



OHIO AUDITOR OF STATE
KEITH FABER



CITY OF LAKEWOOD
CUYAHOGA COUNTY
DECEMBER 31, 2019

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**CITY OF LAKEWOOD
CUYAHOGA COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2019**

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Number	Pass-Through to Subrecipient	Total Federal Expenditures
<u>U.S. Department of Housing and Urban Development</u>				
<i>Direct Programs</i>				
CDBG-Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218	N/A	\$ 185,718 *	\$ 1,834,306
Total CDBG-Entitlement Grants Cluster			<u>185,718</u>	<u>1,834,306</u>
Emergency Solutions Grant Program	14.231	N/A	0	226,488
<i>Total Direct Programs</i>			<u>185,718</u>	<u>2,060,794</u>
<i>Pass-Through Cuyahoga County Housing Consortium</i>				
HOME Investment Partnerships Program Grant	14.239	CE-0400-354-01	0 *	145,502
<i>Total Pass-Through Programs</i>			<u>0</u>	<u>145,502</u>
Total U.S. Department of Housing and Urban Development			<u>185,718</u>	<u>2,206,296</u>
<u>U.S. Department of Justice</u>				
<i>Direct Program</i>				
JLEO-Joint Law Enforcement Operations - Overtime Reimbursement	16.111	N/A	0	53,962
Total U.S. Department of Justice			<u>0</u>	<u>53,962</u>
<u>U.S. Department of Transportation</u>				
<i>Pass-Through Ohio Department of Transportation</i>				
Riverside Drive	20.205	PID 104243		223,094
Lakewood Heights Blvd.	20.205	PID 100257		896,695
Total U.S. Department of Transportation			<u>0</u>	<u>1,119,789</u>
<u>U.S. Department of Health and Human Services</u>				
<i>Pass-Through Western Reserve Area Agency on Aging</i>				
<i>Aging Cluster:</i>				
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	N/A	0	56,893
Total Aging Cluster			<u>0</u>	<u>56,893</u>
Total U.S. Department of Health and Human Services			<u>0</u>	<u>56,893</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 185,718</u>	<u>\$ 3,436,940</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, 2019
(CONTINUED)**

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, 2019. 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, 2019
(CONTINUED)**

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, 2019, the gross amount of loans outstanding under this program is \$1,346,674. 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 \$68,461 to the City for the Congregate Meal Program and \$114,608 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 \$4.21 for the Congregate Meal Program per meal served and \$4.39 for the Home Delivered Meal Program per meal served. For the year ended December 31, 2019, the City served 16,258 and 26,136 meals through the City's Office on Aging Congregate Meal Program and Home Delivered Meal Program, respectively.

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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 auditing standards generally accepted in the United States and 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, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 31, 2020.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

July 31, 2020

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 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

We have audited the City of Lakewood's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the City of Lakewood's major federal programs for the year ended December 31, 2019. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City's major federal programs.

Management's Responsibility

The City's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the City's compliance for the City's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in 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). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal programs occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the City's major programs. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Lakewood complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal programs for the year ended December 31, 2019.

Other Matters

Subsequent to issuing our *Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Federal Program And on Internal Control Over Compliance Required by The Uniform Guidance* dated July 31, 2020, we determined that the Highway Planning and Construction Grant, CFDA # 20.205, should have been audited as a major program.

Report on Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

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

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

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. 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 also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Lakewood (the City) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated July 31, 2020. We conducted our audit to opine on the City's basic financial statements as a whole. We have not performed any procedures to the audited financial statements subsequent to July 31, 2020. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, 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, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Keith Faber
Auditor of State
Columbus, Ohio

July 31, 2020, except for Highway Planning and Construction Grant, CFDA # 20.205 described above, which is as of December 11, 2020.

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**CITY OF LAKEWOOD
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2019**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	Community Development Block Grant - CFDA #14.218; Highway Planning and Construction Grant - CFDA #20.205
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	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

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City of Lakewood, Ohio

Comprehensive Annual Financial Report

For the Year Ending December 31, 2019



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City of Lakewood, Ohio

Comprehensive Annual Financial Report

For the Year Ending December 31, 2019

CITY OF LAKEWOOD, OHIO



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED

DECEMBER 31, 2019

Issued by:

City of Lakewood
Department of Finance

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

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INTRODUCTORY SECTION

City of Lakewood, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2019
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Peter Rancatore
Director of Finance

July 31, 2020

Dear Members of Council,
and the Citizens of the City of Lakewood:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Lakewood (the “City”) for the year ended December 31, 2019.

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, 2019. 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 5.66 square miles and is in on the shores of Lake Erie in Northeast Ohio, about five miles west of downtown Cleveland. The City is home to a population of 52,131 residents according to the 2010 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.

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, debt issuance, cash management, risk management, income tax collection, utility billing, and vital statistics.

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

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

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

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

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.

Local Economy

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 bricks 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 52,000 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 Loan Home, First Time Homebuyer and Home Improvement Grants.

Additionally, the City has helped to foster a fertile entrepreneurial environment through programs such as Start UP Lakewood, a business development and entrepreneurship initiative that provides technical assistance to aspiring entrepreneurs by tapping into the City's strong business community.

Commercial Growth and Stability

The City's retail occupancy held strong in 2019, and Detroit Avenue continues to have a strong retention rate and has seen several national chains invest in the corridor including Raising Cane's Chicken Fingers, Starbucks, and Orange Theory Fitness. Small local businesses have also opened or expanded along Detroit including Sacred Hour, Toni's Pizza, and Ohio City Burrito.

Madison Avenue, the community's second major retail corridor, has stabilized as a strong retail and business corridor. These storefronts have seen a lot of private investment supported by the City's Commercial Property Reinvestment Program. Between 2017 and 2019 ten Madison Avenue businesses have applied and received rebate and grant assistance in the amount of \$174,000. Many small local businesses have opened along Madison in 2019 including Hola Tacos, Chilly Kicks, Two Bucks Lakewood, Blossom Cleveland, and Revival Body Care.

GTI Ohio LLC started construction on two medical marijuana dispensaries in Lakewood, one on the east end of Madison Avenue and the other on the west end of Detroit Avenue. The Madison Avenue location opened for business in 2019 while the other opened in early 2020. The RISE stores were developed on two formerly vacant lots.

The City's commercial corridors have seen several innovative projects take shape over the last few years. The Lakewood Truck Park, beer garden and food truck concept started construction in 2019. This \$1.5 million project is scheduled to open in 2020.

The City's storefront renovation grants continue to be popular with businesses. Between 2018 and the end of 2019, twelve projects were completed. These grants and rebates of \$233,198 in public funds. Participating businesses additionally invested \$940,000 in private funds.

Industrial and Technology Industries

The City's tech sector is holding strong and seeing gains with growth companies such as Onyx, Within3, Inc., NeoGraf, Tempest, and Ferry Cap & Screw. University Tees and 717 Inc., a tee shirt design and print making company, has also demonstrated growth in space and number of employees each year since it moved to City in 2008. The company has partnered with the owners of the former Lake Erie Screw Factory to creatively expand office and production space in an industrial mixed-use complex in Birdtown.

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 most household income ranges. 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 assist residents reinvesting in their homes. The initial city-wide housing survey in 2011 was updated in 2013, 2015 and 2018. The survey is a disciplined strategy to focus the City's attention on the properties that have major code violations or need many small improvements.

In addition to educating property owners on best practices to improve their homes, the City is making significant effort to connect these owners to resources for improvements through the Division of Community Development. Since 2014, 173 properties have been improved using the City's low interest loan and grant programs. This represents a \$2,400,000 direct investment into Lakewood's housing stock.

In 2019 an Affordable Housing Strategy addressing the needs of low to middle income homebuyers and tenants was developed and presented to Lakewood City Council. The strategy is intended to be a living document that responds to the City's changing housing market. The City is using this tool to develop affordable rental housing for low- and middle-income renters, preserve affordable housing options for low income buyers and strengthen relationships with developers, CMHA and local non-profits.

Improvements in the housing stock are demonstrated in property and sales values. The City saw 8% growth in housing value as of the 2015 tri-annual reappraisal, one of only three communities in the County to see such improvement. This was followed by a 22.5% increase in the 2018 tri-annual reappraisal for residential property. The single-family home median sale price has increased from \$114,500 to \$197,000 at the end of 2019. This is a 51% increase since 2015 when the median sales value was \$130,750.

Another positive trend in the residential market are the City's public-private partnerships with private developers to construct single-family infill houses. The City partnered with three local builders to construct new homes on seven independent residential lots in 2018. The average sales price for the newly constructed homes was \$250,000 for a total value of approximately \$1.75 million. In 2019, 9 private investors pulled permits to build new infill single family homes. These new investments are being made without public funding.

There has been new multifamily development in the City as well. McKinley Place began construction on 40 units in 2016. This \$17 million project recently sold its last remaining unit. Rockport Townhomes completed 51 townhouse units in a \$12 million development in 2018. The Mews, a \$2.5 million nine-unit townhouse complex adjacent to the Rockport development, was approved in 2018 and will break ground in 2019. Center North is a \$14 million project that converted an antiquated office high-rise to 183 apartment units. The first two phases of this project are completely leased with the third phase under construction.

Redevelopment

As a built out inner ring suburb, the City does not typically have significant acreage to redevelop for new projects. Although, when opportunities arise to reposition key real estate the community can see gains due to strategic partnerships and the Community Vision, which underwent a comprehensive update in 2019.

One Lakewood Place is a 5.6-acre mixed-use project in the City's Downtown district. The project accomplished two important milestones in 2019, completing demolition and receiving final approval for rezoning of the property.

In 2018, the City of Lakewood purchased Trinity Lutheran Church and adjacent commercial buildings. The City launched a Request for Proposals in 2019 to redevelop the site and chose local developer, Scalish Construction to lead the conversion of the church into their headquarters, preserving the church and retail storefronts and adding a residential component on the site. Construction is expected to begin in 2020.

St. Edward's High School is also making major investments, starting construction on their \$7 million commons area in 2019. The commons area includes 15,000 square foot addition creating a new entrance, dining hall, and courtyard for their students.

Several multi-family developments are underway at previously vacant or underutilized sites. St. Clement Parish partnered with a developer in 2019 to demolish their former school building and build a proposed 16 townhomes along Madison Avenue. This project is expected to complete the approval process in 2020. A former Marathon Gas Station, located in the middle of a residential district will also be redeveloped at a total project cost of over \$2 million. The Lake Avenue Homes project consists of four cluster homes with first floor masters, an important investment to diversify Lakewood's housing stock.

The former Barry Buick property and former Spitzer property also started the City's approval process in 2019. Both site proposals include mixed-use apartment buildings with over 100 units at each site.

Recreation

The City is also investing in its park spaces. Wagar Park is budgeted for \$1 million and began construction in 2019. Edwards Park and St. Charles green are also scheduled for improvements in 2020. In all, an estimated \$6 million has been spent improving our public parks over the past five years.

Major Initiatives Going Forward

During 2019, the City continued the visioning and strategic planning that began in 2013 as detailed in that year's Comprehensive Annual Financial Report.

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

Vision *What the City Wants to Be / Achieve*

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

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

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

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

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

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

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

The City's 2019 and beyond Strategic Objectives as outlined by the Administration as well as City Council Priorities in the 2019 budget are presented below. Discussions of how individual departments will make these investments can be found in each division's respective budget narrative.

The Objectives outline specific actions to be carried out by the City during 2019 and beyond, and if it is a new objective or a continuation of prior year efforts. As part of the 2019 budget deliberations, City Council undertook a budget prioritization process that recommended the following projects or policies which are included in the 2019 appropriations:

- Pool Equipment to Improve Usability of Pool
- Upgrade and Improve Webb Park
- Supplemental Curb Replacement Funding (curb conditions to be included in the 2019 Pavement Condition Rating Study)
- Full Court Basketball
- Create a Public Art Plan for the City
- Implement Lakewood's Bicycle Master Plan
- Acquire and Install Electric Vehicle Charging Stations
- Lakewood Park Recycling Pilot Program
- Support Project SOAR (Supporting Opiate Addiction Recovery)
- Focus on Clean and Renewable Energy

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:

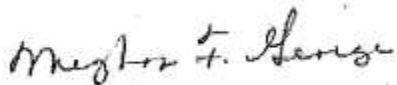
- The City of Lakewood received the Auditor of State Award with Distinction for its 2018 Comprehensive Annual Financial Report. The award is presented to the top five percent of governments that meet specific criteria during their financial audit. The Auditor of State Award with Distinction is given to entities that file an annual CAFR and timely financial reports, as well as receive a ‘clean’ audit report. The clean audit report means that Lakewood’s financial audit did not contain findings for recovery, material citations, material weaknesses, significant deficiencies, Single Audit findings or any questioned costs.
- The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Lakewood for its (CAFR) for the year ended December 31, 2018. This was the 38th consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of only one year. The Finance Department believes the current CAFR continues to meet the Certificate of Achievement Program’s requirements and is submitting it to the GFOA for determination of eligibility for another certificate.

Acknowledgements:

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

On behalf of the City, we want to personally thank James G. Zupka, CPA, Inc. for their assistance in the preparation of this report. We would also like to thank the Auditor of State Keith Faber and his staff for their efforts and professional conduct throughout the audit engagement.

Respectfully submitted,



Meghan F. George
Mayor



Peter Rancatore
Director of Finance





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Lakewood
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morrill

Executive Director/CEO

City of Lakewood, Ohio
Elected Officials
December 31, 2019

Mayor..... Michael Summers*
Municipal Court Judge..... Patrick Carroll
City Council At Large..... Thomas Bullock
City Council At Large..... Meghan F. George
City Council At Large..... Tristan Rader

City Council by Wards:

Ward 1..... David Anderson
Ward 2..... Sam O’Leary, Council President
Ward 3..... John Litten
Ward 4..... Daniel O’Malley

.
Meghan F. George became mayor effective January 1, 2020.

