxes	0	2,406,418	0	2,406,418	0
Special Assessments	106,452	112,740	0	219,192	0
Transfers In	0	400,000	832,538	1,232,538	428,114
Transfers Out	0	(2,200,000)	0	(2,200,000)	0
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>106,452</u>	<u>719,158</u>	<u>832,538</u>	<u>1,658,148</u>	<u>428,114</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Principal Paid on Debt	(4,530,940)	(4,088,699)	(10,313)	(8,629,952)	0
Interest Paid on Debt	(535,062)	(986,853)	(1,475)	(1,523,390)	0
Payments for Capital Acquisitions	(2,449,904)	(5,955,256)	(209,717)	(8,614,877)	0
Bond Anticipation Notes issued	5,600,000	3,950,000	0	9,550,000	0
OPWC Loan issued	247,029	1,957,841	0	2,204,870	0
Premium on Debt Issued	36,580	26,732	0	63,312	0
Capital Grants Received	391,600	1,540,146	0	1,931,746	0
Net Cash (Used in) Capital and Related Financing Activities	<u>(1,240,697)</u>	<u>(3,556,089)</u>	<u>(221,505)</u>	<u>(5,018,291)</u>	<u>0</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest on Investments	(1,257,491)	0	0	(1,257,491)	0
Net Cash Provided by (Used in) Investing Activities	<u>(1,257,491)</u>	<u>0</u>	<u>0</u>	<u>(1,257,491)</u>	<u>0</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,631,995	5,262,318	680,844	7,575,157	(2,010,600)
Cash and Cash Equivalents - Beginning of Year	16,980,523	25,741,875	986,405	43,708,803	9,066,767
<b>Cash and Cash Equivalents - End of Year</b>	<u>\$18,612,518</u>	<u>\$31,004,193</u>	<u>\$1,667,249</u>	<u>\$51,283,960</u>	<u>\$7,056,167</u>

(Continued)

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

**City of Lakewood, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds (continued)*  
For the Year Ended December 31, 2022

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water Fund	Sewer Fund	Nonmajor Funds	Total	Internal Service Funds
<b>RECONCILIATION OF OPERATING INCOME (LOSS)</b>					
<b>TO NET CASH PROVIDED BY</b>					
<b>OPERATING ACTIVITIES</b>					
Operating Income (Loss)	\$3,605,428	\$7,228,422	(\$4,959)	\$10,828,891	(\$2,429,553)
Adjustments:					
Depreciation	846,591	1,471,849	115,461	2,433,901	0
(Increase) Decrease in Assets and Deferred Outflows of Resources:					
Accounts Receivable	(114,190)	(95,155)	11,177	(198,168)	0
Interfund Receivable	0	0	0	0	(242,095)
Materials and Supplies Inventory	(669)	191,089	34,450	224,870	0
Net Pension Asset	(5,929)	(15,239)	(297)	(21,465)	0
Net OPEB Asset	(85,116)	(213,530)	(6,229)	(304,875)	0
Deferred Outflows of Resources - Pension	(122,414)	(305,464)	(9,578)	(437,456)	0
Deferred Outflows of Resources - OPEB	48,466	112,134	7,124	167,724	0
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:					
Accounts Payable	100,854	180,702	1,358	282,914	(9,161)
Accrued Wages and Benefits	1,693	1,788	397	3,878	0
Compensated Absences Payable	(14,731)	(30,990)	1,079	(44,642)	0
Interfund Payable	7,547	20,899	1,162	29,608	0
Intergovernmental Payable	445	(3,007)	273	(2,289)	0
Claims Payable	0	0	0	0	242,095
Net Pension Liability	(337,003)	(735,481)	(66,256)	(1,138,740)	0
Deferred Inflows of Resources - Pension	235,543	604,263	12,186	851,992	0
Deferred Inflows of Resources - OPEB	(142,784)	(313,031)	(27,537)	(483,352)	0
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>\$4,023,731</b>	<b>\$8,099,249</b>	<b>\$69,811</b>	<b>\$12,192,791</b>	<b>(\$2,438,714)</b>
<b><u>Schedule of Noncash Investing, Capital, and Financing Activities:</u></b>					
Net Impact of accruals related to capital assets	\$157,942	\$487,761	(\$9,481)	\$636,222	\$0

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

**City of Lakewood, Ohio**  
*Statement of Fiduciary Net Position*  
*Custodial Funds*  
*December 31, 2022*

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	<u>Custodial Fund</u>
<b>ASSETS</b>	
Equity in Pooled Cash and Cash Equivalents	\$310,073
<b>Total Assets</b>	<u>310,073</u>
<b>LIABILITIES</b>	
<b>Total Liabilities</b>	<u>-</u>
<b>NET POSITION</b>	
Restricted For:	
Individuals, Organizations, and Other Governments	310,073
<b>Total Net Position</b>	<u><u>\$310,073</u></u>

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

**City of Lakewood, Ohio**  
*Statement of Changes in Fiduciary Net Position*  
*Custodial Funds*  
For the Year Ended December 31, 2022

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	<b>Custodial Fund</b>
<b>ADDITIONS</b>	
Amounts Received as Fiscal Agent	\$30,189
Licenses, Permits, & Fees Distributions for Other Governments	75,702
Miscellaneous	75,970
<b>Total Additions</b>	181,861
<b>DEDUCTIONS</b>	
Distributions to the State of Ohio	73,998
Distributions as Fiscal Agent	26,921
Distributions to Individuals	9,895
<b>Total Deductions</b>	110,814
Net Increase in Fiduciary Net Position	71,047
Net Position - Beginning of Year	239,026
<b>Net Position - End of Year</b>	<b>\$310,073</b>

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



**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*

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

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

***Reporting Entity***

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

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

The City is associated with the West Shore Council of Governments, a jointly governed organization. Additional information is included in Note 18.

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

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

The financial statements of the City have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

***A. Basis of Presentation***

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

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

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

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

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

***B. Fund Accounting***

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

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

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

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

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

*Lakewood Hospital Fund* - To account for and report ambulance service fees committed to providing emergency medical services (paramedic), payments to the City per the terms of the December 15, 2015 Master Agreement with the Cleveland Clinic Foundation, and fees related to various licenses, permits and fees.

*American Rescue Plan Fund* - To account for and report grants received from the Federal government restricted to expenses related to the economic and public health impacts of COVID-19.

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

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

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

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

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

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

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

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

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

**Fiduciary Funds** - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The City's fiduciary funds are custodial funds. City has one custodial funds and is used to account for evidence trust, fees collected to be distributed to the State and fiscal agent activity.

**C. Measurement Focus**

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

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

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

**D. Basis of Accounting**

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

**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 tax), fines and forfeitures, interest, grants and entitlements, and fees. Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

**Deferred Outflows/Inflows of Resources** - In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, pension and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 15 and 16.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes, pension, OPEB, and unavailable revenues. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2022, but which were levied to finance year 2023 operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes (\$673,607) and delinquent payment in lieu of taxes (\$63,558), municipal income taxes (\$12,801,121), intergovernmental grants and entitlements (\$3,244,289), and special assessments (\$1,445,962). These amounts are deferred and recognized as inflows of resources in the period the amounts become available.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 15 and 16)

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

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

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

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

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

The City has entered into an agreement with North Point Realty Inc. to manage the Community Health Center and residential properties associated with the December 15, 2015 Master Agreement between the City and the Cleveland Clinic Foundation. As of December 31, 2022, the cash balance held with the escrow agent is \$1,542,377.

The City has invested in the State Treasury Asset Reserve of Ohio (STAR Ohio), municipal bond securities, U.S. debt securities, negotiable CDs, commercial paper, and money market mutual funds during 2022. The City's investment in State Treasury Asset Reserve of Ohio (STAR Ohio) is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company and is recognized as an external investment pool by the City. The city measures their investment in STAR Ohio as the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

For 2022, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

Interest earnings are allocated to City funds according to State statutes, City Charter, grant requirements or debt related restrictions. Interest revenue is distributed to the General Fund, Federal Forfeiture Fund, Debt Service Fund, and Water Fund. Interest revenue credited to the General Fund during 2022 amounted to deficit \$2,191,810 that includes deficit \$1,814,850 assigned from other City funds.

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

***F. Restricted Assets***

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

***G. Inventory***

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

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

Inventory consists of expendable supplies held for consumption.

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

Assets held for resale represents assets consisting of homes purchased and repaired which will be resold through Planning and Development, homes reverted back to the City through the dissolution of Lakewood Hospital Association, and property held by the City to be sold for redevelopment purposes.

***I. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2022, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

***J. Capital Assets***

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

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

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

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

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

***K. Interfund Balances***

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

***L. Compensated Absences***

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

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



**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

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

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

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

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, compensated absences, and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and long-term loans are recognized as a liability on the governmental fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

***N. Pensions/Other Postemployment Benefits (OPEB)***

For purposes of measuring the net pension/OPEB liability, net pension/OPEB asset, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

***O. Fund Balance***

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

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

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

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

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

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

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

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

***P. Net Position***

Net Position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. The restricted component of net position is reported when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Net position that is restricted for other purposes includes courts, litter control, juvenile programs, and an emergency shelter program. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted components of net position are available.

***Q. Operating Revenues and Expenses***

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

***R. Contributions of Capital***

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

***S. Interfund Activity***

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

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

***T. Bond Premium***

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

***U. Gain/Loss on Refunding***

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

***V. Extraordinary and Special Items***

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2022.

***W. Estimates***

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

***X. Budgetary Process***

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during 2022.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

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

**Note 3 – Changes in Accounting Principles**

During the year, the City implemented the following Governmental Accounting Standards Board (GASB) Statements and Implementation Guides:

GASB Implementation Guide 2020-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2020-1 did not have an effect on the financial statements of the City.

*GASB Statement No. 91, Conduit Debt Obligations.* The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The implementation of this Statement did not have an effect on the financial statements of the City.

*GASB Statement No. 92, Omnibus 2020.* The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The implementation of this Statement did not have an effect on the financial statements of the City.

*GASB Statement No. 93, Replacement of Interbank Offered Rates.* The objective of this Statement is to address those and other accounting and financial reporting implication that result from the replacement of an IBOR. The implementation of this Statement did not have an effect on the financial statements of the City.

*GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32.* The objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The implementation of this Statement did not have an effect on the financial statements of the City.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

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

GASB Statement No. 87, *Leases* and GASB Implementation Guide 2019-3, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. These changes were incorporated in the City's fiscal year 2022 financial statements.

**Note 4 – Accountability**

Fund balances at December 31, 2022 included the following individual fund deficits:

	Deficit
Nonmajor Governmental Funds:	
Emergency Shelter Grant	\$4,393
Juvenile Diversion	13,483
Family to Family Fund	76,974
Total	\$94,850

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

**Note 5 – Budgetary Basis of Accounting**

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

- Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- Encumbrances are treated as expenditures (budget basis) rather than as a part of restricted, committed, and assigned fund balances (GAAP basis);

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

**Note 5 – Budgetary Basis of Accounting (Continued)**

- Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis); and
- The Community Festival Fund is included in the General Fund (GAAP basis), but has a separate legally adopted budget (budget basis).

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

	General Fund	Police and Fire Pension Fund	Community Development Block Grant Fund	Lakewood Hospital	American Rescue Plan
GAAP Basis	\$706,396	\$812,024	\$5,994	(\$511,877)	\$0
Net Adjustment for Revenue Accruals	(194,902)	0	132,476	(574,168)	21,652,905
Advances In	362,000	0	150,000	0	0
Net Adjustment for Expenditure Accruals	3,719,806	(2,085)	(154,883)	408,625	0
Advances Out	(787,075)	0	(130,000)	0	(20,647)
Excess of Revenues over Expenditures:					
Community Festival Fund	1,279	0	0	0	0
Outstanding Encumbrances	(9,509,604)	0	0	0	0
Budget Basis	<u>(\$5,702,100)</u>	<u>\$809,939</u>	<u>\$3,587</u>	<u>(\$677,420)</u>	<u>\$21,632,258</u>

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**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

**Note 6 – Fund Balance**

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

<b>Fund Balances</b>	<b>General</b>	<b>Police and Fire Pension</b>	<b>Community Development Block Grant</b>	<b>Lakewood Hospital</b>	<b>Debt Service</b>	<b>Permanent Capital Improvement</b>	<b>Other Governmental Funds</b>	<b>Total</b>
<i>Nonspendable</i>								
Prepaid Items	\$679,996	\$0	\$2,196	\$13,502	\$0	\$0	\$0	\$695,694
Materials and Supplies Inventory	358,321	0	0	0	0	0	102,942	461,263
Interfund Balances	847,075	0	0	0	0	0	0	847,075
Assets held for Resale	161,000	0	0	0	0	0	0	161,000
<b>Total Nonspendable</b>	<b>2,046,392</b>	<b>0</b>	<b>2,196</b>	<b>13,502</b>	<b>0</b>	<b>0</b>	<b>102,942</b>	<b>2,165,032</b>
<i>Restricted for</i>								
Streets and Highway Improvements	0	0	0	0	0	0	1,576,470	1,576,470
Police and Fire Pension	0	2,566,872	0	0	0	0	0	2,566,872
Community Development	0	0	1,269,805	0	0	0	0	1,269,805
Senior Programs	0	0	0	0	0	0	780,198	780,198
Law Enforcement	0	0	0	0	0	0	204,263	204,263
Lakewood Municipal Court	0	0	0	0	0	0	750,898	750,898
HOME Investment Program	0	0	0	0	0	0	507,247	507,247
FEMA	0	0	0	0	0	0	20,664	20,664
Neighborhood Stabilization	0	0	0	0	0	0	41,239	41,239
Litter Control Projects	0	0	0	0	0	0	19,899	19,899
Debt Service Payments	0	0	0	0	6,012,215	0	1,284,070	7,296,285
Capital Improvements	0	0	0	0	0	5,524,780	0	5,524,780
Hospital Transition	0	0	0	17,957,027	0	0	0	17,957,027
<b>Total Restricted</b>	<b>0</b>	<b>2,566,872</b>	<b>1,269,805</b>	<b>17,957,027</b>	<b>6,012,215</b>	<b>5,524,780</b>	<b>5,184,948</b>	<b>38,515,647</b>
<i>Committed to</i>								
Land Acquisition	0	0	0	0	0	0	1,271,104	1,271,104
Other Purposes	0	0	0	0	0	0	66,413	66,413
<b>Total Committed</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>1,337,517</b>	<b>1,337,517</b>
<i>Assigned to</i>								
Community Festival Projects	292	0	0	0	0	0	0	292
Purchases on Order								
General Government	7,597,959	0	0	0	0	0	0	7,597,959
Sanitation	300,000	0	0	0	0	0	0	300,000
Planning and Development	1,611,645	0	0	0	0	0	0	1,611,645
<b>Total Assigned</b>	<b>9,509,896</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,509,896</b>
<i>Unassigned (Deficit)</i>	10,304,755	0	0	0	0	0	(94,850)	10,209,905
<b>Total Fund Balances</b>	<b>\$21,861,043</b>	<b>\$2,566,872</b>	<b>\$1,272,001</b>	<b>\$17,970,529</b>	<b>\$6,012,215</b>	<b>\$ 5,524,780</b>	<b>\$6,530,557</b>	<b>\$61,737,997</b>



**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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**Note 7 - Deposits and Investments**

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

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

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

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

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

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

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

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

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

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

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

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

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

**Deposits**

**Custodial Credit Risk:** Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in possession of an outside party. At year end, \$431,523 of the City's bank balance of \$8,698,040 was covered by Federal Depository Insurance and \$4,516,014 was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name and \$3,750,503 was uninsured and uncollateralized. The City's financial institutions were approved for a reduced collateral rate of 50 percent through the Ohio Pooled Collateral System, resulting in the uninsured and uncollateralized balance.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or protected by:

Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. All of the City's financial institution had enrolled in OPCS as of December 31, 2022.

**Investments**

STAR Ohio is measured at net asset value per share while all other investments are measured at fair value. Fair value is determined by quoted market prices and acceptable other pricing methodologies. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The following identify the City's recurring fair value measurement as of December 31, 2022. As previously discussed, Star Ohio is reported at its net asset value. All other investments of the City are valued using quoted market prices (Level 1 and 2 inputs). As of December 31, 2022, the City had investments in STAROhio with a net asset value of \$42,775,729 with a weighted average maturity of 31.9 days; investments in various municipal bond securities with a total fair value of \$171,643 and had maturities of less than four years; investments in various U.S. debt securities with a total fair value of \$88,532,087 and had maturities of less than four years; and investments in negotiable certificates of deposit with a total fair value of \$5,158,658 and investments in commercial paper with a total fair value of \$961,396. In addition, investments held in money market mutual funds with fiscal agent had a fair value of \$2,230,884. The money market mutual fund had an average maturity of less than one year.

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

**Credit Risk:** STAROhio carries a rating of AAAM by Standard & Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The highest credit rating of the municipal bond securities was AAA by Standard & Poor's and the lowest credit rating was A- by Standard & Poor's. The credit rating for the U.S debt securities was AA+ by Standard & Poor's. The negotiable certificates of deposit were not rated. The credit ratings for the money market mutual fund was AAAM by Standard & Poor's. The City has no investment policy that addresses credit risk.

**Custodial Credit Risk:** Custodial credit risk for investments is the risk that in the event of bank failure, the City will not be able to recover investments or collateral securities that are in possession of an outside party. At year end, the City's investment in negotiable certificates of deposit of \$5,158,658 was fully covered by the FDIC.

**Note 8 - Receivables**

Receivables at December 31, 2022, consisted primarily of accounts (billings for user charged services), intergovernmental receivables arising from grants, entitlements and shared revenues, municipal income taxes, property taxes, loans (Community Development Block Grant monies loaned to local businesses), special assessments and interfunds.

All receivables, except property taxes, special assessments and loans, are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. All receivables, except utility accounts receivable, are deemed collectible in full. Utility accounts receivable may be certified and collected as a special assessment, subject to foreclosure for nonpayment.

Allowance for doubtful accounts has been recorded at \$45,376 in the Water Fund and \$33,744 in the Sewer Fund.

Loans receivable to be collected in more than one-year amount to \$1,216,255 in the Community Development Block Grant Fund.

Special assessments expected to be collected in more than one-year amount to \$1,445,962 in the various governmental funds. The amount of delinquent special assessments at December 31, 2022 was \$133,538.

**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 2022 for real and public utility property taxes represents collections of 2021 taxes. The latest update was completed in 2021 with the next triennial update being scheduled in 2024.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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**Note 8 – Receivables (Continued)**

2022 real property taxes are levied after October 1, 2022 on the assessed value as of January 1, 2022, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2022 real property taxes are collected in and intended to finance 2023 operations.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates can be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2023 public utility property taxes which became a lien December 31, 2022, are levied after October 1, 2022, and are collected in 2023 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2022, was \$17.40 per \$1,000 of assessed value. The assessed values of real property, public utility tangible property upon which 2022 property tax receipts were based, are as follows:

Category	Assessed Value
Real Estate:	
Residential and Agricultural	\$1,137,323,180
Commercial/Industrial/Public Utility	203,243,320
Public Utility	22,842,070
Total Assessed Value	\$1,363,408,570

The Cuyahoga County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Lakewood. The County Fiscal Officer periodically remits to the City its portion of the taxes. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies, which are measurable as of December 31, 2022, and for which there is an enforceable legal claim. In the governmental funds, the entire receivable has been deferred since current taxes were not levied to finance 2022 operations, and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On the accrual basis, collectible delinquent property taxes have been recorded as revenue while on the modified accrual basis the revenue has been deferred.

**B. Income Tax**

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

**Note 8 – Receivables (Continued)**

**C. Intergovernmental Receivables**

A summary of the principal items of intergovernmental receivables follows:

	Amount
<b>Governmental Activities:</b>	
Homestead and Rollback	\$1,149,883
Local Government	1,518,756
Gasoline Tax	1,037,373
Federal Grant Reimbursements	188,226
Motor Vehicle License Registration	132,693
County Grant Reimbursements	523,975
Permissive Motor Vehicle License Tax	22,043
Other	987
<i>Total Governmental Activities</i>	4,573,936
 <b>Business-Type Activities:</b>	
Homestead and Rollback	149,336
State Grant Reimbursements	871,612
<i>Total Business-Type Activities</i>	1,020,948
<i>Total Entity-wide</i>	\$5,594,884

**D. Payments in Lieu of Taxes**

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

**Note 9 - Contingencies**

**A. Grants**

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

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

**Note 9 – Contingencies (Continued)**

**B. Litigation**

Several claims and lawsuits are pending against the City. The amount of the liability, if any, cannot be reasonably estimated at this time. However, in the opinion of management, any such claims and lawsuits will not have a material adverse effect on the overall financial position of the City at December 31, 2022.

**Note 10 - Capital Assets**

Capital asset activity for the year ended December 31, 2022, was as follows:

	Balance 12/31/21	Additions	Deletions	Balance 12/31/22
<b>Governmental Activities</b>				
<i>Capital Assets, not being Depreciated:</i>				
Land	\$6,270,477	\$0	\$0	\$6,270,477
Construction in Progress	8,080,454	6,952,695	(9,219,039)	5,814,110
<i>Total Capital Assets, not being Depreciated</i>	<u>14,350,931</u>	<u>6,952,695</u>	<u>(9,219,039)</u>	<u>12,084,587</u>
<i>Capital Assets, being Depreciated:</i>				
Land Improvements	12,939,594	1,718,531	0	14,658,125
Buildings and Improvements	23,519,584	8,137,052	(16,902)	31,639,734
Furniture and Equipment	5,663,925	181,657	(27,972)	5,817,610
Vehicles	18,066,087	661,117	(273,589)	18,453,615
Infrastructure				
Roads	60,418,624	2,304,199	(476,855)	62,245,968
Traffic Signals	8,186,589	130,530	0	8,317,119
Sidewalks	7,248,247	503,306	(124,744)	7,626,809
Curbing	1,434,304	0	0	1,434,304
<i>Total Capital Assets, being Depreciated</i>	<u>137,476,954</u>	<u>13,636,392</u>	<u>(920,062)</u>	<u>150,193,284</u>
Less Accumulated Depreciation:				
Land Improvements	(4,647,218)	(424,386)	0	(5,071,604)
Buildings and Improvements	(7,978,384)	(306,781)	3,838	(8,281,327)
Furniture and Equipment	(3,447,251)	(175,919)	26,579	(3,596,591)
Vehicles	(8,254,416)	(1,036,167)	240,195	(9,050,388)
Infrastructure				
Roads	(19,353,178)	(1,193,613)	255,582	(20,291,209)
Traffic Signals	(3,945,092)	(189,641)	0	(4,134,733)
Sidewalks	(630,582)	(92,052)	43,503	(679,131)
Curbing	(627,925)	(11,740)	0	(639,665)
Total Accumulated Depreciation	<u>(48,884,046)</u>	<u>(3,430,299)</u>	<u>569,697</u>	<u>(51,744,648)</u>
Total Capital Assets being Depreciated, Net	<u>88,592,908</u>	<u>10,206,093</u>	<u>(350,365)</u>	<u>98,448,636</u>
Governmental Activities Capital Assets, Net	<u>102,943,839</u>	<u>17,158,788</u>	<u>(9,569,404)</u>	<u>110,533,223</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

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

	Balance 12/31/21	Additions	Deletions	Balance 12/31/22
<b>Business-Type Activities</b>				
<i>Capital Assets, not being Depreciated:</i>				
Land	\$78,140	\$0	\$0	\$78,140
Construction in Progress	28,344,518	7,572,449	(2,559,484)	33,357,483
<i>Total Capital Assets, not being Depreciated</i>	<u>28,422,658</u>	<u>7,572,449</u>	<u>(2,559,484)</u>	<u>33,435,623</u>
<i>Capital Assets, being Depreciated:</i>				
Land Improvements	14,068,848	2,286,994	0	16,355,842
Buildings and Improvements	28,731,402	441,165	0	29,172,567
Furniture and Equipment	10,526,201	0	0	10,526,201
Vehicles	2,918,418	108,458	0	3,026,876
Infrastructure:				
Sidewalks	65,172	0	0	65,172
Water Lines	70,650,667	129,073	0	70,779,740
Sewer Lines	43,450,877	0	0	43,450,877
<i>Total Capital Assets, being Depreciated</i>	<u>170,411,585</u>	<u>2,965,690</u>	<u>0</u>	<u>173,377,275</u>
Less Accumulated Depreciation:				
Land Improvements	(3,507,997)	(523,620)	0	(4,031,617)
Buildings and Improvements	(7,798,437)	(364,889)	0	(8,163,326)
Furniture and Equipment	(8,064,854)	(267,168)	0	(8,332,022)
Vehicles	(1,441,960)	(175,849)	0	(1,617,809)
Infrastructure				
Sidewalks	(3,960)	(651)	0	(4,611)
Water Lines	(17,403,426)	(753,936)	0	(18,157,362)
Sewer Lines	(9,966,568)	(347,788)	0	(10,314,356)
Total Accumulated Depreciation	<u>(48,187,202)</u>	<u>(2,433,901)</u>	<u>0</u>	<u>(50,621,103)</u>
Total Capital Assets, being Depreciated, Net	<u>122,224,383</u>	<u>531,789</u>	<u>0</u>	<u>122,756,172</u>
Business-Type Activities Assets, Net	<u>\$150,647,041</u>	<u>\$8,104,238</u>	<u>(\$2,559,484)</u>	<u>\$156,191,795</u>

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

Governmental Activities	Business-Type Activities
Security of Persons and Property - Police	Water Fund
\$186,862	\$846,591
Security of Persons and Property - Fire	Sewer Fund
370,947	1,471,849
Public Health Services	Parking Facilities Fund
41,488	36,539
Leisure Time Activities	Winterhurst Ice Rink Fund
573,403	78,922
Community Environment	Total Depreciation Expense
13,649	<u>\$2,433,901</u>
Basic Utility Services	
349,420	
Transportation	
1,700,298	
General Government	
194,232	
Total Depreciation Expense	
<u>\$3,430,299</u>	



**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

**Note 11 – Conduit Debt Obligations**

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

On October 23, 2000, the City issued Educational Facilities Revenue Bonds for the purpose of providing funds to pay costs of acquiring and constructing additional facilities for St. Edward High School. The aggregate principal amount of conduit debt obligations for St. Edward High School was \$10,800,000. As of December 31, 2022, the aggregate principal amount of conduit debt obligation outstanding for St. Edward High School was \$5,210,000. These bonds do not constitute a debt or pledge of the full faith and credit of the City and, therefore, are not reported in the financial statements.

**Note 12- Long-Term Obligations**

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

	Original Issue Date	Interest Rate	Original Issue Amount	Date of Maturity
<b>Governmental Activities</b>				
<i>Notes</i>				
Various Purpose Notes	2021	0.75%	\$3,975,000	March 22, 2022
Various Purpose Notes	2022	1.75%	11,735,000	March 16, 2023
<b>General Obligation Bonds</b>				
Various Purpose Refunding-2017	2017	4.00-5.25%	5,745,000	December 1, 2026
Various Purpose Refunding-2011	2011	2.00-5.00%	3,075,268	December 1, 2028
Various Purpose	2011	2.00-5.00%	7,770,000	December 1, 2028
Various Purpose Refunding-2012	2012	2.00-5.00%	3,097,660	December 1, 2023
Various Purpose Refunding and Improvement Bonds Series 2016A-2005 GO Refunding	2016	1.60-5.00%	1,554,760	December 1, 2025
Various Purpose Refunding and Improvement Bonds Series 2016A	2016	1.60-5.00%	12,417,260	December 1, 2036
Various Improvement Improvement Bonds Series 2019	2019	1.60-3.48%	8,861,498	December 1, 2040
Various Purpose Improvement and Refunding Bonds Series 2021-2011 GO Refunding	2021	4.00-5.00%	5,300,000	December 1, 2028
Various Purpose Improvement and Refunding Bonds Series 2021	2021	4.00-4.23%	7,127,045	December 1, 2046
<b>Tax Increment Financing</b>				
Refunding Bonds Series 2016B Rockport Square-2004	2016	2.50-3.00%	2,890,000	December 1, 2024
Various Purpose Refunding and Improvement Bonds Series 2016A-2005 GO Refunding Vedda	2016	1.60-5.00%	221,784	December 1, 2025
<b>Business-Type Activities</b>				
<i>Notes</i>				
<i>Water</i>				
Water Main Improvements	2021	0.75%	3,100,000	March 22, 2022
Water Main Improvements	2022	1.75%	5,600,000	March 16, 2023
<i>Sewer</i>				
Various Purpose	2021	0.75%	3,100,000	March 22, 2022
Various Purpose	2022	1.75%	3,950,000	March 16, 2023

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

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

	Original Issue Date	Interest Rate	Original Issue Amount	Date of Maturity
<b>General Obligation Bonds</b>				
<i>Water</i>				
Various Purpose Refunding and Improvement Bonds Series 2016A-2005 GO Refunding	2016	1.60-5.00%	\$ 344,055	December 1, 2025
Various Purpose Refunding and Improvement Bonds Series 2016A-2005 Water Main Improvements	2016	1.60-5.00%	6,690,000	December 1, 2031
Various Improvement Improvement Bonds Series 2019	2019	1.60-3.48%	3,327,317	December 1, 2040
Various Improvement Improvement Bonds Series 2021	2021	4.00-4.23%	4,594,660	December 1, 2046
<i>Sewer</i>				
Sewer Construction Refunding	2012	2.00%	2,347,340	December 1, 2023
Various Purpose Refunding and Improvement Bonds Series 2016A-2005 GO Refunding	2016	1.60-5.00%	2,494,400	December 1, 2025
Various Purpose Refunding and Improvement Bonds Series 2016A-2006 Sewer Improvements Bonds	2016	1.60-5.00%	9,325,000	December 1, 2031
Various Purpose Refunding and Improvement Series 2016A	2016	1.60-5.00%	3,522,740	December 1, 2036
Various Improvement Improvement Bonds Series 2019	2019	1.60-3.48%	4,026,185	December 1, 2040
Various Improvement Improvement Bonds Series 2021	2021	4.00-4.23%	10,453,295	December 1, 2046
<i>Winterhurst</i>				
Bonds Series 2016A-2005 GO Refunding	2016	1.60-5.00%	114,684	December 1, 2025
<i>Parking</i>				
2017 Refunding-Meter Replacement	2017	2.50%	145,000	December 1, 2021
<b>OPWC Loans</b>				
<i>Water</i>				
Water Main Replacements	2000	0%	994,614	July 1, 2023
Water Main Replacements	2001	0%	1,592,840	July 1, 2023
Belle Avenue Improvements	2003	0%	484,637	December 1, 2023
Water Main Replacements	2015	0%	677,004	December 1, 2037
Water Main Replacements	2016	0%	676,500	July 1, 2037
Water Main Replacements	2017	0%	1,320,000	July 1, 2038
Water Main Replacements	2018	0%	1,146,766	July 1, 2040
Water Main Replacements	2019	0%	3,611,338	July 1, 2040
Water Main Replacements*	2021	0%	866,850	December 1, 2052
Water Main Replacements*	2022	0%	1,863,000	December 1, 2052
Idlewood, Lakeland & Morrison Watermain Replacement	2021	0%	1,417,199	July 1, 2041
<i>Sewer</i>				
West End Sewer Separation	2016	0%	428,399	July 1, 2037
Webb Rd. Outfall	2017	0%	181,219	December 1, 2040
High Rate Treatment Plant Elimination*	2020	0%	2,825,974	December 1, 2042
<b>OWDA Loan</b>				
<i>Sewer</i>				
High Rate Treatment Plant Elimination*	2020	0.29%	18,136,921	July 1, 2052

\*- Loans that the City has entered into, however; these loans are not complete and amortization schedule has not been provided to the City.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

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

Changes in the long-term obligations of the City during 2022 were as follows:

	Balance December 31, 2021	Additions	Deletions	Balance December 31, 2022	Amount Due in One Year
<i>Governmental Activities</i>					
<b>Notes Payable</b>					
Various Purpose-2021	\$3,975,000	\$0	\$3,975,000	\$0	\$0
Unamortized Premium	5,384	0	5,384	0	0
Various Purpose-2022	0	11,735,000	0	11,735,000	11,735,000
Unamortized Premium	0	77,382	62,679	14,703	14,703
<i>Total Notes Payable</i>	<u>3,980,384</u>	<u>11,812,382</u>	<u>4,043,063</u>	<u>11,749,703</u>	<u>11,749,703</u>
<b>General Obligation Bonds</b>					
Various Purpose Refunding-2017	1,570,000	0	300,000	1,270,000	310,000
Various Purpose Refunding-2012	728,191	0	361,251	366,940	366,940
Unamortized Premium	16,406	0	8,202	8,204	0
Various Purpose Improvement Bonds and Refunding Series 2016A-2005 GO	538,275	0	129,497	408,778	132,618
Unamortized Premium	52,657	0	12,390	40,267	0
Various Purpose Improvement Bonds and Refunding Series 2016A-2005 Vedda	82,899	0	19,944	62,955	20,424
Unamortized Premium	8,111	0	1,908	6,203	0
Various Purpose Improvement Bonds and Refunding Series 2016A	10,099,735	0	514,140	9,585,595	521,930
Unamortized Premium	870,881	0	61,114	809,767	0
Refunding Bonds Series 2016B	1,060,000	0	340,000	720,000	355,000
Unamortized Premium	24,414	0	7,513	16,901	0
Various Improvement Improvement Bonds Series 2019	8,183,838	0	275,983	7,907,855	289,645
Unamortized Premium	774,584	0	40,767	733,817	0
Refunding Bonds Series 2021-2011 GO	4,630,000	0	575,000	4,055,000	615,000
Unamortized Premium	759,878	0	121,580	638,298	0
Various Purpose Improvement Bonds and Refunding Series 2021	7,012,948	0	170,342	6,842,606	176,770
Unamortized Premium	1,072,487	0	44,226	1,028,261	0
<i>Total General Obligation Bonds</i>	<u>37,485,304</u>	<u>0</u>	<u>2,983,857</u>	<u>34,501,447</u>	<u>2,788,327</u>
<b>Other Long-Term Obligations</b>					
Claims Payable	662,249	8,461,823	8,219,728	904,344	904,344
Compensated Absences Payable	7,658,010	822,457	839,835	7,640,632	3,383,214
Financed Purchases Payable	7,225,569	1,500,000	1,835,656	6,889,913	1,615,215
Net Pension Liability					
OPERS	12,211,177	0	4,963,992	7,247,185	0
OP&F	42,600,806	0	2,921,880	39,678,926	0
Total Net Pension Liability	54,811,983	0	7,885,872	46,926,111	0
Net OPEB Liability					
OP&F	6,621,043	340,472	0	6,961,515	0
Total Net OPEB Liability	6,621,043	340,472	0	6,961,515	0
<i>Total Other Long-Term Obligations</i>	<u>76,978,854</u>	<u>11,124,752</u>	<u>18,781,091</u>	<u>69,322,515</u>	<u>5,902,773</u>
<i>Total Governmental Activities</i>	<u>\$118,444,542</u>	<u>\$22,937,134</u>	<u>\$25,808,011</u>	<u>\$115,573,665</u>	<u>\$20,440,803</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

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

	Balance December 31, 2021	Additions	Deletions	Balance December 31, 2022	Amount Due in One Year
<i>Business-Type Activities</i>					
<b>Notes</b>					
<i>Water</i>					
Water Main Improvements-2021	\$3,100,000	\$0	\$3,100,000	\$0	\$0
Unamortized Premium	4,133	0	4,133	0	0
Water Main Improvements-2022	0	5,600,000	0	5,600,000	5,600,000
Unamortized Premium	0	36,580	29,630	6,950	6,950
<i>Sewer</i>					
Various Purpose-2021	2,200,000	0	2,200,000	0	0
Unamortized Premium	3,006	0	3,006	0	0
Various Purpose-2022	0	3,950,000	0	3,950,000	3,950,000
Unamortized Premium	0	26,732	21,653	5,079	5,079
<i>Total Notes Payable</i>	<u>5,307,139</u>	<u>9,613,312</u>	<u>5,358,422</u>	<u>9,562,029</u>	<u>9,562,029</u>
<b>General Obligation Bonds</b>					
<i>Water</i>					
Various Purpose Improvement Bonds and Refunding Series 2016A					
2005 Water Main Improvements	128,602	0	30,939	97,663	31,684
Unamortized Premium	12,581	0	2,960	9,621	0
Various Purpose Improvement Bonds and Refunding Series 2016A					
2006 Water Main Improvements	4,835,000	0	410,000	4,425,000	420,000
Unamortized Premium	511,599	0	55,308	456,291	0
Various Purpose Improvement Bonds Series 2019					
Series 2019	3,072,869	0	103,626	2,969,243	108,756
Unamortized Premium	292,663	0	16,036	276,627	0
Various Purpose Improvement Bonds Series 2021					
Series 2021	4,521,104	0	109,816	4,411,288	113,960
Unamortized Premium	691,410	0	28,512	662,898	0
<i>Sewer</i>					
Sewer Construction Refunding Bonds- 2012					
Bonds- 2012	551,808	0	273,749	278,059	278,060
Unamortized Premium	12,435	0	6,215	6,220	0
Various Purpose Improvement Bonds and Refunding Series 2016A					
Sewer Construction-2005	932,359	0	224,307	708,052	229,712
Unamortized Premium	91,209	0	21,461	69,748	0
Various Purpose Improvement Bonds and Refunding Series 2016A					
Sewer Construction-2006	6,740,000	0	575,000	6,165,000	580,000
Unamortized Premium	713,154	0	77,098	636,056	0
Various Purpose Improvement Bonds and Refunding Series 2016A					
Series 2016A	2,865,265	0	145,860	2,719,405	148,070
Unamortized Premium	247,065	0	17,338	229,727	0
Various Purpose Improvement Bonds Series 2019					
Series 2019	3,718,293	0	125,391	3,592,902	131,599
Unamortized Premium	354,133	0	19,405	334,728	0
Various Purpose Improvement Bonds Series 2021					
Series 2021	10,285,947	0	249,842	10,036,105	259,270
Unamortized Premium	1,573,026	0	64,867	1,508,159	0
<i>Winterhurst</i>					
Various Purpose Improvement Bonds and Refunding Series 2016A					
Series 2016A	42,866	0	10,313	32,553	10,561
Unamortized Premium	4,192	0	987	3,205	0
<i>Total General Obligation Bonds</i>	<u>\$42,197,580</u>	<u>\$0</u>	<u>\$2,569,030</u>	<u>\$39,628,550</u>	<u>\$2,311,672</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

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

	Balance December 31, 2021	Additions	Deletions	Balance December 31, 2022	Amount Due in One Year
<b>Direct Borrowings and Placement of debt</b>					
<b>OPWC Loans</b>					
<i>Water Fund</i>					
Water Main Replacements-2000	74,598	\$0	\$49,730	\$24,868	\$24,868
Water Main Replacements-2001	119,472	0	79,640	39,832	39,832
Belle Avenue Improvements-2003	60,582	0	24,231	36,351	24,232
Water Main Replacements-2015	490,829	0	33,850	456,979	33,850
Water Main Replacements-2016	507,370	0	33,826	473,544	33,826
Water Main Replacements-2017	1,056,000	0	66,000	990,000	66,000
Water Main Replacements-2018	1,032,090	0	57,338	974,752	57,338
Water Main Replacements-2019	3,340,488	0	180,567	3,159,921	180,567
Water Main Replacements-2021	619,821	247,029	0	866,850	0
Water Main Replacements-2022	0	226,093	0	226,093	0
Idlewood, Lakeland & Morrison Watermain Replacement	1,381,769	0	70,860	1,310,909	70,860
<i>Total Water Fund</i>	<u>8,683,019</u>	<u>473,122</u>	<u>596,042</u>	<u>8,560,099</u>	<u>531,373</u>
<i>Sewer</i>					
West End Sewer Separation-2016	321,299	0	21,420	299,879	21,420
High Rate Treatment Elimination	2,443,530	382,444	0	2,825,974	0
Webb Rd. Outfall	158,567	0	9,061	149,506	9,061
<i>Total Sewer Fund</i>	<u>2,923,396</u>	<u>382,444</u>	<u>30,481</u>	<u>3,275,359</u>	<u>30,481</u>
<i>Total OPWC Loans</i>	<u>11,606,415</u>	<u>855,566</u>	<u>626,523</u>	<u>11,835,458</u>	<u>561,854</u>
<b>Other Long-Term Obligations</b>					
OWDA Loan- High Rate Treatment Facility	16,212,182	1,490,096	0	17,702,278	579,085
Compensated Absences Payable	536,671	10,361	84,780	462,252	103,006
Financed Purchases Payable	2,095,692	0	444,586	1,651,106	381,518
Net Pension Liability - OPERS	3,012,450	0	1,138,740	1,873,710	0
<i>Total Other Long-Term Obligations</i>	<u>21,856,995</u>	<u>1,500,457</u>	<u>1,668,106</u>	<u>21,689,346</u>	<u>1,063,609</u>
<i>Total Business-Type Activities</i>	<u>\$80,968,129</u>	<u>\$11,969,335</u>	<u>\$10,222,081</u>	<u>\$82,715,383</u>	<u>\$13,499,164</u>

**Governmental Activities**

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

On February 9, 2011, the City issued general obligation bonds, in the amount of \$7,770,000, to pay off the \$7,770,000 2010 various purpose notes. The bond was issued with an interest rate varying from 2 percent to 5 percent. The bond was issued for a seventeen-year period with final maturity on December 1, 2028. The bonds will be retired through the Debt Service Fund.

The City issued \$5,445,000 in various purpose bonds on October 17, 2012 at 2.00 percent. These bonds were issued to retire the \$6,025,000 refunding bond anticipation notes which matured on October 18, 2012.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

The bonds were issued for an eleven year period with final maturity on December 1, 2023. The bonds will be retired from the City's Debt Service and Sewer Funds, \$3,097,660 and \$2,347,340, respectively.

On April 5, 2016, the City issued general obligation bonds, in the amount of \$39,460,000, to refund bonds previously issued in: 2004 and 2005 for various purposes in the amount of \$13,857,336, in 2004 for the Rockport Square development project in the amount of \$2,890,000, in 2005 for the Vedda Printing Development project in the amount of \$221,784 and in 2006 for water and sewer bonds in the amount of \$22,490,880. The bonds were issued with interest rates varying from 2 percent to 5 percent. The bonds were issued for a twenty year period with final maturity on December 1, 2036. The Rockport Square bonds will be paid through tax increment financing where the payments in lieu of taxes (PILOTS) generated will pay the debt service payments. In the event that insufficient funds are collected, the shortfall will be the responsibility of the developer, per the master agreement. The Vedda Printing Development project bonds will be paid through tax increment financing where the payments in lieu of taxes (PILOTS) generated will pay the debt service payments. All other bonds will be retired through Debt service, Water, Sewer and Winterhurst funds.

The bonds were sold at a premium of \$4,019,806. Proceeds were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded 2004 and 2005 general obligation bonds, Rockport Square Development bonds, Vedda Printing bonds, and the 2005 water and sewer bonds. As a result, \$ 3,090,000 of these bonds was considered defeased and the liability for the refunded bonds has been removed from the City's financial statements. As of December 31, 2021, the amount of defeased debt that is still outstanding but removed from the government-wide financial statements is \$1,225,000.

On June 6, 2017, the City issued general obligation bonds in the amount of \$5,890,000, to refund bonds previously issued in: 2007 for various purposes and meter replacement, in the amounts of \$5,775,000 and \$145,000, respectively. The bonds were issued with an interest rate of 2.5 percent. The bonds were issued for a nine year period with final maturity on December 1, 2026. The bonds will be retired by the City's Debt Service and Parking Funds.

Proceeds were deposited in an irrevocable trust with escrow agent to provide all future debt payments on the refunded 2007 various purpose and meter replacement bonds. As a result, \$5,820,000 of these bonds were considered defeased and the liability for the refunded bonds has been removed from the City's financial statements. As of December 31, 2021, the amount of defeased debt that is still outstanding but removed from the government-wide financial statements is \$1,645,000.

On March 17, 2022, the City issued \$21,285,000 in various purpose improvement tax revenue notes at 1.75 percent that will mature March 16, 2023. The proceeds were used to retire previously issued notes within the Governmental Activities, Water and Sewer Fund.

On March 27, 2019, the City issued \$16,215,000 in various purpose improvement Bonds at 3.375 - 5.00 percent that will mature on December 1, 2040. The proceeds were used to retire previously issued notes within the Governmental Activities, Water and Sewer Fund. The bonds will be paid through 2040.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

On March 23, 2021, The City issued \$31,766,190 in various purpose General Obligation improvement & refunding bonds, series 2021 at 2.00% – 5.00% that will mature on December 1, 2046. The proceeds were issued to retire previously issued notes and bonds within the Governmental Activities, Water and Sewer fund. The bonds will be paid through 2046.

***Other Long-Term Obligations***

Compensated absences will be paid from the General Fund, Streets and Highway, Community Development Block Grant, Office on Aging, and Lakewood Hospital Special Revenue Funds, and the Water, Sewer, and Parking Facilities Enterprise Funds. There is no repayment schedule for the net pension liability and net OPEB liability; however, employer pension and OPEB contributions are made from the General Fund. For additional information related to the net pension liability and net OPEB liability see Notes 15 and 16.

***Business-Type Activities***

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

On July 1, 2018, the City entered into a loan agreement with the Ohio Public Works Commission (OPWC) for High Rate Treatment Facility project in the amount of \$3,366,425. As of December 31, 2022, the project has not been finalized or fully disbursed.

On December 14, 2018, the City entered into a loan agreement with the Ohio Water Development Authority (OWDA) for the High Rate Treatment Facility Wastewater project in the amount of \$18,037,667. As of December 31, 2022, the project has not been finalized or fully disbursed.

The City has pledged future revenues to repay OPWC loans in the Water Fund. The debt is payable solely from the net revenues and is payable through 2039. Annual principal on the loans are expected to require less than 14 percent of net revenues and less than 4 percent of total revenues. The total principal remaining to be paid on the loans are \$8,560,099. Principal paid for the current year were \$596,042, total net revenues were \$3,359,204, and total revenues were \$11,113,334.

The City has pledged future revenues to repay OPWC loans in the Sewer Fund. The debt is payable solely from net revenues and is payable through 2039. Annual principal payments on the debt is expected to require less than 4 percent of net revenues. The total principal remaining to be paid on the debt is \$3,275,359. Principal paid for the current year were \$30,481, total net revenues were \$9,144,903, and total revenues were \$14,664,852.

The City's total direct borrowings from OPWC contain a provision that in an event of default the amount of such default shall bear interest thereafter at the rate of 8 percent per annum until the date of payment, and outstanding amounts become immediately due. Also, OPWC may direct the county treasurer to pay the outstanding amount from portion of the local government fund that would otherwise be appropriated to the City.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

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

The City's overall legal debt margin was \$103,933,735 at December 31, 2022.

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2022, are as follows:

	General Obligation Bonds	
	Principal	Interest
2023	\$2,788,327	\$1,218,905
2024	2,495,466	1,126,764
2025	2,211,768	1,032,212
2026	2,133,510	938,137
2027	1,885,205	848,503
2028-2032	7,467,554	3,070,042
2033-2037	7,286,028	1,563,665
2038-2042	3,410,759	563,415
2043-2046	1,541,112	157,100
	\$31,219,729	\$10,518,743

	Business Type Activities				
	General Obligation Bonds		OPWC Loans	Total	
	Principal	Interest	Principal	Principal	Interest
2023	\$2,311,672	\$1,392,709	\$1,140,939	\$3,452,611	\$1,392,709
2024	2,089,535	1,317,599	485,037	2,574,572	1,317,599
2025	2,193,234	1,231,501	472,921	2,666,155	1,231,501
2026	1,991,490	1,125,875	472,921	2,464,411	1,125,875
2027	2,084,795	1,030,509	472,921	2,557,716	1,030,509
2028-2032	10,407,446	3,696,771	2,364,606	12,772,052	3,696,771
2033-2037	6,128,968	1,948,378	2,258,586	8,387,554	1,948,378
2038-2042	4,974,243	1,037,597	827,695	5,801,938	1,037,597
2043-2046	3,253,887	331,700	0	3,253,887	331,700
	\$35,435,270	\$13,112,639	\$8,495,626	\$43,930,896	\$13,112,639

At the end of the year, the City had three outstanding projects provided through OPWC loan funding that are not complete and the final amortization schedule is not provided as of year-end.

**Note 13 – Financed Purchases**

In 2022, The City entered into a lease for the acquisition of vehicles. In prior years, the City entered into leases for the acquisition of police vehicles, information technology updates, emergency generator upgrades, dump trucks, fire medical squad, fiber optic network, refuse vehicles, street vehicles, fire vehicles, forestry vehicles, sewer vehicles, computer software upgrade, technology equipment, body cameras, computer hardware, copier equipment, building HVAC improvements, early siren warning system, sewer flow meters, and water meters. All leases are secured by the above collateral.



**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

**Note 13 – Financed Purchases (Continued)**

The assets of such agreements are recorded in the Governmental Activities and Business-Type Activities as shown on the Statement of Net Position.

The following is a schedule of the future minimum lease payments for financed purchases and the present value of net minimum lease payments as of December 31, 2022:

	Governmental Activities	Business-Type Activities
Building and Improvements	\$2,220,231	\$3,496,028
Equipment Machinery and Furniture	597,593	310,125
Vehicles	11,741,714	1,611,159
Total Financed Purchases, being depreciated	14,559,538	5,417,312
Less Accumulated Depreciation		
Building and Improvements	2,148,093	2,361,221
Equipment Machinery and Furniture	430,483	283,472
Vehicles	8,739,458	1,458,033
Total Accumulated Depreciation	11,318,034	4,102,726
Financed Purchases, Net	\$3,241,504	\$1,314,586
	Governmental Activities	Business-Type Activities
2023	\$1,751,821	411,147
2024	1,616,134	376,261
2025	1,437,266	282,848
2026	1,051,441	199,458
2027	642,298	188,431
2028-2030	810,531	291,193
Total minimum lease payments	7,309,491	1,749,338
Less: amount representing interest	(419,578)	(98,232)
Total	\$6,889,913	\$1,651,106

In the event of a default the following may occur (a) the lessor may declare all lease amounts and other amounts payable by lessee due and payable (b) lessor may terminate the property schedule and retake possession of the property at the City's expense (c) lessor may take action, at law or in equity, that is permitted by applicable law and that may appear necessary or desirable to enforce or to protect any of its rights.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

**Note 14 - Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City's coverage for general liability, bodily injury, and property damage to others, with McGowan Government Underwriter's Insurance is limited to \$1,000,000 per occurrence and has a \$3,000,000 aggregate limit per year. In addition, there is an excess umbrella coverage of \$10,000,000 per occurrence, which has a \$10,000,000 aggregate limit per year.

Errors and omissions for public officials and police professional liability are \$1,000,000 per occurrence and has a \$2,000,000 annual aggregate. Vehicles are covered for \$1,000,000 per each occurrence, no aggregate, with a \$5,000 deductible for comprehensive, \$5,000 deductible for collision. The boiler and machinery are covered at \$122,695,068 with a \$10,000 deductible for all property. Coverage for the City's buildings, furniture, fixtures, and contents also has a limit of \$122,695,068, with a \$10,000 deductible. Inland marine coverage for all City property that moves has coverage of \$4,684,616 with a \$500 deductible and EDP equipment is covered at \$2,796,459 with a \$500 deductible.

HDI Specialty Insurance Company covers Cyber liability at \$1,000,000 annual aggregate, with a \$10,000 deductible.

Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

The City maintains the Hospitalization Internal Service Fund to finance the cost of employee hospitalization and medical claims on a cost reimbursement basis. The City offers two plans to its employees that are funded through a third party administrator. Under these plans the third party administrator processes claims on behalf of the employees and bills the City for the amount of actual claims plus administrative costs. A specific excess loss coverage (stop loss) insurance policy covers claims in excess of \$125,000 per claimant, per year.

At December 31, 2022, \$889,392 was accrued for hospitalization and medical claims, representing an estimate of the amount to be paid for claims that have been incurred but not reported based on the requirements of GASB Statement No. 30, which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported if information prior to the issuance of the financial statements and the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the balances of claims liabilities during the past two years are as follows:

	2022	2021
Estimated claims payable January 1	\$649,270	\$773,337
Plus: Current year claims	8,574,776	7,416,074
Less: Claim payments	(8,334,654)	(7,540,141)
Estimated claims payable December 31	\$889,392	\$649,270

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

Historically, under the Ohio Workers' Compensation System for public employer taxing districts, there have been two types of rating plans: base rating and experience rating. Ohio laws were subsequently amended to include an additional plan called retrospective rating, which is offered to Ohio employers who meet the eligibility standards. Under the terms of the State of Ohio's retrospective rating plan, an employer initially pays a fraction of the premium (the minimum premium) it would pay as an experience-rated risk. As costs for the employer's injured workers' claims are incurred, the employer must reimburse the State for those costs, subject to the plans individual claim cost limitation and the employer's premium limitation.

During 1991, the City applied for and was accepted into the State of Ohio's Retrospective Rating Plan. The City has established a Workers' Compensation Self-Insurance Fund (an Internal Service Fund) to account for and pay workers' compensation claims from accumulated assets of the fund. The City's retrospective rating plan provides for an aggregate stop loss limit on premiums of 200 percent of the employer's normal premium in the year the claim occurred and a \$300,000 limit per individual claim.

As of March 1, 2006, the City became self insured as an alternate method of funding workers' compensation. The City contracts with a third party administrator, who in turn, processes all the claims.

At December 31, 2022, \$14,952 has been accrued for workers' compensation claims. The claims represent estimates of amounts to be paid for reported claims and incurred but not reported claims. It is calculated using trends in actual claims experience based on the requirements of GASB Statement No. 30, which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported if information prior to the issuance of the financial statements and the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the balance of claims liabilities during the past two years are as follows:

	2022	2021
Estimated claims payable January 1	\$12,979	\$30,191
Plus: Current year claims	381,213	221,182
Less: Claim payments	(379,240)	(238,394)
Estimated claims payable December 31	\$14,952	\$12,979

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

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**Note 15 - Defined Benefit Pension Plans**

**A. Net Pension Liability/Asset**

The net pension liability/asset reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the City’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the City’s obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees’ services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

**B. Plan Description – Ohio Public Employees Retirement System (OPERS)**

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS’ traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

**B. Plan Description – Ohio Public Employees Retirement System (OPERS) (Continued)**

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS' Annual Comprehensive Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

<b>Group A</b> Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	<b>Group B</b> 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	<b>Group C</b> Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 62 with 60 months of service credit or Age 57 with 25 years of service credit
<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career. Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The base amount of a member's pension benefit is locked in upon receipt of the initial benefit payment for calculation of the annual cost-of-living adjustment.

When a traditional plan benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent. Cost-of-living adjustments for OPERS members in 2022 will be 3 percent for all those eligible to receive the annual benefit increase.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

**B. Plan Description – Ohio Public Employees Retirement System (OPERS) (Continued)**

A death benefit of \$500 - \$2,500, determined by the number of years of service credit of the retiree, is paid to the beneficiary of a deceased retiree or disability benefit recipient under the Tradition pension plan and the Combined Plan.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits.

The amount available for defined contribution benefits in the combined plan consists of the members' contributions plus or minus the investment gains or losses resulting from the members' investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the purchase of a monthly defined benefit annuity from OPERS (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

Beginning in 2022, the combined plan will be consolidated under the traditional pension plan (defined benefit plan) and the combined plan will no longer be available for new hires beginning in 2022.

Funding Policy - The Ohio Revised Code (ORC) provides statutory Authority for member and employer contributions as follows on the next page:

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

**B. Plan Description – Ohio Public Employees Retirement System (OPERS) (Continued)**

	State and Local
<b>2022 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee *	10.0 %
 <b>2022 Actual Contribution Rates</b>	
Employer:	
Pension **	14.0 %
Post-Employment Health Care Benefits **	0.0
Total Employer	14.0 %
 Employee	 10.0 %

\* Member contributions within combined plan are not used to fund the defined benefit retirement allowance

\*\* These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with remainder going to pension.

The portion of employer contributions used to fund pension benefits is net of postemployment health care benefits. The portion of the employer’s contribution allocated to health care was 0% for 2022 for the Traditional and Combined plans. The portion of the employer’s contribution allocated to health care was 4% for the Member-Directed plan for 2022. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contributions was \$2,378,750 for 2022. Of this amount, \$87,200 is reported as an intergovernmental payable.

**C. Plan Description – Ohio Police & Fire Pension Fund (OP&F)**

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report may be obtained by visiting the OP&F website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

**C. Plan Description – Ohio Police & Fire Pension Fund (OP&F) (Continued)**

Upon attaining a qualifying age with sufficient years of service, a member of OP&F may retire and receive a lifetime monthly pension. OP&F offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member’s average annual salary. The following discussion of the pension formula relates to normal service retirement. For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit.

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will receive a COLA equal to a percentage of the members’ base pension benefit where the percentage is the lesser of three percent or the percentage increase in the consumer price index, if any, over the 12 month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	Police	Firefighters
<b>2022 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
 <b>2022 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	19.50 %	24.00 %
 Employee	 12.25 %	 12.25 %



**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

**C. Plan Description – Ohio Police & Fire Pension Fund (OP&F) (Continued)**

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$3,415,167 for 2022. Of this amount, \$260,161 is reported as an intergovernmental payable.

**D. Pension Liabilities, Pension Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

The net pension liability/asset for OPERS was measured as of December 31, 2021, and the total pension liability/asset used to calculate the net pension liability/asset was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2021, and was determined by rolling forward the total pension liability as of January 1, 2021, to December 31, 2021. The City's proportion of the net pension liability/asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	OPERS Traditional Pension Plan	OPERS Combined Pension Plan	OP&F Police	OP&F Fire	Total
Proportion of the Net Pension Liability/Asset Prior Measurement Date	0.102808%	0.068757%	0.3023737%	0.3225382%	
Proportion of the Net Pension Liability/Asset Current Measurement Date	<u>0.104833%</u>	<u>0.075042%</u>	<u>0.3069176%</u>	<u>0.3282072%</u>	
Change in Proportionate Share	<u><u>0.002025%</u></u>	<u><u>0.006285%</u></u>	<u><u>0.0045439%</u></u>	<u><u>0.0056690%</u></u>	
Proportionate Share of the Net Pension Liability/(Asset)	\$9,120,895	(\$295,669)	\$19,174,436	\$20,504,490	\$48,504,152
Pension Expense	(\$1,990,732)	(\$11,841)	\$1,053,268	\$1,440,626	\$491,321

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

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

**D. Pension Liabilities, Pension Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS Traditional Pension Plan	OPERS Combined Pension Plan	OP&F Police	OP&F Fire	Total
<b>Deferred Outflows of Resources</b>					
Differences between expected and actual experience	\$464,970	\$1,834	\$552,881	\$591,231	\$1,610,916
Changes of assumptions	1,140,559	14,857	3,504,263	3,747,338	8,407,017
Changes in proportion and differences between City contributions and proportionate share of contributions	268,373	20,774	265,491	777,927	1,332,565
City contributions subsequent to the measurement date	2,328,659	50,091	1,640,789	1,774,378	5,793,917
<b>Total Deferred Outflows of Resources</b>	<u>\$4,202,561</u>	<u>\$87,556</u>	<u>\$5,963,424</u>	<u>\$6,890,874</u>	<u>\$17,144,415</u>
<b>Deferred Inflows of Resources</b>					
Net difference between projected and actual earnings on pension plan investments	\$10,848,971	\$63,384	\$5,027,244	\$5,375,961	\$21,315,560
Differences between expected and actual experience	200,043	33,066	996,807	1,065,952	2,295,868
Changes in proportion and differences between City contributions and proportionate share of contributions	361,292	23,826	629,736	85,117	1,099,971
<b>Total Deferred Inflows of Resources</b>	<u>\$11,410,306</u>	<u>\$120,276</u>	<u>\$6,653,787</u>	<u>\$6,527,030</u>	<u>\$24,711,399</u>

\$5,793,917 reported as deferred outflows of resources related to pension resulting from City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS Traditional Pension Plan	OPERS Combined Pension Plan	OP&F Police	OP&F Fire	Total
Year Ending December 31:					
2023	(\$1,598,994)	(\$20,600)	(\$204,051)	\$138,096	(\$1,685,549)
2024	(3,660,560)	(28,026)	(1,507,073)	(1,286,612)	(6,482,271)
2025	(2,551,031)	(18,500)	(625,749)	(405,062)	(3,600,342)
2026	(1,725,819)	(13,628)	(404,703)	(306,597)	(2,450,747)
2027	0	(1,853)	410,424	449,641	858,212
Thereafter	0	(204)	0	0	(204)
<b>Total</b>	<u>(\$9,536,404)</u>	<u>(\$82,811)</u>	<u>(\$2,331,152)</u>	<u>(\$1,410,534)</u>	<u>(\$13,360,901)</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

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

***E. Actuarial Assumptions - OPERS***

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. In 2021, the Board's actuarial consultants conducted an experience study for the period 2016 through 2020, comparing assumptions to actual results. The experience study incorporates both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from this study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 7.2% down to 6.9%, for the defined benefit investments. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

	<u>Traditional Pension Plan</u>	<u>Combined Plan</u>
Wage Inflation		
Current Measurement Date:	2.75 percent	2.75 percent
Prior Measurement Date:	3.25 percent	3.25 percent
Future Salary Increases, including inflation		
Current Measurement Date:	2.75 to 10.75 percent including wage inflation	2.75 to 8.25 percent including wage inflation
Prior Measurement Date:	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA		
Pre 1/7/2013 retirees:	3 percent, simple	3 percent, simple
Post 1/7/2013 retirees:		
Current Measurement Date:	3 percent, simple through 2022, then 2.05 percent simple	3 percent, simple through 2022, then 2.05 percent simple
Prior Measurement Date:	0.50 percent, simple through 2021, then 2.15 percent simple	0.50 percent, simple through 2021, then 2.15 percent simple
Investment Rate of Return		
Current Measurement Date:	6.9 percent	6.9 percent
Prior Measurement Date:	7.2 percent	7.2 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

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

***E. Actuarial Assumptions – OPERS (Continued)***

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

OPERS manages investments in three investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money weighted rate of return expressing investment performance, net of investments expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a gain of 15.3 percent for 2021.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2021 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	24.00 %	1.03 %
Domestic Equities	21.00	3.78
Real Estate	11.00	3.66
Private Equity	12.00	7.43
International Equities	23.00	4.88
Risk Parity	5.00	2.92
Other investments	4.00	2.85
Total	<u>100.00 %</u>	4.21 %

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

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

***E. Actuarial Assumptions – OPERS (Continued)***

***Discount Rate*** The discount rate used to measure the total pension liability was 6.9 percent, post-experience study results. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

***Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate***  
The following table presents the City’s proportionate share of the net pension liability calculated using the current period discount rate assumption of 6.9 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.9percent) or one-percentage-point higher (7.9 percent) than the current rate:

City’s proportionate share of the net pension liability/(asset)	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Traditional Pension Plan	\$24,047,642	\$9,120,895	\$3,300,143
Combined Plan	(\$220,623)	(\$295,669)	(\$354,198)

***F. Actuarial Assumptions – OP&F***

OP&F’s total pension liability as of December 31, 2021 is based on the results of an actuarial valuation date of January 1, 2021, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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

**F. Actuarial Assumptions – OP&F (Continued)**

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2021, are presented below:

Valuation Date	January 1, 2021, with actuarial liabilities rolled forward to December 31, 2021
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.50 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	2.2 percent simple

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
59 or less	35 %	35 %
60-69	60	45
70-79	75	70
80 and up	100	90

The most recent experience study was completed December 31, 2016.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

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

**F. Actuarial Assumptions – OP&F (Continued)**

The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F’s target asset allocation as of December 31, 2021 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	21.00 %	3.60 %
International Equity	14.00	4.40
Core Fixed Income *	23.00	1.10
U.S. Inflation Linked Bonds *	17.00	0.80
High Yield Fixed Income	7.00	3.00
Private Real Estate	12.00	4.80
Private Markets	8.00	6.80
Midstream Energy Infrastructure	5.00	5.00
Private Credit	5.00	4.50
Real Assets	8.00	5.90
Gold	5.00	2.40
<b>Total</b>	<b>125.00 %</b>	

Note: Assumptions are geometric  
\* levered 2x

OP&F’s Board of Trustees has incorporated the “risk parity” concept into OP&F’s asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate** The total pension liability was calculated using the discount rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 7.50 percent. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

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

**F. Actuarial Assumptions – OP&F (Continued)**

***Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate***  
Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$ 58,843,295	\$ 39,678,926	\$ 23,719,740

**Note 16 – Defined Benefit OPEB Plans**

**A. Net OPEB Liability/Asset**

The net OPEB liability/asset reported on the statement of net position represents a liability or asset to employees for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net OPEB liability/asset represents the City's proportionate share of each OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan's fiduciary net position. The net OPEB liability/asset calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

Ohio Revised Code limits the City's obligation for this liability/asset to annually required payments. The City cannot control benefit terms or the manner in which OPEB are financed; however, the City does receive the benefit of employees' services in exchange for compensation including OPEB.