City of Lakewood, Ohio

Appointed Officials

December 31, 2019

Office of Council

Clerk of Council.....Maureen Bach

Municipal Court

Clerk of Court Christina McCallum

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

Department of Law

Director of Law Kevin Butler

Department of Finance

Director of FinanceJennifer R. Pae

Department of Public Works

Director of Public WorksJoseph Beno

Department of Public Safety

Chief of Police Timothy Malley

Chief of Fire..... Scott Gilman

Department of Human Services

Director of Human Services.....Antoinette Gelsomino

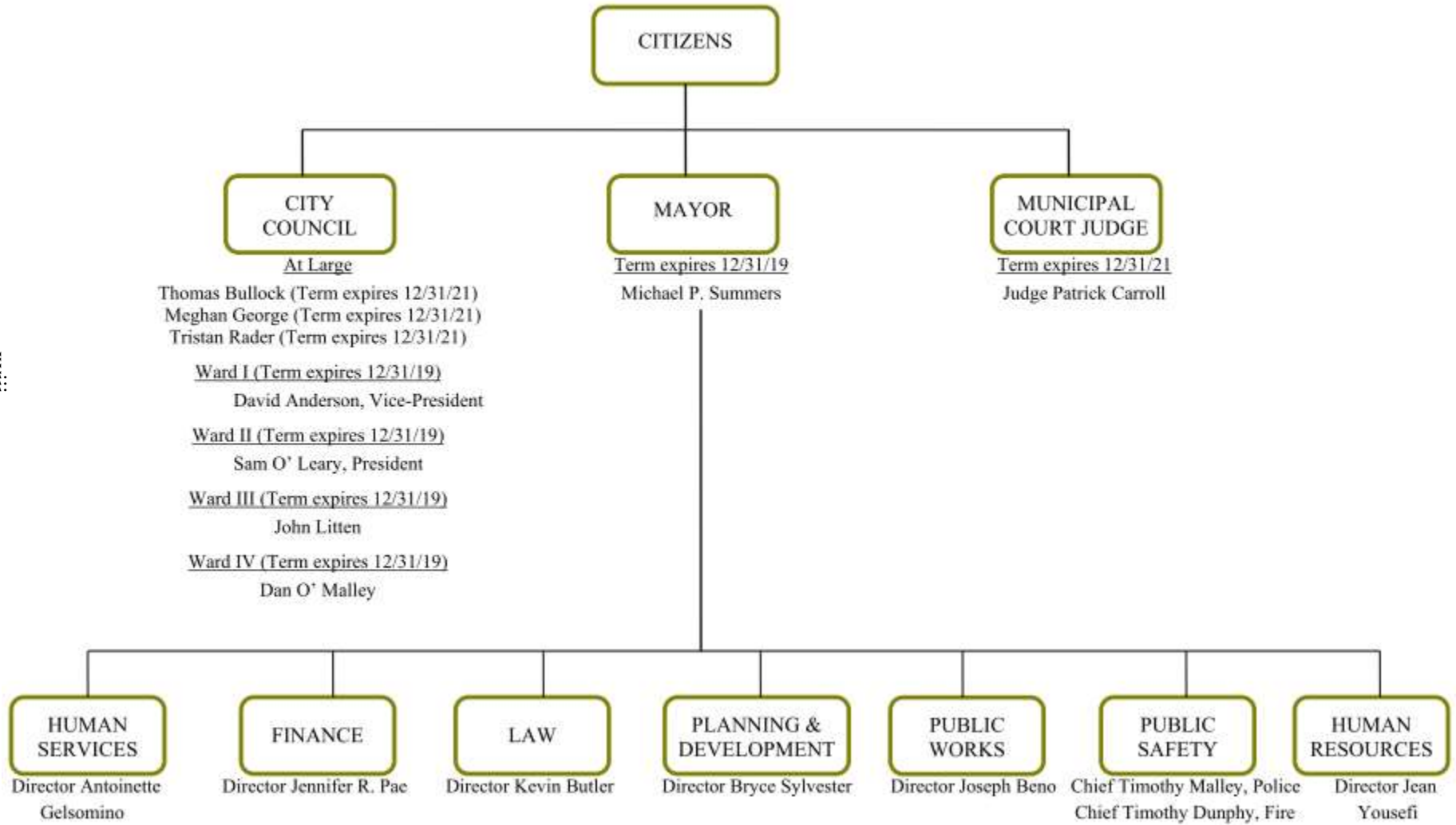
Department of Planning and Community Development

Director of Planning and DevelopmentBryce Sylvester

Department of Human Resources

Director of Human Resources..... Jean Yousefi

City of Lakewood, Ohio
Organizational Chart
December 31, 2019



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FINANCIAL SECTION

OHIO AUDITOR OF STATE KEITH FABER



Lausche Building, 12th Floor
615 Superior Avenue, NW
Cleveland, Ohio 44113-1801
(216) 787-3665 or (800) 626-2297
NortheastRegion@ohioauditor.gov

INDEPENDENT AUDITOR'S REPORT

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

To the City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lakewood, Cuyahoga County, Ohio (the City), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lakewood, Cuyahoga County, Ohio, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General, Police and Fire Pension Fund, Community Development Block Grant Fund, and Lakewood Hospital Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *management's discussion and analysis*, and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the City's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derives from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 31, 2020, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

Keith Faber
Auditor of State

Columbus, Ohio

July 31, 2020

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City of Lakewood, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
Unaudited

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, 2019. 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 2019 are as follows:

- Overall, governmental activities revenues (including transfers) of \$68,455,340 exceeded the expenses, which came in at \$39,247,291 resulting in an increase in net position by \$29,208,049 for the year 2019. The total governmental activities' net position was \$39,325,625 compared to \$10,117,576 in the previous year. The Ohio Police and Fire Pension Fund made a change in its health care model resulting in a decrease in its current year OPEB expense. The OPEB accrual entry decreased the City's Security of persons and property expense by \$24,138,818 from 2018.
- Overall, business-type activities revenues of \$37,920,487 exceeded the expenses (including transfers) which came in at \$22,641,685 resulting in an increase in net position by \$15,278,802 for the year 2019. The total business-type activities' net position was \$99,470,466 compared to \$84,191,664 in the previous year.
- The City issued bond anticipation notes during 2019 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, 2019
Unaudited

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

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

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

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

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

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

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

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

City of Lakewood, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
Unaudited

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 30-33 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 34-35 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 37-98 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 100-178 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 2019?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by the private sector. The basis of this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

City of Lakewood, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
Unaudited

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

- Assets
- Deferred Outflows of Resources
- Liabilities
- Deferred Inflows of Resources
- Net Position (Assets and Deferred Outflows of Resources minus Liabilities and Deferred Inflows of Resources)
- Program Revenues and Expenses
- General Revenues
- Net Position Beginning of Year, Restated 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 page 9 provides a summary of the City's net position for 2019 compared to 2018.

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City of Lakewood, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
Unaudited

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018 *	2019	2018 *
ASSETS						
Current and other assets	\$95,413,228	\$88,131,853	\$38,789,251	\$36,577,524	\$134,202,479	\$124,709,377
Capital assets, net	92,345,133	87,354,590	130,775,824	110,469,520	223,120,957	197,824,110
Net Pension Asset	77,228	81,862	19,052	20,195	96,280	102,057
Total Assets	187,835,589	175,568,305	169,584,127	147,067,239	357,419,716	322,635,544
DEFERRED OUTFLOWS OF RESOURCES						
Deferral on Refunding	51,214	61,873	251,257	274,105	302,471	335,978
Pension	20,819,378	9,551,386	1,794,127	863,285	22,613,505	10,414,671
OPEB	4,503,194	4,642,823	247,723	188,106	4,750,917	4,830,929
Total Deferred Outflows of Resources	25,373,786	14,256,082	2,293,107	1,325,496	27,666,893	15,581,578
LIABILITIES						
Current and other liabilities	5,119,570	4,106,385	5,920,749	2,753,864	11,040,319	6,860,249
Long-term liabilities:						
Due within one year	15,261,334	20,024,854	19,323,958	23,082,144	34,585,292	43,106,998
Due in more than one year:						
Net Pension Liability	75,795,836	52,931,727	5,934,709	3,389,114	81,730,545	56,320,841
Net OPEB Liability	17,147,412	45,562,431	2,806,220	2,314,075	19,953,632	47,876,506
Other Amounts	41,660,738	34,765,640	36,442,903	29,749,724	78,103,641	64,515,364
Total Liabilities	154,984,890	157,391,037	70,428,539	61,288,921	225,413,429	218,679,958
DEFERRED INFLOWS OF RESOURCES						
Property Taxes	14,469,912	14,695,146	1,879,210	1,908,459	16,349,122	16,603,605
Payments in Lieu of Taxes	1,197,326	920,786	0	0	1,197,326	920,786
Pension	1,237,325	5,580,420	91,405	831,308	1,328,730	6,411,728
OPEB	1,994,297	1,119,422	7,614	172,383	2,001,911	1,291,805
Total Deferred Inflows of Resources	18,898,860	22,315,774	1,978,229	2,912,150	20,877,089	25,227,924
NET POSITION						
Net Investment in						
Capital Assets	48,340,802	43,044,549	75,661,907	58,378,500	124,002,709	101,423,049
Restricted	31,866,227	34,551,535	0	0	31,866,227	34,551,535
Unrestricted	(40,881,404)	(67,478,508)	23,808,559	25,813,164	(17,072,845)	(41,665,344)
Total Net Position	\$39,325,625	\$10,117,576	\$99,470,466	\$84,191,664	\$138,796,091	\$94,309,240

* - Restated

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2019 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 and net pension asset.

City of Lakewood, Ohio
Management's Discussion and Analysis
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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 and the net OPEB liability 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 and net OPEB liability, 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 \$138,796,091 at the close of 2019.

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 \$46,869,487 from 2018 to 2019, while the City's total liabilities and deferred inflows of resources increased by \$2,382,636. Total net position increased \$44,486,851 with governmental activities comprising \$29,208,049 and business-type activities comprising \$15,278,802 of that amount. Most of the increase in net position is from the Ohio Police and Fire Pension Fund made a change in its health care model resulting in a decrease in its current year OPEB expense. This change decreased the City's Security of persons and property expense by \$24,138,818 from 2018.

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	
	2019	2018	2019	2018	2019	2018
REVENUES						
Program Revenues:						
Charges for Services	\$8,081,543	\$7,623,856	\$22,735,146	\$22,007,973	\$30,816,689	\$29,631,829
Operating Grants and Contributions	6,370,035	13,812,981	0	0	6,370,035	13,812,981
Capital Grants and Contributions	2,230,231	1,240,093	12,759,346	427,333	14,989,577	1,667,426
Total Program Revenues	16,681,809	22,676,930	35,494,492	22,435,306	52,176,301	45,112,236
General Revenues:						
Property Taxes	14,934,373	12,520,782	1,939,500	1,626,074	16,873,873	14,146,856
Municipal Income Taxes	26,449,000	24,888,422	0	0	26,449,000	24,888,422
Payments in Lieu of Taxes	1,203,835	941,486	0	0	1,203,835	941,486
Grants and Entitlements	4,493,661	3,662,605	0	0	4,493,661	3,662,605
Investment Income	1,957,645	1,242,399	406,829	170,019	2,364,474	1,412,418
All Other Revenues	749,911	847,206	79,666	116,922	829,577	964,128
Total General Revenues	49,788,425	44,102,900	2,425,995	1,913,015	52,214,420	46,015,915
Total Revenues	66,470,234	66,779,830	37,920,487	24,348,321	104,390,721	91,128,151
EXPENSES						
Program Expenses:						
Security of Persons and Property:						
Police and Others	3,228,856	17,242,593	0	0	3,228,856	17,242,593
Fire	558,866	13,461,208	0	0	558,866	13,461,208
Public Health Services	2,342,903	1,939,618	0	0	2,342,903	1,939,618
Leisure Time Activities	3,435,810	2,895,785	0	0	3,435,810	2,895,785
Community Environment	6,741,072	6,946,597	0	0	6,741,072	6,946,597
Basic Utility Services	4,435,535	4,004,891	0	0	4,435,535	4,004,891
Transportation	4,392,858	3,828,421	0	0	4,392,858	3,828,421
General Government	12,468,984	9,881,664	0	0	12,468,984	9,881,664
Interest and Fiscal Charges	1,642,407	1,396,077	0	0	1,642,407	1,396,077
Water	0	0	10,118,101	8,848,326	10,118,101	8,848,326
Sewer	0	0	9,567,217	9,761,987	9,567,217	9,761,987
Parking Facilities	0	0	564,963	369,619	564,963	369,619
Winterhurst Ice Rink	0	0	406,298	426,844	406,298	426,844
Total Expenses	39,247,291	61,596,854	20,656,579	19,406,776	59,903,870	81,003,630
Change in Net Position before Transfers	27,222,943	5,182,976	17,263,908	4,941,545	44,486,851	10,124,521
Transfers	1,985,106	1,833,460	(1,985,106)	(1,833,460)	0	0
Change in Net Position	29,208,049	7,016,436	15,278,802	3,108,085	44,486,851	10,124,521
Net Position - Beginning of Year, Restated	10,117,576	3,101,140	84,191,664	81,083,579	94,309,240	84,184,719
Net Position - End of Year	\$39,325,625	\$10,117,576	\$99,470,466	\$84,191,664	\$138,796,091	\$94,309,240

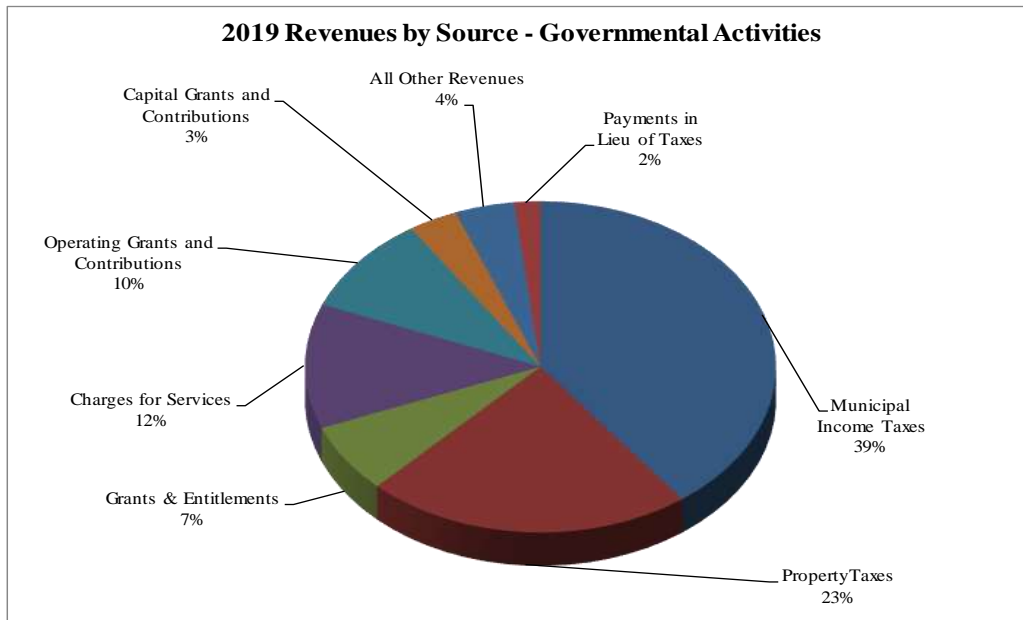
Governmental Activities

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 2019. 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 2019 was \$26,449,000. Of the \$66,470,234 in total governmental revenues, income tax accounts for 40 percent of that total. Property taxes and payment in lieu of taxes of \$16,138,208 account for 24 percent of total revenues. Operating/capital grants and contributions, and general revenues from grants and entitlements account for 20 percent of total revenues, and charges for services, investment income and other revenue make up the remaining 16 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 decreased by \$309,596 from 2018 to 2019. Operating and Grants experienced the largest decrease of \$7,442,946 due to final receipts of monies associated with the closure of Lakewood Hospital received in 2018, which was offset by the increase in Property Taxes and Municipal Income Taxes of \$2,413,591 and \$1,560,578, respectively, which was due to the reappraisal of all properties in the City by the Cuyahoga County Fiscal Officer. Investment Income also increased by \$715,246.