GASB 75 assumes that any liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.



**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
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*(Continued)*

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**Note 16 – Defined Benefit OPEB Plans**

**A. Net OPEB Liability (Continued)**

The proportionate share of each plan's unfunded and funded benefits are presented as a long-term *net OPEB liability or net OPEB asset* on the accrual basis of accounting. Any liability for the contractually-required OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

**B. Plan Description – Ohio Public Employees Retirement System (OPERS)**

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Effective January 1, 2022, OPERS will discontinue the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses. These changes are reflected in the December 31, 2021, measurement date health care valuation.

In order to qualify for postemployment health care coverage, generally age and service retirees under the traditional pension and combined plans must be at least age sixty with twenty or more years of qualifying Ohio service credit, or thirty years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' Annual Comprehensive Financial Report referenced below for additional information.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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**Note 16 – Defined Benefit OPEB Plans (Continued)**

***B. Plan Description – Ohio Public Employees Retirement System (OPERS) (Continued)***

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, health care was no longer being funded.

Employer contribution rates are expressed as a percentage of covered payroll. In 2022, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2022, OPERS did not allocate employer contributions to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2022 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$18,960 for 2022.

***C. Plan Description – Ohio Police & Fire Pension Fund (OP&F)***

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) a cost-sharing, multiple-employer defined post-employment healthcare plan that provides various levels of health care to retired, disabled and beneficiaries, as well as their dependents. On January 1, 2019, OP&F changed the way it supports retiree health care. A stipend-based health care model has replaced the self-insured group health care plan that had been in place. A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses. A summary of the full benefit provisions can be found in OP&F's annual comprehensive financial report.

OP&F provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 75. The Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
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**Note 16 – Defined Benefit OPEB Plans (Continued)**

***C. Plan Description – Ohio Police & Fire Pension Fund (OP&F) (Continued)***

OP&F issues a publicly available annual comprehensive financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OP&F website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and fire employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. There is one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. An Internal Revenue Code 401(h) account is maintained for Medicare Part B reimbursements.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2021, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h). The OP&F Board of Trustees is also authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contractually required contribution to OP&F was \$80,932 for 2022.

***D. OPEB Liabilities/Asset, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

The net OPEB asset and total OPEB asset for OPERS were determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2021, and was determined by rolling forward the total OPEB liability as of January 1, 2021, to December 31, 2021.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
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**Note 16 – Defined Benefit OPEB Plans (Continued)**

***D. OPEB Liabilities/Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)***

The City's proportion of the net OPEB liability/asset was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the Net OPEB Liability			
Prior Measurement Date	0.100493%	0.6249118%	
Proportion of the Net OPEB Liability/Asset			
Current Measurement Date	<u>0.102442%</u>	<u>0.6351248%</u>	
Change in Proportionate Share	<u>0.001949%</u>	<u>0.0102130%</u>	
Proportionate Share of the Net OPEB			
Liability/(Asset)	(\$3,208,640)	\$6,961,515	\$3,752,875
OPEB Expense	(\$3,129,247)	\$569,472	(\$2,559,775)

At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$0	\$316,687	\$316,687
Changes of assumptions	0	3,081,380	3,081,380
Changes in proportion and differences between City contributions and proportionate share of contributions	29,771	207,006	236,777
City contributions subsequent to the measurement date	<u>18,960</u>	<u>80,932</u>	<u>99,892</u>
Total Deferred Outflows of Resources	<u>\$48,731</u>	<u>\$3,686,005</u>	<u>\$3,734,736</u>
<b>Deferred Inflows of Resources</b>			
Net difference between projected and actual earnings on pension plan investments	\$1,529,653	\$628,856	\$2,158,509
Differences between expected and actual experience	486,702	920,062	1,406,764
Changes of assumptions	1,298,821	808,538	2,107,359
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>268,288</u>	<u>154,707</u>	<u>422,995</u>
Total Deferred Inflows of Resources	<u>\$3,583,464</u>	<u>\$2,512,163</u>	<u>\$6,095,627</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

**Note 16 – Defined Benefit OPEB Plans (Continued)**

***D. OPEB Liabilities/Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)***

\$99,892 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability and increase of the net OPEB asset in 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS	OP&F	Total
Year Ending December 31:			
2023	(\$2,298,074)	\$ 283,786	(\$2,014,288)
2024	(701,714)	190,426	(511,288)
2025	(334,223)	218,625	(115,598)
2026	(219,682)	66,630	(153,052)
2027	0	161,465	161,465
Thereafter	0	171,978	171,978
Total	(\$3,553,693)	\$1,092,910	(\$2,460,783)

***E. Actuarial Assumptions - OPERS***

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
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**Note 16 – Defined Benefit OPEB Plans (Continued)**

***E. Actuarial Assumptions – OPERS (Continued)***

Wage Inflation	
Current Measurement Date:	2.75 percent
Prior Measurement Date:	3.25 percent
Projected Salary Increases, including inflation	
Current Measurement Date:	2.75 to 10.75 percent, including wage inflation
Prior Measurement Date:	3.25 to 10.75 percent, including wage inflation
Single Discount Rate:	6.00 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	
Current Measurement Date:	1.84 percent
Prior Measurement Date:	2.00 percent
Health Care Cost Trend Rate	
Current Measurement Date:	5.50 percent initial, 3.50 percent ultimate in 2034
Prior Measurement Date:	8.50 percent initial, 3.50 percent ultimate in 2035
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

During 2021, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a gain of 14.30 percent for 2021.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
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(Continued)

**Note 16 – Defined Benefit OPEB Plans (Continued)**

***E. Actuarial Assumptions – OPERS (Continued)***

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS’ primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2021 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed Income	34.00 %	0.91 %
Domestic Equities	25.00	3.78
Real Estate Investment Trust	7.00	3.71
International Equities	25.00	4.88
Risk Parity	2.00	2.92
Other investments	7.00	1.93
Total	<u>100.00 %</u>	3.45 %

***Discount Rate*** A single discount rate of 6.00 percent was used to measure the OPEB asset on the measurement date of December 31, 2021. A single discount rate of 6.00 percent was used to measure the OPEB asset on the measurement date of December 31, 2020. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 1.84 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2121. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2121, the duration of the projection period through which projected health care payments are fully funded.

***Sensitivity of the City’s Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate*** The following table presents the City’s proportionate share of the net OPEB asset calculated using the single discount rate of 6.00 percent, as well as what the City’s proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is one-percentage-point lower (5.00 percent) or one-percentage-point higher (7.00 percent) than the current rate:

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

**Note 16 – Defined Benefit OPEB Plans (Continued)**

***E. Actuarial Assumptions – OPERS (Continued)***

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
City's proportionate share of the net OPEB asset	\$1,886,982	\$3,208,640	\$4,305,637

***Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate*** Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2022 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB asset	\$3,243,314	\$3,208,640	\$3,167,507

***F. Actuarial Assumptions – OP&F***

OP&F's total OPEB liability as of December 31, 2021, is based on the results of an actuarial valuation date of January 1, 2021, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations. Actuarial calculations reflect a long-term perspective.



**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

**Note 16 – Defined Benefit OPEB Plans (Continued)**

***F. Actuarial Assumptions – OP&F (Continued)***

For a newly hired employee, actuarial calculations will take into account the employee’s entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

Valuation Date	January 1, 2021, with actuarial liabilities rolled forward to December 31, 2021
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.5 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Single discount rate:	
Current measurement date	2.84 percent
Prior measurement date	2.96 percent
Cost of Living Adjustments	2.2 percent simple

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
67 or less	77 %	68 %
68-77	105	87
78 and up	115	120

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale.

<u>Age</u>	<u>Police</u>	<u>Fire</u>
59 or less	35 %	35 %
60-69	60	45
70-79	75	70
80 and up	100	90

The most recent experience study was completed for the five year period ended December 31, 2016.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
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(Continued)

**Note 16 – Defined Benefit OPEB Plans (Continued)**

***F. Actuarial Assumptions – OP&F (Continued)***

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F’s target asset allocation as of December 31, 2021, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return **</u>
Cash and Cash Equivalents	0.00 %	0.00 %
Domestic Equity	21.00	3.60
Non-US Equity	14.00	4.40
Core Fixed Income *	23.00	1.10
U.S. Inflation Linked Bonds *	17.00	0.80
High Yield Fixed Income	7.00	3.00
Private Real Estate	12.00	4.80
Private Markets	8.00	6.80
Midstream Energy Infrastructure	5.00	5.00
Private Credit	5.00	4.50
Real Assets	8.00	5.90
Gold	5.00	2.40
 Total	 <u>125.00 %</u>	

Note: Assumptions are geometric

\* levered 2x

OP&F’s Board of Trustees has incorporated the risk parity concept into OP&F’s asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.25 times due to the application of leverage in certain fixed income asset classes in core fixed income and U.S. inflation linked bonds and the implementation approach for gold.

***Discount Rate*** The total OPEB liability was calculated using the discount rate of 2.84 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 7.50 percent. Based on those assumptions, OP&F’s fiduciary net position was projected to not be able to make all future benefit payments of current plan members.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
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(Continued)

**Note 16 – Defined Benefit OPEB Plans (Continued)**

***F. Actuarial Assumptions – OP&F (Continued)***

Therefore, a municipal bond rate of 2.05 percent at December 31, 2021 and 2.12 percent at December 31, 2020, was blended with the long-term rate of 7.50 percent, which resulted in a blended discount rate of 2.84 percent. The municipal bond rate was determined using the S&P Municipal Bond 20 Year High Grade Rate Index. The OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments until 2037. The long-term expected rate of return on health care investments was applied to projected costs through 2037, and the municipal bond rate was applied to all health care costs after that date.

***Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate***  
Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 2.84 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.84 percent), or one percentage point higher (3.84 percent) than the current rate.

	1% Decrease (1.84%)	Current Discount Rate (2.84%)	1% Increase (3.84%)
City's proportionate share of the net OPEB liability	\$ 8,750,779	\$ 6,961,515	\$ 5,490,736

***Sensitivity of the City’s Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate***  
Net OPEB liability is not sensitive to changes in the health care cost trend rate because it is based on a medical benefit that is a flat dollar rate.

**Note 17 - Other Employee Benefits**

***A. Compensated Absences***

City employees generally earn vacation and sick leave ranging from two to five weeks and fourteen to twenty-five days per year, respectively, based on length of service or hours worked for sick time. Vacation and sick leave accumulate on an hourly basis and are fully vested when earned. Accumulated vacation leave and accumulated sick days cannot exceed 50 or 120 days, respectively, at the end of any year. However, employees convert to cash, on a three-to-one basis, sick days accumulated in excess of 120 days. Twenty-five percent of unused sick leave plus any accumulated vacation leave is paid at termination, retirement or death. In addition, employees of the City accumulate compensatory time for a portion of overtime hours worked based upon time and a half for police and fire department employees, and time and a half for other union employees. Employees are entitled to receive payments for their accumulated hours upon retirement or other termination from the City’s payroll.

Police and fire department employees can receive, on a quarterly basis for police and a semi-annual basis for fire, payments for portions of overtime accumulated, upon written request to the respective department Chief. Fire Department personnel required to work a holiday are granted, at a later time, an eight or twenty-four hour off-duty period.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
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**Note 17 - Other Employee Benefits (Continued)**

**A. Compensated Absences (Continued)**

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

**B. Health and Life Insurance**

City employees may choose between two health insurance providers. Medical Mutual serves as the third party administrator for the self-insured medical and health coverage to City employees. Minnesota Life Insurance Company provides life insurance and accidental death and dismemberment insurance to the City's employees.

**Note 18 - Jointly Governed Organization**

The West Shore Council of Governments helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions and regional development. The Board of Directors is comprised of one member from each of the six participating municipalities. The Board of Directors exercises total control over the operation of the Council including budgeting, appropriating, contracting and designating management. Budgets are adopted by the board. Each City's degree of control is limited to its representation on the Board of Directors. In 2022, the City contributed \$108,815.

**Note 19 – Construction Contractual and Other Commitments**

**A. Construction Contractual Commitments**

The following were significant contractual commitments outstanding at December 31, 2022.

Project	Contract Amount	Amount Paid	Amount Remaining
Transportation Improvements	\$3,315,000	\$3,273,912	\$41,088
Facility Improvements	\$9,249,660	532,230	8,717,430
Park Improvements	9,631,457	781,743	8,849,714
Waterline Improvements	4,925,217	225,349	4,699,868
Wastewater Improvements	24,860,000	23,400,446	1,459,554
Totals	<u>\$ 51,981,334</u>	<u>\$ 28,213,680</u>	<u>\$ 23,767,654</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
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**Note 19 – Construction Contractual and Other Commitments (Continued)**

***B. Other Commitments***

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end are components of fund balance for subsequent year expenditures and may be reported as part of restricted, committed, or assigned classifications of fund balance.

As of December 31, 2022, the City’s commitments for encumbrances in the governmental funds were as follows:

	Encumbrances Outstanding
Major Fund:	
General	\$9,509,604

On March 1, 2019, the City submitted an upgraded Integrated Wet Weather Improvement Plan (“IWWIP”) to comply with the requirement of the Clean Water Act and to renew its National Pollutant Discharge Elimination System permit. The plan provides for long-term capital improvement projects through 2034, including construction and implementation of a high-rate treatment plant, an aboveground storage tank, underground storage facilities, and other improvements to the City’s existing sewer system. In November 2022, the City entered into a consent decree with the United States Environmental Protection Agency (EPA) that formalized the IWWIP to be completed by December 31, 2047 and included a civil penalty of \$100,000. The consent decree was approved by the United States Court for the Northern District of Ohio in January 2023. The IWWIP is currently estimated to cost approximately \$86 million, and the City has already spent at least \$26.2 million toward that commitment. The City plans to allocate American Rescue Plan Act dollars and appropriate utility fund operating income and fund balance to finance the costs associated with water and sewer infrastructure upgrades and EPA compliance.

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**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
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(Continued)

**Note 20 – Interfund Transfers and Balances**

**A. Transfers**

The General Fund transfers to the nonmajor governmental funds and to proprietary funds were made to provide additional resources for current operations. The transfers from the Sewer Fund to the Debt Service fund were to cover debt payments and the transfer from General Fund to the Office on Aging Fund was for ongoing operations. The transfers from the Debt Service Fund to the General Fund and the Winterhurst Fund were necessary to record the capital lease debt payments in the funds that originally recorded the leases and notes.

	<b>TRANSFERS OUT</b>				
	Governmental activities			Business-Type Activities	
	Major Funds		Other	Major Fund	
	General	Debt Service	Governmental Funds	Sewer	Total
<b>TRANSFERS IN</b>					
<i>Governmental Activities</i>					
<u>Major Funds:</u>					
General	\$0	\$1,977,016	\$0	\$0	\$1,977,016
Debt Service	0	0	0	1,800,000	1,800,000
Permanent Capital Improvement	550,000	0	0		550,000
<u>Nonmajor Funds:</u>					
Office on Aging	1,000,000	0	0	0	1,000,000
D.A.R.E	19,926	0	18,269	0	38,195
Total Governmental Activities	<u>1,569,926</u>	<u>1,977,016</u>	<u>18,269</u>	<u>1,800,000</u>	<u>5,365,211</u>
<i>Business-Type Activities</i>					
<u>Nonmajor Fund:</u>					
Winterhurst	820,750	11,788		0	832,538
Total Business-Type Activities	<u>820,750</u>	<u>11,788</u>	<u>0</u>	<u>0</u>	<u>832,538</u>
<i>Internal Service Funds</i>					
Hospitalization	398,581	0	0	0	398,581
Workers' Compensation	29,533	0	0	0	29,533
Total	<u>\$2,818,790</u>	<u>\$1,988,804</u>	<u>\$18,269</u>	<u>\$1,800,000</u>	<u>\$6,625,863</u>

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
(Continued)

**Note 20 – Interfund Transfers and Balances (Continued)**

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

Interfund receivables and payables are due to the timing of the receipt of grant monies by the major and nonmajor funds and short-term advances from the General Fund. It is also to cover those funds that owe the Hospitalization Fund and Workers' Compensation Fund for monthly premiums.

All interfund balances will be repaid within one year. Interfund balances at December 31, 2022, consist of the following:

Interfund Payable	Interfund Receivable			Total
	General	Workers' Compensation	Hospitalization	
<b><i>Governmental Funds</i></b>				
<b>Major Funds:</b>				
General	\$0	\$12,262	\$729,429	\$741,691
Community Development Block Grant	180,000	72	4,266	184,338
<b>Nonmajor Funds:</b>				
Street and Highway	0	466	27,727	28,193
Office on Aging	0	324	19,195	19,519
Juvenile Diversion	25,000	0	0	25,000
Emergency Shelter Grant	50,000	0	0	50,000
FEMA Fund	162,075	0	0	162,075
Family to Family	370,000	0	0	370,000
<b>Total Governmental Funds</b>	<b>787,075</b>	<b>13,124</b>	<b>780,617</b>	<b>1,580,816</b>
<b><i>Proprietary Funds</i></b>				
<b>Major Funds:</b>				
Water	0	466	27,727	28,193
Sewer	0	1,290	76,782	78,072
<b>Nonmajor Funds</b>				
Parking Facilities	0	72	4,266	4,338
Winterhurst Ice Rink	60,000	0	0	60,000
<b>Total Proprietary Funds</b>	<b>60,000</b>	<b>1,828</b>	<b>108,775</b>	<b>170,603</b>
<b>Total</b>	<b>\$847,075</b>	<b>\$14,952</b>	<b>\$889,392</b>	<b>\$1,751,419</b>

**Note 21 – Tax Abatement Disclosure**

The City of Lakewood has negotiated a property tax abatement agreement under Sections 3735.65 through 3735.70 of the Ohio Revised Code, establishing the boundaries of a Community Reinvestment Area.

As required by Section 3735.66 of the Ohio Revised Code, a survey of housing has been prepared for the area proposed to be included in the Community Reinvestment Area authorized by Resolution 8645-13 passed by Lakewood City Council on May 6, 2013.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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**Note 21 – Tax Abatement Disclosure (Continued)**

The survey shows the facts and conditions relating to existing housing in the Community Reinvestment Area, including among other things, evidence of deterioration and lack of new construction in substantial portions of the Area. The abatement provides for 100% exemption of residential property taxes not to exceed 10 years and must meet all condition and requirements of the Multifamily High Density Zone district.

For the fiscal year ended December 31, 2022, the City abated residential property taxes totaling \$176,418 (tax year 2021/collection year 2022).

**Note 22 – Asset Retirement Obligation**

Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewage treatment system to the Ohio EPA for approval. Through this permitting process, the City would be responsible to address any public safety issues associated with their sewage treatment facilities, requiring the City to record an asset retirement obligation (ARO). There may be additional AROs related to public safety issues; however, these amounts are not reasonably estimable. Currently, there is significant uncertainty as to what items would need to be addressed; therefore, a reliable estimated amount could not be determined.

**Note 23 - Subsequent Events**

On March 15, 2023, The City issued \$37,695,000 in various purpose improvement notes, series 2023 at 4.50% maturing on March 14, 2024. Proceeds of \$21,285,000 were used to retire outstanding various purposes income tax revenue notes, series 2022.



## Required Supplementary Information

**City of Lakewood, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net Pension Liability*  
*Ohio Public Employees Retirement System*  
*Last Nine Years (1)*

<b>Traditional Plan</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
City's Proportion of the Net Pension Liability	0.104833%	0.102808%	0.110145%
City's Proportionate Share of the Net Pension Liability	\$ 9,120,895	\$ 15,223,627	\$ 21,770,867
City's Covered Payroll	\$ 15,214,393	\$ 14,479,957	\$ 15,497,236
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	59.95%	105.14%	140.48%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.62%	86.88%	82.17%
<b>Combined Plan</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
City's Proportion of the Net Pension (Asset)	0.075042%	0.068757%	0.086419%
City's Proportionate Share of the Net Pension (Asset)	\$ (295,669)	\$ (198,476)	\$ (180,205)
City's Covered Payroll	\$ 342,114	\$ 303,014	\$ 384,700
City's Proportionate Share of the Net Pension (Asset) as a Percentage of its Covered Payroll	86.42%	65.50%	46.84%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	169.88%	157.67%	145.28%

(1) Information prior to 2014 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

Amounts presented as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information

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<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
0.109506%	0.109173%	0.107554%	0.110275%	0.111944%	0.111944%
\$ 29,991,473	\$ 17,127,127	\$ 24,423,684	\$ 19,101,020	\$ 13,501,698	\$ 13,196,739
\$ 14,809,729	\$ 14,440,354	\$ 13,903,507	\$ 13,724,833	\$ 13,769,800	\$ 13,724,831
202.51%	118.61%	175.67%	139.17%	98.05%	96.15%
74.70%	84.66%	77.25%	81.08%	86.45%	86.36%
<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
0.086101%	0.074969%	0.063467%	0.062040%	0.046096%	0.046096%
\$ (96,280)	\$ (102,057)	\$ (35,324)	\$ (30,190)	\$ (17,749)	\$ (4,837)
\$ 350,514	\$ 307,038	\$ 247,050	\$ 225,775	\$ 169,775	\$ 225,769
27.47%	33.24%	14.30%	13.37%	10.45%	2.14%
126.64%	137.28%	116.55%	116.90%	114.83%	104.33%

**City of Lakewood, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net Pension Liability*  
*Ohio Police and Fire Pension Fund*  
*Last Nine Years (1)*

<b>Police</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
City's Proportion of the Net Pension Liability	0.3069176%	0.3023737%	0.3090483%
City's Proportionate Share of the Net Pension Liability	\$ 19,174,436	\$ 20,613,087	\$ 20,819,144
City's Covered Payroll	\$ 8,418,137	\$ 8,260,116	\$ 8,190,684
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	227.78%	249.55%	254.18%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.03%	70.65%	69.89%
<b>Fire</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
City's Proportion of the Net Pension Liability	0.3282072%	0.3225382%	0.3130656%
City's Proportionate Share of the Net Pension Liability	\$ 20,504,490	\$ 21,987,719	\$ 21,089,770
City's Covered Payroll	\$ 7,457,353	\$ 7,174,064	\$ 6,735,409
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	274.96%	306.49%	313.12%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.03%	70.65%	69.89%

(1) Information prior to 2014 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

Amounts presented as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information

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<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
0.3181550%	0.3228480%	0.3189346%	0.3243258%	0.3269860%	0.3269860%
\$ 25,969,855	\$ 19,814,640	\$ 20,200,995	\$ 20,864,107	\$ 17,356,788	\$ 15,925,244
\$ 7,991,637	\$ 7,987,753	\$ 7,669,200	\$ 7,416,211	\$ 7,231,742	\$ 7,006,764
324.96%	248.06%	263.40%	281.33%	240.01%	227.28%
63.07%	70.91%	68.36%	66.77%	71.71%	73.00%
<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
0.3156970%	0.3157512%	0.3130046%	0.3272778%	0.3135738%	0.3135738%
\$ 25,769,217	\$ 19,379,074	\$ 19,825,395	\$ 21,054,007	\$ 16,644,854	\$ 15,272,028
\$ 6,442,485	\$ 6,296,298	\$ 6,117,945	\$ 6,007,864	\$ 5,630,757	\$ 5,366,792
399.99%	307.79%	324.05%	350.44%	295.61%	284.57%
63.07%	70.91%	68.36%	66.77%	71.71%	73.00%

**City of Lakewood, Ohio**  
*Required Supplementary Information*  
*Schedule of City Contributions - Pension*  
*Ohio Public Employees Retirement System*  
*Last Ten Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<u>Contractually Required Contributions</u>				
Traditional Plan	\$ 2,328,659	\$ 2,130,015	\$ 2,027,194	\$ 2,169,613
Combined Plan	<u>50,091</u>	<u>47,896</u>	<u>42,422</u>	<u>53,858</u>
Total Required Contributions	\$ 2,378,750	\$ 2,177,911	\$ 2,069,616	\$ 2,223,471
Contributions in Relation to the Contractually Required Contribution	<u>(2,378,750)</u>	<u>(2,177,911)</u>	<u>(2,069,616)</u>	<u>(2,223,471)</u>
Contribution Deficiency / (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll				
Traditional Plan	\$ 16,633,279	\$ 15,214,393	\$ 14,479,957	\$ 15,497,236
Combined Plan	\$ 357,793	\$ 342,114	\$ 303,014	\$ 384,700
<u>Pension Contributions as a Percentage of Covered Payroll</u>				
Traditional Plan	14.00%	14.00%	14.00%	14.00%
Combined Plan	14.00%	14.00%	14.00%	14.00%

See accompanying notes to the required supplementary information

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<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 2,073,362	\$ 1,877,246	\$ 1,668,421	\$ 1,646,980	\$ 1,652,376	\$ 1,784,228
<u>49,072</u>	<u>39,915</u>	<u>29,646</u>	<u>27,093</u>	<u>20,373</u>	<u>29,350</u>
\$ 2,122,434	\$ 1,917,161	\$ 1,698,067	\$ 1,674,073	\$ 1,672,749	\$ 1,813,578
<u>(2,122,434)</u>	<u>(1,917,161)</u>	<u>(1,698,067)</u>	<u>(1,674,073)</u>	<u>(1,672,749)</u>	<u>(1,813,578)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 14,809,729	\$ 14,440,354	\$ 13,903,507	\$ 13,724,833	\$ 13,769,800	\$ 13,724,831
\$ 350,514	\$ 307,038	\$ 247,050	\$ 225,775	\$ 169,775	\$ 225,769
14.00%	13.00%	12.00%	12.00%	12.00%	13.00%
14.00%	13.00%	12.00%	12.00%	12.00%	13.00%

**City of Lakewood, Ohio**  
*Required Supplementary Information*  
*Schedule of City Contributions - Pension*  
*Ohio Police and Fire Pension Fund*  
*Last Ten Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<u>Contractually Required Contributions</u>				
Police	\$ 1,640,789	\$ 1,599,446	\$ 1,569,422	\$ 1,556,230
Fire	<u>1,774,378</u>	<u>1,752,478</u>	<u>1,685,905</u>	<u>1,582,821</u>
Total Required Contributions	\$ 3,415,167	\$ 3,351,924	\$ 3,255,327	\$ 3,139,051
Contributions in Relation to the Contractually Required Contribution	<u>(3,415,167)</u>	<u>(3,351,924)</u>	<u>(3,255,327)</u>	<u>(3,139,051)</u>
Contribution Deficiency / (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll				
Police	\$ 8,635,732	\$ 8,418,137	\$ 8,260,116	\$ 8,190,684
Fire	\$ 7,550,545	\$ 7,457,353	\$ 7,174,064	\$ 6,735,409
<u>Pension Contributions as a Percentage of Covered Payroll</u>				
Police	19.00%	19.00%	19.00%	19.00%
Fire	23.50%	23.50%	23.50%	23.50%

[1] – The portion of the City's contributions to fund pension obligations from January 1, 2013 thru May 31, 2013, for both police officers and firefighters was 14.81 percent and 19.31 percent, respectively. The portion of the City's contributions to fund pension obligations from June 1, 2013 thru December 31, 2013 for both police officers and firefighters was 16.65 percent and 21.15 percent, respectively.

See accompanying notes to the required supplementary information



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<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 1,518,411	\$ 1,517,673	\$ 1,457,148	\$ 1,409,080	\$ 1,374,031	\$ 1,102,164
<u>1,513,984</u>	<u>1,479,630</u>	<u>1,437,717</u>	<u>1,411,848</u>	<u>1,323,228</u>	<u>1,085,702</u>
\$ 3,032,395	\$ 2,997,303	\$ 2,894,865	\$ 2,820,928	\$ 2,697,259	\$ 2,187,866
<u>(3,032,395)</u>	<u>(2,997,303)</u>	<u>(2,894,865)</u>	<u>(2,820,928)</u>	<u>(2,697,259)</u>	<u>(2,187,866)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 7,991,637	\$ 7,987,753	\$ 7,669,200	\$ 7,416,211	\$ 7,231,742	\$ 7,006,764
\$ 6,442,485	\$ 6,296,298	\$ 6,117,945	\$ 6,007,864	\$ 5,630,757	\$ 5,366,792
19.00%	19.00%	19.00%	19.00%	19.00%	[1]
23.50%	23.50%	23.50%	23.50%	23.50%	[1]

**City of Lakewood, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net OPEB Liability/(Asset)*  
*Ohio Public Employees Retirement System*  
*Last Six Years (1)*

	2022	2021	2020
City's Proportion of the Net OPEB Liability/Asset	0.102442%	0.100493%	0.108546%
City's Proportionate Share of the Net OPEB Liability/(Asset)	\$ (3,208,640)	\$ (1,790,363)	\$ 14,993,022
City's Covered Payroll	\$ 15,974,752	\$ 15,198,080	\$ 16,251,249
City's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	-20.09%	-11.78%	92.26%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/Asset	128.23%	115.57%	47.80%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

Amounts presented as of the City's measurement date, which is the prior calendar year end.

See accompanying notes to the required supplementary information

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2019	2018	2017
0.108773%	0.107690%	0.106720%
\$ 14,181,432	\$ 11,694,341	\$ 10,779,082
\$ 15,777,237	\$ 15,253,148	\$ 14,748,015
89.89%	76.67%	73.09%
46.33%	54.14%	54.04%

**City of Lakewood, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net OPEB Liability*  
*Ohio Police and Fire Pension Fund*  
*Last Six Years (1)*

	2022	2021	2020
City's Proportion of the Net OPEB Liability	0.6351248%	0.6249118%	0.6221139%
City's Proportionate Share of the Net OPEB Liability	\$ 6,961,515	\$ 6,621,043	\$ 6,145,073
City's Covered Payroll	\$ 15,875,490	\$ 15,434,180	\$ 14,926,093
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	43.85%	42.90%	41.17%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.86%	45.42%	47.08%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

Amounts presented as of the City's measurement date, which is the prior calendar year end.

See accompanying notes to the required supplementary information

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2019	2018	2017
0.6338526%	0.6385997%	0.6319400%
\$ 5,772,200	\$ 36,182,165	\$ 29,996,771
\$ 14,434,122	\$ 14,284,051	\$ 13,787,145
39.99%	253.30%	217.57%
46.57%	14.13%	15.96%

**City of Lakewood, Ohio**  
*Required Supplementary Information*  
*Schedule of City Contributions - OPEB*  
*Ohio Public Employees Retirement System*  
*Last Eight Years (1)*

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually Required Contribution	\$ 18,960	\$ 16,730	\$ 16,604
Contributions in Relation to the Contractually Required Contribution	<u>(18,960)</u>	<u>(16,730)</u>	<u>(16,604)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 17,465,078	\$ 15,974,752	\$ 15,198,080
Contributions as a Percentage of Covered Payroll	0.11%	0.10%	0.11%

(1) Information prior to 2015 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

See accompanying notes to the required supplementary information

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<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 20,681	\$ 24,708	\$ 168,096	\$ 306,909	\$ 279,011
<u>(20,681)</u>	<u>(24,708)</u>	<u>(168,096)</u>	<u>(306,909)</u>	<u>(279,011)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 16,251,249	\$ 15,777,237	\$ 15,253,148	\$ 14,748,015	\$ 14,570,020
0.13%	0.16%	1.10%	2.08%	1.91%

**City of Lakewood, Ohio**  
*Required Supplementary Information*  
*Schedule of City Contributions - OPEB*  
*Ohio Police and Fire Pension Fund*  
*Last Ten Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually Required Contribution	\$ 80,932	\$ 79,378	\$ 77,171	\$ 74,630
Contributions in Relation to the Contractually Required Contribution	<u>(80,932)</u>	<u>(79,378)</u>	<u>(77,171)</u>	<u>(74,630)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 16,186,277	\$ 15,875,490	\$ 15,434,180	\$ 14,926,093
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%

See accompanying notes to the required supplementary information



2018	2017	2016	2015	2014	2013
\$ 72,170	\$ 71,420	\$ 68,516	\$ 66,487	\$ 64,631	\$ 434,081
<u>(72,170)</u>	<u>(71,420)</u>	<u>(68,516)</u>	<u>(66,487)</u>	<u>(64,631)</u>	<u>(434,081)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 14,434,122	\$ 14,284,051	\$ 13,787,145	\$ 13,424,075	\$ 12,862,499	\$ 12,373,556
0.50%	0.50%	0.50%	0.50%	0.50%	3.62%

**City of Lakewood, Ohio**  
*Notes to the Required Supplementary Information*  
*For the Year Ended December 31, 2022*

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**OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)**

***Net Pension Liability***

*Changes in benefit terms:* There were no changes in benefit terms from the amounts reported for 2014-2022.

*Changes in assumptions:* There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016 and 2018. For 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 8.00% to 7.50%, (b) the expected long-term average wage inflation rate was reduced from 3.75% to 3.25%, (c) the expected long-term average price inflation rate was reduced from 3.00% to 2.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality rates were updated to the RP-2014 Health Annuitant Mortality Table, adjusted for mortality improvement back to the observant period base year of 2006 and then established the base year as 2015 (f) mortality rates used in evaluating disability allowances were updated to the RP-2014 Disabled Mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and a base year of 2015 for males and 2010 for females (g) Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables. For 2019, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 7.50% to 7.20%. For 2020, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees were reduced from 3.00% simple through 2018 to 1.40% simple through 2020, then 2.15% simple. For 2021, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post-1/7/2013 retirees were reduced from 1.40% simple through 2020 to 0.50% simple through 2021, then 2.15% simple. For 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected long-term average wage inflation rate was reduced from 3.25% to 2.75% (b) the cost-of-living adjustments for post-1/7/2013 retirees were increased from 0.50% simple through 2021 to 3.00% simple through 2022, then 2.05% simple (c) the expected investment return was reduced from 7.20% to 6.90%.

***Net OPEB Liability***

*Changes in benefit terms:* There were no changes in benefit terms from the amounts reported for 2018-2022.

*Changes in assumptions:* For 2018, the single discount rate changed from 4.23% to 3.85%. For 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected investment return was reduced from 6.50% to 6.00% (b) In January 2019, the Board adopted changes to health care coverage for Medicare and pre-Medicare retirees. It will include discontinuing the PPO plan for pre-Medicare retirees and replacing it with a monthly allowance to help participants pay for a health care plan of their choosing. The base allowance for Medicare eligible retirees will be reduced. The specific effect of these changes on the net OPEB liability and OPEB expense are unknown at this time (c) the single discount rate changed from 3.85% to 3.96%. For 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.96% to 3.16%. For 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.16% to 6.00% (b) the municipal bond rate changed from 2.75% to 2.00% (c) the health care cost trend rate changed from 10.50% initial and 3.50% ultimate in 2030 to 8.50% initial and 3.50% ultimate in 2035. For 2022, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected long-term average wage inflation rate was reduced from 3.25% to 2.75%. (b) the municipal bond rate changed from 2.00% to 1.84% (c) the health care cost trend rate changed from 8.50% initial and 3.50% ultimate in 2035 to 5.50% initial and 3.50% ultimate in 2034.

**City of Lakewood, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2022*  
*(Continued)*

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**OHIO POLICE AND FIRE (OP&F) PENSION FUND**

***Net Pension Liability***

*Changes in benefit terms:* There were no changes in benefit terms from the amounts reported for 2014-2022.

*Changes in assumptions:* There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017. For 2018, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the investment rate of return was reduced from 8.25 percent to 8.00 percent (b) the projected salary increases was reduced from 4.25% to 3.75% (c) the payroll increases was reduced from 3.75% to 3.25% (d) the inflation assumptions was reduced from 3.25% to 2.75% (e) the cost of living adjustments was reduced from 2.60% to 2.20% (f) rates of withdrawal, disability and service retirement were updated to reflect recent experience (g) mortality rates were updated to the RP-2014 Total Employee and Health Annuitant Mortality Table, adjusted for mortality improvement back to the observant period base year of 2006 and then established the base year as 2016 (h) mortality rates used in evaluating disability allowances were updated to the RP-2014 Disabled Mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and a base year of 2016. For 2019-2021, there have been no OP&F pension plan amendments adopted or changes in assumptions between the measurement date and the report date that would have impacted the actuarial valuation of the pension plan as of the measurement date. For 2022, the investment rate of return was reduced from 8.00 percent to 7.50 percent.

***Net OPEB Liability***

*Changes in benefit terms:* There were no changes in benefit terms from the amounts reported for 2018 and 2020-2022. For 2019, see below regarding changes to stipend-based model.

*Changes in assumptions:* For 2018, the single discount rate changed from 3.79 percent to 3.24 percent. For 2019, the changes of assumptions were: (a) beginning January 1, 2019 OP&F changed its retiree health care model and the current self-insured health care plan is no longer offered. In its place will be a stipend-based health care model. OP&F has contracted with a vendor who will assist eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. As a result of changing from the current health care model to the stipend-based health care model, management expects that it will be able to provide stipends to eligible participants for the next 15 years (b) beginning in 2020 the Board approved a change to the Deferred Retirement Option Plan. The minimum interest rate accruing will be 2.5% (c) the single discount rate changed from 3.24 percent to 4.66 percent. For 2020, the single discount rate changed from 4.66 to 3.56. For 2021, the single discount rate changed from 3.56 to 2.96. For 2022, the single discount rate changed from 2.96 to 2.84.

## **Combining Statements**

## *Fund Descriptions – Nonmajor Governmental Funds*

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### *Non-Major Special Revenue Funds*

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

Street and Highway Fund	To account for and report restricted State gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City as required by the Ohio Revised Code.
Litter Control Grant Fund	To account for and report grants received from The Ohio Department of Natural Resources restricted to assist with community cleanup and litter enforcement projects within the City.
Law and Drug Enforcement Trust Fund	To account for and report funds seized in the commitment of a felony and awarded to the City. Restricted for the purchases of equipment for use in the Police Department.
Federal Forfeiture Fund	To account for and report federal forfeitures restricted for specific law enforcement purposes.
Indigent Drivers Alcohol Treatment Fund	To account for and report fines from persons convicted of “Driving while under the influence of alcohol (D.U.I.)” that are restricted for the rehabilitation of D.U.I. indigent citizens.
Enforcement and Education Fund	To account for and report fines imposed by the Courts which are used for programs aimed at further education and enforcement of D.U.I. laws, restricted for education and enforcement of D.U.I. laws.
Political Subdivision Fund	To account for and report fines imposed by the Courts which are restricted costs related to housing the D.U.I offender.
Computer Research and Maintenance Fund	To account for and report fines imposed by the Courts which are restricted to provide computerized research services and maintenance of the Court’s computer system.
Court Special Projects Fund	To account for and report fines imposed by the Courts which are restricted for Special Projects of the Lakewood Municipal Court.
Court Probation Services Fund	To account for and report fines imposed by the Courts which are restricted for the operations of the Probation Department of the Lakewood Municipal Court.

## *Fund Descriptions – Nonmajor Governmental Funds*

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Indigent Drivers Interlock and Alcohol Monitoring Fund (IDIAM)	To account for and report State grants received and restricted to cover costs of immobilizing or disabling devices for indigent defendants.
Emergency Shelter Grant Fund	To account for and report grants received from the United States Department of Housing and Urban Development (HUD) and restricted to funds for the renovation, rehabilitation or conversion of buildings for use as emergency shelters for the homeless.
HOME Investment Program Fund	To account for and report grants from the United States Department of Housing and Urban Development (HUD) restricted to help first-time homebuyers with low and moderate income to purchase a new home.
Neighborhood Stabilization Fund	To account for and report grants received from the United States Department of Housing and Urban Development (HUD) restricted for assisting communities in purchasing for demolition or rehab housing structures in the City.
Office on Aging Fund	To account for and report grants received from the Ohio Department of Aging restricted for the various programs assisting the senior citizens in the City.
D.A.R.E. Fund	To account for ten percent of all annual revenue deposited into the Law and Drug Enforcement Trust Fund. Expenditures for the city-wide D.A.R.E program shall be paid from this fund.
Help-to-Others Fund	To account for and report camp registrations fees and donations committed to fund a youth program that promotes volunteerism.
Juvenile Diversion Fund	To account for and report grants received from Cuyahoga County restricted to establish or expand community policing programs.
Family to Family Fund	To account for and report grants received from Cuyahoga County restricted to fund wrap around services targeting identified at-risk youth and families.
FEMA Fund	To account for and report grants received from the Federal government restricted to provide safety programs for the City.
Coronavirus Relief Fund	To account for and report grants received from the Federal government for restricted expenditures incurred due to the public health emergency related to COVID-19.

## *Fund Descriptions – Nonmajor Governmental Funds*

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Opioid Settlement Fund                      To account for and report funds received in conjunction with the One Ohio Opioid Settlement. Eligible expenditures that address healthcare needs stemming from the opioid crisis may be paid from this fund.

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

### *Nonmajor Debt Service Fund*

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

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

### *Non-Major Capital Project Funds*

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

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

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

**City of Lakewood, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2022*

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>ASSETS</b>				
Equity in Pooled Cash and Cash Equivalents	\$4,011,502	\$1,284,070	\$1,056,621	\$6,352,193
Cash and Cash Equivalents:				
In Segregated Accounts	9,081	0	0	9,081
Materials and Supplies Inventory	102,942	0	0	102,942
Accounts Receivable	13,790	0	0	13,790
Intergovernmental Receivable	1,575,299	0	0	1,575,299
Payments in Lieu of Taxes Receivable	0	1,562,080	0	1,562,080
Assets Held for Resale	0	0	269,327	269,327
<b>Total Assets</b>	<b>\$5,712,614</b>	<b>\$2,846,150</b>	<b>\$1,325,948</b>	<b>\$9,884,712</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$114,870	\$0	\$0	\$114,870
Accrued Wages and Benefits	105,239	0	0	105,239
Intergovernmental Payable	92,097	0	0	92,097
Matured Bonds Payable	34,098	0	0	34,098
Retainage Payable	9,081	0	0	9,081
Interfund Payable	654,787	0	0	654,787
<b>Total Liabilities</b>	<b>1,010,172</b>	<b>0</b>	<b>0</b>	<b>1,010,172</b>
<b>Deferred Inflows of Resources:</b>				
Payments in Lieu of Taxes	0	1,498,522	0	1,498,522
Unavailable Revenue - Delinquent Payments in Lieu of Taxes	0	63,558	0	63,558
Unavailable Revenue - Other	781,903	0	0	781,903
<b>Total Deferred Inflows of Resources</b>	<b>781,903</b>	<b>1,562,080</b>	<b>0</b>	<b>2,343,983</b>
<b>Fund Balances:</b>				
Nonspendable	102,942	0	0	102,942
Restricted	3,900,878	1,284,070	0	5,184,948
Committed	11,569	0	1,325,948	1,337,517
Unassigned (Deficit)	(94,850)	0	0	(94,850)
<b>Total Fund Balance</b>	<b>3,920,539</b>	<b>1,284,070</b>	<b>1,325,948</b>	<b>6,530,557</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$5,712,614</b>	<b>\$2,846,150</b>	<b>\$1,325,948</b>	<b>\$9,884,712</b>



**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2022*

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>REVENUES</b>				
Payments in Lieu of Taxes	\$0	\$1,498,522	\$0	\$1,498,522
Intergovernmental	4,281,297	115,296	0	4,396,593
Interest	379	0	0	379
Fines and Forfeitures	143,828	0	0	143,828
Charges for Services	17,876	0	0	17,876
Contributions and Donations	69,630	0	0	69,630
Special Assessments	9,689	0	0	9,689
All Other Revenues	45,091	0	17,448	62,539
<b>Total Revenues</b>	<u>4,567,790</u>	<u>1,613,818</u>	<u>17,448</u>	<u>6,199,056</u>
<b>EXPENDITURES</b>				
Security of Persons and Property:				
Police and Other	121,616	0	0	121,616
Fire	162,075	0	0	162,075
Public Health Services	872,617	0	0	872,617
Community Environment	916,816	0	0	916,816
Transportation	2,813,093	0	0	2,813,093
General Government	157,955	846,499	0	1,004,454
Debt Service:				
Principal Retirement	0	359,944	0	359,944
Interest and Fiscal Charges	0	34,652	0	34,652
<b>Total Expenditures</b>	<u>5,044,172</u>	<u>1,241,095</u>	<u>0</u>	<u>6,285,267</u>
Excess of Revenues Over (Under) Expenditures	<u>(476,382)</u>	<u>372,723</u>	<u>17,448</u>	<u>(86,211)</u>
<b>OTHER FINANCING SOURCES</b>				
Sale of Capital Assets	1,799	0	0	1,799
Transfer In	1,038,195	0	0	1,038,195
Transfer Out	(18,269)	0	0	(18,269)
<b>Total Other Financing Sources</b>	<u>1,021,725</u>	<u>0</u>	<u>0</u>	<u>1,021,725</u>
Net Change in Fund Balances	545,343	372,723	17,448	935,514
Fund Balances - Beginning of Year	3,375,196	911,347	1,308,500	5,595,043
<b>Fund Balances - End of Year</b>	<u>\$3,920,539</u>	<u>\$1,284,070</u>	<u>\$1,325,948</u>	<u>\$6,530,557</u>



**City of Lakewood, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2022*

	<b>Street and Highway</b>	<b>Litter Control Grant</b>	<b>Law and Drug Enforcement Trust</b>	<b>Federal Forfeiture</b>	<b>Indigent Drivers Alcohol Treatment</b>
<b>Assets:</b>					
Equity in Pooled Cash and Cash Equivalents	\$1,391,715	\$19,899	\$39,370	\$72,266	\$173,577
Cash and Cash Equivalents:					
In Segregated Accounts	9,081	0	0	0	0
Materials and Supplies Inventory	102,942	0	0	0	0
Accounts Receivable	0	0	75	0	387
Intergovernmental Receivable	1,192,109	0	0	0	0
<b>Total Assets</b>	<b>\$2,695,847</b>	<b>\$19,899</b>	<b>\$39,445</b>	<b>\$72,266</b>	<b>\$173,964</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$71,580	\$0	\$7,309	\$0	\$0
Accrued Wages and Benefits	67,687	0	0	0	0
Intergovernmental Payable	57,991	0	0	0	0
Matured Bonds Payable	0	0	0	0	0
Retainage Payable	9,081	0	0	0	0
Interfund Payable	28,193	0	0	0	0
<b>Total Liabilities</b>	<b>234,532</b>	<b>0</b>	<b>7,309</b>	<b>0</b>	<b>0</b>
<b>Deferred Inflows of Resources:</b>					
Unavailable Revenue - Other	781,903	0	0	0	0
<b>Total Deferred Inflows of Resources</b>	<b>781,903</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balances:</b>					
Nonspendable	102,942	0	0	0	0
Restricted	1,576,470	19,899	32,136	72,266	173,964
Committed	0	0	0	0	0
Unassigned (Deficit)	0	0	0	0	0
<b>Total Fund Balances (Deficit)</b>	<b>1,679,412</b>	<b>19,899</b>	<b>32,136</b>	<b>72,266</b>	<b>173,964</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$2,695,847</b>	<b>\$19,899</b>	<b>\$39,445</b>	<b>\$72,266</b>	<b>\$173,964</b>

(Continued)

**City of Lakewood, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2022*

	Enforcement and Education	Political Subdivision	Computer Research and Maintenance	Court Special Projects	Court Probation Services
<b>Assets:</b>					
Equity in Pooled Cash and Cash Equivalents	\$37,766	\$20,592	\$50,965	\$205,184	\$143,582
Cash and Cash Equivalents:					
In Segregated Accounts	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
Accounts Receivable	75	0	5,249	6,177	964
Intergovernmental Receivable	0	0	0	0	0
<b>Total Assets</b>	<b>\$37,841</b>	<b>\$20,592</b>	<b>\$56,214</b>	<b>\$211,361</b>	<b>\$144,546</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$0	\$0	\$1,285	\$0	\$1,104
Accrued Wages and Benefits	0	0	0	780	0
Intergovernmental Payable	0	0	0	333	0
Matured Bonds Payable	0	0	0	0	0
Retainage Payable	0	0	0	0	0
Interfund Payable	0	0	0	0	0
<b>Total Liabilities</b>	<b>0</b>	<b>0</b>	<b>1,285</b>	<b>1,113</b>	<b>1,104</b>
<b>Deferred Inflows of Resources:</b>					
Unavailable Revenue - Other	0	0	0	0	0
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balances:</b>					
Nonspendable	0	0	0	0	0
Restricted	37,841	20,592	54,929	210,248	143,442
Committed	0	0	0	0	0
Unassigned (Deficit)	0	0	0	0	0
<b>Total Fund Balances (Deficit)</b>	<b>37,841</b>	<b>20,592</b>	<b>54,929</b>	<b>210,248</b>	<b>143,442</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$37,841</b>	<b>\$20,592</b>	<b>\$56,214</b>	<b>\$211,361</b>	<b>\$144,546</b>

<b>Indigent Drivers Interlock and Alcohol Monitoring</b>	<b>Emergency Shelter Grant</b>	<b>HOME Investment Program</b>	<b>Neighborhood Stabilization</b>	<b>Office on Aging</b>	<b>D.A.R.E</b>
\$167,452	\$48,444	\$514,585	\$41,239	\$877,477	\$32,715
0	0	0	0	0	0
0	0	0	0	0	0
863	0	0	0	0	0
0	0	0	0	22,140	0
<u>\$168,315</u>	<u>\$48,444</u>	<u>\$514,585</u>	<u>\$41,239</u>	<u>\$899,617</u>	<u>\$32,715</u>
\$0	\$2,623	\$7,338	\$0	\$22,136	\$0
0	149	0	0	23,458	0
0	65	0	0	20,208	0
0	0	0	0	34,098	0
0	0	0	0	0	0
0	50,000	0	0	19,519	0
<u>0</u>	<u>52,837</u>	<u>7,338</u>	<u>0</u>	<u>119,419</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0
168,315	0	507,247	41,239	780,198	32,715
0	0	0	0	0	0
0	(4,393)	0	0	0	0
<u>168,315</u>	<u>(4,393)</u>	<u>507,247</u>	<u>41,239</u>	<u>780,198</u>	<u>32,715</u>
<u>\$168,315</u>	<u>\$48,444</u>	<u>\$514,585</u>	<u>\$41,239</u>	<u>\$899,617</u>	<u>\$32,715</u>

(Continued)

**City of Lakewood, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2022*

	<b>Help-to- Others</b>	<b>Juvenile Diversion</b>	<b>Family to Family</b>	<b>FEMA</b>	<b>Opioid Settlement</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>Assets:</b>						
Equity in Pooled Cash and Cash Equivalents	\$11,569	\$11,959	\$121,769	\$20,664	\$8,713	\$4,011,502
Cash and Cash Equivalents:						
In Segregated Accounts	0	0	0	0	0	9,081
Materials and Supplies Inventory	0	0	0	0	0	102,942
Accounts Receivable	0	0	0	0	0	13,790
Intergovernmental Receivable	0	0	198,975	162,075	0	1,575,299
<b>Total Assets</b>	<b>\$11,569</b>	<b>\$11,959</b>	<b>\$320,744</b>	<b>\$182,739</b>	<b>\$8,713</b>	<b>\$5,712,614</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts Payable	\$0	\$0	\$1,495	\$0	\$0	\$114,870
Accrued Wages and Benefits	0	0	13,165	0	0	105,239
Intergovernmental Payable	0	442	13,058	0	0	92,097
Matured Bonds Payable	0	0	0	0	0	34,098
Retainage Payable	0	0	0	0	0	9,081
Interfund Payable	0	25,000	370,000	162,075	0	654,787
<b>Total Liabilities</b>	<b>0</b>	<b>25,442</b>	<b>397,718</b>	<b>162,075</b>	<b>0</b>	<b>1,010,172</b>
<b>Deferred Inflows of Resources:</b>						
Unavailable Revenue - Other	0	0	0	0	0	781,903
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>781,903</b>
<b>Fund Balances:</b>						
Nonspendable	0	0	0	0	0	102,942
Restricted	0	0	0	20,664	8,713	3,900,878
Committed	11,569	0	0	0	0	11,569
Unassigned (Deficit)	0	(13,483)	(76,974)	0	0	(94,850)
<b>Total Fund Balances (Deficit)</b>	<b>11,569</b>	<b>(13,483)</b>	<b>(76,974)</b>	<b>20,664</b>	<b>8,713</b>	<b>3,920,539</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$11,569</b>	<b>\$11,959</b>	<b>\$320,744</b>	<b>\$182,739</b>	<b>\$8,713</b>	<b>\$5,712,614</b>

**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2022*

	Street and Highway	Litter Control Grant	Law and Drug Enforcement Trust	Federal Forfeiture	Indigent Drivers Alcohol Treatment
<b>REVENUES</b>					
Intergovernmental	\$2,664,777	\$4,903	\$55,927	\$33,961	\$5,261
Interest	0	0	0	379	0
Fines and Forfeitures	0	0	1,311	0	5,233
Charges for Services	0	0	0	0	0
Contributions and Donations	0	0	0	0	0
Special Assessments	9,689	0	0	0	0
All Other Revenues	10,500	0	6,460	15,250	0
<b>Total Revenues</b>	<b>2,684,966</b>	<b>4,903</b>	<b>63,698</b>	<b>49,590</b>	<b>10,494</b>
<b>EXPENDITURES</b>					
Security of Persons and Property					
Police and Other	0	0	105,883	9,263	0
Fire	0	0	0	0	0
Public Health Services	0	0	0	0	0
Community Environment	0	0	0	0	0
Transportation	2,813,093	0	0	0	0
General Government	0	0	0	0	850
<b>Total Expenditures</b>	<b>2,813,093</b>	<b>0</b>	<b>105,883</b>	<b>9,263</b>	<b>850</b>
Excess of Revenues Over (Under) Expenditures	(128,127)	4,903	(42,185)	40,327	9,644
<b>OTHER FINANCING SOURCES</b>					
Sale of Capital Assets	0	0	1,799	0	0
Transfers In	0	0	0	0	0
Transfers Out	0	0	(18,269)	0	0
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>(16,470)</b>	<b>0</b>	<b>0</b>
Net Change in Fund Balances	(128,127)	4,903	(58,655)	40,327	9,644
Fund Balances - Beginning of Year	1,807,539	14,996	90,791	31,939	164,320
<b>Fund Balances - End of Year</b>	<b>\$1,679,412</b>	<b>\$19,899</b>	<b>\$32,136</b>	<b>\$72,266</b>	<b>\$173,964</b>

(Continued)

**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Year Ended December 31, 2022*

	Enforcement and Education	Political Subdivision	Computer Research and Maintenance	Court Special Projects	Court Probation Services
<b>REVENUES</b>					
Intergovernmental	\$0	\$0	\$0	\$0	\$0
Interest	0	0	0	0	0
Fines and Forfeitures	1,520	200	52,514	59,547	13,481
Charges for Services	0	0	0	0	0
Contributions and Donations	0	0	0	0	0
Special Assessments	0	0	0	0	0
All Other Revenues	200	0	0	0	0
<b>Total Revenues</b>	<b>1,720</b>	<b>200</b>	<b>52,514</b>	<b>59,547</b>	<b>13,481</b>
<b>EXPENDITURES</b>					
Security of Persons and Property					
Police and Other	0	0	0	0	0
Fire	0	0	0	0	0
Public Health Services	0	0	0	0	0
Community Environment	0	0	0	0	0
Transportation	0	0	0	0	0
General Government	0	0	17,075	125,514	7,248
<b>Total Expenditures</b>	<b>0</b>	<b>0</b>	<b>17,075</b>	<b>125,514</b>	<b>7,248</b>
Excess of Revenues Over (Under) Expenditures	1,720	200	35,439	(65,967)	6,233
<b>OTHER FINANCING SOURCES</b>					
Sale of Capital Assets	0	0	0	0	0
Transfers In	0	0	0	0	0
Transfers Out	0	0	0	0	0
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Net Change in Fund Balances	1,720	200	35,439	(65,967)	6,233
Fund Balances - Beginning of Year	36,121	20,392	19,490	276,215	137,209
<b>Fund Balances - End of Year</b>	<b>\$37,841</b>	<b>\$20,592</b>	<b>\$54,929</b>	<b>\$210,248</b>	<b>\$143,442</b>



<b>Indigent Drivers Interlock and Alcohol Monitoring</b>	<b>Emergency Shelter Grant</b>	<b>HOME Investment Program</b>	<b>Neighborhood Stabilization</b>	<b>Office on Aging</b>	<b>D.A.R.E</b>
\$0	\$189,183	\$477,575	\$0	\$133,818	\$0
0	0	0	0	0	0
10,022	0	0	0	0	0
0	0	0	0	4,433	0
0	0	0	0	43,093	0
0	0	0	0	0	0
0	0	0	0	0	990
<u>10,022</u>	<u>189,183</u>	<u>477,575</u>	<u>0</u>	<u>181,344</u>	<u>990</u>
0	0	0	0	0	6,470
0	0	0	0	0	0
0	0	0	0	872,630	0
0	169,700	156,063	0	0	0
0	0	0	0	0	0
7,268	0	0	0	0	0
<u>7,268</u>	<u>169,700</u>	<u>156,063</u>	<u>0</u>	<u>872,630</u>	<u>6,470</u>
<u>2,754</u>	<u>19,483</u>	<u>321,512</u>	<u>0</u>	<u>(691,286)</u>	<u>(5,480)</u>
0	0	0	0	0	0
0	0	0	0	1,000,000	38,195
0	0	0	0	0	0
0	0	0	0	1,000,000	38,195
<u>2,754</u>	<u>19,483</u>	<u>321,512</u>	<u>0</u>	<u>308,714</u>	<u>32,715</u>
165,561	(23,876)	185,735	41,239	471,484	0
<u>\$168,315</u>	<u>(\$4,393)</u>	<u>\$507,247</u>	<u>\$41,239</u>	<u>\$780,198</u>	<u>\$32,715</u>

(Continued)

**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Year Ended December 31, 2022*

	Help-to- Others	Juvenile Diversion	Family to Family	FEMA	Coronavirus Relief	Opioid Settlement	Total Nonmajor Special Revenue Funds
<b>REVENUES</b>							
Intergovernmental	\$0	\$12,200	\$465,780	\$162,075	\$75,837	\$0	\$4,281,297
Interest	0	0	0	0	0	0	379
Fines and Forfeitures	0	0	0	0	0	0	143,828
Charges for Services	13,443	0	0	0	0	0	17,876
Contributions and Donations	26,537	0	0	0	0	0	69,630
Special Assessments	0	0	0	0	0	0	9,689
All Other Revenues	0	2,978	0	0	0	8,713	45,091
<b>Total Revenues</b>	<b>39,980</b>	<b>15,178</b>	<b>465,780</b>	<b>162,075</b>	<b>75,837</b>	<b>8,713</b>	<b>4,567,790</b>
<b>EXPENDITURES</b>							
Security of Persons and Property							
Police and Other	0	0	0	0	0	0	121,616
Fire	0	0	0	162,075	0	0	162,075
Public Health Services	0	0	0	0	0	0	872,630
Community Environment	39,980	14,173	475,540	0	61,347	0	916,803
Transportation	0	0	0	0	0	0	2,813,093
General Government	0	0	0	0	0	0	157,955
<b>Total Expenditures</b>	<b>39,980</b>	<b>14,173</b>	<b>475,540</b>	<b>162,075</b>	<b>61,347</b>	<b>0</b>	<b>5,044,172</b>
Excess of Revenues Over (Under) Expenditures	0	1,005	(9,760)	0	14,490	8,713	(476,382)
<b>OTHER FINANCING SOURCES</b>							
Sale of Capital Assets	0	0	0	0	0	0	1,799
Transfers In	0	0	0	0	0	0	1,038,195
Transfers Out	0	0	0	0	0	0	(18,269)
<b>Total Other Financing Sources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,021,725</b>
Net Change in Fund Balances	0	1,005	(9,760)	0	14,490	8,713	545,343
Fund Balances - Beginning of Year	11,569	(14,488)	(67,214)	20,664	(14,490)	0	3,375,196
<b>Fund Balances - End of Year</b>	<b>\$11,569</b>	<b>(\$13,483)</b>	<b>(\$76,974)</b>	<b>\$20,664</b>	<b>\$0</b>	<b>\$ 8,713</b>	<b>\$3,920,539</b>

**City of Lakewood, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2022*

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	<b>Land Acquisition</b>	<b>City Park Improvement</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>ASSETS</b>			
Equity in Pooled Cash and Cash Equivalents	\$1,001,777	\$54,844	\$1,056,621
Assets Held for Resale	269,327	0	269,327
<b>Total Assets</b>	<b>\$1,271,104</b>	<b>\$54,844</b>	<b>\$1,325,948</b>
 <b>Fund Balances:</b>			
Committed	1,271,104	54,844	1,325,948
<b>Total Fund Balances</b>	<b>\$ 1,271,104</b>	<b>\$ 54,844</b>	<b>\$1,325,948</b>

**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2022*

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	<u>Land Acquisition</u>	<u>City Park Improvement</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>REVENUES</b>			
All Other Revenues	\$400	\$17,048	\$17,448
<b>Total Revenues</b>	<u>400</u>	<u>17,048</u>	<u>17,448</u>
Net Change in Fund Balances	400	17,048	17,448
Fund Balances - Beginning of Year	<u>1,270,704</u>	<u>37,796</u>	<u>1,308,500</u>
<b>Fund Balances - End of Year</b>	<u><u>\$1,271,104</u></u>	<u><u>\$54,844</u></u>	<u><u>\$1,325,948</u></u>

## *Fund Descriptions – Nonmajor Proprietary Funds*

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### *Nonmajor Enterprise Funds*

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

Parking Facilities Fund	To account for and report the off-street parking services provided by the City.
Winterhurst Ice Rink Fund	To account for and report the revenues and costs of operating the municipal ice rink facility.