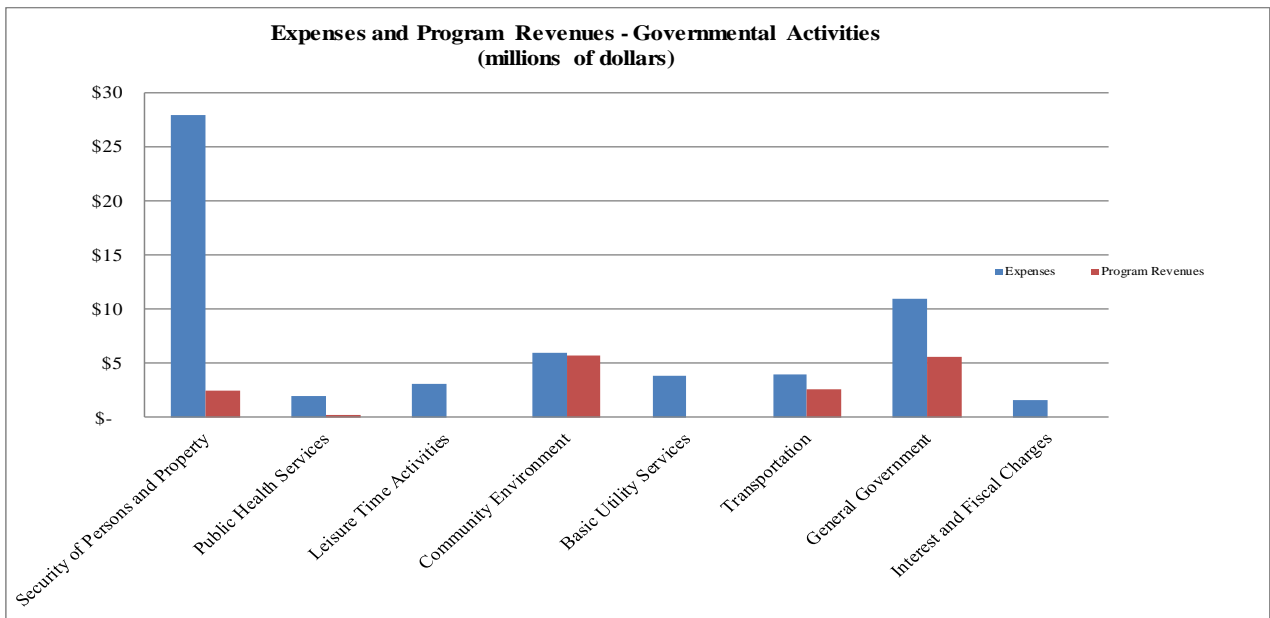
The provisions of GASB Statements 68 and 75 require the City to recognize a pension/OPEB accrual adjustment that reduces expenses by \$20,142,859 in 2019 and increase expenses by \$6,419,091 in 2018. As a result, it is difficult to ascertain the true operational cost of services and the changes in cost 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	
	2019	2018
EXPENSES		
Program Expenses:		
Security of Persons and Property:		
Police and Others	\$ 15,289,370	\$ 14,834,143
Fire	12,637,170	11,165,162
Public Health Services	2,001,196	1,800,596
Leisure Time Activities	3,052,273	2,726,791
Community Environment	5,957,986	6,613,652
Basic Utility Services	3,883,398	3,752,639
Transportation	3,983,724	3,652,431
General Government	10,942,626	9,236,272
Interest and Fiscal Charges	1,642,407	1,396,077
Total Expenses	\$ 59,390,150	\$ 55,177,763

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Total expenses (from table on previous page) of governmental activities for 2019 were \$59,390,150. 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 \$27,926,540, which is 47 percent of the program expenses for governmental activities. General Government is the next largest program expense at 18 percent, followed by Community Environment expenses of 10 percent.

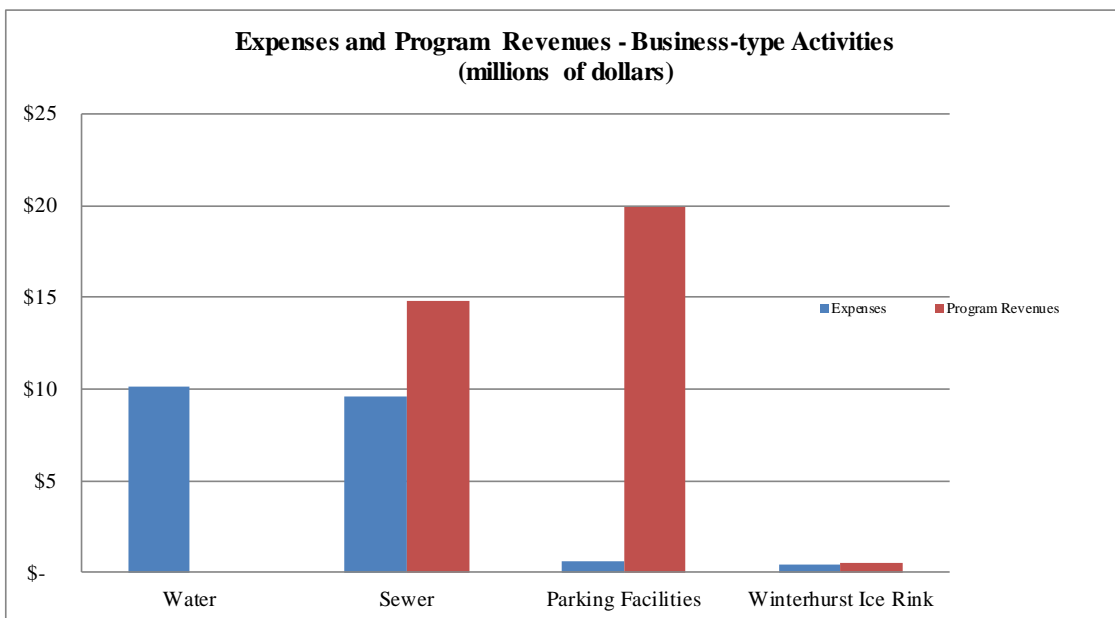
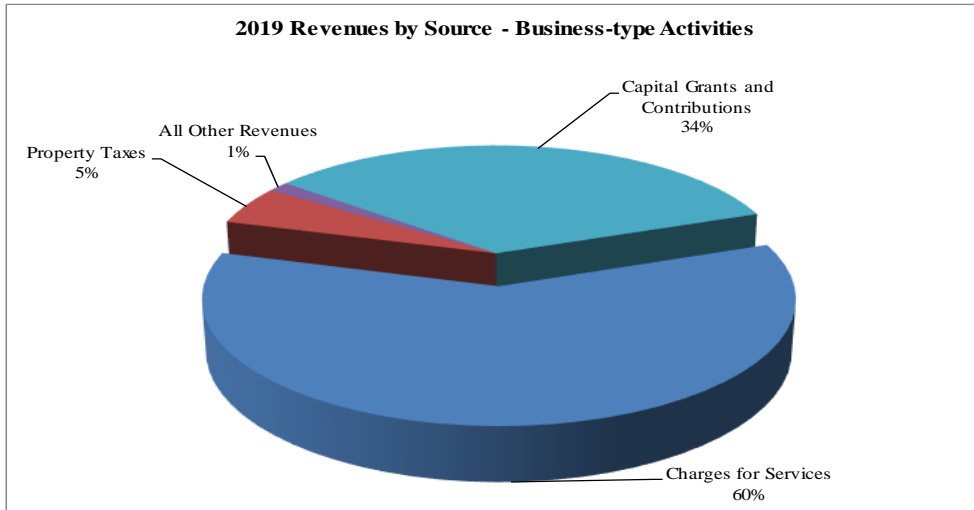
Total expenses of governmental activities increased by \$4,212,387 from 2018 to 2019. This was mainly due to increases in Security of Persons and Property and General Government.



Business-Type Activities

Business-type activities increased the City's net position by \$15,278,802. 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 due to grants from the Ohio Public Works Commission for capital projects. Total expenses of business-type activities were \$20,656,579, with the Water Department comprising 49 percent of that amount followed by the Sewer Department at 46 percent. Total revenues increased by \$13,572,166 due to grants received in 2019. Total expenses increased by \$1,249,803 from 2018 to 2019.

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Financial Analysis of the Government's Funds

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

Governmental Funds

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

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As of December 31, 2019, the City's governmental funds reported combined ending fund balances of \$54,590,012, a \$4,585,751 increase from 2018. Of that amount, \$10,609,764 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 \$45,040,329 and expenditures of \$46,203,254 (not including other financing sources and uses) leaving an increase in fund balance after other financing sources and uses of \$1,863,158. This increase is primarily due to an increase in interest earnings coupled with a decrease in transfers out.

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 \$10,668,340, while the total fund balance reached \$16,721,233. 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 22 percent of total General Fund expenditures (including other financing uses), while total fund balance represents 35 percent of that same amount.

The Police and Fire Pension Fund had total revenues of \$3,568,141 and expenditures of \$3,218,275 with a net change in fund balance after other financing uses of \$349,866.

The Community Development Block Grant Fund had total revenues of \$1,823,792 and expenditures of \$1,700,136 with a net change in fund balance of \$123,656.

The Lakewood Hospital Fund had total revenues of \$3,048,323 and expenditures of \$2,302,753 with a net change in fund balance after other financing uses of \$745,570. The increase was mainly due to receipt of monies associated with the closure of Lakewood hospital.

The Debt Service Fund had total revenues of \$4,615,742, expenditures of \$16,179,695, and a net change in fund balance after other financing sources and uses of \$395,172. The fund balance's increase was due to the issuance of Bond Anticipation Notes in 2019.

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 \$23,808,559. The City's Water and Sewer Funds experienced increases in net position during 2019. The City's efforts to keep utility rates sufficient to cover expenses are evident in the increases in net position for 2019.

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 2019, 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).

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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 \$42,021,119. Actual revenues and other financial sources were \$44,573,665. The main differences between budgeted and actual revenues are property taxes, income tax revenues and interest. Due to economic factors during the year, property taxes, income taxes, licenses, intergovernmental, interest and miscellaneous increased in 2019 over 2018 while charges for services and fines and forfeitures decreased in 2019 compared to 2018. Original General Fund budgeted expenditures and other financing uses were \$43,089,979 and the final amended budget was \$48,904,470. Actual General Fund expenditures and other financing uses were \$48,380,078 or \$524,392 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 \$7,929,097 was \$3,076,938 above the final budgeted amount of \$4,852,159.

Capital Assets and Debt Administration

Capital Assets - The City's investment in capital assets for governmental and business-type activities as of December 31, 2019, amounts to \$223,120,957 (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	
	2019	2018	2019	2018	2019	2018
Land	\$6,139,702	\$6,139,702	\$78,140	\$78,140	\$6,217,842	\$6,217,842
Construction in progress	1,378,284	1,480,408	23,774,395	13,206,133	25,152,679	14,686,541
Total Non-Depreciable	7,517,986	7,620,110	23,852,535	13,284,273	31,370,521	20,904,383
Land improvements	7,351,860	7,596,770	11,511,533	10,351,923	18,863,393	17,948,693
Buildings and improvements	14,792,427	12,822,158	12,327,593	12,569,014	27,120,020	25,391,172
Furniture and equipment	2,350,621	2,275,548	2,899,583	3,025,098	5,250,204	5,300,646
Vehicles	8,366,409	7,857,086	1,489,054	1,629,031	9,855,463	9,486,117
Infrastructure:						
Roads	40,900,260	38,391,436	0	0	40,900,260	38,391,436
Traffic Signals	4,620,265	4,809,649	0	0	4,620,265	4,809,649
Sidewalks	5,614,887	5,139,053	62,514	63,165	5,677,401	5,202,218
Curbing	830,418	842,780	0	0	830,418	842,780
Water Lines	0	0	52,370,922	43,980,491	52,370,922	43,980,491
Sewer Lines	0	0	26,262,090	25,566,525	26,262,090	25,566,525
Total Depreciable, Net of Depreciation	84,827,147	79,734,480	106,923,289	97,185,247	191,750,436	176,919,727
Total Capital Assets, Net of Depreciation	\$92,345,133	\$87,354,590	\$130,775,824	\$110,469,520	\$223,120,957	\$197,824,110

The total increase in the City's capital assets for the current fiscal year was \$25,296,847, a \$4,990,543 increase for governmental activities and a \$20,306,304 increase for business-type activities. The most significant increase in capital assets came in the Buildings and improvements and roads category within the governmental activities. The most significant increase in capital assets came in the construction in progress category and Water Lines within the business-type activities for sewer projects.

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

Debt – As of December 31, 2019, the City had \$104,080,543 in bonds, notes, loans, and capital leases outstanding. Of this amount, \$29,887,796 is due within one year.

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
General Obligation Notes -						
Long-term	\$6,432,334	\$12,005,729	\$16,334,027	\$19,339,490	\$22,766,361	\$31,345,219
General Obligation Notes -						
Short-term	0	0	0	1,000,000	0	1,000,000
General Obligation Bonds	35,766,991	29,016,850	29,276,496	23,135,335	65,043,487	52,152,185
OPWC Loan	0	0	7,503,743	4,939,125	7,503,743	4,939,125
Capital Leases	6,516,044	6,177,769	2,250,908	4,042,553	8,766,952	10,220,322
Total Outstanding Debt	<u>\$48,715,369</u>	<u>\$47,200,348</u>	<u>\$55,365,174</u>	<u>\$52,456,503</u>	<u>\$104,080,543</u>	<u>\$99,656,851</u>

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

The City's overall legal debt margin was \$68,340,835 at December 31, 2019.