### *Internal Service Funds*

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

Hospitalization Fund	To account for and report the premiums charged to City funds and the payments incurred for claims.
Workers' Compensation Fund	To account for and report workers' compensation costs incurred under the State's retrospectively rated workers' compensation program.

**City of Lakewood, Ohio**  
*Combining Statement of Net Position*  
*Nonmajor Enterprise Funds*  
*December 31, 2022*

	<b>Parking Facilities</b>	<b>Winterhurst Ice Rink</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>ASSETS</b>			
<b>Current Assets:</b>			
Equity in Pooled Cash and Cash Equivalents	\$741,973	\$915,795	\$1,657,768
Cash and Cash Equivalents:			
In Segregated Accounts	9,481	0	9,481
Materials and Supplies Inventory	26,106	0	26,106
Accounts Receivable	0	42,671	42,671
<b>Total Current Assets</b>	<u>777,560</u>	<u>958,466</u>	<u>1,736,026</u>
<b>Noncurrent Assets:</b>			
Net Pension Asset	1,941	0	1,941
Net OPEB Asset	21,062	0	21,062
Capital Assets:			
Land	77,130	0	77,130
Construction in Progress	0	0	0
Depreciable Capital Assets, Net of Depreciation	668,259	4,143,123	4,811,382
<b>Total Noncurrent Assets</b>	<u>768,392</u>	<u>4,143,123</u>	<u>4,911,515</u>
<b>Total Assets</b>	<u>1,545,952</u>	<u>5,101,589</u>	<u>6,647,541</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferral on Refunding	0	15,683	15,683
Pension	28,162	0	28,162
OPEB	319	0	319
<b>Total Deferred Outflows of Resources</b>	<u>28,481</u>	<u>15,683</u>	<u>44,164</u>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts Payable	44,180	83,379	127,559
Accrued Wages and Benefits	3,967	0	3,967
Retainage Payable	9,481	0	9,481
Intergovernmental Payable	4,503	0	4,503
Interfund Payable	4,338	60,000	64,338
Compensated Absences Payable	3,170	0	3,170
Accrued Interest Payable	0	109	109
General Obligation Bonds Payable	0	10,561	10,561
<b>Total Current Liabilities</b>	<u>69,639</u>	<u>154,049</u>	<u>223,688</u>
<b>Noncurrent Liabilities:</b>			
Compensated Absences Payable	12,236	0	12,236
General Obligation Bonds Payable	0	25,197	25,197
Net Pension Liability	59,872	0	59,872
<b>Total Noncurrent Liabilities</b>	<u>72,108</u>	<u>25,197</u>	<u>97,305</u>
<b>Total Liabilities</b>	<u>141,747</u>	<u>179,246</u>	<u>320,993</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension	75,690	0	75,690
OPEB	23,523	0	23,523
<b>Total Deferred Inflows of Resources</b>	<u>99,213</u>	<u>0</u>	<u>99,213</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	745,389	4,123,048	4,868,437
Unrestricted	588,084	814,978	1,403,062
<b>Total Net Position</b>	<u>\$1,333,473</u>	<u>\$4,938,026</u>	<u>\$6,271,499</u>

**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Nonmajor Enterprise Funds*  
*For the Year Ended December 31, 2022*

	<b>Parking Facilities</b>	<b>Winterhurst Ice Rink</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>OPERATING REVENUES</b>			
Charges for Services	\$357,871	\$177,429	\$535,300
Miscellaneous	16,155	99,000	115,155
<b>Total Operating Revenues</b>	<u>374,026</u>	<u>276,429</u>	<u>650,455</u>
<b>OPERATING EXPENSES</b>			
Salaries	66,956	0	66,956
Property Taxes	38,876	54,379	93,255
Materials and Supplies	42,550	0	42,550
Utilities	32,983	190,592	223,575
Contractual Services	17,432	52,770	70,202
Depreciation	36,539	78,922	115,461
Other	43,415	0	43,415
<b>Total Operating Expense</b>	<u>278,751</u>	<u>376,663</u>	<u>655,414</u>
Operating Income (Loss)	<u>95,275</u>	<u>(100,234)</u>	<u>(4,959)</u>
<b>NONOPERATING EXPENSES</b>			
Interest and Fiscal Charges	<u>0</u>	<u>(3,915)</u>	<u>(3,915)</u>
<b>Total Nonoperating Expenses</b>	<u>0</u>	<u>(3,915)</u>	<u>(3,915)</u>
Transfers In	<u>120,750</u>	<u>711,788</u>	<u>832,538</u>
Change in Net Position	216,025	607,639	823,664
Net Position - Beginning of Year	<u>1,117,448</u>	<u>4,330,387</u>	<u>5,447,835</u>
<b>Net Position - End of Year</b>	<u><u>\$1,333,473</u></u>	<u><u>\$4,938,026</u></u>	<u><u>\$6,271,499</u></u>

**City of Lakewood, Ohio**  
*Combining Statement of Cash Flows*  
*Nonmajor Enterprise Funds*  
*For the Year Ended December 31, 2022*

	<b>Parking Facilities</b>	<b>Winterhurst Ice Rink</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Charges for Services	\$357,871	\$188,606	\$546,477
Cash Received from Other Operating Sources	16,155	99,000	115,155
Cash Payments for Employee Services and Benefits	(154,632)	0	(154,632)
Cash Payments for Goods and Services	(92,397)	(301,377)	(393,774)
Cash Payments for Other Operating Expenses	(43,415)	0	(43,415)
Net Cash Provided by (Used in) Operating Activities	<u>83,582</u>	<u>(13,771)</u>	<u>69,811</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers In	120,750	711,788	832,538
Net Cash Provided by Noncapital Financing Activities	<u>120,750</u>	<u>711,788</u>	<u>832,538</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Principal Paid on Debt	0	(10,313)	(10,313)
Interest Paid on Debt	0	(1,475)	(1,475)
Payments for Capital Acquisitions	(141,818)	(67,899)	(209,717)
Net Increase (Decrease) in Cash and Cash Equivalents	62,514	618,330	680,844
Cash and Cash Equivalents - Beginning of Year	688,940	297,465	986,405
<b>Cash and Cash Equivalents - End of Year</b>	<u><u>\$751,454</u></u>	<u><u>\$915,795</u></u>	<u><u>\$1,667,249</u></u>
<b>RECONCILIATION OF OPERATING (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$95,275	(\$100,234)	(\$4,959)
Adjustments:			
Depreciation	36,539	78,922	115,461
(Increase) Decrease in Assets and Deferred Outflows of Resources:			
Accounts Receivable	0	11,177	11,177
Prepaid Items			
Materials and Supplies Inventory	34,450	0	34,450
Net Pension Asset	(297)	0	(297)
Net OPEB Asset	(6,229)		(6,229)
Deferred Outflows of Resources - Pension	(9,578)	0	(9,578)
Deferred Outflows of Resources - OPEB	7,124	0	7,124
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:			
Accounts Payable	4,994	(3,636)	1,358
Accrued Wages and Benefits	397	0	397
Compensated Absences Payable	1,079	0	1,079
Interfund Payable	1,162	0	1,162
Intergovernmental Payable	273	0	273
Net Pension Liability	(66,256)	0	(66,256)
Deferred Inflows of Resources - Pension	12,186	0	12,186
Deferred Inflows of Resources - OPEB	(27,537)	0	(27,537)
Net Cash Provided by (Used in) Operating Activities	<u><u>\$83,582</u></u>	<u><u>(\$13,771)</u></u>	<u><u>\$69,811</u></u>
<b><u>Schedule of Noncash Investing, Capital, and Financing Activities:</u></b>			
Net Impact of accruals related to capital assets	\$9,481	\$0	\$9,481



**City of Lakewood, Ohio**  
*Combining Statement of Net Position*  
*Nonmajor Internal Service Funds*  
*December 31, 2022*

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	<u>Hospitalization</u>	<u>Workers' Compensation</u>	<u>Total Nonmajor Internal Service Funds</u>
<b>ASSETS</b>			
<b>Current Assets:</b>			
Equity in Pooled Cash and Cash Equivalents	\$6,339,412	\$716,755	\$7,056,167
Interfund Receivable	889,392	14,952	904,344
<b>Total Assets</b>	<u>7,228,804</u>	<u>731,707</u>	<u>7,960,511</u>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts Payable	\$439	\$0	\$439
Claims Payable	889,392	14,952	904,344
<b>Total Current Liabilities</b>	<u>889,831</u>	<u>14,952</u>	<u>904,783</u>
<b>NET POSITION</b>			
Unrestricted	6,338,973	716,755	7,055,728
<b>Total Net Position</b>	<u><u>\$6,338,973</u></u>	<u><u>\$716,755</u></u>	<u><u>\$7,055,728</u></u>

**City of Lakewood, Ohio**  
*Combining Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Nonmajor Internal Service Funds*  
*For the Year Ended December 31, 2022*

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	<u>Hospitalization</u>	<u>Workers' Compensation</u>	<u>Total Nonmajor Internal Service Funds</u>
<b>OPERATING REVENUES</b>			
Charges for Services	\$4,977,457	\$302,341	\$5,279,798
Miscellaneous	1,274,303	27,991	1,302,294
<b>Total Operating Revenues</b>	<u>6,251,760</u>	<u>330,332</u>	<u>6,582,092</u>
<b>OPERATING EXPENSES</b>			
Contractual Services	188,722	109,029	297,751
Claims	8,334,654	379,240	8,713,894
<b>Total Operating Expense</b>	<u>8,523,376</u>	<u>488,269</u>	<u>9,011,645</u>
Operating (Loss)	<u>(2,271,616)</u>	<u>(157,937)</u>	<u>(2,429,553)</u>
Transfers In	398,581	29,533	428,114
Change in Net Position	<u>(1,873,035)</u>	<u>(128,404)</u>	<u>(2,001,439)</u>
Net Position - Beginning of Year	8,212,008	845,159	9,057,167
<b>Net Position - End of Year</b>	<u><u>\$6,338,973</u></u>	<u><u>\$716,755</u></u>	<u><u>\$7,055,728</u></u>

**City of Lakewood, Ohio**  
*Combining Statement of Cash Flows*  
*Nonmajor Internal Service Funds*  
*For the Year Ended December 31, 2022*

	<b>Hospitalization</b>	<b>Workers' Compensation</b>	<b>Total Nonmajor Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Charges for Services	\$4,737,335	\$300,368	\$5,037,703
Cash Received from Other Operating Sources	1,274,303	27,991	1,302,294
Cash Payments for Goods and Services	(188,722)	(109,029)	(297,751)
Cash Payments for Claims	(8,103,693)	(377,267)	(8,480,960)
Net Cash (Used in) Operating Activities	<u>(2,280,777)</u>	<u>(157,937)</u>	<u>(2,438,714)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers In	398,581	29,533	428,114
Net Cash Provided by Noncapital Financing Activities	<u>398,581</u>	<u>29,533</u>	<u>428,114</u>
Net Increase in Cash and Cash Equivalents	(1,882,196)	(128,404)	(2,010,600)
Cash and Cash Equivalents - Beginning of Year	8,221,608	845,159	9,066,767
<b>Cash and Cash Equivalents - End of Year</b>	<u><u>\$6,339,412</u></u>	<u><u>\$716,755</u></u>	<u><u>\$7,056,167</u></u>
<b>RECONCILIATION OF OPERATING (LOSS) TO NET CASH USED IN OPERATING ACTIVITIES</b>			
Operating (Loss)	(\$2,271,616)	(\$157,937)	(\$2,429,553)
Adjustments:			
(Increase) Decrease in Assets:			
Interfund Receivable	(240,122)	(1,973)	(242,095)
Increase (Decrease) in Liabilities:			
Accounts Payable	(9,161)	0	(9,161)
Claims Payable	240,122	1,973	242,095
Net Cash (Used) in Operating Activities	<u><u>(2,280,777)</u></u>	<u><u>(157,937)</u></u>	<u><u>(2,438,714)</u></u>

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

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$10,162,679	\$10,407,662	\$244,983
Municipal Income Taxes	26,566,540	31,257,539	4,690,999
Charges for Services	2,601,320	2,510,549	(90,771)
Licenses, Permits and Fees	1,917,000	2,092,103	175,103
Fines and Forfeitures	1,206,000	1,149,698	(56,302)
Intergovernmental	3,780,653	4,092,710	312,057
Interest	315,000	1,207,305	892,305
Miscellaneous	248,385	491,582	243,197
<i>Total Revenues</i>	<u>46,797,577</u>	<u>53,209,148</u>	<u>6,411,571</u>
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Council			
Salaries	188,499	171,550	16,949
Fringe Benefits	39,629	37,296	2,333
Travel and Transportation	3,923	3,829	94
Professional Services	15,477	14,717	760
Communications	3,600	2,502	1,098
Materials and Supplies	2,500	1,935	565
Other	2,800	1,465	1,335
Total Council	<u>256,428</u>	<u>233,294</u>	<u>23,134</u>
Municipal Court			
Salaries	1,110,070	1,088,596	21,474
Fringe Benefits	168,600	166,094	2,506
Travel and Transportation	4,850	2,935	1,915
Professional Services	72,177	56,587	15,590
Communications	40,000	34,815	5,185
Contractual Services	750	680	70
Materials and Supplies	22,535	19,227	3,308
Capital Outlay	25,200	24,920	280
Other	19,138	15,266	3,872
Total Municipal Court	<u>1,463,320</u>	<u>1,409,120</u>	<u>54,200</u>
Civil Service			
Salaries	65,761	65,293	468
Fringe Benefits	21,215	21,162	53
Professional Services	32,715	31,373	1,342
Communications	495	423	72
Materials and Supplies	560	125	435
Total Civil Service	<u>120,746</u>	<u>118,376</u>	<u>2,370</u>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2022  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Mayor's Office</b>			
Salaries	\$236,957	\$233,775	\$3,182
Fringe Benefits	69,808	69,280	528
Travel and Transportation	3,150	1,125	2,025
Professional Services	27,500	26,247	1,253
Communications	650	449	201
Materials and Supplies	1,133	891	242
Other	2,082	1,994	88
<b>Total Mayor's Office</b>	<b>341,280</b>	<b>333,761</b>	<b>7,519</b>
<b>Human Resources</b>			
Salaries	207,661	200,307	7,354
Fringe Benefits	65,842	63,981	1,861
Travel and Transportation	200	144	56
Professional Services	48,150	39,794	8,356
Communications	900	495	405
Materials and Supplies	2,200	838	1,362
Other	2,450	2,198	252
<b>Total Human Resources</b>	<b>327,403</b>	<b>307,757</b>	<b>19,646</b>
<b>Community Relations</b>			
Salaries	73,857	73,227	630
Fringe Benefits	22,606	22,562	44
Professional Services	8,425	8,415	10
Communications	12,705	4,170	8,535
Contractual Services	5,000	461	4,539
Materials and Supplies	5,525	735	4,790
Other	16,650	11,372	5,278
<b>Total Community Relations</b>	<b>144,768</b>	<b>120,942</b>	<b>23,826</b>
<b>Public Works Administration</b>			
Salaries	50,824	40,274	10,550
Fringe Benefits	40,500	38,727	1,773
Travel and Transportation	30	27	3
Professional Services	1,200	637	563
Communications	550	406	144
Materials and Supplies	1,200	1,052	148
Other	2,770	1,967	803
<b>Total Public Works Administration</b>	<b>97,074</b>	<b>83,090</b>	<b>13,984</b>
<b>Buildings and Facilities-Security</b>			
Salaries	152,000	148,901	3,099
Fringe Benefits	23,368	23,005	363
<b>Total Buildings and Facilities</b>	<b>175,368</b>	<b>171,906</b>	<b>3,462</b>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2022  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Fleet Management			
Salaries	\$687,716	\$636,972	\$50,744
Fringe Benefits	230,695	230,695	0
Professional Services	11,080	11,078	2
Communications	565	563	2
Contractual Services	23,990	23,986	4
Materials and Supplies	653,572	653,390	182
Utilities	5,230	5,220	10
Capital Outlay	72,720	72,700	20
Other	53,520	44,374	9,146
Total Fleet Management	<u>1,739,088</u>	<u>1,678,978</u>	<u>60,110</u>
Engineering			
Salaries	101,704	99,169	2,535
Fringe Benefits	49,915	48,814	1,101
Travel and Transportation	2,665	2,072	593
Professional Services	4,300	4,208	92
Communications	4,800	4,553	247
Materials and Supplies	2,900	2,616	284
Other	1,610	1,155	455
Total Engineering	<u>167,894</u>	<u>162,587</u>	<u>5,307</u>
Finance			
Salaries	433,716	423,391	10,325
Fringe Benefits	157,121	154,138	2,983
Travel and Transportation	950	58	892
Professional Services	83,000	73,441	9,559
Communications	6,100	3,487	2,613
Materials and Supplies	3,200	2,764	436
Other	5,200	3,557	1,643
Total Finance	<u>689,287</u>	<u>660,836</u>	<u>28,451</u>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2022  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Income Tax</b>			
Salaries	\$455,241	\$433,129	\$22,112
Fringe Benefits	141,759	137,085	4,674
Travel and Transportation	3,800	404	3,396
Professional Services	182,865	168,880	13,985
Communications	69,600	55,785	13,815
Contractual Services	1,800	1,700	100
Materials and Supplies	3,325	2,789	536
Refunds	890,000	850,722	39,278
Utilities	3,100	2,641	459
Capital Outlay	5,000	4,088	912
Other	95,525	69,109	26,416
<b>Total Income Tax</b>	<b>1,852,015</b>	<b>1,726,332</b>	<b>125,683</b>
<b>Information Systems</b>			
Salaries	335,211	329,004	6,207
Fringe Benefits	98,307	95,255	3,052
Professional Services	56,000	55,269	731
Communications	24,085	23,200	885
Contractual Services	10,000	9,115	885
Materials and Supplies	87,655	86,200	1,455
Capital Outlay	1,634,216	1,632,974	1,242
Other	1,335,000	1,334,649	351
<b>Total Information Systems</b>	<b>3,580,474</b>	<b>3,565,666</b>	<b>14,808</b>
<b>General Administration</b>			
Salaries	120,000	112,834	7,166
Fringe Benefits	33,550	28,273	5,277
Professional Services	281,050	280,159	891
Contractual Services	3,000	2,729	271
Materials and Supplies	8,830	185	8,645
Insurance	869,325	869,243	82
Other	6,505,993	6,485,069	20,924
<b>Total General Administration</b>	<b>7,821,748</b>	<b>7,778,492</b>	<b>43,256</b>
<b>Law</b>			
Salaries	470,562	466,634	3,928
Fringe Benefits	128,988	127,095	1,893
Travel and Transportation	500	69	431
Professional Services	147,500	134,266	13,234
Communications	1,260	899	361
Materials and Supplies	11,850	9,727	2,123
Other	2,950	2,833	117
<b>Total Law</b>	<b>763,610</b>	<b>741,523</b>	<b>22,087</b>
<b>Total General Government</b>	<b>19,540,503</b>	<b>19,092,660</b>	<b>447,843</b>

*(continued)*



**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2022  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Security of Persons and Property:			
Police			
Salaries	\$9,234,044	\$9,114,235	\$119,809
Fringe Benefits	1,405,285	1,391,953	13,332
Travel and Transportation	125	11	114
Professional Services	69,200	65,616	3,584
Communications	97,800	94,057	3,743
Contractual Services	116,816	112,058	4,758
Materials and Supplies	258,275	248,840	9,435
Capital Outlay	3,000	2,446	554
Other	66,800	48,028	18,772
Total Police	<u>11,251,345</u>	<u>11,077,244</u>	<u>174,101</u>
Police Communications			
Salaries	729,332	717,602	11,730
Fringe Benefits	255,775	253,366	2,409
Other	16,400	12,341	4,059
Total Police Communications	<u>1,001,507</u>	<u>983,309</u>	<u>18,198</u>
School Guards			
Salaries	198,760	198,759	1
Fringe Benefits	33,282	32,849	433
Other	1,000	886	114
Total School Guards	<u>233,042</u>	<u>232,494</u>	<u>548</u>
Fire			
Salaries	8,858,046	8,797,567	60,479
Fringe Benefits	1,395,809	1,382,929	12,880
Travel and Transportation	2,000	1,932	68
Professional Services	113,500	113,119	381
Communications	32,670	26,850	5,820
Contractual Services	22,500	21,598	902
Materials and Supplies	238,800	223,605	15,195
Utilities	72,000	71,682	318
Capital Outlay	400,000	399,737	263
Other	84,130	78,228	5,902
Total Fire	<u>11,219,455</u>	<u>11,117,247</u>	<u>102,208</u>
Street Lighting			
Other	<u>600,000</u>	<u>559,972</u>	<u>40,028</u>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2022  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Animal Control			
Salaries	\$166,557	\$159,109	\$7,448
Fringe Benefits	60,069	60,069	0
Travel and Transportation	130	117	13
Professional Services	11,100	7,896	3,204
Communications	550	245	305
Contractual Services	2,170	1,686	484
Materials and Supplies	6,600	4,239	2,361
Utilities	9,500	7,361	2,139
Other	659	43	616
Total Animal Control	<u>257,335</u>	<u>240,765</u>	<u>16,570</u>
<i>Total Security of Persons and Property</i>	<u>24,562,684</u>	<u>24,211,031</u>	<u>351,653</u>
Public Health Services:			
Support of Prisoners			
Salaries	114,063	96,080	17,983
Fringe Benefits	42,823	38,035	4,788
Professional Services	33,900	33,885	15
Contractual Services	271,200	271,090	110
Materials and Supplies	29,400	28,134	1,266
Total Support of Prisoners	<u>491,386</u>	<u>467,224</u>	<u>24,162</u>
Vital Statistics:			
Salaries	81,897	76,511	5,386
Fringe Benefits	23,968	23,126	842
Professional Services	100	18	82
Contractual Services	308,652	307,352	1,300
Materials and Supplies	3,700	1,369	2,331
Utilities	3,000	1,867	1,133
Other	3,150	2,539	611
Total Human Services Administration	<u>424,467</u>	<u>412,782</u>	<u>11,685</u>
Human Services Administration			
Salaries	241,622	228,423	13,199
Fringe Benefits	70,308	67,393	2,915
Communications	585	500	85
Materials and Supplies	650	442	208
Other	625	360	265
Total Human Services Administration	<u>313,790</u>	<u>297,118</u>	<u>16,672</u>
<i>Total Public Health Services</i>	<u>1,229,643</u>	<u>1,177,124</u>	<u>52,519</u>
Community Environment:			
Housing and Building			
Salaries	894,084	875,243	18,841
Fringe Benefits	333,535	327,449	6,086
Travel and Transportation	1,500	503	997
Professional Services	152,000	126,589	25,411
Communications	11,900	10,842	1,058
Contractual Services	1,125	65	1,060
Materials and Supplies	5,875	4,885	990
Other	32,575	27,367	5,208
Total Housing and Building	<u>1,432,594</u>	<u>1,372,943</u>	<u>59,651</u>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2022  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Forestry			
Salaries	\$221,148	\$198,006	\$23,142
Fringe Benefits	100,690	92,293	8,397
Professional Services	6,226	5,001	1,225
Contractual Services	100,674	97,273	3,401
Materials and Supplies	30,900	24,376	6,524
Capital Outlay	135,100	135,049	51
Total Forestry	<u>594,738</u>	<u>551,998</u>	<u>42,740</u>
Child Care			
Salaries	49,380	49,059	321
Fringe Benefits	18,746	18,592	154
Travel and Transportation	200	172	28
Professional Services	75	69	6
Communications	225	84	141
Materials and Supplies	550	307	243
Other	450	275	175
Total Child Care	<u>69,626</u>	<u>68,558</u>	<u>1,068</u>
Youth			
Salaries	151,455	141,095	10,360
Fringe Benefits	103,151	101,071	2,080
Communications	2,970	1,169	1,801
Materials and Supplies	1,925	1,745	180
Utilities	5,000	3,948	1,052
Other	1,180	388	792
Total Youth	<u>265,681</u>	<u>249,416</u>	<u>16,265</u>
Planning and Development			
Salaries	338,961	320,953	18,008
Fringe Benefits	110,793	106,328	4,465
Travel and Transportation	110	109	1
Professional Services	23,140	7,992	15,148
Communications	6,100	4,104	1,996
Contractual Services	9,000	8,919	81
Materials and Supplies	4,000	1,076	2,924
Other	1,868,768	1,834,793	33,975
Total Planning and Development	<u>2,360,872</u>	<u>2,284,274</u>	<u>76,598</u>
Total Community Environment	<u>4,723,511</u>	<u>4,527,189</u>	<u>196,322</u>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2022  
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Basic Utility Services:</b>			
Refuse and Recycling			
Salaries	\$1,727,137	\$1,686,141	\$40,996
Fringe Benefits	601,470	598,387	3,083
Professional Services	1,500	1,430	70
Communications	8,225	7,709	516
Contractual Services	1,504,000	1,481,638	22,362
Materials and Supplies	272,925	268,129	4,796
Utilities	26,700	26,480	220
Capital Outlay	26,200	26,196	4
Other	15,700	14,962	738
<i>Total Basic Utility Services</i>	<u>4,183,857</u>	<u>4,111,072</u>	<u>72,785</u>
<b>Leisure Time Activities:</b>			
Parks			
Salaries	1,153,123	1,128,721	24,402
Fringe Benefits	404,440	400,456	3,984
Professional Services	2,010	1,805	205
Communications	4,240	3,833	407
Contractual Services	202,700	202,384	316
Materials and Supplies	230,850	227,964	2,886
Utilities	218,300	217,577	723
Capital Outlay	302,700	302,508	192
Other	167,730	167,132	598
<i>Total Parks</i>	<u>2,686,093</u>	<u>2,652,380</u>	<u>33,713</u>
Band Concerts			
Professional Services	14,000	12,400	1,600
<i>Total Band Concerts</i>	<u>14,000</u>	<u>12,400</u>	<u>1,600</u>
Museums			
Contractual Services	4,000	1,831	2,169
Utilities	3,800	2,256	1,544
<i>Total Museums</i>	<u>7,800</u>	<u>4,087</u>	<u>3,713</u>
July 4th Festival			
Salaries	17,715	17,713	2
Fringe Benefits	2,737	2,736	1
Contractual Services	49,200	49,196	4
Materials and Supplies	2,625	2,619	6
<i>Total July 4th Festival</i>	<u>72,277</u>	<u>72,264</u>	<u>13</u>
Tennis Courts			
Utilities	700	430	270
<i>Total Tennis Courts</i>	<u>700</u>	<u>430</u>	<u>270</u>
<i>Total Leisure Time Activities</i>	<u>2,780,870</u>	<u>2,741,561</u>	<u>39,309</u>
<i>Total Expenditures</i>	<u>57,021,068</u>	<u>55,860,637</u>	<u>1,160,431</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(10,223,491)</u>	<u>(2,651,489)</u>	<u>7,572,002</u>

*(continued)*

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 General Fund  
 For the Year Ended December 31, 2022  
 (Continued)*

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Other Financing Sources (Uses)</b>			
Sale of Capital Assets	\$161,000	\$193,254	\$32,254
Advance In	450,000	362,000	(88,000)
Transfers Out	(2,819,106)	(2,818,790)	316
Advance Out	(790,000)	(787,075)	2,925
<i>Total Other Financing Sources (Uses)</i>	<u>(2,998,106)</u>	<u>(3,050,611)</u>	<u>(52,505)</u>
<i>Net Change in Fund Balance</i>	(13,221,597)	(5,702,100)	7,519,497
<i>Fund Balance Beginning of Year</i>	9,223,437	9,223,437	0
<i>Prior Year Encumbrances Appropriated</i>	<u>6,468,712</u>	<u>6,468,712</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,470,552</u></u>	<u><u>\$9,990,049</u></u>	<u><u>\$7,519,497</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Police and Fire Pension Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$3,913,988	\$3,946,550	\$32,562
Intergovernmental	397,000	489,826	92,826
<i>Total Revenues</i>	<u>4,310,988</u>	<u>4,436,376</u>	<u>125,388</u>
<b>Expenditures</b>			
<b>Current:</b>			
Security of Persons and Property:			
Fringe Benefits Police	1,816,458	1,677,313	139,145
Fringe Benefits Fire	<u>2,014,904</u>	<u>1,949,124</u>	<u>65,780</u>
<i>Total Expenditures</i>	<u>3,831,362</u>	<u>3,626,437</u>	<u>204,925</u>
<i>Net Change in Fund Balance</i>	479,626	809,939	330,313
<i>Fund Balance Beginning of Year</i>	<u>2,298,696</u>	<u>2,298,696</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,778,322</u></u>	<u><u>\$3,108,635</u></u>	<u><u>\$330,313</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Community Development Block Grant Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$2,832,930	\$1,943,895	(\$889,035)
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Salaries	421,179	370,833	50,346
Fringe Benefits	135,605	114,157	21,448
Professional Services	72,050	67,860	4,190
Communications	1,318	465	853
Contractual Services	695,790	603,768	92,022
Materials and Supplies	350	163	187
Capital Outlay	851,392	796,568	54,824
Other	10,980	6,494	4,486
<i>Total Expenditures</i>	<u>2,188,664</u>	<u>1,960,308</u>	<u>228,356</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	644,266	(16,413)	(660,679)
<b>Other Financing Sources (Uses)</b>			
Advances In	165,000	150,000	(15,000)
Advances Out	(130,000)	(130,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>35,000</u>	<u>20,000</u>	<u>(15,000)</u>
<i>Net Change in Fund Balance</i>	679,266	3,587	(675,679)
<i>Fund Balance Beginning of Year</i>	<u>362,600</u>	<u>362,600</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,041,866</u></u>	<u><u>\$366,187</u></u>	<u><u>(\$675,679)</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Lakewood Hospital Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Miscellaneous	\$64,865	\$66,115	\$1,250
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Planning and Development:			
Professional Services	\$241,000	\$38,787	\$202,213
Contractual Services	2,496,000	637,482	1,858,518
Material and Supplies	6,000	3,609	2,391
Property Taxes	64,000	63,657	343
<i>Total Expenditures</i>	<u>2,807,000</u>	<u>743,535</u>	<u>2,063,465</u>
<i>Excess of Revenues Over Expenditures</i>	(2,742,135)	(677,420)	2,064,715
<i>Net Change in Fund Balance</i>	(2,742,135)	(677,420)	2,064,715
<i>Fund Balance Beginning of Year</i>	<u>8,099,482</u>	<u>8,099,482</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$5,357,347</u></u>	<u><u>\$7,422,062</u></u>	<u><u>\$2,064,715</u></u>



**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 American Rescue Plan Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$23,609,788	\$23,417,444	-\$192,344
<i>Total Revenues</i>	<u>23,609,788</u>	<u>23,417,444</u>	<u>-192,344</u>
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
General Administration:			
Grants to Other Governments	28,214,813	0	28,214,813
<i>Total General Government</i>	<u>28,214,813</u>	<u>0</u>	<u>28,214,813</u>
Community Environment:			
Planning and Development:			
Contractual Services	1,785,187	1,785,186	1
<i>Total Community Environment</i>	<u>1,785,187</u>	<u>1,785,186</u>	<u>1</u>
<i>Total Expenditures</i>	<u>30,000,000</u>	<u>1,785,186</u>	<u>28,214,814</u>
<i>Net Change in Fund Balance</i>	(6,390,212)	21,632,258	28,022,470
<i>Fund Balance Beginning of Year</i>	<u>16,514,035</u>	<u>16,514,035</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$10,123,823</u>	<u>\$38,146,293</u>	<u>\$28,022,470</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Debt Service Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$4,141,311	\$4,175,110	\$33,799
Intergovernmental	419,400	518,193	98,793
Special Assessments	220,000	420,007	200,007
Interest	22,000	69,191	47,191
Miscellaneous	15,000	145,294	130,294
<i>Total Revenues</i>	<u>4,817,711</u>	<u>5,327,795</u>	<u>510,084</u>
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Other	63,642	63,642	0
<i>Total General Government</i>	<u>63,642</u>	<u>63,642</u>	<u>0</u>
Debt Service:			
Principal Retirement	8,147,223	8,147,181	42
Interest and Fiscal Charges	1,436,074	1,436,072	2
Bond Issuance Costs	42,262	42,261	1
<i>Total Expenditures</i>	<u>9,689,201</u>	<u>9,689,156</u>	<u>45</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(4,871,490)</u>	<u>(4,361,361)</u>	<u>510,129</u>
<b>Other Financing Sources</b>			
Bond Anticipation Notes Issued	3,975,000	3,975,000	0
Premium on Debt Issued	50,000	77,382	27,382
Transfers In	1,800,000	1,800,000	0
<i>Total Other Financing Sources</i>	<u>5,825,000</u>	<u>5,852,382</u>	<u>27,382</u>
<i>Net Change in Fund Balance</i>	953,510	1,491,021	537,511
<i>Fund Balance Beginning of Year</i>	<u>4,753,008</u>	<u>4,753,008</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$5,706,518</u></u>	<u><u>\$6,244,029</u></u>	<u><u>\$537,511</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Permanent Capital Improvement Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$164,000	\$1,664,072	\$1,500,072
Miscellaneous	0	593	593
<i>Total Revenues</i>	<u>164,000</u>	<u>1,664,665</u>	<u>1,500,665</u>
<b>Expenditures</b>			
<b>Current:</b>			
Basic Utility Services			
Capital Outlay	1,095,000	378,380	716,620
<i>Total Basic Utility Services</i>	<u>1,095,000</u>	<u>378,380</u>	<u>716,620</u>
Transportation			
Capital Outlay	\$2,698,000	\$2,420,519	\$277,481
<i>Total Streets and Highways</i>	<u>2,698,000</u>	<u>2,420,519</u>	<u>277,481</u>
Security of Persons and Property			
Capital Outlay	415,000	290,221	124,779
<i>Total Security of Persons and Property</i>	<u>415,000</u>	<u>290,221</u>	<u>124,779</u>
Community Environment			
Capital Outlay	2,860,000	2,613,088	246,912
<i>Total Community Environment</i>	<u>2,860,000</u>	<u>2,613,088</u>	<u>246,912</u>
Leisure Time Activities			
Capital Outlay	2,380,000	1,794,091	585,909
<i>Total Culture and Recreation</i>	<u>2,380,000</u>	<u>1,794,091</u>	<u>585,909</u>
<i>Total Expenditures</i>	<u>9,448,000</u>	<u>7,496,299</u>	<u>1,951,701</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(9,284,000)</u>	<u>(5,831,634)</u>	<u>3,452,366</u>
<b>Other Financing Sources</b>			
Bond Anticipation Notes Issued	7,760,000	7,760,000	0
Transfer In	550,000	550,000	0
<i>Total Other Financing Sources</i>	<u>8,310,000</u>	<u>8,310,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(974,000)	2,478,366	3,452,366
<i>Fund Balance Beginning of Year</i>	<u>5,531,878</u>	<u>5,531,878</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$4,557,878</u>	<u>\$8,010,244</u>	<u>\$3,452,366</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Water Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$14,795,420	\$12,100,983	(\$2,694,437)
Intergovernmental	1,000,000	638,629	(361,371)
Interest	72,000	211,462	139,462
Special Assessments	140,000	106,452	(33,548)
Miscellaneous	0	2,190	2,190
<i>Total Revenues</i>	<u>16,007,420</u>	<u>13,059,716</u>	<u>(2,947,704)</u>
<b>Expenses</b>			
Salaries	1,018,775	979,142	39,633
Fringe Benefits	321,987	317,225	4,762
Travel and Transportation	1,000	145	855
Professional Services	415,075	332,473	82,602
Communications	140,850	95,864	44,986
Contractual Services	38,600	20,441	18,159
Materials and Supplies	340,575	243,237	97,338
Capital Outlay	4,926,500	2,519,152	2,407,348
Purchased Water	6,320,000	5,590,808	729,192
Utilities	60,498	53,555	6,943
Other	597,891	366,307	231,584
Debt Service:			
Principal Retirement	4,583,100	4,530,944	52,156
Interest and Fiscal Charges	535,200	535,058	142
Bond Issuance Costs	15,000	0	15,000
<i>Total Expenses</i>	<u>19,315,051</u>	<u>15,584,351</u>	<u>3,730,700</u>
<i>Excess of Revenues Under Expenses before Transfers</i>	(3,307,631)	(2,524,635)	782,996
<b>Other Financing Sources</b>			
General Obligation Debt Issued	6,500,000	5,600,000	(900,000)
Premium on General Obligation Debt Issued	50,000	36,580	(13,420)
<i>Total Other Financing Sources</i>	<u>6,550,000</u>	<u>5,636,580</u>	<u>(913,420)</u>
<i>Net Change in Fund Equity</i>	3,242,369	3,111,945	(130,424)
<i>Fund Equity Beginning of Year</i>	<u>16,936,950</u>	<u>16,936,950</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$20,179,319</u></u>	<u><u>\$20,048,895</u></u>	<u><u>(\$130,424)</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Sewer Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$2,387,152	\$2,406,418	\$19,266
Intergovernmental	2,941,500	3,497,987	556,487
Charges for Services	14,994,000	14,124,986	(869,014)
Special Assessments	138,000	112,740	(25,260)
Miscellaneous	8,000	300	(7,700)
<i>Total Revenues</i>	<u>20,468,652</u>	<u>20,142,431</u>	<u>(326,221)</u>
<b>Expenses</b>			
Salaries	2,556,362	2,366,290	190,072
Fringe Benefits	869,519	838,780	30,739
Travel and Transportation	1,200	0	1,200
Professional Services	1,763,120	1,271,964	491,156
Communications	9,250	6,918	2,332
Contractual Services	947,500	625,870	321,630
Materials and Supplies	835,625	402,956	432,669
Capital Outlay	9,483,000	5,580,669	3,902,331
Utilities	294,700	195,450	99,250
Other	937,997	690,309	247,688
Debt Service:			
Principal Retirement	4,091,000	4,088,699	2,301
Interest and Fiscal Charges	1,023,300	986,853	36,447
<i>Total Expenses</i>	<u>22,812,573</u>	<u>17,054,758</u>	<u>5,757,815</u>
<i>Excess of Revenues Under Expenses before Transfers</i>	<u>(2,343,921)</u>	<u>3,087,673</u>	<u>5,431,594</u>
<b>Other Financing Sources (Uses)</b>			
General Obligation Debt Issued	5,675,000	3,950,000	(1,725,000)
Premium on General Obligation Debt Issued	25,000	26,732	1,732
Transfers In	400,000	400,000	0
Transfers Out	(2,200,000)	(2,200,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>3,900,000</u>	<u>2,176,732</u>	<u>(1,723,268)</u>
<i>Net Change in Fund Equity</i>	1,556,079	5,264,405	3,708,326
<i>Fund Equity Beginning of Year</i>	<u>25,626,797</u>	<u>25,626,797</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$27,182,876</u>	<u>\$30,891,202</u>	<u>\$3,708,326</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Street and Highway Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$2,682,000	\$2,668,653	(\$13,347)
Special Assessments	10,000	9,689	(311)
Miscellaneous	30,000	10,500	(19,500)
<i>Total Revenues</i>	<u>2,722,000</u>	<u>2,688,842</u>	<u>(33,158)</u>
<b>Expenditures</b>			
<b>Current:</b>			
Transportation:			
Public Works:			
Salaries	1,268,803	1,228,253	40,550
Fringe Benefits	417,005	406,483	10,522
Professional Services	106,800	102,975	3,825
Communications	9,400	7,811	1,589
Contractual Services	315,250	291,107	24,143
Materials and Supplies	556,575	414,270	142,305
Utilities	51,000	31,856	19,144
Capital Outlay	168,900	146,065	22,835
Other	1,750	557	1,193
<i>Total Expenditures</i>	<u>2,895,483</u>	<u>2,629,377</u>	<u>266,106</u>
<i>Net Change in Fund Balance</i>	(173,483)	59,465	232,948
<i>Fund Balance Beginning of Year</i>	<u>1,310,621</u>	<u>1,310,621</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$1,137,138</u>	<u>\$1,370,086</u>	<u>\$232,948</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Litter Control Grant Fund  
 For the Year Ended December 31, 2022*

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$5,000	\$4,903	(\$97)
<b>Expenditures</b>	0	0	0
<i>Excess of Revenues Over (Under) Expenditures</i>	5,000	4,903	(97)
<i>Fund Balance Beginning of Year</i>	14,996	14,996	0
<i>Fund Balance End of Year</i>	\$19,996	\$19,899	(\$97)

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Law and Drug Enforcement Trust Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$0	\$49,373	\$49,373
Fines and Forfeitures	4,600	1,421	(3,179)
Miscellaneous	42,000	6,460	(35,540)
<i>Total Revenues</i>	<u>46,600</u>	<u>57,254</u>	<u>10,654</u>
<b>Expenditures</b>			
<b>Current:</b>			
Security of Persons and Property:			
Police:			
Fringe Benefits	34,950	34,935	15
Travel and Transportation	21,476	21,313	163
Professional Services	34,900	34,888	12
Materials and Supplies	7,955	7,952	3
Other	1,499	1,499	0
<i>Total Expenditures</i>	<u>100,780</u>	<u>100,587</u>	<u>193</u>
<i>Excess of Revenue Over (Under) Expenditures</i>	(54,180)	(43,333)	10,847
<b>Other Financing Sources</b>			
Sale of Capital Assets	25,000	1,799	(23,201)
Transfer In	0	6,554	(6,554)
Transfer Out	(18,270)	(18,269)	(1)
<i>Total Other Financing Sources</i>	<u>6,730</u>	<u>(9,916)</u>	<u>(29,756)</u>
<i>Net Change in Fund Balance</i>	(47,450)	(53,249)	(5,799)
<i>Fund Balance Beginning of Year</i>	<u>92,619</u>	<u>92,619</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$45,169</u></u>	<u><u>\$39,370</u></u>	<u><u>(\$5,799)</u></u>



**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Federal Forfeiture Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$15,000	\$40,515	\$25,515
Interest	0	290	290
Miscellaneous	400	15,250	14,850
<i>Total Revenues</i>	<u>15,400</u>	<u>56,055</u>	<u>40,655</u>
<b>Expenditures</b>			
<b>Current:</b>			
Security of Persons and Property:			
Police:			
Capital Outlay	38,400	9,263	29,137
<i>Excess of Revenue Over (Under) Expenditures</i>	(23,000)	46,792	69,792
<b>Other Financing Sources</b>			
Transfers Out	(6,555)	(6,554)	(1)
<i>Total Other Financing Sources</i>	<u>(6,555)</u>	<u>(6,554)</u>	<u>(1)</u>
<i>Net Change in Fund Balance</i>	(29,555)	40,238	69,793
<i>Fund Balance Beginning of Year</i>	<u>32,028</u>	<u>32,028</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,473</u></u>	<u><u>\$72,266</u></u>	<u><u>\$69,793</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Indigent Drivers Alcohol Treatment Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$5,000	\$4,993	(\$7)
Intergovernmental	5,000	5,506	506
<i>Total Revenues</i>	<u>10,000</u>	<u>10,499</u>	<u>499</u>
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Municipal Court:			
Materials and Supplies	40,000	850	39,150
<i>Total Expenditures</i>	<u>40,000</u>	<u>850</u>	<u>39,150</u>
<i>Net Change in Fund Balance</i>	(30,000)	9,649	39,649
<i>Fund Balance Beginning of Year</i>	<u>163,928</u>	<u>163,928</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$133,928</u></u>	<u><u>\$173,577</u></u>	<u><u>\$39,649</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Enforcement and Education Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$2,400	\$1,705	(\$695)
Miscellaneous	200	200	0
<i>Total Revenues</i>	<u>2,600</u>	<u>1,905</u>	<u>(695)</u>
<i>Net Change in Fund Balance</i>	2,600	1,905	(695)
<i>Fund Balance Beginning of Year</i>	<u>35,861</u>	<u>35,861</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$38,461</u></u>	<u><u>\$37,766</u></u>	<u><u>(\$695)</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Political Subdivision Fund  
 For the Year Ended December 31, 2022*

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$450	\$250	(\$200)
<i>Net Change in Fund Balance</i>	450	250	(200)
<i>Fund Balance Beginning of Year</i>	20,342	20,342	0
<i>Fund Balance End of Year</i>	\$20,792	\$20,592	(\$200)

**City of Lakewood, Ohio**

*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Computer Research and Maintenance Fund  
For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$34,500	\$50,437	\$15,937
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Municipal Court:			
Contractual Services	16,200	14,706	1,494
Materials and Supplies	1,800	1,761	39
Capital Outlay	3,000	2,921	79
Other	400	309	91
<i>Total Expenditures</i>	<u>21,400</u>	<u>19,697</u>	<u>1,703</u>
<i>Net Change in Fund Balance</i>	13,100	30,740	17,640
<i>Fund Balance Beginning of Year</i>	<u>20,225</u>	<u>20,225</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$33,325</u></u>	<u><u>\$50,965</u></u>	<u><u>\$17,640</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Court Special Projects Fund  
 For the Year Ended December 31, 2022*

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$44,000	\$56,978	\$12,978
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Municipal Court:			
Salaries	25,000	20,571	4,429
Fringe Benefits	3,863	3,179	684
Contractual Services	182,750	138,078	44,672
<i>Total Expenditures</i>	211,613	161,828	49,785
<i>Net Change in Fund Balance</i>	(167,613)	(104,850)	62,763
<i>Fund Balance Beginning of Year</i>	310,034	310,034	0
<i>Fund Balance End of Year</i>	\$142,421	\$205,184	\$62,763

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Court Probation Services Fund  
 For the Year Ended December 31, 2022*

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$18,500	\$14,143	(\$4,357)
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Municipal Court:			
Professional Services	40,000	5,888	34,112
Materials and Supplies	1,000	256	744
<i>Total Expenditures</i>	41,000	6,144	34,856
<i>Net Change in Fund Balance</i>	(22,500)	7,999	30,499
<i>Fund Balance Beginning of Year</i>	135,583	135,583	0
<i>Fund Balance End of Year</i>	\$113,083	\$143,582	\$30,499

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Indigent Drivers Interlock and Alcohol Monitoring Fund (IDIAM)  
 For the Year Ended December 31, 2022*

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and Forfeitures	\$13,000	\$9,966	(\$3,034)
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Municipal Court:			
Contractual Services	60,000	7,268	52,732
<i>Net Change in Fund Balance</i>	(47,000)	2,698	49,698
<i>Fund Balance Beginning of Year</i>	164,754	164,754	0
<i>Fund Balance End of Year</i>	\$117,754	\$167,452	\$49,698



**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Emergency Shelter Grant Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$164,000	\$189,183	\$25,183
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Planning and Development:			
Salaries	4,940	3,791	1,149
Fringe Benefits	764	582	182
Contractual Services	185,746	184,810	936
<i>Total Expenditures</i>	<u>191,450</u>	<u>189,183</u>	<u>2,267</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(27,450)	0	27,450
<b>Other Financing Sources (Uses)</b>			
Advances In	70,000	80,000	10,000
Advances Out	(70,000)	(70,000)	0
<i>Total Other Financing Sources (Uses)</i>	0	10,000	10,000
<i>Net Change in Fund Balance</i>	(27,450)	10,000	37,450
<i>Fund Balance Beginning of Year</i>	<u>68,444</u>	<u>68,444</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$40,994</u></u>	<u><u>\$78,444</u></u>	<u><u>\$37,450</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 HOME Investment Program Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$530,000	\$477,575	(\$52,425)
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Planning and Development:			
Contractual Services	630,000	180,263	449,737
<i>Total Expenditures</i>	<u>630,000</u>	<u>180,263</u>	<u>449,737</u>
<i>Net Change in Fund Balance</i>	(100,000)	297,312	397,312
<i>Fund Balance Beginning of Year</i>	<u>217,273</u>	<u>217,273</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$117,273</u></u>	<u><u>\$514,585</u></u>	<u><u>\$397,312</u></u>

**City of Lakewood, Ohio**

*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Neighborhood Stabilization Fund  
For the Year Ended December 31, 2022*

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance Beginning of Year</i>	<u>41,239</u>	<u>41,239</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$41,239</u></u>	<u><u>\$41,239</u></u>	<u><u>\$0</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Office on Aging Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$110,000	\$4,433	(\$105,567)
Intergovernmental	75,000	122,762	47,762
Contributions and Donations	90,000	43,093	(46,907)
<i>Total Revenues</i>	<u>275,000</u>	<u>170,288</u>	<u>(104,712)</u>
<b>Expenditures</b>			
<b>Current:</b>			
Public Health Services:			
Office on Aging:			
Salaries	496,275	480,117	16,158
Fringe Benefits	180,810	175,963	4,847
Professional Services	850	698	152
Communications	6,500	3,004	3,496
Contractual Services	120,000	87,289	32,711
Materials and Supplies	26,300	13,736	12,564
Utilities	55,000	47,052	7,948
Capital Outlay	30,500	1,559	28,941
Other	13,645	8,961	4,684
<i>Total Expenditures</i>	<u>929,880</u>	<u>818,379</u>	<u>111,501</u>
<i>Excess of Revenues Under Expenditures</i>	(654,880)	(648,091)	6,789
<b>Other Financing Sources</b>			
Transfers In	1,000,000	1,000,000	0
<i>Net Change in Fund Balance</i>	345,120	351,909	6,789
<i>Fund Balance Beginning of Year</i>	<u>515,349</u>	<u>515,349</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$860,469</u>	<u>\$867,258</u>	<u>\$6,789</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 D.A.R.E Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Miscellaneous	\$0	\$990	\$990
<i>Total Revenues</i>	<u>0</u>	<u>990</u>	<u>990</u>
<b>Expenditures</b>			
<b>Current:</b>			
Security of Persons and Property:			
Police:			
Materials and Supplies	15,000	6,470	8,530
<i>Excess of Revenue Over (Under) Expenditures</i>	(15,000)	(5,480)	9,520
<b>Other Financing Sources</b>			
Transfers In	38,194	38,195	(1)
<i>Total Other Financing Sources</i>	<u>38,194</u>	<u>38,195</u>	<u>(1)</u>
<i>Net Change in Fund Balance</i>	23,194	32,715	9,521
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$23,194</u></u>	<u><u>\$32,715</u></u>	<u><u>\$9,521</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Help-to-Others Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$20,000	\$13,443	(\$6,557)
Contributions and Donations	25,000	26,537	1,537
<i>Total Revenues</i>	<u>45,000</u>	<u>39,980</u>	<u>(5,020)</u>
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Youth:			
Salaries	34,000	32,434	1,566
Fringe Benefits	5,194	5,011	183
Communications	850	738	112
Materials and Supplies	2,250	1,797	453
<i>Total Expenditures</i>	<u>42,294</u>	<u>39,980</u>	<u>2,314</u>
<i>Net Change in Fund Balance</i>	2,706	0	(2,706)
<i>Fund Balance Beginning of Year</i>	<u>11,569</u>	<u>11,569</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$14,275</u></u>	<u><u>\$11,569</u></u>	<u><u>(\$2,706)</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Juvenile Diversion Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$14,400	\$12,200	(\$2,200)
Miscellaneous	3,000	2,978	(22)
<i>Total Revenues</i>	<u>17,400</u>	<u>15,178</u>	<u>(2,222)</u>
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Youth Services:			
Salaries	11,940	11,836	104
Fringe Benefits	1,914	1,895	19
<i>Total Expenditures</i>	<u>13,854</u>	<u>13,731</u>	<u>123</u>
<i>Excess of Revenues Over Expenditures</i>	3,546	1,447	(145)
<b>Other Financing Sources</b>			
Advance In	25,000	25,000	0
Advance out	(22,000)	(22,000)	0
<i>Total Other Financing Sources</i>	<u>3,000</u>	<u>3,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	6,546	4,447	(145)
<i>Fund Balance Beginning of Year</i>	<u>7,512</u>	<u>7,512</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$14,058</u></u>	<u><u>\$11,959</u></u>	<u><u>(\$145)</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Family to Family Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$450,000	\$340,018	(\$109,982)
<i>Total Revenues</i>	<u>450,000</u>	<u>340,018</u>	<u>(109,982)</u>
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Child Care:			
Salaries	344,273	341,071	3,202
Fringe Benefits	54,460	53,816	644
Travel and Transportation	75	5	70
Professional Services	34,500	24,731	9,769
Communications	5,763	4,883	880
Contractual Services	2,900	2,278	622
Materials and Supplies	33,700	27,230	6,470
Utilities	7,500	5,228	2,272
Other	27,000	17,430	9,570
<i>Total Expenditures</i>	<u>510,171</u>	<u>476,672</u>	<u>33,499</u>
<i>Excess of Revenues Over Expenditures</i>	(60,171)	(136,654)	(76,483)
<b>Other Financing Sources (Uses)</b>			
Advance In	250,000	370,000	120,000
Advance out	(181,000)	(140,000)	41,000
<i>Total Other Financing Sources (Uses)</i>	<u>69,000</u>	<u>230,000</u>	<u>161,000</u>
<i>Net Change in Fund Balance</i>	8,829	93,346	84,517
<i>Fund Balance Beginning of Year</i>	<u>21,587</u>	<u>21,587</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$30,416</u></u>	<u><u>\$114,933</u></u>	<u><u>\$84,517</u></u>



**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 FEMA Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Current:</b>			
Security of Persons and Property:			
Fire:			
Capital Outlay	<u>162,212</u>	<u>162,075</u>	<u>137</u>
<b>Expenditures</b>	<u>162,212</u>	<u>162,075</u>	<u>137</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(162,212)</u>	<u>(162,075)</u>	<u>137</u>
<b>Other Financing Sources</b>			
Advance In	<u>178,830</u>	<u>162,075</u>	<u>(16,755)</u>
<i>Fund Balance Beginning of Year</i>	<u>20,664</u>	<u>20,664</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$37,282</u></u>	<u><u>\$20,664</u></u>	<u><u>(\$16,618)</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Coronavirus Relief Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$75,837	\$75,837	\$0
<i>Total Revenues</i>	<u>75,837</u>	<u>75,837</u>	<u>0</u>
<b>Expenditures</b>			
<b>Current:</b>			
Community Environment:			
Planning and Development:			
Contractual Services	92,100	92,100	0
<i>Total Community Environment</i>	<u>92,100</u>	<u>92,100</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(16,263)	(16,263)	0
<i>Fund Balance Beginning of Year</i>	<u>16,263</u>	<u>16,263</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>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Opioid Settlement Fund  
 For the Year Ended December 31, 2022*

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$8,713	\$8,713	\$0
<b>Expenditures</b>	0	0	0
<i>Net Change in Fund Balance</i>	8,713	8,713	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$8,713	\$8,713	\$0

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Community Festival Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Miscellaneous	\$5,000	\$4,000	(\$1,000)
<b>Expenditures</b>			
Salaries	4,700	4,573	127
Fringe Benefits	750	706	44
<i>Total Expenditures</i>	5,450	5,279	171
 <i>Net Change in Fund Balance</i>	 (450)	 (1,279)	 (829)
<i>Fund Balance Beginning of Year</i>	1,571	1,571	0
<i>Fund Balance End of Year</i>	\$1,121	\$292	(\$829)

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 TIF Bond Retirement Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Payments in Lieu of Taxes	\$1,400,000	\$1,498,522	\$98,522
Intergovernmental	85,000	115,296	30,296
<i>Total Revenues</i>	<u>1,485,000</u>	<u>1,613,818</u>	<u>128,818</u>
<b>Expenditures</b>			
<b>Current:</b>			
General Government:			
Other	847,000	846,499	501
Debt Service:			
Principal Retirement	359,950	359,944	6
Interest and Fiscal Charges	34,660	34,652	8
<i>Total Expenditures</i>	<u>1,241,610</u>	<u>1,241,095</u>	<u>515</u>
<i>Net Change in Fund Balance</i>	243,390	372,723	129,333
<i>Fund Balance Beginning of Year</i>	<u>911,347</u>	<u>911,347</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,154,737</u></u>	<u><u>\$1,284,070</u></u>	<u><u>\$129,333</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Land Acquisition Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Miscellaneous	\$0	\$400	\$400
<b>Expenditures</b>			
Community Environment:			
Other	300,000	269,327	0
<i>Net Change in Fund Balance</i>	(300,000)	(268,927)	31,073
<i>Fund Balance Beginning of Year</i>	1,270,704	1,270,704	0
<i>Fund Balance End of Year</i>	<u>\$970,704</u>	<u>\$1,001,777</u>	<u>\$31,073</u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 City Park Improvement Fund  
 For the Year Ended December 31, 2022*

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	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Miscellaneous	\$4,000	\$17,048	\$13,048
<b>Expenditures</b>	0	0	0
<i>Net Change in Fund Balance</i>	4,000	17,048	13,048
<i>Fund Balance Beginning of Year</i>	37,796	37,796	0
<i>Fund Balance End of Year</i>	\$41,796	\$54,844	\$13,048

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Parking Facilities Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$320,000	\$357,871	\$37,871
Miscellaneous	100	16,155	16,055
<i>Total Revenues</i>	<u>320,100</u>	<u>374,026</u>	<u>53,926</u>
<b>Expenses</b>			
Salaries	145,538	110,369	35,169
Fringe Benefits	50,352	44,394	5,958
Professional Services	19,100	15,712	3,388
Communications	4,630	674	3,956
Contractual Services	6,200	1,043	5,157
Materials and Supplies	15,000	8,559	6,441
Utilities	32,700	32,643	57
Property Taxes	34,000	33,767	233
Capital Outlay	151,500	141,817	9,683
Other	57,910	43,415	14,495
<i>Total Expenses</i>	<u>516,930</u>	<u>432,393</u>	<u>84,537</u>
<i>Excess of Revenues Over Expenses before Transfers</i>	(196,830)	(58,367)	138,463
Transfer In	<u>120,750</u>	<u>120,750</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	(76,080)	62,383	138,463
<i>Fund Equity Beginning of Year</i>	<u>686,567</u>	<u>686,567</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$610,487</u></u>	<u><u>\$748,950</u></u>	<u><u>\$138,463</u></u>



**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Winterhurst Ice Rink Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$280,000	\$188,606	(\$91,394)
Miscellaneous	0	99,000	99,000
<i>Total Revenues</i>	<u>280,000</u>	<u>287,606</u>	<u>7,606</u>
<b>Expenses</b>			
Contractual Services	135,000	52,818	82,182
Property Taxes	65,000	54,300	10,700
Utilities	210,000	194,259	15,741
Capital Outlay	75,000	67,899	7,101
<i>Total Expenses</i>	<u>485,000</u>	<u>369,276</u>	<u>115,724</u>
<i>Excess of Revenues Over Expenses before Transfers</i>	(205,000)	(81,670)	123,330
<b>Other Financing Sources</b>			
Transfer In	700,000	700,000	0
<i>Total Other Financing Sources</i>	<u>700,000</u>	<u>700,000</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	495,000	618,330	123,330
<i>Fund Equity Beginning of Year</i>	<u>297,465</u>	<u>297,465</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$792,465</u></u>	<u><u>\$915,795</u></u>	<u><u>\$123,330</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Hospitalization Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$4,900,000	\$4,737,335	(\$162,665)
Miscellaneous	1,188,500	1,274,303	85,803
<i>Total Revenues</i>	<u>6,088,500</u>	<u>6,011,638</u>	<u>(76,862)</u>
<b>Expenses</b>			
Professional Services	224,000	188,722	35,278
Claims	8,714,000	8,103,693	610,307
<i>Total Expenses</i>	<u>8,938,000</u>	<u>8,292,415</u>	<u>645,585</u>
<i>Excess of Revenues Under Expenses before Transfers</i>	(2,849,500)	(2,280,777)	568,723
<b>Other Financing Sources</b>			
Transfers In	235,577	398,581	163,004
<i>Net Change in Fund Equity</i>	<u>(2,613,923)</u>	<u>(1,882,196)</u>	<u>731,727</u>
<i>Fund Equity Beginning of Year</i>	<u>8,221,608</u>	<u>8,221,608</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$5,607,685</u></u>	<u><u>\$6,339,412</u></u>	<u><u>\$731,727</u></u>

**City of Lakewood, Ohio**  
*Schedule of Revenues, Expenses and Changes in Fund Equity -  
 Budget (Non-GAAP Basis) and Actual  
 Workers' Compensation Fund  
 For the Year Ended December 31, 2022*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$316,000	\$300,368	(\$15,632)
Miscellaneous	0	27,991	27,991
<i>Total Revenues</i>	<u>316,000</u>	<u>328,359</u>	<u>12,359</u>
<b>Expenses</b>			
Professional Services	35,400	28,466	6,934
Workers' Compensation Premium	90,000	80,562	9,438
Workers' Compensation Claims	425,000	377,267	47,733
<i>Total Expenses</i>	<u>550,400</u>	<u>486,295</u>	<u>64,105</u>
<i>Excess of Revenues Over (Under) Expenses before Transfers</i>	(234,400)	(157,936)	76,464
<b>Other Financing Sources</b>			
Transfers In	14,529	29,533	15,004
<i>Net Change in Fund Equity</i>	(219,871)	(128,403)	91,468
<i>Fund Equity Beginning of Year</i>	<u>845,158</u>	<u>845,158</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$625,287</u></u>	<u><u>\$716,755</u></u>	<u><u>\$91,468</u></u>

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# **STATISTICAL SECTION**



# City of Lakewood, Ohio

## Statistical Section

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

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

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

# City of Lakewood, Ohio

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

	<u>2022</u>	<u>2021</u>	<u>2020 (4)</u>	<u>2019</u>
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$58,373,532	\$57,204,474	\$50,212,445	\$48,340,802
Restricted:				
Capital Projects	7,206,140	4,109,768	2,772,477	1,639,770
Debt Service	8,139,332	6,602,924	4,681,081	3,680,035
Other Purposes	26,994,110	25,754,752	27,591,925	26,546,422
Unrestricted	<u>(22,979,042)</u>	<u>(29,686,090)</u>	<u>(40,706,177)</u>	<u>(40,881,404)</u>
<i>Total Governmental Activities Net Position</i>	<u>77,734,072</u>	<u>63,985,828</u>	<u>44,551,751</u>	<u>39,325,625</u>
<b>Business - Type Activities</b>				
Net Investment in Capital Assets	92,452,876	88,393,432	70,370,432	74,852,063
Restricted for Debt Service	0	0	0	0
Restricted for Replacement and Improvement	0	0	0	0
Unrestricted	<u>33,989,424</u>	<u>25,803,437</u>	<u>31,044,668</u>	<u>19,608,559</u>
<i>Total Business-Type Activities Net Position</i>	<u>126,442,300</u>	<u>114,196,869</u>	<u>101,415,100</u>	<u>94,460,622</u>
<b>Primary Government</b>				
Net Investment in Capital Assets	150,826,408	145,597,906	120,582,877	123,192,865
Restricted	42,339,582	36,467,444	35,045,483	31,866,227
Unrestricted	<u>11,010,382</u>	<u>(3,882,653)</u>	<u>(9,661,509)</u>	<u>(21,272,845)</u>
<i>Total Primary Government Net Position</i>	<u>\$204,176,372</u>	<u>\$178,182,697</u>	<u>\$145,966,851</u>	<u>\$133,786,247</u>