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

Current Financial Related Activities

One Lakewood Place is a 5.6-acre mixed-use project in the City's Downtown district. The project accomplished two important milestones in 2019, completing demolition and receiving final approval for rezoning of the property.

St. Edward's High School is also making major investments, starting construction on their \$7 million commons area in 2019. The commons area includes 15,000 square foot addition creating a new entrance, dining hall, and courtyard for their students.

Contacting the City's Finance Department

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

City of Lakewood, Ohio
Statement of Net Position
December 31, 2019

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Equity in Pooled Cash and Cash Equivalents	\$44,870,850	\$29,824,797	\$74,695,647
Cash and Cash Equivalents:			
In Segregated Accounts	637,619	805,694	1,443,313
With Fiscal Agents	1,351,404	0	1,351,404
With Escrow Agents	782,471	0	782,471
Materials and Supplies Inventory	519,032	602,375	1,121,407
Accounts Receivable	598,810	3,157,327	3,756,137
Less: Allowance for Doubtful Accounts	0	(93,768)	(93,768)
Accrued Interest Receivable	136,405	54,585	190,990
Intergovernmental Receivable	3,326,391	2,758,686	6,085,077
Internal Balances	280,357	(280,357)	0
Prepaid Items	541,295	6,125	547,420
Municipal Income Taxes Receivable	13,967,914	0	13,967,914
Property Taxes Receivable	15,044,156	1,953,787	16,997,943
Special Assessments Receivable	1,969,063	0	1,969,063
Payments in Lieu of Taxes Receivable	1,236,758	0	1,236,758
Loans Receivable	1,346,675	0	1,346,675
Assets Held for Resale	8,744,432	0	8,744,432
Notes Receivable	59,596	0	59,596
Net Pension Asset	77,228	19,052	96,280
Nondepreciable Capital Assets	7,517,986	23,852,535	31,370,521
Depreciable Capital Assets	84,827,147	106,923,289	191,750,436
Total Assets	187,835,589	169,584,127	357,419,716
DEFERRED OUTFLOWS OF RESOURCES			
Deferral on Refunding	51,214	251,257	302,471
Pension	20,819,378	1,794,127	22,613,505
OPEB	4,503,194	247,723	4,750,917
Total Deferred Outflows of Resources	25,373,786	2,293,107	27,666,893
LIABILITIES			
Accounts Payable	2,503,328	4,466,861	6,970,189
Accrued Wages and Benefits	767,017	84,063	851,080
Intergovernmental Payable	1,045,819	116,174	1,161,993
Matured Compensated Absences Payable	164,386	5,236	169,622
Accrued Interest Payable	261,650	442,721	704,371
Retainage Payable	377,370	805,694	1,183,064
Long-term Liabilities:			
Due within one year	15,261,334	19,323,958	34,585,292
Due in more than one year:			
Net Pension Liability (See Note 16)	75,795,836	5,934,709	81,730,545
Net OPEB Liability (See Note 17)	17,147,412	2,806,220	19,953,632
Other Amounts	41,660,738	36,442,903	78,103,641
Total Liabilities	154,984,890	70,428,539	225,413,429
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	14,469,912	1,879,210	16,349,122
Payments in Lieu of Taxes	1,197,326	0	1,197,326
Pension	1,237,325	91,405	1,328,730
OPEB	1,994,297	7,614	2,001,911
Total Deferred Inflows of Resources	18,898,860	1,978,229	20,877,089
NET POSITION			
Net Investment in Capital Assets	48,340,802	75,661,907	124,002,709
Restricted for:			
Capital Projects	1,639,770	0	1,639,770
Debt Service	3,680,035	0	3,680,035
Streets and Highways	1,392,297	0	1,392,297
Community Development	2,101,296	0	2,101,296
Indigent Drivers Alcohol Treatment	157,636	0	157,636
Lakewood Hospital	20,925,403	0	20,925,403
Police and Fire	1,340,342	0	1,340,342
Other Purposes	629,448	0	629,448
Unrestricted	(40,881,404)	23,808,559	(17,072,845)
Total Net Position	\$39,325,625	\$99,470,466	\$138,796,091

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, 2019

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
Security of Persons and Property:				
Police and Others	\$3,228,856	\$13,568	\$24,083	\$0
Fire	558,866	1,821,996	589,650	0
Public Health Services	2,342,903	71,468	197,393	0
Leisure Time Activities	3,435,810	0	0	0
Community Environment	6,741,072	618,004	2,925,864	2,220,419
Basic Utility Services	4,435,535	0	0	0
Transportation	4,392,858	0	2,601,890	9,812
General Government	12,468,984	5,556,507	31,155	0
Interest and Fiscal Charges	1,642,407	0	0	0
Total Governmental activities	<u>39,247,291</u>	<u>8,081,543</u>	<u>6,370,035</u>	<u>2,230,231</u>
Business-type activities:				
Water	10,118,101	10,828,254	0	4,009,844
Sewer	9,567,217	11,129,172	0	8,749,502
Parking Facilities	564,963	484,518	0	0
Winterhurst Ice Rink	406,298	293,202	0	0
Total Business-type activities	<u>20,656,579</u>	<u>22,735,146</u>	<u>0</u>	<u>12,759,346</u>
Total Primary Government	<u>\$59,903,870</u>	<u>\$30,816,689</u>	<u>\$6,370,035</u>	<u>\$14,989,577</u>

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, Restated
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

Governmental Activities	Business-type Activities	Total
(\$3,191,205)	\$0	(\$3,191,205)
1,852,780	0	1,852,780
(2,074,042)	0	(2,074,042)
(3,435,810)	0	(3,435,810)
(976,785)	0	(976,785)
(4,435,535)	0	(4,435,535)
(1,781,156)	0	(1,781,156)
(6,881,322)	0	(6,881,322)
(1,642,407)	0	(1,642,407)
<u>(22,565,482)</u>	<u>0</u>	<u>(22,565,482)</u>
0	4,719,997	4,719,997
0	10,311,457	10,311,457
0	(80,445)	(80,445)
0	(113,096)	(113,096)
0	14,837,913	14,837,913
<u>(22,565,482)</u>	<u>14,837,913</u>	<u>(7,727,569)</u>
8,388,474	0	8,388,474
3,365,105	0	3,365,105
3,180,794	0	3,180,794
0	1,939,500	1,939,500
26,449,000	0	26,449,000
1,203,835	0	1,203,835
4,493,661	0	4,493,661
1,957,645	406,829	2,364,474
749,911	79,666	829,577
1,985,106	(1,985,106)	0
<u>51,773,531</u>	<u>440,889</u>	<u>52,214,420</u>
29,208,049	15,278,802	44,486,851
10,117,576	84,191,664	94,309,240
<u>\$39,325,625</u>	<u>99,470,466</u>	<u>\$138,796,091</u>

City of Lakewood, Ohio
Balance Sheet
Governmental Funds
December 31, 2019

	General	Police and Fire Pension	Community Development Block Grant	Lakewood Hospital	Debt Service	Other Governmental Funds	Total Governmental Funds
Assets:							
Equity in Pooled Cash and Cash Equivalents	\$12,548,550	\$1,216,361	\$214,245	\$12,667,492	\$4,140,094	\$10,807,001	\$41,593,743
Cash and Cash Equivalents:							
In Segregated Accounts	220,938	0	800	330,524	0	85,357	637,619
With Fiscal Agents	1,351,404	0	0	0	0	0	1,351,404
With Escrow Agents	0	0	0	782,471	0	0	782,471
Materials and Supplies Inventory	353,761	0	0	0	0	165,271	519,032
Accrued Interest Receivable	128,746	0	0	0	7,468	191	136,405
Accounts Receivable	569,735	0	0	15,650	0	13,425	598,810
Interfund Receivable	552,000	0	0	0	0	0	552,000
Intergovernmental Receivable	1,680,470	199,763	4,997	0	211,339	1,229,822	3,326,391
Prepaid Items	482,207	0	2,253	56,835	0	0	541,295
Municipal Income Taxes Receivable	13,967,914	0	0	0	0	0	13,967,914
Property Taxes Receivable	8,450,127	3,204,211	0	0	3,389,818	0	15,044,156
Special Assessments Receivable	45,593	0	0	0	1,923,470	0	1,969,063
Notes Receivable	59,596	0	0	0	0	0	59,596
Payments in Lieu of Taxes Receivable	0	0	0	0	0	1,236,758	1,236,758
Loans Receivable	0	0	1,346,675	0	0	0	1,346,675
Assets Held for Resale	161,000	0	0	7,970,091	0	613,341	8,744,432
Total Assets	40,572,041	4,620,335	1,568,970	21,823,063	9,672,189	14,151,166	92,407,764
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts Payable	\$930,397	\$0	\$68,403	\$606,447	\$0	\$897,596	\$2,502,843
Accrued Wages and Benefits	702,072	0	11,134	0	0	53,811	767,017
Intergovernmental Payable	391,536	558,945	14,504	0	0	73,834	1,038,819
Matured Compensated Absences Payable	144,935	0	0	0	0	19,451	164,386
Retainage Payable	0	0	800	291,213	0	85,357	377,370
Interfund Payable	828,048	0	144,815	0	0	307,364	1,280,227
Total Liabilities	2,996,988	558,945	239,656	897,660	0	1,437,413	6,130,662
Deferred Inflows of Resources:							
Property Taxes and Payments in Lieu of Taxes	8,127,581	3,081,904	0	0	3,260,427	1,197,326	15,667,238
Unavailable Revenue - Delinquent Property Taxes and Payments in Lieu of Taxes	322,546	122,307	0	0	129,391	39,432	613,676
Unavailable Revenue - Income Taxes	11,073,156	0	0	0	0	0	11,073,156
Unavailable Revenue - Other	1,330,537	199,763	0	0	2,134,809	667,911	4,333,020
Total Deferred Inflows of Resources	20,853,820	3,403,974	0	0	5,524,627	1,904,669	31,687,090
Fund Balances:							
Nonspendable	1,608,564	0	2,253	0	0	165,271	1,776,088
Restricted	0	657,416	1,327,061	20,925,403	4,147,562	6,585,341	33,642,783
Committed	0	0	0	0	0	4,117,048	4,117,048
Assigned	4,444,329	0	0	0	0	0	4,444,329
Unassigned (Deficit)	10,668,340	0	0	0	0	(58,576)	10,609,764
Total Fund Balances	16,721,233	657,416	1,329,314	20,925,403	4,147,562	10,809,084	54,590,012
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$40,572,041	\$4,620,335	\$1,568,970	\$21,823,063	\$9,672,189	\$14,151,166	\$92,407,764

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, 2019*

Total Governmental Funds Balance \$54,590,012

*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 92,345,133

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

Delinquent property taxes	574,244	
Delinquent payments in lieu of taxes	39,432	
Municipal income taxes	11,073,156	
Special assessments	1,969,063	
Intergovernmental	2,363,957	
Total		16,019,852

In the Statement of Activities, interest is accrued on outstanding
 bonds, whereas in Governmental funds, an interest expenditure
 is reported when due. (261,650)

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

Net position	3,269,622	
Claims payable	1,008,584	
Total		4,278,206

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

Deferred Outflows - Pension	20,819,378	
Deferred Inflows - Pension	(1,237,325)	
Net Pension Liability	(75,795,836)	
Net Pension Asset	77,228	
Deferred Outflows - OPEB	4,503,194	
Deferred Inflows - OPEB	(1,994,297)	
Net OPEB Liability	(17,147,412)	
Total		(70,775,070)

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	(6,415,000)	
General obligation bonds	(33,756,150)	
Unamortized debt premiums	(2,028,175)	
Deferrals on refunding	51,214	
Capital leases	(6,516,044)	
Claims payable	(1,008,584)	
Compensated absences	(7,198,119)	
Total		(56,870,858)

Net Position of Governmental Activities \$39,325,625

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, 2019

	General	Police	Community	Lakewood	Debt	Other	Total
		and Fire	Development			Governmental	Governmental
		Pension	Block	Hospital	Service	Funds	Funds
			Grant				
REVENUES							
Property Taxes	\$8,356,360	\$3,168,616	\$0	\$0	\$3,352,222	\$0	\$14,877,198
Municipal Income Taxes	25,677,023	0	0	0	0	0	25,677,023
Payments in Lieu of Taxes	0	0	0	0	0	1,197,326	1,197,326
Intergovernmental	3,289,047	399,525	1,823,792	606,050	422,677	5,137,635	11,678,726
Interest	1,837,673	0	0	0	118,617	1,355	1,957,645
Fees, Licenses, and Permits	2,124,593	0	0	0	0	0	2,124,593
Fines and Forfeitures	1,367,726	0	0	0	0	154,196	1,521,922
Charges for Services	1,900,755	0	0	2,424,423	0	85,741	4,410,919
Contributions and Donations	0	0	0	0	0	131,543	131,543
Special Assessments	0	0	0	14,553	653,837	9,812	678,202
All Other Revenues	487,152	0	0	3,297	68,389	191,073	749,911
Total Revenues	45,040,329	3,568,141	1,823,792	3,048,323	4,615,742	6,908,681	65,005,008
EXPENDITURES							
Security of Persons and Property:							
Police and Other	12,912,530	1,601,141	0	0	0	120,318	14,633,989
Fire	8,805,265	1,617,134	0	1,462,497	0	0	11,884,896
Public Health Services	643,836	0	0	368,373	0	926,537	1,938,746
Leisure Time Activities	2,491,861	0	0	0	0	0	2,491,861
Community Environment	3,069,200	0	1,700,136	234,556	0	858,162	5,862,054
Basic Utility Services	3,478,356	0	0	0	0	0	3,478,356
Transportation	0	0	0	0	0	2,365,134	2,365,134
General Government	10,968,988	0	0	0	0	592,552	11,561,540
Capital Outlay	1,802,077	0	0	0	0	5,490,553	7,292,630
Debt Service:							
Principal Retirement	1,886,227	0	0	197,498	14,524,800	338,548	16,947,073
Interest and Fiscal Charges	144,914	0	0	39,829	1,511,278	64,580	1,760,601
Debt Issuance Costs	0	0	0	0	143,617	0	143,617
Total Expenditures	46,203,254	3,218,275	1,700,136	2,302,753	16,179,695	10,756,384	80,360,497
Excess of Revenues (Under) Expenditures	(1,162,925)	349,866	123,656	745,570	(11,563,953)	(3,847,703)	(15,355,489)
OTHER FINANCING SOURCES (USES)							
Sale of Capital Assets	153,116	0	0	0	0	22,443	175,559
Inception of Capital Lease	2,422,000	0	0	0	0	0	2,422,000
General Obligation Bond Debt Issued	0	0	0	0	8,861,498	0	8,861,498
Bond Anticipation Notes Issued	0	0	0	0	2,335,000	4,080,000	6,415,000
Premium on Debt Issuance	0	0	0	0	972,251	0	972,251
Transfers In	2,031,141	0	0	0	2,000,000	853,589	4,884,730
Transfers Out	(1,580,174)	0	0	0	(2,209,624)	0	(3,789,798)
Total Other Financing Sources (Uses)	3,026,083	0	0	0	11,959,125	4,956,032	19,941,240
Net Change in Fund Balances	1,863,158	349,866	123,656	745,570	395,172	1,108,329	4,585,751
Fund Balances - Beginning of Year	14,858,075	307,550	1,205,658	20,179,833	3,752,390	9,700,755	50,004,261
Fund Balances - End of Year	\$16,721,233	\$657,416	\$1,329,314	\$20,925,403	\$4,147,562	\$10,809,084	\$54,590,012

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, 2019

Net Change in Fund Balances-Total Governmental Funds \$4,585,751

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

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

Capital Outlay	8,231,183	
Depreciation	(3,018,320)	
Total		5,212,863

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. (222,320)

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

Delinquent property taxes	57,175	
Delinquent payments in lieu of taxes	6,509	
Municipal income taxes	771,977	
Special assessments	256,393	
Intergovernmental	373,172	
Total		1,465,226

Other financing sources in the Governmental funds increase long-term liabilities in the Statement of Net Position. These sources were attributed to the inception of capital leases and the issuance of Bond Anticipation Notes and the respective premiums issued. (18,670,749)

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. 16,947,073

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

Pension		4,922,541
OPEB		91,219

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 expense in the statement of activities.

Pension		(12,180,197)
OPEB		27,309,296

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	(239,837)	
Accrued interest on bonds	63,815	
Amortization of bond premiums	208,655	
Amortization of loss on refunding	(10,659)	
Total		21,974

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. (274,628)

Change in Net Position of Governmental Activities \$29,208,049

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, 2019*

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Property Taxes	\$8,273,035	\$8,273,035	\$8,356,360	\$83,325
Municipal Income Taxes	23,411,701	23,411,701	25,407,039	1,995,338
Charges for Services	1,653,259	1,653,259	1,652,660	(599)
Licenses, Permits and Fees	1,921,472	1,921,472	2,124,593	203,121
Fines and Forfeitures	1,498,032	1,498,032	1,398,342	(99,690)
Intergovernmental	3,083,264	3,083,264	3,238,954	155,690
Interest	1,196,259	1,196,259	1,464,744	268,485
Miscellaneous	230,565	230,565	414,357	183,792
<i>Total Revenues</i>	<u>41,267,587</u>	<u>41,267,587</u>	<u>44,057,049</u>	<u>2,789,462</u>
Expenditures				
Current:				
General Government	10,276,518	14,645,924	14,409,334	236,590
Security of Persons and Property	21,992,591	21,535,893	21,399,410	136,483
Public Health Services	672,145	617,162	611,324	5,838
Community Environment	2,915,177	4,047,394	3,998,667	48,727
Basic Utility Services	3,598,190	3,432,756	3,402,439	30,317
Leisure Time Activities	2,671,110	2,551,093	2,486,730	64,363
<i>Total Expenditures</i>	<u>42,125,731</u>	<u>46,830,222</u>	<u>46,307,904</u>	<u>522,318</u>
<i>Excess of Revenues Over Expenditures</i>	<u>(858,144)</u>	<u>(5,562,635)</u>	<u>(2,250,855)</u>	<u>3,311,780</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	153,532	153,532	153,116	(416)
Advance In	600,000	600,000	363,500	(236,500)
Transfers Out	(964,248)	(1,581,448)	(1,580,174)	1,274
Advance Out	0	(492,800)	(492,000)	800
<i>Total Other Financing Sources (Uses)</i>	<u>(210,716)</u>	<u>(1,320,716)</u>	<u>(1,555,558)</u>	<u>(234,842)</u>
<i>Net Change in Fund Balance</i>	(1,068,860)	(6,883,351)	(3,806,413)	3,076,938
<i>Fund Balance Beginning of Year</i>	6,779,026	6,779,026	6,779,026	0
<i>Prior Year Encumbrances Appropriated</i>	4,956,484	4,956,484	4,956,484	0
<i>Fund Balance End of Year</i>	<u>\$10,666,650</u>	<u>\$4,852,159</u>	<u>\$7,929,097</u>	<u>\$3,076,938</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, 2019*

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Property Taxes	\$3,137,161	\$3,137,161	\$3,168,615	\$31,454
Intergovernmental	389,280	389,280	399,526	10,246
<i>Total Revenues</i>	<u>3,526,441</u>	<u>3,526,441</u>	<u>3,568,141</u>	<u>41,700</u>
Expenditures				
Current:				
Fringe Benefits Police	1,540,620	1,605,000	1,587,828	17,172
Fringe Benefits Fire	1,670,285	1,612,000	1,601,536	10,464
Security of Persons and Property	<u>3,210,905</u>	<u>3,217,000</u>	<u>3,189,364</u>	<u>27,636</u>
<i>Excess of Revenues Over Expenditures</i>	315,536	309,441	378,777	69,336
Other Financing (Uses)				
Advance Out	<u>0</u>	<u>(55,000)</u>	<u>(55,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	315,536	254,441	323,777	69,336
<i>Fund Balance Beginning of Year</i>	<u>746,941</u>	<u>746,941</u>	<u>746,941</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,062,477</u></u>	<u><u>\$1,001,382</u></u>	<u><u>\$1,070,718</u></u>	<u><u>\$69,336</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, 2019*

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$2,133,932	\$2,133,932	\$1,933,760	(\$200,172)
Expenditures				
Current:				
Community Environment	2,029,209	2,005,160	1,918,629	86,531
<i>Excess of Revenues Over (Under) Expenditures</i>	104,723	128,772	15,131	(113,641)
Other Financing Sources (Uses)				
Advances In	75,000	75,000	140,000	65,000
Advances Out	0	(128,000)	(128,000)	0
<i>Total Other Financing Sources (Uses)</i>	75,000	(53,000)	12,000	65,000
<i>Net Change in Fund Balance</i>	179,723	75,772	27,131	(48,641)
<i>Fund Balance Beginning of Year</i>	178,890	178,890	178,890	0
<i>Fund Balance End of Year</i>	<u>\$358,613</u>	<u>\$254,662</u>	<u>\$206,021</u>	<u>(\$48,641)</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
 Lakewood Hospital Fund
 For the Year Ended December 31, 2019*

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Charges for Services	\$1,120,233	\$1,120,233	\$2,282,378	\$1,162,145
Special Assessments	13,131	13,131	14,553	1,422
Intergovernmental	757	757	606,050	605,293
Miscellaneous	1,617	1,617	3,297	1,680
<i>Total Revenues</i>	<u>1,135,738</u>	<u>1,135,738</u>	<u>2,906,278</u>	<u>1,770,540</u>
Expenditures				
Current:				
Security of Persons and Property	1,291,584	1,556,800	1,524,985	31,815
Public Health Services	400,235	380,931	373,713	7,218
Community Environment	7,135,000	7,239,981	5,692,608	1,547,373
Debt Service:				
Principal Retirement	189,080	198,170	197,498	672
Interest and Fiscal Charges	0	39,830	39,829	1
<i>Total Expenditures</i>	<u>9,015,899</u>	<u>9,415,712</u>	<u>7,828,633</u>	<u>1,587,079</u>
<i>Net Change in Fund Balance</i>	(7,880,161)	(8,279,974)	(4,922,355)	3,357,619
<i>Fund Balance Beginning of Year</i>	<u>17,920,371</u>	<u>17,920,371</u>	<u>17,920,371</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$10,040,210</u></u>	<u><u>\$9,640,397</u></u>	<u><u>\$12,998,016</u></u>	<u><u>\$3,357,619</u></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, 2019

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water Fund	Sewer Fund	Nonmajor Funds	Total	Internal Service Funds
ASSETS					
Current Assets:					
Equity in Pooled Cash and Cash Equivalents	\$11,448,581	\$17,538,658	\$837,558	\$29,824,797	\$3,277,107
Cash and Cash Equivalents:					
In Segregated Accounts	358,819	446,875	0	805,694	0
Materials and Supplies Inventory	122,591	409,834	69,950	602,375	0
Accrued Interest Receivable	54,585	0	0	54,585	0
Accounts Receivable	1,407,707	1,501,469	248,151	3,157,327	0
Less: Allowance for Doubtful Accounts	(52,940)	(40,828)	0	(93,768)	0
Interfund Receivable	0	0	0	0	1,008,584
Intergovernmental Receivable	809,844	1,948,842	0	2,758,686	0
Prepaid Items	6,125	0	0	6,125	0
Property Taxes Receivable	0	1,953,787	0	1,953,787	0
Total Current Assets	14,155,312	23,758,637	1,155,659	39,069,608	4,285,691
Noncurrent Assets:					
Net Pension Asset	5,500	12,754	798	19,052	0
Capital Assets:					
Land	0	1,010	77,130	78,140	0
Construction in Progress	7,751,963	16,022,432	0	23,774,395	0
Depreciable Assets, Net of Depreciation	54,082,183	47,981,662	4,859,444	106,923,289	0
Total Noncurrent Assets	61,839,646	64,017,858	4,937,372	130,794,876	0
Total Assets	75,994,958	87,776,495	6,093,031	169,864,484	4,285,691
DEFERRED OUTFLOWS OF RESOURCES					
Deferral on Refunding	71,338	153,913	26,006	251,257	0
Pension	517,964	1,201,043	75,120	1,794,127	0
OPEB	71,518	165,836	10,369	247,723	0
Total Deferred Outflows of Resources	660,820	1,520,792	111,495	2,293,107	0
LIABILITIES					
Current Liabilities:					
Accounts Payable	1,470,228	2,857,114	139,519	4,466,861	485
Accrued Wages and Benefits	18,418	62,176	3,469	84,063	0
Matured Compensated Absences Payable	0	5,236	0	5,236	0
Retainage Payable	358,819	446,875	0	805,694	0
Intergovernmental Payable	30,187	83,847	2,140	116,174	7,000
Interfund Payable	31,293	84,249	164,815	280,357	0
Compensated Absences Payable	13,702	122,326	5,138	141,166	0
Accrued Interest Payable	128,266	314,101	354	442,721	0
Claims Payable	0	0	0	0	1,008,584
General Obligation Bonds Payable	512,413	1,317,653	42,674	1,872,740	0
Notes Payable	4,326,665	12,007,362	0	16,334,027	0
OPWC Loans Payable	413,148	60,693	0	473,841	0
Capital Leases Payable	246,011	256,173	0	502,184	0
Total Current Liabilities	7,549,150	17,617,805	358,109	25,525,064	1,016,069
Noncurrent Liabilities:					
Compensated Absences Payable	65,744	192,413	2,364	260,521	0
General Obligation Bonds Payable	9,520,239	17,794,545	88,972	27,403,756	0
OPWC Loans Payable	6,484,812	545,090	0	7,029,902	0
Capital Leases Payable	1,240,987	507,737	0	1,748,724	0
Net Pension Liability	1,713,354	3,972,875	248,480	5,934,709	0
Net OPEB Liability	810,157	1,878,569	117,494	2,806,220	0
Total Noncurrent Liabilities	19,835,293	24,891,229	457,310	45,183,832	0
Total Liabilities	27,384,443	42,509,034	815,419	70,708,896	1,016,069
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	0	1,879,210	0	1,879,210	0
Pension	26,389	61,189	3,827	91,405	0
OPEB	2,198	5,097	319	7,614	0
Total Deferred Inflows of Resources	28,587	1,945,496	4,146	1,978,229	0
NET POSITION					
Net Investment in Capital Assets	39,161,209	31,669,764	4,830,934	75,661,907	0
Unrestricted	10,081,539	13,172,993	554,027	23,808,559	3,269,622
Total Net Position	\$49,242,748	\$44,842,757	\$5,384,961	\$99,470,466	\$3,269,622

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, 2019

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water Fund	Sewer Fund	Nonmajor Funds	Total	Internal Service Funds
OPERATING REVENUES					
Charges for Services	\$10,787,481	\$11,091,090	\$777,720	\$22,656,291	\$6,111,888
Miscellaneous	945	22,712	56,009	79,666	937,240
Total Operating Revenues	10,788,426	11,113,802	833,729	22,735,957	7,049,128
OPERATING EXPENSES					
Salaries	1,636,190	3,984,254	238,754	5,859,198	0
Property Taxes	0	0	98,284	98,284	0
Materials and Supplies	270,913	350,391	42,843	664,147	0
Utilities	42,680	232,598	285,786	561,064	0
Contractual Services	644,513	2,090,212	130,211	2,864,936	173,544
Purchased Water	5,567,389	0	0	5,567,389	0
Depreciation	674,075	1,302,922	119,289	2,096,286	0
Claims	0	0	0	0	8,040,386
Other	588,916	1,041,878	52,042	1,682,836	0
Total Operating Expense	9,424,676	9,002,255	967,209	19,394,140	8,213,930
Operating Income (Loss)	1,363,750	2,111,547	(133,480)	3,341,817	(1,164,802)
NONOPERATING REVENUES (EXPENSES)					
Gain (Loss) on Sale of Capital Assets	(234,846)	(8,056)	0	(242,902)	0
Interest	406,829	0	0	406,829	0
Interest and Fiscal Charges	(458,579)	(556,906)	(4,052)	(1,019,537)	0
Property Taxes	0	1,939,500	0	1,939,500	0
Special Assessments	40,773	38,082	0	78,855	0
Total Nonoperating Revenues (Expenses)	(245,823)	1,412,620	(4,052)	1,162,745	0
Capital Contributions from Grants	4,009,844	8,749,502	0	12,759,346	0
Transfers In	0	0	14,894	14,894	890,174
Transfers Out	0	(2,000,000)	0	(2,000,000)	0
Change in Net Position	5,127,771	10,273,669	(122,638)	15,278,802	(274,628)
Net Position - Beginning of Year, Restated	44,114,977	34,569,088	5,507,599	84,191,664	3,544,250
Net Position - End of Year	\$49,242,748	\$44,842,757	\$5,384,961	\$99,470,466	\$3,269,622