(1) Restated due to the implementation of GASB Statement No. 68

(2) Restated due to the implementation of GASB Statement No. 75

(3) Restated due to the implementation of GASB Statement No. 84

(4) Restated Business - Type Activities



**Table 1**

<u>2018 (3)</u>	<u>2017 (2)</u>	<u>2016</u>	<u>2015 (1)</u>	<u>2014 (1)</u>	<u>2013</u>
\$43,044,549	\$43,075,007	\$42,035,922	\$41,107,537	\$39,149,696	\$36,587,631
7,069,277	5,024,221	5,061,630	6,501,371	5,307,076	981,966
2,838,874	4,385,292	3,308,652	2,151,445	2,513,589	1,993,423
24,643,384	16,711,939	16,027,847	14,976,729	5,373,867	5,620,042
<u>(67,478,508)</u>	<u>(66,095,319)</u>	<u>(20,079,817)</u>	<u>(17,026,229)</u>	<u>(17,214,472)</u>	<u>25,657,862</u>
<u>10,117,576</u>	<u>3,101,140</u>	<u>46,354,234</u>	<u>47,710,853</u>	<u>35,129,756</u>	<u>70,840,924</u>
58,378,500	59,258,570	55,855,430	54,036,529	49,186,022	49,781,404
0	0	25,330	931,832	976,525	977,430
0	0	196,078	195,701	195,650	195,585
<u>25,813,164</u>	<u>19,786,416</u>	<u>19,261,591</u>	<u>14,815,158</u>	<u>15,589,980</u>	<u>13,290,944</u>
<u>84,191,664</u>	<u>79,044,986</u>	<u>75,338,429</u>	<u>69,979,220</u>	<u>65,948,177</u>	<u>64,245,363</u>
101,423,049	102,333,577	97,891,352	95,144,066	88,335,718	86,369,035
34,551,535	26,121,452	24,619,537	24,757,078	14,366,707	9,768,446
<u>(41,665,344)</u>	<u>(46,308,903)</u>	<u>(818,226)</u>	<u>(2,211,071)</u>	<u>(1,624,492)</u>	<u>38,948,806</u>
<u>\$94,309,240</u>	<u>\$82,146,126</u>	<u>\$121,692,663</u>	<u>\$117,690,073</u>	<u>\$101,077,933</u>	<u>\$135,086,287</u>

# City of Lakewood, Ohio

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

	2022	2021	2020	2019
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
General Government	\$9,161,089	\$5,870,968	\$5,830,604	\$5,556,507
Security of Persons and Property				
Police and Other	3,651	8,166	6,532	13,568
Fire	0	0	0	1,821,996
Public Health Services	29,115	34,758	67,986	71,468
Transportation	0	617	0	0
Community Environment	587,610	577,589	591,704	618,004
Basic Utility Services	0	0	0	0
Subtotal - Charges for Services	<u>9,781,465</u>	<u>6,492,098</u>	<u>6,496,826</u>	<u>8,081,543</u>
Operating Grants and Contributions:				
General Government	108,326	145,789	114,928	31,155
Security of Persons and Property				
Police and Other	203,335	52,298	2,435,671	24,083
Fire	0	0	3,010,637	589,650
Public Health Services	218,344	155,046	86,404	197,393
Transportation	2,554,929	2,708,468	2,745,311	2,601,890
Leisure Time Activities	0	0	0	0
Community Environment	5,105,934	11,119,972	3,752,017	2,925,864
Subtotal - Operating Grants and Contributions	<u>8,190,868</u>	<u>14,181,573</u>	<u>12,144,968</u>	<u>6,370,035</u>
Capital Grants and Contributions:				
Public Health Services	0	0	0	0
Community Environment	1,481,734	692,677	311,043	2,220,419
Transportation	83,761	741,706	10,389	9,812
Leisure Time Activities	90,000	0	0	0
	<u>1,655,495</u>	<u>1,434,383</u>	<u>321,432</u>	<u>2,230,231</u>
<i>Total Governmental Activities Program Revenues</i>	<u>19,627,828</u>	<u>22,108,054</u>	<u>18,963,226</u>	<u>16,681,809</u>
Business-Type Activities:				
Charges for Services:				
Water	12,338,643	12,370,458	12,836,097	10,828,254
Sewer	14,365,880	13,861,289	13,783,662	11,129,172
Parking Facilities	357,871	327,628	307,297	484,518
Winterhurst Ice Rink	177,429	61,496	317,958	293,202
Subtotal - Charges for Services	<u>27,239,823</u>	<u>26,620,871</u>	<u>27,245,014</u>	<u>22,735,146</u>
Operating Grants and Contributions:				
Sewer	298,672	241,507	0	0
Subtotal - Operating Grants and Contributions	<u>298,672</u>	<u>241,507</u>	<u>0</u>	<u>0</u>
Capital Grants and Contributions:				
Water	617,539	1,226,977	0	3,200,000
Sewer	1,271,030	766,910	8,276,808	8,749,502
Subtotal - Capital Grants and Contributions	<u>1,888,569</u>	<u>1,993,887</u>	<u>8,276,808</u>	<u>11,949,502</u>
<i>Total Business-Type Activities Program Revenues</i>	<u>29,427,064</u>	<u>28,856,265</u>	<u>35,521,822</u>	<u>34,684,648</u>
<i>Total Primary Government Program Revenues</i>	<u>\$49,054,892</u>	<u>\$50,964,319</u>	<u>\$54,485,048</u>	<u>\$51,366,457</u>

**Table 2**

2018	2017	2016	2015	2014	2013
\$5,276,026	\$5,691,462	\$5,728,112	\$2,417,220	\$2,565,467	\$4,696,630
56,447	90,516	538,241	1,705,381	1,681,145	41,793
1,764,267	2,390,092	2,342,043	2,434,467	2,312,807	2,375,131
66,635	65,289	72,057	72,200	73,542	86,254
0	932	0	48,242	85,435	48,369
460,481	213,266	15,558	1,194,867	1,355,395	344,561
0	0	3,500	39,816	43,038	0
<u>7,623,856</u>	<u>8,451,557</u>	<u>8,699,511</u>	<u>7,912,193</u>	<u>8,116,829</u>	<u>7,592,738</u>
176,735	73,183	0	15,400	17,080	3,312
60,693	55,347	27,668	28,531	74,584	6,946
6,925	2,690	77,243	13,905	37,612	427,779
154,816	159,083	123,854	6,902,085	97,273	111,763
1,978,606	2,007,041	2,072,014	2,001,462	1,903,634	1,890,684
0	0	0	2,669	17,088	0
11,435,206	2,896,145	2,554,869	2,878,700	3,312,684	3,660,106
<u>13,812,981</u>	<u>5,193,489</u>	<u>4,855,648</u>	<u>11,842,752</u>	<u>5,459,955</u>	<u>6,100,590</u>
0	0	617,438	3,296,758	64,473	79,548
642,806	592,724	412,057	226,337	0	23,311
597,287	598,608	89,082	858,161	1,029,913	106,505
0	0	0	0	0	0
<u>1,240,093</u>	<u>1,191,332</u>	<u>1,118,577</u>	<u>4,381,256</u>	<u>1,094,386</u>	<u>209,364</u>
<u>22,676,930</u>	<u>14,836,378</u>	<u>14,673,736</u>	<u>24,136,201</u>	<u>14,671,170</u>	<u>13,902,692</u>
10,612,924	10,427,310	10,449,847	10,786,061	11,023,493	11,273,817
10,610,832	9,870,965	9,277,971	8,365,370	8,275,152	7,924,286
487,107	468,581	487,715	455,700	464,973	425,848
297,110	302,710	323,465	351,858	440,413	181,272
<u>22,007,973</u>	<u>21,069,566</u>	<u>20,538,998</u>	<u>19,958,989</u>	<u>20,204,031</u>	<u>19,805,223</u>
0	0	0	0	0	0
0	0	0	0	0	0
40,109	1,279,891	0	1,171,927	36,000	84,724
387,224	0	0	0	84,628	43,996
<u>427,333</u>	<u>1,279,891</u>	<u>0</u>	<u>1,171,927</u>	<u>120,628</u>	<u>128,720</u>
<u>22,435,306</u>	<u>22,349,457</u>	<u>20,538,998</u>	<u>21,130,916</u>	<u>20,324,659</u>	<u>19,933,943</u>
<u>\$45,112,236</u>	<u>\$37,185,835</u>	<u>\$35,212,734</u>	<u>\$45,267,117</u>	<u>\$34,995,829</u>	<u>\$33,836,635</u>

## City of Lakewood, Ohio

### Changes in Net Position (continued)

#### Accrual Basis of Accounting

#### Last Ten Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Expenses</b>				
Governmental Activities:				
General Government	\$11,421,889	\$7,900,650	\$12,068,236	\$12,468,984
Security of Persons and Property				
Police and Other	14,935,517	14,967,173	16,225,247	3,228,856
Fire	14,202,840	12,804,836	13,933,684	558,866
Public Health Services	1,594,008	1,091,146	2,063,233	2,342,903
Transportation	2,588,206	2,250,116	3,408,454	4,392,858
Community Environment	7,720,225	7,683,465	7,508,587	6,741,072
Basic Utility Services	3,535,914	2,671,961	4,317,481	4,435,535
Leisure Time Activities	2,918,115	2,012,005	3,039,002	3,435,810
Interest and Fiscal Charges	<u>1,324,938</u>	<u>1,352,888</u>	<u>1,515,311</u>	<u>1,642,407</u>
<i>Total Governmental Activities Expenses</i>	<u>60,241,652</u>	<u>52,734,240</u>	<u>64,079,235</u>	<u>39,247,291</u>
Business-Type Activities				
Water	9,065,616	9,123,445	9,683,430	10,118,101
Sewer	7,810,029	6,747,116	8,624,891	9,567,217
Parking Facilities	278,751	272,201	393,670	564,963
Winterhurst Ice Rink	<u>380,578</u>	<u>364,817</u>	<u>381,564</u>	<u>406,298</u>
<i>Total Business-Type Activities Expenses</i>	<u>17,534,974</u>	<u>16,507,579</u>	<u>19,083,555</u>	<u>20,656,579</u>
<i>Total Primary Government Expenses</i>	<u>77,776,626</u>	<u>69,241,819</u>	<u>83,162,790</u>	<u>59,903,870</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(40,613,824)	(30,626,186)	(45,116,009)	(22,565,482)
Business-Type Activities	<u>11,892,090</u>	<u>12,348,686</u>	<u>16,438,267</u>	<u>14,028,069</u>
<i>Total Primary Government Net Expense</i>	<u>(\$28,721,734)</u>	<u>(\$18,277,500)</u>	<u>(\$28,677,742)</u>	<u>(\$8,537,413)</u>

**Table 2**

2018	2017	2016	2015	2014	2013
\$9,881,664	\$10,314,519	\$10,038,205	\$9,341,967	\$9,439,522	\$8,498,246
17,242,593	15,229,304	15,636,103	13,677,739	13,662,669	12,670,338
13,461,208	13,056,945	12,492,447	10,740,998	10,238,188	10,099,908
1,939,618	1,964,825	1,895,266	1,824,905	1,867,088	1,866,759
3,828,421	3,921,229	4,208,095	3,518,156	3,199,757	2,605,700
6,946,597	6,655,555	5,942,684	5,135,801	5,954,990	4,910,641
4,004,891	3,935,756	3,645,449	3,525,439	3,561,708	3,383,635
2,895,785	2,944,733	2,827,356	2,474,236	2,527,405	2,121,447
1,396,077	1,961,698	1,453,699	1,293,602	1,453,572	1,481,371
61,596,854	59,984,564	58,139,304	51,532,843	51,904,899	47,638,045
8,848,326	8,977,286	9,792,697	10,437,438	9,852,335	9,059,160
9,761,987	7,133,603	6,658,898	6,448,991	6,182,538	6,061,044
369,619	427,010	412,670	355,917	319,581	300,332
426,844	401,376	474,323	470,683	461,923	429,550
19,406,776	16,939,275	17,338,588	17,713,029	16,816,377	15,850,086
81,003,630	76,923,839	75,477,892	69,245,872	68,721,276	63,488,131
(38,919,924)	(45,148,186)	(43,465,568)	(27,396,642)	(37,233,729)	(33,735,353)
3,028,530	5,410,182	3,200,410	3,417,887	3,508,282	4,083,857
(\$35,891,394)	(\$39,738,004)	(\$40,265,158)	(\$23,978,755)	(\$33,725,447)	(\$29,651,496)

# City of Lakewood, Ohio

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	\$10,512,496	\$8,358,416	\$8,254,419	\$8,388,474
Police and Fire Pension	3,986,303	3,169,437	3,129,954	3,365,105
Debt Service	4,217,165	3,353,066	3,311,275	3,180,794
Payments in Lieu of Taxes	1,521,530	1,174,427	1,103,398	1,203,835
Municipal Income Taxes levied for:				
General Purposes	32,378,677	27,661,079	26,325,261	26,449,000
Grants and Entitlements not Restricted to				
Specific Programs	2,918,053	4,648,635	4,508,302	4,493,661
Investment Income	(2,319,103)	(352,554)	964,125	1,957,645
Gain from Sale of Capital Assets-Gov	0	7,059	0	0
Miscellaneous	179,485	677,610	515,427	749,911
<i>Total Governmental Activities</i>	<u>53,394,606</u>	<u>48,697,175</u>	<u>48,112,161</u>	<u>49,788,425</u>
Business-Type Activities				
Property Taxes Levied For:				
Sewer	2,430,657	1,932,571	1,908,533	1,939,500
Grants and Entitlements not Restricted to				
Specific Programs	0	0	0	0
Investment Income	(1,227,499)	(247,265)	198,501	406,829
Miscellaneous	117,645	110,865	51,512	79,666
<i>Total Business-Type Activities</i>	<u>1,320,803</u>	<u>1,796,171</u>	<u>2,158,546</u>	<u>2,425,995</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>54,715,409</u>	<u>50,493,346</u>	<u>50,270,707</u>	<u>52,214,420</u>
<b>Transfers</b>				
Governmental Activities	967,462	1,363,088	2,229,974	1,985,106
Business-Type Activities	(967,462)	(1,363,088)	(2,229,974)	(1,985,106)
<b>Restatements</b>				
Governmental Activities	0	0	0	0
Business-Type Activities	0	0	0	0
<i>Total Restatements Activities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Change in Net Position</b>				
Governmental Activities	13,748,244	19,434,077	5,226,126	29,208,049
Business-Type Activities	12,245,431	12,781,769	16,366,839	14,468,958
<i>Total Primary Government Change in Net Position</i>	<u>\$25,993,675</u>	<u>\$32,215,846</u>	<u>\$21,592,965</u>	<u>\$43,677,007</u>

**Table 2**

2018	2017	2016	2015	2014	2013
\$7,032,787	\$6,951,057	\$6,796,884	\$6,619,558	\$6,255,782	\$6,560,213
2,666,767	2,788,459	2,577,331	2,512,111	2,376,261	2,491,699
2,821,228	2,635,788	2,726,623	2,666,760	2,532,060	2,654,186
941,486	521,296	499,544	448,815	494,754	467,984
24,888,422	21,338,449	23,236,281	22,563,434	21,954,834	21,122,681
3,662,605	3,551,342	3,685,616	3,719,128	3,722,984	10,929,532
1,242,399	407,277	192,986	100,437	49,548	13,857
381,525	0	0	14,776	17,237	0
465,681	424,698	914,982	453,344	387,811	216,560
<u>44,102,900</u>	<u>38,618,366</u>	<u>40,630,247</u>	<u>39,098,363</u>	<u>37,791,271</u>	<u>44,456,712</u>
1,626,074	1,607,149	1,571,541	1,530,516	1,447,720	1,519,408
0	66,504	1,686,943	643,502	218,529	219,013
170,019	168,199	52,435	40,366	18,351	5,055
116,922	267,586	326,582	96,122	260,388	225,511
<u>1,913,015</u>	<u>2,109,438</u>	<u>3,637,501</u>	<u>2,310,506</u>	<u>1,944,988</u>	<u>1,968,987</u>
<u>46,015,915</u>	<u>40,727,804</u>	<u>44,267,748</u>	<u>41,408,869</u>	<u>39,736,259</u>	<u>46,425,699</u>
1,833,460	1,713,362	1,478,702	1,697,350	1,470,815	1,514,708
(1,833,460)	(1,713,362)	(1,478,702)	(1,697,350)	(1,470,815)	(1,514,708)
0	(38,436,636)	0	(817,974)	(37,739,525)	0
2,038,593	(2,099,701)	0	0	(2,279,641)	0
<u>2,038,593</u>	<u>(40,536,337)</u>	<u>0</u>	<u>(817,974)</u>	<u>(40,019,166)</u>	<u>0</u>
9,055,029	(45,352,795)	(1,356,619)	12,581,097	(37,990,809)	12,236,067
5,146,678	3,706,557	5,359,209	4,031,043	1,702,814	4,538,136
<u>\$14,201,707</u>	<u>(\$41,646,238)</u>	<u>\$4,002,590</u>	<u>\$16,612,140</u>	<u>(\$36,287,995)</u>	<u>\$16,774,203</u>

## City of Lakewood, Ohio

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

	2022	2021	2020	2019
<b>General Fund</b>				
Nonspendable	2,046,392	1,635,482	1,532,814	1,608,564
Assigned	9,509,896	6,470,283	5,924,601	4,444,329
Unassigned	10,304,755	13,048,882	12,519,130	10,668,340
Total General Fund	<u>21,861,043</u>	<u>21,154,647</u>	<u>19,976,545</u>	<u>16,721,233</u>
<b>All Other Governmental Funds</b>				
Nonspendable	118,640	213,125	141,459	167,524
Restricted	38,515,647	34,532,598	35,880,353	33,642,783
Committed	1,337,517	1,320,069	4,446,380	4,117,048
Unassigned (Deficit)	(94,850)	(120,068)	(114,218)	(58,576)
Total All Other Governmental Funds	<u>39,876,954</u>	<u>35,945,724</u>	<u>40,353,974</u>	<u>37,868,779</u>
<b>Total Governmental Funds</b>	<u>\$61,737,997</u>	<u>\$57,100,371</u>	<u>\$60,330,519</u>	<u>\$54,590,012</u>



**Table 3**

2018	2017	2016	2015	2014	2013
1,387,909	1,615,269	1,528,257	1,465,171	1,203,968	1,177,098
6,026,716	6,640,100	5,221,363	3,861,300	5,768,149	3,128,964
7,443,450	6,258,106	7,480,460	9,506,549	8,165,507	13,722,092
<u>14,858,075</u>	<u>14,513,475</u>	<u>14,230,080</u>	<u>14,833,020</u>	<u>15,137,624</u>	<u>18,028,154</u>
181,493	94,824	185,420	119,403	58,799	114,906
30,008,835	20,638,400	19,141,481	6,992,095	8,439,921	7,521,893
5,040,289	5,035,790	5,073,199	15,572,469	6,070,832	968,587
<u>(84,431)</u>	<u>(170,365)</u>	<u>(64,133)</u>	<u>(35,159)</u>	<u>(31,552)</u>	<u>(19,268)</u>
<u>35,146,186</u>	<u>25,598,649</u>	<u>24,335,967</u>	<u>22,648,808</u>	<u>14,538,000</u>	<u>8,586,118</u>
<u>\$50,004,261</u>	<u>\$40,112,124</u>	<u>\$38,566,047</u>	<u>\$37,481,828</u>	<u>\$29,675,624</u>	<u>\$26,614,272</u>

# City of Lakewood, Ohio

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

	2022	2021	2020	2019
<b>Revenues</b>				
Property Taxes	\$18,529,322	\$14,904,345	\$14,759,501	\$14,877,198
Payments in Lieu of Taxes	1,498,522	1,166,030	1,110,677	1,197,326
Municipal Income Taxes	31,213,533	27,583,567	25,839,952	25,677,023
Charges for Services	3,201,699	3,194,653	3,686,855	4,410,919
Fees, Licenses, and Permits	2,092,103	1,986,177	1,733,072	2,124,593
Fines and Forfeitures	1,346,915	1,289,268	1,119,874	1,521,922
Intergovernmental	14,730,625	19,192,386	16,596,675	11,678,726
Special Assessments	429,696	559,470	521,048	678,202
Interest	(2,319,103)	(352,554)	964,125	1,957,645
Contributions and Miscellaneous	760,920	793,316	554,637	881,454
<b>Total Revenues</b>	<b>71,484,232</b>	<b>70,316,658</b>	<b>66,886,416</b>	<b>65,005,008</b>
<b>Expenditures</b>				
Current:				
General Government	12,763,188	10,910,806	10,720,023	11,561,540
Security of Persons and Property				
Police and Other	14,990,001	14,818,659	14,512,431	14,633,989
Fire	13,384,938	11,826,575	11,926,080	11,884,896
Public Health Services	1,968,226	1,827,580	1,796,114	1,938,746
Transportation	2,813,093	2,185,491	2,669,173	2,365,134
Community Environment	8,568,220	9,320,343	7,155,530	5,862,054
Basic Utilities Services	3,781,021	3,493,934	3,586,864	3,478,356
Leisure Time Activities	2,734,620	2,271,132	2,243,613	2,491,861
Capital Outlay	9,881,760	9,905,564	5,725,760	7,292,630
Debt Service:				
Principal Retirement	8,496,813	14,624,997	11,021,887	16,947,073
Interest and Fiscal Charges	1,469,248	1,604,383	1,660,081	1,760,601
Debt Issuance Costs	42,261	145,621	49,363	143,617
<b>Total Expenditures</b>	<b>80,893,389</b>	<b>82,935,085</b>	<b>73,066,919</b>	<b>80,360,497</b>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(9,409,157)</u>	<u>(12,618,427)</u>	<u>(6,180,503)</u>	<u>(15,355,489)</u>
<b>Other Financing Sources (Uses)</b>				
General Obligation Bonds Issued	0	12,427,045	0	0
Refunding Bonds Issued	0	0	0	8,861,498
Bond Anticipation Notes Issued	11,735,000	3,975,000	9,675,000	6,415,000
Refunding Bond Anticipation Notes Issued	0	0	0	0
Premium on Debt Issuance	77,382	1,980,131	114,841	972,251
Sale of Capital Assets	195,053	164,176	284,592	175,559
Proceeds of Financed Purchases	1,500,000	1,827,067	2,147,033	2,422,000
Payment to Refunded Bond Escrow Agent	0	(6,099,533)	0	0
Transfers In	5,365,211	11,423,915	4,922,823	4,884,730
Transfers Out	(4,825,863)	(16,309,522)	(5,223,279)	(3,789,798)
<b>Total Other Financing Sources (Uses)</b>	<b>14,046,783</b>	<b>9,388,279</b>	<b>11,921,010</b>	<b>19,941,240</b>
<b>Net Change in Fund Balances</b>	<b><u>\$4,637,626</u></b>	<b><u>(\$3,230,148)</u></b>	<b><u>\$5,740,507</u></b>	<b><u>\$4,585,751</u></b>
Debt Service as a Percentage of Noncapital Expenditures	14.3%	22.3%	19.4%	25.9%

**Table 4**

2018	2017	2016	2015	2014	2013
\$12,543,607	\$12,271,930	\$12,203,722	\$11,708,269	\$11,379,654	\$11,650,884
920,786	580,535	482,858	456,077	489,379	483,679
24,470,492	23,530,264	22,890,653	22,391,110	21,158,365	20,119,636
3,853,981	4,360,503	4,187,477	3,992,662	3,937,040	3,831,150
2,107,089	2,559,886	2,732,469	2,024,622	2,203,740	1,962,750
1,713,606	1,602,093	1,645,823	1,917,593	1,913,424	1,695,082
9,343,582	8,698,712	8,568,620	9,496,036	11,422,657	15,904,055
666,055	613,120	395,611	258,041	73,672	31,511
1,242,399	407,315	192,986	100,437	49,548	13,857
8,455,233	527,221	1,558,842	9,899,156	575,734	901,706
<u>65,316,830</u>	<u>55,151,579</u>	<u>54,859,061</u>	<u>62,244,003</u>	<u>53,203,213</u>	<u>56,594,310</u>
10,227,462	10,993,061	9,067,631	8,781,381	8,838,958	8,029,518
14,298,247	14,031,309	13,342,497	12,593,009	12,339,318	11,955,911
11,179,855	10,810,454	10,892,695	9,663,938	9,480,970	9,355,592
1,769,528	1,727,408	1,703,110	1,699,832	1,742,634	1,755,943
2,150,682	2,045,750	2,120,232	2,091,066	1,915,695	1,880,557
6,482,930	6,130,893	5,770,256	5,078,451	5,797,278	4,829,707
3,463,882	3,239,444	3,046,025	3,020,504	3,068,909	2,966,538
2,293,867	2,246,306	2,238,870	1,952,458	2,141,599	1,768,169
4,551,101	3,915,901	6,313,597	8,018,007	5,501,475	2,446,578
12,991,670	8,229,099	17,052,154	14,166,854	9,855,339	7,457,812
1,416,996	1,260,832	1,456,894	1,348,516	1,414,906	1,487,391
50,475	91,568	139,703	21,556	40,184	18,201
<u>70,876,695</u>	<u>64,722,025</u>	<u>73,143,664</u>	<u>68,435,572</u>	<u>62,137,265</u>	<u>53,951,917</u>
<u>(5,559,865)</u>	<u>(9,570,446)</u>	<u>(18,284,603)</u>	<u>(6,191,569)</u>	<u>(8,934,052)</u>	<u>2,642,393</u>
0	0	16,969,120	0	0	0
0	5,745,000	0	0	0	0
11,987,000	8,577,000	4,099,000	13,535,000	10,187,000	6,202,000
0	0	0	0	0	0
81,432	67,870	1,456,752	109,332	78,314	41,474
589,918	191,967	189,405	14,776	17,237	11,656
1,258,120	1,657,000	1,217,224	1,890,000	1,881,855	1,044,967
0	(5,843,741)	(4,694,833)	0	0	0
4,698,253	4,745,608	4,363,018	5,173,697	9,021,394	4,573,048
<u>(3,162,721)</u>	<u>(4,024,181)</u>	<u>(4,230,864)</u>	<u>(6,725,032)</u>	<u>(9,190,396)</u>	<u>(4,613,841)</u>
<u>15,452,002</u>	<u>11,116,523</u>	<u>19,368,822</u>	<u>13,997,773</u>	<u>11,995,404</u>	<u>7,259,304</u>
<u>\$9,892,137</u>	<u>\$1,546,077</u>	<u>\$1,084,219</u>	<u>\$7,806,204</u>	<u>\$3,061,352</u>	<u>\$9,901,697</u>
22.1%	16.0%	27.5%	25.8%	20.0%	17.4%

## City of Lakewood, Ohio

### Assessed Valuations and Estimated Actual Values of Taxable Property

#### Last Ten Years

Collection Year	Real Property Assessed Value			Tangible Personal Property Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU	Estimated Actual Value	Assessed Value	Estimated Actual Value
2022	\$1,137,323,180	\$203,243,320	\$3,830,190,000	\$22,842,070	\$25,956,898
2021	890,556,610	179,692,840	3,057,855,571	21,443,650	24,367,784
2020	887,512,080	179,769,630	3,049,376,314	20,157,000	22,905,682
2019	889,704,440	184,555,100	3,069,312,971	18,801,240	21,365,045
2018	733,342,730	161,774,040	2,557,476,486	17,973,670	20,424,625
2017	732,178,570	152,339,630	2,527,194,857	16,851,640	19,149,591
2016	731,662,600	147,852,940	2,512,901,543	15,963,540	18,140,386
2015	680,844,680	157,134,520	2,394,226,286	15,756,170	17,904,739
2014	682,865,970	154,516,560	2,392,521,514	15,184,670	17,255,307
2013	685,183,640	154,358,840	2,398,692,800	13,754,200	15,629,773

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property.

Source: Cuyahoga County, Ohio; Fiscal Officer

**Table 5**

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<u>Assessed Value</u>	<u>Total Estimated Actual Value</u>	<u>Ratio</u>	<u>Tax Rate per \$1,000 of Assessed Value</u>
\$1,363,408,570	\$3,856,146,898	35.36 %	\$17.40
1,091,693,100	3,082,223,355	35.42	17.40
1,087,438,710	3,072,281,996	35.40	17.40
1,093,060,780	3,090,678,016	35.37	17.40
913,090,440	2,577,901,111	35.42	17.40
901,369,840	2,546,344,448	35.40	17.40
895,479,080	2,531,041,929	35.38	17.40
853,735,370	2,412,131,025	35.39	17.40
852,567,200	2,409,776,821	35.38	17.40
853,296,680	2,414,322,573	35.34	17.40

## City of Lakewood, Ohio

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

#### Last Ten Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Charter Millage</b>				
Sinking Fund	\$3.4700	\$3.4700	\$3.4700	\$3.4700
1949 Charter/Current Expenses	8.6500	8.6500	8.6500	8.6500
1969 Charter/Fire	1.6800	1.6800	1.6800	1.6800
1969 Charter/Police	1.6000	1.6000	1.6000	1.6000
1976 Charter/Sewer	2.0000	2.0000	2.0000	2.0000
<b>Total Charter Millage</b>	<b>\$17.4000</b>	<b>\$17.4000</b>	<b>\$17.4000</b>	<b>\$17.4000</b>
<b>Overlapping Rates by Taxing District</b>				
Lakewood City School District				
Residential/Agricultural Real	\$46.0639	\$54.9933	\$54.9368	\$55.3328
Commercial/Industrial and Public Utility Real	68.4570	75.5330	74.5495	75.1110
General Business and Public Utility Personal	122.2300	122.2300	122.2300	122.7300
Cuyahoga County Council (1)				
Residential/Agricultural Real	16.2966	18.6216	17.4077	17.3026
Commercial/Industrial and Public Utility Real	18.2198	19.0626	17.9800	17.3766
General Business and Public Utility Personal	19.8800	19.8800	19.0800	18.6800
Special Taxing Districts (2)				
Residential/Agricultural Real	3.6909	4.4433	4.4351	4.4326
Commercial/Industrial and Public Utility Real	4.7938	5.2168	5.1656	5.1355
General Business and Public Utility Personal	6.2500	6.2500	6.2500	6.2500

Source: Cuyahoga County, Ohio; Fiscal Officer

**Note:**

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

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

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

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

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

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

**Table 6**

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$3.4700	\$3.4700	\$3.4700	\$3.4700	\$3.4700	\$3.4700
8.6500	8.6500	8.6500	8.6500	8.6500	8.6500
1.6800	1.6800	1.6800	1.6800	1.6800	1.6800
1.6000	1.6000	1.6000	1.6000	1.6000	1.6000
<u>2.0000</u>	<u>2.0000</u>	<u>2.0000</u>	<u>2.0000</u>	<u>2.0000</u>	<u>2.0000</u>
<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>
\$62.9457	\$62.8527	\$62.8665	\$62.8665	\$66.6502	\$66.5450
82.8867	83.6793	83.6381	83.6381	80.8677	80.9159
122.7300	122.7300	122.7300	122.7300	123.2300	123.2300
18.4840	17.9391	17.9255	17.9255	18.1643	17.2639
18.6092	18.1176	18.1676	18.1676	18.1228	17.1291
18.6800	18.1800	18.1800	18.1800	18.1800	17.2800
9.0668	5.0597	5.0611	5.0611	4.6000	4.6000
9.1573	5.7281	5.7342	5.7342	5.5100	5.5100
9.5500	6.2500	6.2500	6.2500	6.2500	6.2500

# City of Lakewood, Ohio

## Property Tax Levies and Collections (1)

### Last Ten Years

**Table 7**

Collection Year	Current Tax Levy (2)	Current Tax Collections (2)	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes (3)	Percentage of Delinquent Taxes To Total Tax Levy
2022	\$25,497,691	\$24,386,907	95.64 %	\$761,089	\$25,147,996	98.63 %	\$1,578,984	6.19 %
2021	20,374,583	19,642,045	96.40	550,208	20,192,253	99.11	907,642	4.45
2020	20,187,384	19,397,757	96.09	576,675	19,974,432	98.95	876,449	4.34
2019	20,078,158	19,536,590	97.30	648,820	20,185,410	100.53	869,973	4.33
2018	16,576,973	16,304,937	98.36	584,221	16,889,158	101.88	1,110,376	6.70
2017	16,266,129	15,634,829	96.12	610,010	16,244,839	99.87	1,022,772	6.29
2016	16,213,190	15,626,283	96.38	493,211	16,119,494	99.42	979,496	6.04
2015	15,471,979	14,809,313	95.72	609,457	15,418,770	99.66	956,527	6.18
2014	15,384,597	14,499,281	94.25	507,587	15,006,868	97.54	1,006,208	6.54
2013	15,366,857	14,631,052	95.21	751,131	15,382,183	100.10	998,640	6.50

Source: Cuyahoga County, Ohio; Fiscal Officer

- (1) Information for Real and Public Utility only
- (2) State Reimbursements of Rollback and Homestead Exemptions are Included. Current Tax Levy and Current Tax Collections include delinquent amounts.
- (3) Penalties and Interest are included, since by Ohio law they become part of tax obligation as assessment occurs.