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, 2019

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water Fund	Sewer Fund	Nonmajor Funds	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Charges for Services	\$11,216,059	\$11,479,154	\$714,918	\$23,410,131	\$5,733,753
Cash Received from Other Operating Sources	945	22,712	56,009	79,666	937,240
Cash Payments for Employee Services and Benefits	(1,271,603)	(3,112,772)	(188,329)	(4,572,704)	0
Cash Payments for Goods and Services	(6,499,752)	(2,893,713)	(541,686)	(9,935,151)	(173,544)
Cash Payments for Claims	0	0	0	0	(7,656,181)
Cash Payments for Other Operating Expenses	(588,916)	(1,041,878)	(52,042)	(1,682,836)	0
Net Cash Provided by (Used in) Operating Activities	<u>2,856,733</u>	<u>4,453,503</u>	<u>(11,130)</u>	<u>7,299,106</u>	<u>(1,158,732)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Property Taxes	0	1,932,075	0	1,932,075	0
Special Assessments	47,967	42,220	0	90,187	0
Advances In	0	0	100,000	100,000	0
Advances Out	0	0	(43,000)	(43,000)	0
Transfers In	0	0	14,894	14,894	890,174
Transfers Out	0	(2,000,000)	0	(2,000,000)	0
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>47,967</u>	<u>(25,705)</u>	<u>71,894</u>	<u>94,156</u>	<u>890,174</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Principal Paid on Debt	(8,130,895)	(15,397,986)	(42,177)	(23,571,058)	0
Interest Paid on Debt	(586,213)	(1,802,213)	(5,110)	(2,393,536)	0
Payments for Capital Acquisitions	(9,608,091)	(9,662,936)	0	(19,271,027)	0
Bond Anticipation Notes issued	7,642,317	16,001,185	0	23,643,502	0
OPWC Loan issued	3,295,151	228	0	3,295,379	0
Premium on Debt Issued	387,478	548,198	0	935,676	0
Capital Grants Received	3,200,000	6,903,863	0	10,103,863	0
Net Cash (Used in) Capital and Related Financing Activities	<u>(3,800,253)</u>	<u>(3,409,661)</u>	<u>(47,287)</u>	<u>(7,257,201)</u>	<u>0</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on Investments	409,153	0	0	409,153	0
Net Cash Provided by Investing Activities	<u>409,153</u>	<u>0</u>	<u>0</u>	<u>409,153</u>	<u>0</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(486,400)	1,018,137	13,477	545,214	(268,558)
Cash and Cash Equivalents - Beginning of Year	12,293,800	16,967,396	824,081	30,085,277	3,545,665
Cash and Cash Equivalents - End of Year	<u>\$11,807,400</u>	<u>\$17,985,533</u>	<u>\$837,558</u>	<u>\$30,630,491</u>	<u>\$3,277,107</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, 2019

	<u>Business-Type Activities - Enterprise Funds</u>				<u>Governmental</u>
	<u>Water</u>	<u>Sewer</u>	<u>Nonmajor</u>	<u>Total</u>	<u>Activities</u>
	<u>Fund</u>	<u>Fund</u>	<u>Funds</u>		<u>Internal</u>
					<u>Service</u>
					<u>Funds</u>
RECONCILIATION OF OPERATING INCOME (Loss)					
TO NET CASH PROVIDED BY					
OPERATING ACTIVITIES					
Operating Income (Loss)	\$1,363,750	\$2,111,547	(\$133,480)	\$3,341,817	(\$1,164,802)
Adjustments:					
Depreciation	674,075	1,302,922	119,289	2,096,286	0
(Increase) Decrease in Assets and Deferred Outflows of Resources:					
Accounts Receivable	428,578	388,064	(62,802)	753,840	0
Prepaid Items	(292)	0	0	(292)	0
Interfund Receivable	0	0	0	0	(378,135)
Materials and Supplies Inventory	17,189	(30,516)	21,640	8,313	0
Net Pension Asset	330	765	48	1,143	0
Deferred Outflows of Resources - Pension	(268,734)	(623,134)	(38,974)	(930,842)	0
Deferred Outflows of Resources - OPEB	(17,212)	(39,912)	(2,493)	(59,617)	0
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:					
Accounts Payable	8,846	(189,996)	(6,202)	(187,352)	485
Accrued Wages and Benefits	(1,424)	4,979	449	4,004	0
Compensated Absences Payable	7,234	23,473	236	30,943	0
Interfund Payable	11,638	29,822	1,791	43,251	0
Intergovernmental Payable	16,934	47,551	59	64,544	7,000
Claims Payable	0	0	0	0	376,720
Net Pension Liability	734,915	1,704,099	106,581	2,545,595	0
Net OPEB Liability	142,082	329,457	20,606	492,145	0
Deferred Inflows of Resources - Pension	(213,607)	(495,317)	(30,979)	(739,903)	0
Deferred Inflows of Resources - OPEB	(47,569)	(110,301)	(6,899)	(164,769)	0
Net Cash Provided by (Used in) Operating Activities	<u>\$2,856,733</u>	<u>\$4,453,503</u>	<u>(\$11,130)</u>	<u>\$7,299,106</u>	<u>(\$1,158,732)</u>
<u>Schedule of Noncash Investing, Capital, and Financing Activities:</u>					
Net Impact of accruals related to capital assets	(\$537,132)	(\$2,837,328)	\$0	(\$3,374,460)	\$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, 2019

	Custodial Fund
ASSETS	
Equity in Pooled Cash and Cash Equivalents	\$ 203,940
Total Assets	203,940
 LIABILITIES	
Total Liabilities	-
 NET POSITION	
Restricted For:	
Individuals, Organizations, and Other Governments	203,940
Total Net Position	\$ 203,940

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, 2019

	Custodial Fund
ADDITIONS	
Amounts Received as Fiscal Agent	\$ 5,995
Licenses, Permits, & Fees Distributions for Other Governments	73,556
Miscellaneous	112,507
Total Additions	192,058
DEDUCTIONS	
Distributions to the State of Ohio	71,330
Distributions to Other Governments	307,427
Distributions as Fiscal Agent	5,060
Distributions to Individuals	106,561
Total Deductions	490,378
Net (Decrease) in Fiduciary Net Position	(298,320)
Net Position - Beginning of Year, Restated	502,260
Net Position - End of Year	\$ 203,940

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

Notes to the Basic Financial Statements

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 1 – Description of the City and Reporting Entity

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

Reporting Entity

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

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

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

The following entities are excluded from the accompanying financial statements: Lakewood City School District 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, 2019
(Continued)

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, 2019
(Continued)

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.

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

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

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

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

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

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

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

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

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

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 are 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, 2019
(Continued)

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.

Deferred Outflows/Inflows of Resources - In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources 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 16 and 17.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes, 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, 2019, but which were levied to finance year 2020 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 (\$574,244) and delinquent payment in lieu of taxes (\$39,432), municipal income taxes (\$11,073,156), intergovernmental grants and entitlements (\$2,363,957), and special assessments (\$1,969,063). 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, 2019
(Continued)

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 16 and 17)

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, 2019, the cash balance held with the escrow agent is \$782,471.

The City has invested in the State Treasury Asset Reserve of Ohio (STAR Ohio), municipal bond securities, U.S. debt securities, negotiable CDs, and money market mutual funds during 2019. 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 2019, there were no limitation 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 \$25 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 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, 2019
(Continued)

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 2019 amounted to \$1,837,673 that includes \$1,510,471 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, 2019, 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, 2019
(Continued)

Note 2 - Summary of Significant Accounting Policies (Continued)

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their 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, 2019
(Continued)

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 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, 2019
(Continued)

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, 2019
(Continued)

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, 2019
(Continued)

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 2019.

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 2019.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

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 and Restatement of Net Position

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

GASB Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government’s majority equity interest in a legally separate organization and to improve the relevance of financial statements information for certain component units. The implementation of this Statement did not have an effect on the financial statements of the City.

GASB Statement No. 84, *Fiduciary Activities*. This Statement established specific criteria for identifying activities that should be reported as fiduciary activities and clarifies whether and how business-type activities should report their fiduciary activities. The City reviewed its fiduciary funds and certain funds will be reported in the new fiduciary fund classification of custodial funds while other funds have been reclassified as governmental funds. These fund reclassifications resulted in the restatement of beginning net position for custodial funds, in the amount of \$502,260.

The implementation of GASB Statement No. 84 had the following effect on Business Type Activities Net Position.

	Water Fund	Sewer Fund	Nonmajor Funds	Total Business-Type Activities
Net Position December 31, 2018	\$ 42,583,429	\$ 34,062,043	\$ 5,507,599	\$ 82,153,071
Adjustments:				
GASB Statement No. 84	1,531,548	507,045	0	2,038,593
Restated Net Position December 31, 2018	<u>\$ 44,114,977</u>	<u>\$ 34,569,088</u>	<u>\$ 5,507,599</u>	<u>\$ 84,191,664</u>

GASB Statement No. 95, *Postponement of the Effect Dates of Certain Authoritative Guidance*. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. The City has postponed the implementation of GASB Statements No. 83 and 88.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 4 – Accountability

Fund balances at December 31, 2019 included the following individual fund deficits:

	<u>Deficit</u>
Nonmajor Governmental Funds:	
Emergency Shelter Grant	\$11,659
Family to Family Fund	46,917
Total	<u>\$58,576</u>

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

Note 5 – Budgetary Basis of Accounting

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

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

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 5 – Budgetary Basis of Accounting (Continued)

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
GAAP Basis	\$1,863,158	\$349,866	\$123,656	\$745,570
Net Adjustment for Revenue Accruals	(5,432,421)	0	109,968	(142,045)
Advances In	363,500	0	140,000	0
Net Adjustment for Expenditure Accruals	4,334,307	28,911	(218,493)	(5,525,880)
Advances Out	(492,000)	(55,000)	(128,000)	0
Excess of Revenues over Expenditures:				
Community Festival Fund	58	0	0	0
Outstanding Encumbrances	(4,443,015)	0	0	0
Budget Basis	<u>\$ (3,806,413)</u>	<u>\$ 323,777</u>	<u>\$ 27,131</u>	<u>\$ (4,922,355)</u>

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City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 6 – Fund Balance

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

Fund Balances	General	Police and Fire Pension	Community Development Block Grant	Lakewood Hospital	Debt Service	Other Governmental Funds	Total
<i>Nonspendable</i>							
Prepaid Items	\$482,207	\$0	\$2,253	\$0	\$0	\$0	\$484,460
Materials and Supplies Inventory	353,761	0	0	0	0	165,271	519,032
Interfund Balances	552,000	0	0	0	0	0	552,000
Assets held for Resale	161,000	0	0	0	0	0	161,000
Notes Receivable	59,596	0	0	0	0	0	59,596
Total Nonspendable	1,608,564	0	2,253	0	0	165,271	1,776,088
<i>Restricted for</i>							
Streets and Highway Improvements	0	0	0	0	0	777,939	777,939
Police and Fire Pension	0	657,416	0	0	0	0	657,416
Community Development	0	0	1,327,061	0	0	0	1,327,061
Senior Programs	0	0	0	0	0	37,348	37,348
Law Enforcement	0	0	0	0	0	236,772	236,772
Lakewood Municipal Court	0	0	0	0	0	899,391	899,391
HOME Investment Program	0	0	0	0	0	524,590	524,590
FEMA	0	0	0	0	0	2,781	2,781
Neighborhood Stabilization	0	0	0	0	0	307,439	307,439
Litter Control Projects	0	0	0	0	0	8,996	8,996
Debt Service Payments	0	0	0	0	4,147,562	596,335	4,743,897
Capital Improvements	0	0	0	0	0	3,193,750	3,193,750
Hospital Transition	0	0	0	20,925,403	0	0	20,925,403
Total Restricted	0	657,416	1,327,061	20,925,403	4,147,562	6,585,341	33,642,783
<i>Committed to</i>							
Land Acquisition	0	0	0	0	0	4,079,672	4,079,672
Other Purposes	0	0	0	0	0	37,376	37,376
Total Committed	0	0	0	0	0	4,117,048	4,117,048
<i>Assigned to</i>							
Community Festival Projects	1,314	0	0	0	0	0	1,314
Purchases on Order							
General Government	3,442,795	0	0	0	0	0	3,442,795
Community Environment	1,000,220	0	0	0	0	0	1,000,220
Total Assigned	4,444,329	0	0	0	0	0	4,444,329
<i>Unassigned (Deficit)</i>	10,668,340	0	0	0	0	(58,576)	10,609,764
Total Fund Balances	\$16,721,233	\$657,416	\$1,329,314	\$20,925,403	\$4,147,562	\$10,809,084	\$54,590,012

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

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, 2019
(Continued)

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, \$3,532,492 of the City's bank balance of was covered by Federal Depository Insurance and \$3,421,738 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 \$3,147,707 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, 2019
(Continued)

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, 2019.

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, 2019. 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, 2019, the City had investments in STAROhio with a net asset value of \$33,427,261 with a weighted average maturity of 56 days; investments in various municipal bond securities with a total fair value of \$15,671,976 and had maturities of less than four years; investments in various U.S. debt securities with a total fair value of \$12,157,892 and had maturities of less than four years; and investments in negotiable certificates of deposit with a total fair value of \$6,593,231. In addition, investments held in money market mutual funds with fiscal agent had a fair value of \$1,351,404. 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, 2019
(Continued)

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 \$6,593,231 was fully covered by the FDIC.

Note 8 - Receivables

Receivables at December 31, 2019, 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 \$52,940 in the Water Fund and \$40,828 in the Sewer Fund.

Loans receivable to be collected in more than one-year amount to \$1,346,675 in the Community Development Block Grant Fund.

Special assessments expected to be collected in more than one-year amount to \$1,969,063 in the various governmental funds. The amount of delinquent special assessments at December 31, 2019 was \$5,238

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 2019 for real and public utility property taxes represents collections of 2018 taxes. The latest update was completed in 2018 with the next reappraisal being scheduled in 2021.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 8 – Receivables (Continued)

2019 real property taxes are levied after October 1, 2019 on the assessed value as of January 1, 2019, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2019 real property taxes are collected in and intended to finance 2020 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. 2020 public utility property taxes which became a lien December 31, 2019, are levied after October 1, 2019, and are collected in 2020 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2019, was \$17.40 per \$1,000 of assessed value. The assessed values of real property, public utility tangible property upon which 2019 property tax receipts were based, are as follows:

Category	Assessed Value
Real Estate:	
Residential and Agricultural	\$889,704,440
Commercial/Industrial/Public Utility	184,555,100
Public Utility	18,801,240
Total Assessed Value	\$1,093,060,780

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, 2019, 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 2019 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, 2019
(Continued)

Note 8 – Receivables (Continued)

C. Intergovernmental Receivables

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities:	
Homestead and Rollback	\$937,922
Local Government	1,137,186
Gasoline Tax	873,495
Federal Grant Reimbursements	14,966
Motor Vehicle License Registration	130,222
State Grant Reimbursements	153,380
County Grant Reimbursements	38,800
Permissive Motor Vehicle License Tax	23,956
Other	16,464
<i>Total Governmental Activities</i>	3,326,391
 Business-Type Activities:	
Homestead and Rollback	121,806
State Grant Reimbursements	2,636,880
<i>Total Business-Type Activities</i>	2,758,686
<i>Total Entity-wide</i>	\$6,085,077

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 continues until the costs of the improvement have been paid or the agreement expires, whichever occurs first. Future development by these or others may result in subsequent agreement to make payment in lieu of taxes and may therefore spread the costs of the improvements to a larger number of property owners.

Note 9 - Contingencies

A. Grants

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

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(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, 2019.

Note 10 - Capital Assets

Capital asset activity for the year ended December 31, 2019, was as follows:

	Balance 12/31/18	Additions	Deletions	Balance 12/31/19
Governmental Activities				
<i>Capital Assets, not being Depreciated:</i>				
Land	\$6,139,702	\$0	\$0	\$6,139,702
Construction in Progress	1,480,408	5,586,626	(5,688,750)	1,378,284
<i>Total Capital Assets, not being Depreciated</i>	<u>7,620,110</u>	<u>5,586,626</u>	<u>(5,688,750)</u>	<u>7,517,986</u>
<i>Capital Assets, being Depreciated:</i>				
Land Improvements	11,174,341	113,957	0	11,288,298
Buildings and Improvements	19,999,352	2,230,474	0	22,229,826
Furniture and Equipment	5,301,943	263,570	(94,054)	5,471,459
Vehicles	15,467,969	1,531,338	(859,380)	16,139,927
Infrastructure				
Roads	54,705,446	3,655,080	(263,820)	58,096,706
Traffic Signals	8,186,589	0	0	8,186,589
Sidewalks	6,339,727	538,888	(604,978)	6,273,637
Curbing	1,434,304	0	0	1,434,304
<i>Total Capital Assets, being Depreciated</i>	<u>122,609,671</u>	<u>8,333,307</u>	<u>(1,822,232)</u>	<u>129,120,746</u>
Less Accumulated Depreciation:				
Land Improvements	(3,577,571)	(358,867)	0	(3,936,438)
Buildings and Improvements	(7,177,194)	(260,205)	0	(7,437,399)
Furniture and Equipment	(3,026,395)	(184,509)	90,066	(3,120,838)
Vehicles	(7,610,883)	(870,462)	707,827	(7,773,518)
Infrastructure				
Roads	(16,314,010)	(1,083,531)	201,095	(17,196,446)
Traffic Signals	(3,376,940)	(189,384)	0	(3,566,324)
Sidewalks	(1,200,674)	(59,000)	600,924	(658,750)
Curbing	(591,524)	(12,362)	0	(603,886)
Total Accumulated Depreciation	<u>(42,875,191)</u>	<u>(3,018,320)</u>	<u>1,599,912</u>	<u>(44,293,599)</u>
Total Capital Assets being Depreciated, Net	<u>79,734,480</u>	<u>5,314,987</u>	<u>(222,320)</u>	<u>84,827,147</u>
Governmental Activities Capital Assets, Net	<u>\$87,354,590</u>	<u>\$10,901,613</u>	<u>(\$5,911,070)</u>	<u>\$92,345,133</u>

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 10 - Capital Assets (Continued)

	Balance 12/31/18	Additions	Deletions	Balance 12/31/19
Business-Type Activities				
<i>Capital Assets, not being Depreciated:</i>				
Land	\$78,140	\$0	\$0	\$78,140
Construction in Progress	13,206,133	22,431,290	(11,863,028)	23,774,395
<i>Total Capital Assets, not being Depreciated</i>	<u>13,284,273</u>	<u>22,431,290</u>	<u>(11,863,028)</u>	<u>23,852,535</u>
<i>Capital Assets, being Depreciated:</i>				
Land Improvements	12,371,898	1,619,768	0	13,991,666
Buildings and Improvements	19,503,408	6,045	0	19,509,453
Furniture and Equipment	10,307,486	165,367	(14,092)	10,458,761
Vehicles	3,002,190	42,785	0	3,044,975
Infrastructure:				
Sidewalks	65,172	0	0	65,172
Water Lines	61,658,061	9,214,030	(2,479,231)	68,392,860
Sewer Lines	34,648,756	1,029,230	(115,559)	35,562,427
<i>Total Capital Assets, being Depreciated</i>	<u>141,556,971</u>	<u>12,077,225</u>	<u>(2,608,882)</u>	<u>151,025,314</u>
Less Accumulated Depreciation:				
Land Improvements	(2,019,975)	(460,158)	0	(2,480,133)
Buildings and Improvements	(6,934,394)	(247,466)	0	(7,181,860)
Furniture and Equipment	(7,282,388)	(290,177)	13,387	(7,559,178)
Vehicles	(1,373,159)	(182,767)	0	(1,555,921)
Infrastructure				
Sidewalks	(2,007)	(651)	0	(2,658)
Water Lines	(17,677,570)	(588,753)	2,244,385	(16,021,938)
Sewer Lines	(9,082,231)	(326,314)	108,208	(9,300,337)
<i>Total Accumulated Depreciation</i>	<u>(44,371,724)</u>	<u>(2,096,286)</u>	<u>2,365,980</u>	<u>(44,102,025)</u>
Total Capital Assets, being Depreciated, Net	<u>97,185,247</u>	<u>9,980,939</u>	<u>(242,902)</u>	<u>106,923,289</u>
Business-Type Activities Assets, Net	<u>\$110,469,520</u>	<u>\$32,412,229</u>	<u>(\$12,105,930)</u>	<u>\$130,775,824</u>

Projects that were originally established with the intention that they would result in capital projects was deleted from construction in progress in 2019 due to the fact that they would no longer result in capital assets.

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

Governmental Activities		Business-Type Activities	
Security of Persons and Property - Police	\$145,798	Water Fund	\$674,075
Security of Persons and Property - Fire	329,459	Sewer Fund	1,302,922
Public Health Services	29,913	Parking Facilities Fund	39,319
Leisure Time Activities	494,975	Winterhurst Ice Rink Fund	79,970
Community Environment	12,190	Total Depreciation Expense	<u>\$2,096,286</u>
Basic Utility Services	299,642		
Transportation	1,518,967		
General Government	<u>187,376</u>		
Total Depreciation Expense	<u>\$3,018,320</u>		

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(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, 2019, the aggregate principal amount of conduit debt obligation outstanding for St. Edward High School was \$6,605,000. These bonds do not constitute a debt or pledge of the full faith and credit of the City and, therefore, are not reported in the financial statements.

Note 12- Short-Term Obligations

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

	Balance December 31, 2018	Additions	Deletions	Balance December 31, 2019
Notes Payable				
<i>Business-Type Activities</i>				
2018 Various Purpose - 2.50 %	\$1,000,000	\$0	\$1,000,000	\$0
Total Notes Payable	<u>\$1,000,000</u>	<u>\$0</u>	<u>\$1,000,000</u>	<u>\$0</u>

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City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 13- Long-Term Obligations

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

	<u>Original Issue Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>
Governmental Activities				
<i>Notes</i>				
Various Purpose	2019	3.00%	\$6,415,000	March 26, 2020
Various Purpose	2018	2.50%	11,987,000	March 28, 2019
General Obligation Bonds				
Various Purpose Refunding-2017	2017	2.50%	5,745,000	December 1, 2026
Various Purpose Refunding-2011	2011	2.00-5.00%	3,075,268	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-2019	2019	1.60-3.48%	8,861,498	December 1, 2040
Tax Increment Financing				
Various Purpose Refunding and Improvement Bonds Series 2016B	2016	2.50-3.00%	2,890,000	July 1, 2024
Various Purpose Refunding and Improvement Bonds Series 2016A-2005 GO Refunding Vedda	2016	1.60-5.00%	221,784	December 1, 2025
Business-Type Activities				
<i>Notes</i>				
<i>Water</i>				
Water Main Improvements	2019	3.00%	\$4,315,000	March 26, 2020
Water Main Improvements	2018	2.50%	5,940,000	March 28, 2019
<i>Sewer</i>				
Various Purpose	2019	3.00%	\$11,975,000	March 26, 2020
Various Purpose	2018	2.50%	14,360,000	March 28, 2019
General Obligation Bonds				
<i>Water</i>				
Various Purpose Refunding and Improvement Bonds Series 2016A	2016	1.60-5.00%	344,055	December 1, 2025
Various Purpose Refunding and Improvement Bonds Series 2016A	2016	1.60-5.00%	6,690,000	December 1, 2031
Various Improvement Improvement Bonds-2019	2019	1.60-3.48%	3,327,317	December 1, 2040
<i>Sewer</i>				
Sewer Construction Refunding	2012	2.00%	2,347,340	December 1, 2023
Various Purpose Refunding and Improvement Bonds Series 2016A	2016	1.60-5.00%	2,494,400	December 1, 2025
Various Purpose Refunding and Improvement Bonds Series 2016A	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-2019	2019	1.60-3.48%	4,026,185	December 1, 2040
<i>Parking</i>				
2017 Refunding-Meter Replacement	2017	2.50%	145,000	December 1, 2026

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 13- Long-Term Obligations (Continued)

	<u>Original Issue Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>
<i>OPWC Loans</i>				
<i>Water</i>				
Water Main Replacements	1999	0%	1,248,464	December 1, 2019
Water Main Replacements	2001	0%	1,944,012	December 1, 2021
Water Main Replacements	2003	0%	994,614	July 1, 2023
Water Main Replacements	2003	0%	1,592,840	July 1, 2023
Belle Avenue Improvements	2003	0%	484,637	December 1, 2023
Water Main Replacements	2015	0%	677,004	July 1, 2036
Water Main Replacements	2016	0%	676,500	December 1, 2036
Water Main Replacements	2017	0%	1,320,000	December 1, 2037
Water Main Replacements	2018	0%	4,000,000	December 1, 2039
Water Main Replacements*	2019	0%	4,000,000	December 1, 2039
<i>Sewer</i>				
West Clifton Storm Sewer Rehab.	2000	0%	115,101	December 1, 2020
Edgewater Drive-Sewer Separation	2002	0%	604,258	December 1, 2022
West End Sewer Separation	2016	0%	428,399	December 1, 2036
Webb Rd. Outfall	2018	0%	471,365	December 1, 2038

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

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City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 13- Long-Term Obligations (Continued)

Changes in the long-term obligations of the City during 2019 were as follows:

	Balance December 31, 2018	Additions	Deletions	Balance December 31, 2019	Amount Due in One Year
<i>Governmental Activities</i>					
Notes Payable					
Various Purpose-2019	\$0	\$6,415,000	\$0	\$6,415,000	\$6,415,000
Unamortized Premium	0	75,366	58,032	17,334	0
Various Purpose-2018	11,987,000	0	11,987,000	0	0
Unamortized Premium	18,729	0	18,729	0	0
<i>Total Notes Payable</i>	<u>12,005,729</u>	<u>6,490,366</u>	<u>12,063,761</u>	<u>6,432,334</u>	<u>6,415,000</u>
General Obligation Bonds					
Various Purpose Refunding-2017	4,165,000	0	845,000	3,320,000	870,000
Various Purpose-2011	7,160,000	0	575,000	6,585,000	600,000
Various Purpose Refunding-2012	1,769,278	0	341,340	1,427,938	347,029
Unamortized Premium	41,012	0	8,202	32,810	0
Various Purpose Improvement Bonds and Refunding Series 2016A-2005 GO	975,133	0	152,900	822,233	159,141
Unamortized Premium	89,827	0	12,390	77,437	0
Various Purpose Improvement Bonds and Refunding Series 2016A-2005 Vedda	150,179	0	23,548	126,631	24,509
Unamortized Premium	13,835	0	1,908	11,927	0
Various Purpose Improvement Bonds and Refunding Series 2016A	11,521,410	0	459,610	11,061,800	475,190
Unamortized Premium	1,054,223	0	61,114	993,109	0
Refunding Bonds Series 2016B	2,030,000	0	315,000	1,715,000	325,000
Unamortized Premium	46,953	0	7,513	39,440	0
Various Improvement Improvement Bonds Series 2019	0	8,861,498	163,950	8,697,548	251,390
Unamortized Premium	0	896,885	40,767	856,118	0
<i>Total General Obligation Bonds</i>	<u>29,016,850</u>	<u>9,758,383</u>	<u>3,008,242</u>	<u>35,766,991</u>	<u>3,052,259</u>
Other Long-Term Obligations					
Claims Payable	631,864	8,032,901	7,656,181	1,008,584	1,008,584
Compensated Absences Payable	6,958,282	411,866	172,029	7,198,119	3,547,746
Capital Lease Payable	6,177,769	2,422,000	2,083,725	6,516,044	1,237,745
Net Pension Liability					
OPERS	13,738,013	10,318,751	0	24,056,764	0
OP&F	39,193,714	12,545,358	0	51,739,072	0
Total Net Pension Liability	<u>52,931,727</u>	<u>22,864,109</u>	<u>0</u>	<u>75,795,836</u>	<u>0</u>
Net OPEB Liability					
OPERS	9,380,266	1,994,946	0	11,375,212	0
OP&F	36,182,165	0	30,409,965	5,772,200	0
Total Net OPEB Liability	<u>45,562,431</u>	<u>1,994,946</u>	<u>30,409,965</u>	<u>17,147,412</u>	<u>0</u>
<i>Total Other Long-Term Obligations</i>	<u>112,262,073</u>	<u>35,725,822</u>	<u>40,321,900</u>	<u>107,665,995</u>	<u>5,794,075</u>
<i>Total Governmental Activities</i>	<u>\$153,284,652</u>	<u>\$51,974,571</u>	<u>\$55,393,903</u>	<u>\$149,865,320</u>	<u>\$15,261,334</u>

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 13- Long-Term Obligations (Continued)