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



# City of Lakewood, Ohio

## Principal Taxpayers – Real Estate Tax

2022 and 2013

Table 8

Taxpayer	2021 (1)	
	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Cleveland Electric Illuminating Company	\$16,075,610	1.20 %
Lakewood Center North Development LLC	5,432,040	0.41
American Transmission System	4,649,230	0.35
12000 Edgewater Drive Ltd	4,361,120	0.33
Lakewood (Ohio) Station LLC	3,955,010	0.30
East Ohio Gas Co.	3,804,150	0.28
Lakewood Senior Campus (Lakewood NH Holdings LLC)	3,532,120	0.26
165 Owen Brown LLC	3,098,000	0.23
Shoreham Apartments	2,596,550	0.19
Imperial House Apartments LLC	2,592,280	0.19
<b>Total</b>	<b>\$50,096,110</b>	<b>3.74 %</b>
<b>Total Real Property Assessed Valuation</b>	<b>\$1,340,566,500</b>	
Taxpayer	2013	
	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Cleveland Electric Illuminating Company	\$11,443,000	1.36 %
Lakewood Senior Campus	3,481,430	0.41
14600 Detroit Avenue	3,397,300	0.40
Castlewood Association	2,067,460	0.25
Lakewood Senior Citizens, Inc.	2,066,970	0.25
Marine Towers West	2,014,360	0.24
Fame-Midamco Co LLC	1,839,120	0.22
Shoreham Apartments	1,833,480	0.22
Lakewood Association L.P.	1,819,790	0.22
Lake Shore Associates	1,729,490	0.21
<b>Total</b>	<b>\$31,692,400</b>	<b>3.78 %</b>
<b>Total Real Property Assessed Valuation</b>	<b>\$839,542,480</b>	

Source: Cuyahoga County, Ohio; Fiscal Officer

(1) The amounts presented represent the assessed values upon which 2021 and 2012 collections

# City of Lakewood, Ohio

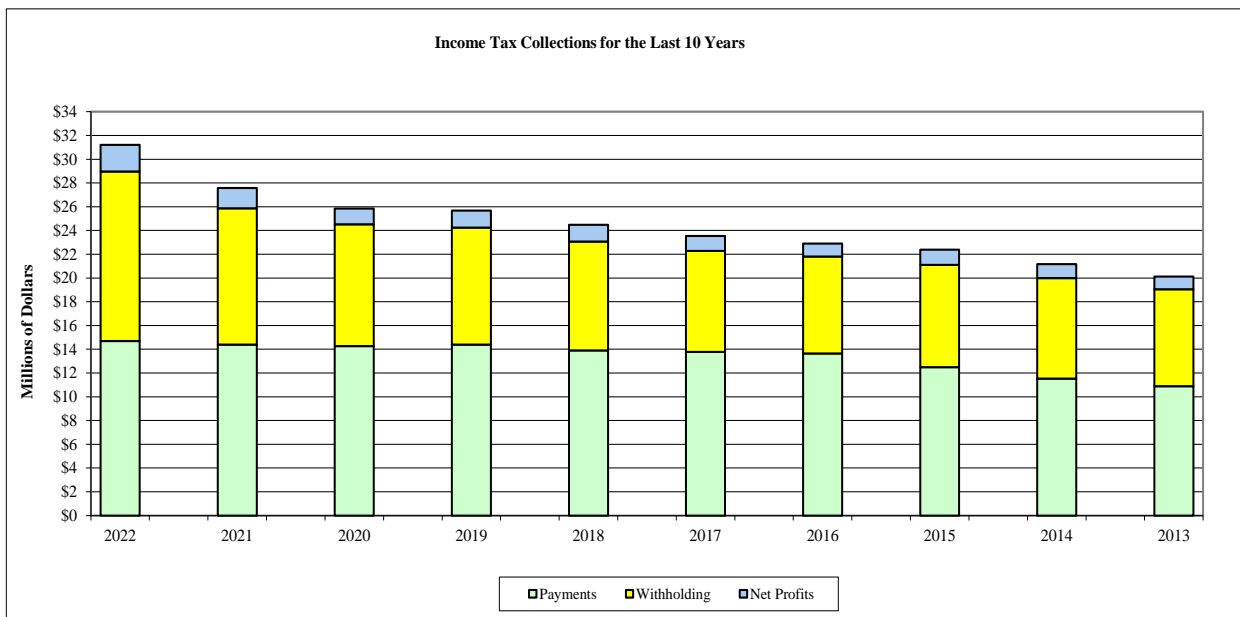
## Income Tax Revenue Base and Collections (Cash Basis)

### Last Ten Years

**Table 9**

Year	Rate	Collected (1)	Payments	Payments	Withholding	Withholding	Net Profits	Net Profits
2022	1.50%	\$31,213,533	\$14,701,574	47.10%	\$14,261,463	45.69%	\$2,250,496	7.21%
2021	1.50	27,583,567	14,384,747	52.15	11,481,880	41.63	1,716,940	6.22
2020	1.50	25,839,952	14,255,902	55.17	10,266,213	39.73	1,317,838	5.10
2019	1.50	25,677,023	14,384,268	56.02	9,862,545	38.41	1,430,724	5.57
2018	1.50	24,470,492	13,901,687	56.81	9,169,093	37.47	1,399,712	5.72
2017	1.50	23,530,405	13,769,110	58.52	8,516,073	36.19	1,245,222	5.29
2016	1.50	22,890,653	13,647,407	59.62	8,169,674	35.69	1,073,572	4.69
2015	1.50	22,391,110	12,489,761	55.78	8,613,860	38.47	1,287,489	5.75
2014	1.50	21,158,365	11,535,541	54.52	8,452,767	39.95	1,170,057	5.53
2013	1.50	20,119,636	10,877,178	54.06	8,175,944	40.64	1,066,514	5.30

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



# City of Lakewood, Ohio

## Ratio of Outstanding Debt by Type

### Last Ten Years

**Table 10**

Year	Governmental Activities	Business Activities	Less: Amounts Restricted to Repaying Principal	Net General Bonded Debt	Net General Bonded Debt as a Percentage of Estimated Taxable Value of Property (1)	Net General Bonded Debt Per Capita (2)	Other Governmental Activities Debt			
	General Obligation Bonds (4)	General Obligation Bonds (4)					Special Assessment Bonds	OPWC Loans	Financed Purchases/ Capital Leases	Long-term Bond Anticipation Notes (5)
2022	\$34,501,447	\$39,628,550	(\$8,139,332)	\$65,990,665	2.14 %	1,295.41	\$0	\$0	\$6,889,913	\$11,749,703
2021	37,485,304	42,197,580	(6,602,924)	73,079,960	2.37	1,434.57	0	0	7,225,569	3,980,384
2020	32,582,838	27,186,948	(4,681,081)	55,088,705	1.79	1,081.40	0	0	7,108,449	9,701,413
2019	35,766,991	29,276,496	(3,680,035)	61,363,452	1.99	1,177.10	0	0	6,516,044	6,432,334
2018	29,016,850	23,135,335	(2,838,874)	49,313,311	1.91	945.95	0	0	6,177,769	12,005,729
2017	31,762,253	24,902,427	(4,385,292)	52,279,388	2.05	1,002.85	0	30,800	6,649,243	8,595,326
2016	34,201,316	26,749,900	(3,333,982)	57,617,234	2.28	1,105.24	0	61,600	6,740,329	4,105,445
2015	22,422,104	5,286,175	(3,083,277)	24,625,002	1.02	472.37	0	92,400	7,124,505	13,563,426
2014	25,000,846	5,881,316	(3,490,114)	27,392,048	1.14	525.45	0	123,200	6,632,198	10,209,711
2013	27,071,563	6,503,575	(2,970,853)	30,604,285	1.27	587.06	0	154,000	5,943,223	6,442,028
<b>Business-Type Activities</b>										
Year	General Obligation Bonds (4)	Revenue Bonds	Bond Anticipation Notes (5)	Financed Purchases/ Capital Leases	OPWC/ OWDA Loans	Total Debt (3)	Percentage of Personal Income (2)	Per Capita (2)		
2022	\$39,628,550	\$0	\$9,562,029	\$1,651,106	\$29,537,736	\$133,520,484	\$9.55 %	\$2,621.03		
2021	42,197,580	\$0	5,307,139	2,095,692	27,818,597	126,110,265	9.02	2,475.57		
2020	27,186,948	0	18,590,616	2,105,278	24,330,612	121,606,154	8.70	2,387.15		
2019	29,276,496	0	16,334,027	2,250,908	8,313,587	104,890,387	7.33	2,012.05		
2018	23,135,335	0	20,339,490	4,042,553	4,939,125	99,656,851	6.96	1,911.66		
2017	24,902,427	0	13,521,853	4,516,901	4,348,352	94,327,155	6.59	1,809.43		
2016	26,749,900	865,000	6,495,052	5,261,051	3,453,861	87,933,554	6.14	1,686.78		
2015	5,286,175	19,597,866	3,845,140	5,574,807	2,047,894	79,554,317	5.56	1,526.05		
2014	5,881,316	20,587,776	1,844,918	4,337,104	2,395,609	77,012,678	5.38	1,477.29		
2013	6,503,575	21,535,898	0	2,922,079	2,743,324	73,315,690	5.12	1,406.37		

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

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

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

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

(4) General obligation bonds include associated premiums

(5) Bond Anticipation Notes include associated premiums

# City of Lakewood, Ohio

## Legal Debt Margin

### Last Ten Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Overall Legal Debt Limit (10.5% of Assessed Valuation)	\$143,157,901	\$114,627,776	\$114,181,065	\$114,771,382
Net Debt Applicable to Debt Limit	<u>39,224,166</u>	<u>35,569,781</u>	<u>49,221,026</u>	<u>46,430,547</u>
Overall Legal Debt Margin (10.5% of Assessed Valuation)	<u>\$103,933,735</u>	<u>\$79,057,995</u>	<u>\$64,960,039</u>	<u>\$68,340,835</u>
Legal Debt Margin as a Percentage of Debt Limit	<u>72.60%</u>	<u>68.97%</u>	<u>56.89%</u>	<u>59.55%</u>
Unvoted Legal Debt Limit (5.5% of Assessed Valuation)	\$74,987,472	\$54,584,655	\$54,371,936	\$60,118,343
Net Debt Applicable to Debt Limit	<u>39,224,166</u>	<u>35,569,781</u>	<u>49,221,026</u>	<u>46,430,547</u>
Unvoted Legal Debt Margin (5.5% of Assessed Valuation)	<u>\$35,763,306</u>	<u>\$19,014,874</u>	<u>\$5,150,910</u>	<u>\$13,687,796</u>
Legal Debt Margin as a Percentage of Debt Limit	<u>47.69%</u>	<u>34.84%</u>	<u>9.47%</u>	<u>22.77%</u>

### Legal Debt Margin Calculation for the Year Ended December 31, 2020

Assessed property value

Debt Limitation (percentage of assessed property value)

Gross Indebtedness:

Less: General Obligation Bonds  
       General Obligation Bonds - Enterprise Funds  
       Enterprise Notes Payable  
       OPWC/OWDA Loans  
       Debt Service Fund

Net Debt Applicable to Debt Limit

Legal Debt Margin Within Limitations

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

**Table 11**

2018	2017	2016	2015	2014	2013
\$95,874,496	\$94,643,833	\$94,025,303	\$89,642,214	\$89,488,056	\$89,596,151
37,761,556	37,273,479	34,019,736	33,445,675	32,642,122	31,554,491
<u>\$58,112,940</u>	<u>\$57,370,354</u>	<u>\$60,005,567</u>	<u>\$56,196,539</u>	<u>\$56,845,934</u>	<u>\$58,041,660</u>
60.61%	60.62%	63.82%	62.69%	63.52%	64.78%
\$95,874,496	\$50,219,974	\$49,251,349	\$46,955,445	\$46,874,696	\$46,931,317
37,761,556	37,273,479	34,019,736	33,445,675	32,642,122	31,554,491
<u>\$58,112,940</u>	<u>\$12,946,495</u>	<u>\$15,231,613</u>	<u>\$13,509,770</u>	<u>\$14,232,574</u>	<u>\$15,376,826</u>
60.61%	25.78%	30.93%	28.77%	30.36%	32.76%
<b>Overall Margin Within 10.5%</b>	<b>Unvoted Margin Within 5.5%</b>				
<u>\$1,363,408,579</u>	<u>\$1,363,408,579</u>				
\$143,157,901	\$74,987,472				
124,979,465	124,979,465				
(782,955)	(782,955)				
(39,628,550)	(39,628,550)				
(9,562,029)	(9,562,029)				
(29,537,736)	(29,537,736)				
(6,244,029)	(6,244,029)				
39,224,166	39,224,166				
<u>\$103,933,735</u>	<u>\$35,763,306</u>				

## City of Lakewood, Ohio

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

December 31, 2022

**Table 12**

	Debt Attributable to Governmental Activities	Overlapping Percentage Applicable to Lakewood (1)	Amount of Direct and Overlapping Debt
<u>Direct:</u>			
City of Lakewood			
General Obligation Bonds (2)	\$34,501,447	100.00 %	\$34,501,447
Notes Payable - Long-term (3)	11,749,703	100.00	11,749,703
Financed Purchases	6,889,913	100.00	6,889,913
	<u>53,141,063</u>		<u>53,141,063</u>
<u>Overlapping Debt:</u>			
Cuyahoga County	240,795,000	3.88	9,352,657
Cuyahoga Community College	189,980,000	3.88	7,378,965
Lakewood City School District	110,919,422	100.00	110,919,422
	<u>541,694,422</u>		<u>127,651,044</u>
Total	<u>\$594,835,485</u>		<u>\$180,792,107</u>

Source: Cuyahoga County, Ohio; County Fiscal Officer

- (1) Overlapping percentages were calculated by dividing each overlapping government located within the boundaries of the City by the subdivision's total assessed valuation of the government. The valuations were for the 2022 collection year.
- (2) General Obligation bonds include associated premiums
- (3) Notes Payable - Long-term include associated premiums



## City of Lakewood, Ohio

### *Pledged Revenue Coverage*

#### *Water*

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Net Available Revenue:				
Gross Revenues (1)	\$11,113,334	\$12,375,878	\$13,046,412	\$11,236,028
Less: Operating Expenses (2)	<u>7,754,130</u>	<u>7,752,544</u>	<u>8,533,824</u>	<u>8,750,601</u>
Net Available Revenue	<u>\$3,359,204</u>	<u>\$4,623,334</u>	<u>\$4,512,588</u>	<u>\$2,485,427</u>
Debt Service OPWC Loans:				
Principal	\$596,042	\$560,612	\$532,097	\$384,477
OPWC Coverage	<u>5.64</u>	<u>8.25</u>	<u>8.48</u>	<u>6.46</u>
Debt Service - Revenue Bonds:				
Principal	0	0	0	0
Interest	0	0	0	0
Revenue Bond Coverage	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Debt Service:				
Principal	596,042	560,612	532,097	384,477
Interest	0	0	0	0
Total Coverage	<u>5.64</u>	<u>8.25</u>	<u>8.48</u>	<u>6.46</u>

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

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



**Table 13**

2018	2017	2016	2015	2014	2013
\$10,863,052	\$10,602,226	\$10,471,468	\$10,842,642	\$11,074,606	\$11,306,665
7,824,989	7,838,515	8,548,106	9,292,198	8,717,099	7,975,571
<u>\$3,038,063</u>	<u>\$2,763,711</u>	<u>\$1,923,362</u>	<u>\$1,550,444</u>	<u>\$2,357,507</u>	<u>\$3,331,094</u>
\$446,895	\$380,904	\$330,153	\$313,229	\$313,229	\$332,903
<u>6.80</u>	<u>7.26</u>	<u>5.83</u>	<u>4.95</u>	<u>7.53</u>	<u>10.01</u>
0	865,000	18,500	534,039	512,252	486,359
0	113,327	61,425	433,008	456,823	479,013
<u>0.00</u>	<u>2.82</u>	<u>24.06</u>	<u>1.60</u>	<u>2.43</u>	<u>3.45</u>
446,895	1,245,904	515,153	847,268	825,481	819,262
0	113,327	61,425	433,008	456,823	479,013
<u>6.80</u>	<u>2.03</u>	<u>3.34</u>	<u>1.21</u>	<u>1.84</u>	<u>2.57</u>

## City of Lakewood, Ohio

### *Pledged Revenue Coverage*

#### *Sewer*

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Net Available Revenue:				
Gross Revenues (1)	\$14,664,852	\$14,110,241	\$13,792,551	\$11,151,884
Less: Operating Expenses (2)	<u>5,519,949</u>	<u>6,528,616</u>	<u>6,507,873</u>	<u>7,699,333</u>
Net Available Revenue	<u><u>\$9,144,903</u></u>	<u><u>\$7,581,625</u></u>	<u><u>\$7,284,678</u></u>	<u><u>\$3,452,551</u></u>
Debt Service OWDA Loans:				
Principal	\$0	\$0	\$0	\$0
Interest	0	0	0	0
OWDA Coverage	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Debt Service - OPWC Loans:				
Principal	30,481	60,694	65,223	60,436
OPWC Coverage	<u>300.02</u>	<u>124.92</u>	<u>111.69</u>	<u>57.13</u>
Debt Service - Revenue Bonds:				
Principal	0	0	0	0
Interest	0	0	0	0
Revenue Bond Coverage	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Debt Service:				
Principal	30,481	60,694	65,223	60,436
Interest	0	0	0	0
Total Coverage	<u>300.02</u>	<u>124.92</u>	<u>111.69</u>	<u>57.13</u>

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

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

**Table 14**

2018	2017	2016	2015	2014	2013
\$11,019,878	\$10,114,761	\$12,812,351	\$9,009,122	\$8,643,807	\$8,263,735
7,750,170	5,503,206	4,842,071	4,902,343	4,572,164	4,471,397
<u>\$3,269,708</u>	<u>\$4,611,555</u>	<u>\$7,970,280</u>	<u>\$4,106,779</u>	<u>\$4,071,643</u>	<u>\$3,792,338</u>
\$0	\$0	\$0	\$0	\$0	\$16,382
0	0	0	0	0	346
<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>226.71</u>
55,902	55,902	34,486	34,486	34,486	34,486
<u>58.49</u>	<u>82.49</u>	<u>231.12</u>	<u>119.09</u>	<u>118.07</u>	<u>109.97</u>
0	0	0	465,000	445,000	430,000
0	0	0	480,613	498,413	515,613
<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>4.34</u>	<u>4.32</u>	<u>4.01</u>
55,902	55,902	34,486	499,486	479,486	480,868
0	0	0	480,613	498,413	515,959
<u>58.49</u>	<u>82.49</u>	<u>231.12</u>	<u>4.19</u>	<u>4.16</u>	<u>3.80</u>

# City of Lakewood, Ohio

## Demographic and Economic Statistics

### Last Ten Years

**Table 15**

Year	Population (1)		Total Personal Income (5)	Personal Income Per Capita	Median Household Income (1)	Median Age (1)	Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (2)	Cuyahoga County Unemployment Rate (3)	Total Assessed Property Value (4)
2022	50,942	(a)	\$1,857,549,088	\$36,464	\$53,290	34.7	46.5%	4,430	3.5%	\$1,363,408,570
2021	50,942	(a)	1,857,549,088	36,464	53,290	34.7	46.5	4,550	4.1	1,091,693,100
2020	50,942	(a)	1,857,549,088	36,464	53,290	34.7	46.5	4,550	6.8	1,087,438,710
2019	52,131	(b)	1,431,100,212	27,452	43,154	34.9	38.9	4,811	3.6	1,093,060,780
2018	52,131	(b)	1,431,100,212	27,452	43,154	34.9	38.9	5,049	5.0	913,090,440
2017	52,131	(b)	1,431,100,212	27,452	43,154	34.9	38.9	4,886	4.8	901,369,840
2016	52,131	(b)	1,431,100,212	27,452	43,154	34.9	38.9	5,026	5.4	895,479,080
2015	52,131	(b)	1,431,100,212	27,452	43,154	34.9	38.9	5,308	4.6	853,735,370
2014	52,131	(b)	1,431,100,212	27,452	43,154	34.9	38.9	5,192	6.0	852,567,200
2013	52,131	(b)	1,431,100,212	27,452	43,154	34.9	38.9	5,833	7.2	853,296,680

Sources:

- (1) U. S. Census
  - (a) 2020 Census
  - (b) 2010 Census
- (2) Lakewood City School District
- (3) Ohio Department of Job and Family Services
- (4) Cuyahoga County Fiscal Officer
- (5) Computation of per capita personal income multiplied by population

# City of Lakewood, Ohio

Principal Employers – Based on Income Tax Dollars Withheld

Current and Nine Years Ago

**Table 16**

2022			
Employer	Nature of Activity	Employees *	Percentage of Total City Employment
Lakewood Board of Education	School District	1,098	9.15%
Cleveland Clinic Foundation	Health Care	685	5.71
City of Lakewood	Municipality	590	4.92
St. Edward High School	Private School	322	2.68
Riser Foods Company	Grocer	305	2.54
First Mutual Holding Company	Financial Institution	197	1.64
Advance Energy Tech, Inc.	Manufacturing	137	1.14
Ferry Cap and Screw	Manufacturing	131	1.09
Roundstone Management LTD	Professional Services	130	1.08
Oneill Management	Health Care	110	0.92
Total		3,705	30.88%
Total Employment within the City		12,000	

2012		
Employer	Nature of Activity	Employees *
Lakewood Hospital	Health Care	1,413
Lakewood Board of Education	School District	1,409
City of Lakewood	Municipality	432
New York Life Insurance, Incorporated	Insurance Company	333
The MF Cachet Co.	Specialty Chemical Sales	58
Graftech International Holdings	Graphitee Industry	123
First Federal Savings and Loan Assn. of Lakewood	Financial Institution	242
Ohio Bell Telephone Company	Public Utility	160
Riser Foods Company	Grocer	290
Ferry Cap & Set Screw Co.	Manufacturing	120
Total		4,580
Total Employment within the City		11,996

Source: City of Lakewood; Department of Taxation

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

n/a - not available

# City of Lakewood, Ohio

## Full-Time City Employees by Function/Program

### Last Ten Years

**Table 17**

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>General Government</b>										
Council	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Court	15.00	13.00	14.00	13.00	15.00	13.00	13.00	14.00	15.00	15.00
Civil Service	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Mayor's Office	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Human Resources	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Community Relations	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	1.00	1.00
Finance	6.00	6.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	6.00
Income Tax	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Information System	4.00	4.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00	3.00
Utility Billing	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.00	2.00
Health/Vital Stats	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00
Law	5.00	5.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Planning and Development	6.00	6.00	6.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Community Development	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Security of Persons and Property</b>										
Police	99.00	99.00	99.00	99.00	98.00	99.00	99.00	98.00	97.00	95.00
Police - Communications	11.00	10.00	10.00	11.00	10.00	11.00	11.00	11.00	10.00	11.00
Support of Prisoners	2.00	1.00	2.00	2.00	2.00	1.00	2.00	2.00	2.00	2.00
Fire	87.00	85.00	85.00	82.00	80.00	80.00	75.00	79.00	77.00	76.00
Emergency Medical Services	3.00	5.00	5.00	8.00	8.00	8.00	9.00	9.00	9.00	12.00
Housing and Building	15.00	14.00	14.00	14.00	14.00	15.00	14.00	14.00	15.00	13.00
Parking	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Animal Control	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
<b>Public Works</b>										
Public Works Administration	3.00	3.00	2.00	3.00	3.00	3.00	2.00	2.00	1.00	1.00
Parks	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	17.00	18.00
Buildings and Facilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Construction	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Streets	14.00	13.00	13.00	14.00	14.00	13.00	14.00	14.00	14.00	14.00
Forestry	4.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Traffic Signs	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Refuse	27.00	27.00	27.00	27.00	27.00	27.00	25.00	28.00	29.00	30.00
Fleet	10.00	9.00	9.00	10.00	9.00	10.00	10.00	10.00	10.00	10.00
Communications	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water Distributions	5.00	5.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00
Water Metering	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Wastewater Collections	13.00	13.00	13.00	13.00	13.00	11.00	11.00	11.00	12.00	11.00
Wastewater Treatment	23.00	23.00	23.00	22.00	23.00	21.00	21.00	21.00	22.00	23.00
Engineering	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00	3.00
Winterhurst	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Human Services</b>										
Human Services Administration	3.00	3.00	3.00	3.00	2.00	2.00	2.00	2.00	2.00	2.00
Office on Aging IIIB	9.00	9.00	8.00	9.00	9.00	10.00	11.00	11.00	11.00	11.00
Office on Aging IIIC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Early Childhood	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Youth	6.00	6.00	5.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
<b>Totals:</b>	<u>424.00</u>	<u>417.00</u>	<u>415.00</u>	<u>419.00</u>	<u>417.00</u>	<u>417.00</u>	<u>412.00</u>	<u>419.00</u>	<u>416.00</u>	<u>415.00</u>

Source: City of Lakewood, Finance Department

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



# City of Lakewood, Ohio

## Operating Indicators by Function/Program

### Last Ten Years

Function/Program	2022	2021	2020	2019
<b>General Government</b>				
<i>Clerk of Council</i>				
Number of ordinances passed	57	52	58	46
Number of resolutions passed	70	64	79	99
<i>Civil Service</i>				
Number of police and fire entry application processed	0	133	0	0
<i>Finance Department</i>				
Number of checks/ vouchers issued	3,223	3,138	3,392	3,505
Interest earnings for fiscal year (cash basis)	\$1,488,248	\$580,252	\$973,613	\$1,811,856
<i>Income Tax</i>				
Number of Annual withholding forms processed	34,620	29,698	26,527	25,773
Number of Business net profit forms processed	2,175	2,438	2,457	2,291
<b>Public Works</b>				
<i>Engineering</i>				
Dollar amount of Construction overseen by Engineer	\$34,287,000	\$59,300,000	\$25,700,000	\$35,520,000
<i>Forestry</i>				
Number of trees planted	400	408	418	544
<i>Parking Enforcement</i>				
Number of parking tickets	9,641	11,288	9,154	12,841
<i>Refuse</i>				
Collection of resident and business garbage in tons	15,008	17,555	19,988	17,693
<i>Water</i>				
Average (MCF) of water billed monthly (in thousands)	157,632	162,934	163,597	152,421
<i>Wastewater Collection</i>				
Average (MCF) of sewer billed monthly (in thousands)	157,632	162,934	163,597	152,421
<i>Wastewater Treatment</i>				
Influent flow in millions of gallons per year	2,438	2,178	2,781	2,528
Bio-solids wet tons per year	5,017	5,260	5,286	5,191

Source: City of Lakewood



**Table 18**

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
65	58	61	51	59	50
77	60	63	59	94	70
101	97	150	0	0	67
3,844	4,763	5,245	5,494	5,577	6,477
\$1,512,827	\$755,994	\$387,280	\$136,405	\$107,466	\$15,300
30,080	33,461	32,800	28,794	26,696	26,645
1,998	2,481	2,460	2,493	2,451	2,397
\$56,300,000	\$15,895,682	\$25,000,000	\$10,525,600	\$4,958,463	\$4,548,953
422	451	415	415	378	275
12,145	12,177	13,968	13,791	13,155	4,568
16,907	15,525	16,358	16,075	14,774	15,606
160,189	165,275	181,664	182,139	172,472	185,803
160,189	165,275	181,664	182,139	172,472	185,803
2,599	2,216	2,379	2,607	2,730	2,741
4,975	4,735	4,787	5,030	4,737	5,303

# City of Lakewood, Ohio

## Operating Indicators by Function/Program (continued)

### *Last Ten Years*

Function/Program	2022	2021	2020	2019
<b>Security of Persons and Property</b>				
<i>Police</i>				
Total calls for services	28,360	24,471	30,270	30,270
Number of citations issued	5,135	3,846	3,592	5,531
<i>Fire</i>				
Total calls for services-Fire	1,918	1,991	1,435	1,314
Total calls for services-EMS	5,362	5,360	5,409	5,312
<b>Community Environment</b>				
<i>Building Department</i>				
Estimated value of construction	\$68,301,409	\$59,456,365	\$35,466,655	\$35,800,000
Number of permits issued (all types)	3,066	2,966	2,733	2,958
<b>Leisure Time Activities</b>				
<i>Parks</i>				
Recreation Men's and Women's Leagues receipts	\$6,220	\$6,160	\$0	\$6,485
Recreation Youth Activities receipts	\$78,985	\$75,351	\$47,000	\$85,253

Source: City of Lakewood

**Table 18**

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<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
44,933	52,666	57,074	59,833	54,430	42,601
5,279	6,002	6,528	7,859	9,476	7,543
2,109	2,187	2,319	2,043	1,406	1,828
5,475	5,338	5,383	5,354	5,301	5,328
\$37,800,000	\$76,525,044	\$33,001,286	\$108,813,914	\$29,889,659	\$28,056,591
2,945	2,988	2,864	2,574	2,449	2,469
\$6,850	\$6,783	\$6,295	\$5,975	\$5,798	\$5,675
\$86,015	\$85,495	\$81,500	\$78,900	\$78,569	\$79,841

# City of Lakewood, Ohio

## Capital Assets Statistics by Function/Program

### Last Ten Years

Function/Program	2022	2021	2020	2019
<b>Security of Persons and Property</b>				
<b>Police</b>				
Stations	1	1	1	1
Vehicles	54	54	54	52
<b>Fire</b>				
Stations	3	3	3	3
Vehicles	20	20	20	23
<b>Leisure Time Activities</b>				
<b>Parks</b>				
Number of Parks	15	15	15	15
Number of Ice Rinks	2	2	2	2
Number of Skateboarding Areas	1	1	1	1
Number of Baseball Diamonds	5	6	5	5
Number of Soccer Fields	1	2	1	1
<b>Transportation</b>				
<b>Service</b>				
Streets (miles)	93	102	93	93
Street Lights	1,488	1,488	1,488	1,488
<b>Water and Sewer</b>				
Water Lines (miles)	112	120	112	112
Sanitary Sewers (miles)	75	65	75	75
Storm Sewers (miles)	66	69	66	66
Combined Sewers (miles)	25	35	25	25

Source: City of Lakewood

**Table 19**

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<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
1	1	1	1	1	1
53	47	51	51	49	49
3	3	3	3	3	3
23	21	18	18	15	15
15	15	15	15	15	15
2	2	2	2	2	2
1	1	1	1	1	1
5	5	5	5	5	5
1	1	1	1	1	1
93	93	93	93	93	93
1,488	1,488	1,488	1,488	1,488	1,488
112	112	112	112	112	112
75	75	75	75	75	75
66	66	66	66	66	66
25	25	25	25	25	25



# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF LAKEWOOD**

**CUYAHOGA COUNTY**

## **AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 8/8/2023**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)