	Balance December 31, 2018	Additions	Deletions	Balance December 31, 2019	Amount Due in One Year
<i>Business-Type Activities</i>					
Notes					
<i>Water</i>					
Water Main Improvements-2018	\$5,940,000	\$0	\$5,940,000	\$0	\$0
Unamortized Premium	12,715	0	12,715	0	0
Water Main Improvements-2019	0	4,315,000	0	4,315,000	4,315,000
Unamortized Premium	0	50,716	39,051	11,665	11,665
<i>Sewer</i>					
Various Purpose-2018	13,360,000	0	13,360,000	0	0
Unamortized Premium	26,775	0	26,775	0	0
Various Purpose-2019	0	11,975,000	0	11,975,000	11,975,000
Unamortized Premium	0	140,702	108,340	32,362	32,362
<i>Total Notes Payable</i>	<u>19,339,490</u>	<u>16,481,418</u>	<u>19,486,881</u>	<u>16,334,027</u>	<u>16,334,027</u>
General Obligation Bonds					
<i>Water</i>					
Various Purpose Improvement Bonds and Refunding Series 2016A					
2005 Water Main Improvements	232,974	0	36,530	196,444	38,021
Unamortized Premium	21,461		2,960	18,501	0
Various Purpose Improvement Bonds and Refunding Series 2016A					
2006 Water Main Improvements	5,975,000	0	370,000	5,605,000	380,000
Unamortized Premium	677,523		55,308	622,215	0
Various Purpose Improvement Bonds Series 2019					
Unamortized Premium	0	3,327,317	61,560	3,265,757	94,392
<i>Sewer</i>					
Sewer Construction Refunding Bonds- 2012					
Unamortized Premium	1,340,721	0	258,660	1,082,061	262,971
Unamortized Premium	31,080	0	6,215	24,865	0
Various Purpose Improvement Bonds and Refunding Series 2016A					
Sewer Construction-2005	1,689,057	0	264,845	1,424,212	275,654
Unamortized Premium	155,592		21,461	134,131	0
Various Purpose Improvement Bonds and Refunding Series 2016A					
Sewer Construction-2006	8,325,000	0	510,000	7,815,000	530,000
Unamortized Premium	944,448		77,098	867,350	0
Various Purpose Improvement Bonds and Refunding Series 2016A					
Unamortized Premium	3,268,590	0	130,390	3,138,200	134,810
Unamortized Premium	299,079		17,338	281,741	0
Various Purpose Improvement Bonds Series 2019					
Unamortized Premium	0	4,026,185	74,490	3,951,695	114,218
Unamortized Premium	0	407,496	14,553	392,943	
<i>Winterhurst</i>					
Various Purpose Improvement Bonds and Refunding Series 2016A					
Unamortized Premium	77,657	0	12,177	65,480	12,674
Unamortized Premium	7,153	0	987	6,166	0
<i>Parking</i>					
2017 Refunding-Meter Replacement	90,000	0	30,000	60,000	30,000
<i>Total General Obligation Bonds</i>	<u>\$23,135,335</u>	<u>\$8,097,760</u>	<u>\$1,956,599</u>	<u>\$29,276,496</u>	<u>\$1,872,740</u>

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 13- Long-Term Obligations (Continued)

	Balance December 31, 2018	Additions	Deletions	Balance December 31, 2019	Amount Due in One Year
Direct Borrowings and Direct Placement of Debt					
OPWC Loans					
<i>Water Fund</i>					
Water Main Replacements-2001	\$ 194,399	\$0	\$ 97,200	\$ 97,199	\$ 97,199
Water Main Replacements-2003	223,788	0	49,730	174,058	49,730
Water Main Replacements-2003	358,392	0	79,640	278,752	79,642
Belle Avenue Improvements-2003	133,275	0	24,231	109,044	24,232
Water Main Replacements-2015	592,379	0	33,850	558,529	33,850
Water Main Replacements-2016	608,848	0	33,826	575,022	33,826
Water Main Replacements-2017	1,254,000	0	66,000	1,188,000	66,000
Water Main Replacements-2018	622,205	524,561	0	1,146,766	28,669
Water Main Replacements-2019	0	2,770,590	0	2,770,590	0
<i>Total Water Fund</i>	<u>3,987,286</u>	<u>3,295,151</u>	<u>384,477</u>	<u>6,897,960</u>	<u>413,148</u>
<i>Sewer</i>					
West Clifton Storm Sewer Rehabilitation-2000	4,277	0	4,277	0	0
West End Sewer Separation-2016	385,559	0	21,420	364,139	21,420
Edgewater Drive-Sewer Separation-2002	90,638	0	30,213	60,425	30,213
Webb Rd. Outfall-2017	471,365	228	290,374	181,219	9,060
<i>Total Sewer Fund</i>	<u>951,839</u>	<u>228</u>	<u>346,284</u>	<u>605,783</u>	<u>60,693</u>
<i>Total OPWC Loans</i>	<u>4,939,125</u>	<u>3,295,379</u>	<u>730,761</u>	<u>7,503,743</u>	<u>473,841</u>
Other Long-Term Obligations					
Compensated Absences Payable	375,365	26,322	0	401,687	141,166
Capital Lease Payable	4,042,553	0	1,791,645	2,250,908	502,184
Net Pension Liability - OPERS	3,389,114	2,545,595	0	5,934,709	0
Net OPEB Liability - OPERS	2,314,075	492,145	0	2,806,220	0
<i>Total Other Long-Term Obligations</i>	<u>10,121,107</u>	<u>3,064,062</u>	<u>1,791,645</u>	<u>11,393,524</u>	<u>643,350</u>
<i>Total Business-Type Activities</i>	<u>\$57,535,057</u>	<u>\$30,938,619</u>	<u>\$23,965,886</u>	<u>\$64,507,790</u>	<u>\$19,323,958</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. 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.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 13 - Long-Term Obligations (Continued)

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, 2019, the amount of defeased debt that is still outstanding but removed from the government-wide financial statements is \$1,920,000.

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 in 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, 2019, the amount of defeased debt that is still outstanding but removed from the government-wide financial statements is \$3,360,000.

On March 29, 2018, the City issued \$32,287,000 in various purpose and refunding bond anticipation notes at 2.50 percent that will mature March 28, 2019. The proceeds were used to retire previously issued notes within the Governmental Activities, Water and Sewer Fund. \$1,000,000 of these notes were considered short-term and the remaining \$31,287,000 is considered long-term.

On March 27, 2019, the City issued \$22,705,000 in various purpose improvement tax revenue notes at 3.00 percent that will mature March 25, 2020. The proceeds were used to retire previously issued notes within the Governmental Activities, Water and Sewer Fund.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 13 - Long-Term Obligations (Continued)

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.

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 16 and 17.

Business-Type Activities

The general obligation bonds, and OPWC 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 the High Rate Treatment Facility Wastewater project in the amount of \$3,366,425. As of December 31, 2019, there have been no disbursements.

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, 2019, there have been no disbursements.

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 and interest payments 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 and interest remaining to be paid on the loans are \$6,897,960. Principal and interest paid for the current year were \$384,477, total net revenues were \$2,485,427, and total revenues were \$11,236,028.

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 and interest payments on the debt is expected to require less than 4 percent of net revenues. The total principal and interest remaining to be paid on the debt is \$605,783. Principal and interest paid for the current year were \$346,284, total net revenues were \$3,452,551, and total revenues were \$13,091,384.

The City's overall legal debt margin was \$68,340,835 at December 31, 2019.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 13 - Long-Term Obligations (Continued)

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2019, are as follows:

	Governmental Activities	
	General Obligation Bonds	
	Principal	Interest
2020	\$3,052,259	\$1,314,995
2021	3,085,953	1,219,975
2022	2,590,815	1,108,654
2023	2,696,557	1,026,812
2024	2,405,661	931,342
2025-2029	8,914,408	3,252,819
2030-2034	5,988,802	1,644,157
2035-2039	4,423,277	490,005
2040	598,418	20,197
	<u>\$33,756,150</u>	<u>\$11,008,956</u>

	Business Type Activities				
	General Obligation Bonds		OPWC Loans	Total	
	Principal	Interest	Principal	Principal	Interest
2020	\$1,872,740	\$1,052,153	\$413,148	\$2,285,888	\$1,052,153
2021	1,844,047	994,822	405,312	2,249,359	994,822
2022	1,899,182	639,944	375,099	2,274,281	639,944
2023	1,938,442	871,476	310,413	2,248,855	871,476
2024	1,699,340	811,295	233,611	1,932,951	811,295
2025-2029	8,495,595	2,901,544	1,107,472	9,603,067	2,901,544
2030-2034	5,621,198	1,124,705	1,107,472	6,728,670	1,124,705
2035-2039	2,736,719	268,084	780,626	3,517,345	268,084
2040	496,586	7,583	0	496,586	7,583
	<u>\$26,603,849</u>	<u>\$8,671,606</u>	<u>\$4,733,153</u>	<u>\$31,337,002</u>	<u>\$8,671,606</u>

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

Note 14 – Capital Leases

In 2019, the City entered into a lease for the acquisition of police vehicles, refuse vehicles, street vehicles and fire vehicles. In prior years, the City entered into leases for the acquisition of police vehicles, 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. The assets of such agreements are recorded in the Governmental Activities and Business-Type Activities as shown on the Statement of Net Position.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 14 – Capital Leases (Continued)

The following is a schedule of the future minimum lease payments for capital leases and the present value of net minimum lease payments as of December 31, 2019:

	Governmental Activities	Business-Type Activities
Building and Improvements	\$2,100,000	\$3,496,028
Equipment Machinery and Furniture	436,186	310,125
Vehicles	9,745,126	1,311,350
Total Capital Leases, being depreciated	12,281,312	5,117,503
Less Accumulated Depreciation		
Building and Improvements	2,100,000	1,974,147
Equipment Machinery and Furniture	342,498	256,819
Vehicles	7,321,032	1,289,401
Total Accumulated Depreciation	9,763,530	3,520,367
Capital Leases, Net	\$2,517,782	\$1,597,136
	Governmental Activities	Business-Type Activities
2020	\$1,390,940	\$550,259
2021	1,194,197	418,319
2022	989,091	293,161
2023	763,896	222,239
2024	628,209	187,353
2025-2029	2,141,235	726,965
2030-2031	45,840	49,114
Total minimum lease payments	7,153,408	2,447,410
Less: amount representing interest	(637,364)	(196,502)
Total	\$6,516,044	\$2,250,908

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 15 - Risk Management

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

Errors and omissions for public officials and police professional liability are \$1,000,000 per occurrence, and have a \$2,000,000 annual aggregate. Vehicles are covered for \$1,000,000 per each occurrence, no aggregate, with a \$5,000 deductible for comprehensive, \$5,000 deductible for collision. The boiler and machinery is covered at \$139,597,619 with a \$10,000 deductible for all property. Coverage for the City's buildings, furniture, fixtures, and contents has a limit of \$139,597,619, with a \$10,000 deductible. Inland marine coverage for all City property that moves has coverage of \$3,588,626 with a \$500 deductible and EDP equipment is covered at \$1,262,146 with a \$500 deductible.

Allied World Assurance Co. Policy covers Cyber liability at \$1,000,000 annual aggregate, with a \$5,000 deductible.

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

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

At December 31, 2019, \$983,516 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:

	2019	2018
Estimated claims payable January 1	\$612,151	\$667,120
Plus: Current year claims	8,110,875	6,506,657
Less: Claim payments	(7,739,510)	(6,561,626)
Estimated claims payable December 31	\$983,516	\$612,151

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 15 - Risk Management (Continued)

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

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

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

At December 31, 2019, \$25,068 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:

	2019	2018
Estimated claims payable January 1	\$19,713	\$12,314
Plus: Current year claims	306,231	265,943
Less: Claim payments	(300,876)	(258,544)
Estimated claims payable December 31	\$25,068	\$19,713

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 16 - 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, 2019
(Continued)

Note 16 - Defined Benefit Pension Plans (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' CAFR referenced above for additional information):

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

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.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 16 - Defined Benefit Pension Plans (Continued)

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.

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

	State and Local
2019 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
 2019 Actual Contribution Rates	
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.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contributions was \$2,223,471 for 2019. Of this amount, \$186,474 is reported as an intergovernmental payable.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 16 - Defined Benefit Pension Plans (Continued)

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 or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 16 - Defined Benefit Pension Plans (Continued)

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

	Police	Firefighters
2019 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
 2019 Actual Contribution Rates		
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 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$3,139,051 for 2019. Of this amount, \$413,302 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, 2018, 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, 2018, and was determined by rolling forward the total pension liability as of January 1, 2018, to December 31, 2018. 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	0.109173%	0.074969%	0.322848%	0.315751%	
Proportion of the Net Pension Liability/Asset Current Measurement Date	0.109506%	0.086101%	0.318155%	0.315697%	
Change in Proportionate Share	0.000333%	0.011132%	-0.004693%	-0.000054%	
 Proportionate Share of the Net Pension Liability/(Asset)	 \$ 29,991,473	 \$ (96,280)	 \$ 25,969,855	 \$ 25,769,217	 \$ 81,634,265
Pension Expense	\$ 6,626,251	\$ 24,110	\$ 3,386,546	\$ 3,459,264	\$ 13,496,171

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 16 - Defined Benefit Pension Plans (Continued)

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS	OP&F Police	OP&F Fire	Total
Deferred Outflows of Resources				
Net difference between projected and actual earnings on pension plan investments	\$4,091,424	\$3,199,463	\$3,174,744	\$10,465,631
Differences between expected and actual experience	1,383	1,066,998	1,058,754	2,127,135
Changes of assumptions	2,632,319	688,497	683,176	4,003,992
Changes in proportion and differences between City contributions and proportionate share of contributions	118,145	169,268	366,812	654,225
City contributions subsequent to the measurement date	2,223,471	1,556,230	1,582,821	5,362,522
Total Deferred Outflows of Resources	<u>\$9,066,742</u>	<u>\$6,680,456</u>	<u>\$6,866,307</u>	<u>\$22,613,505</u>
Deferred Inflows of Resources				
Differences between expected and actual experience	\$433,129	\$24,252	\$24,063	\$481,444
Changes in proportion and differences between City contributions and proportionate share of contributions	28,772	426,379	392,135	847,286
Total Deferred Inflows of Resources	<u>\$461,901</u>	<u>\$450,631</u>	<u>\$416,198</u>	<u>\$1,328,730</u>

\$5,362,522 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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS	OP&F Police	OP&F Fire	Total
2020	\$2,797,312	\$1,467,112	\$1,554,668	\$5,819,092
2021	1,326,743	767,487	860,449	2,954,679
2022	374,564	917,750	900,806	2,193,120
2023	1,896,588	1,436,368	1,461,058	4,794,014
2024	(5,107)	84,878	90,307	170,078
Thereafter	(8,730)	0	0	(8,730)
Total	<u>\$6,381,370</u>	<u>\$4,673,595</u>	<u>\$4,867,288</u>	<u>\$15,922,253</u>

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 16 - 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, 2018, 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. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA	3.25 to 10.75 percent including wage inflation Pre 1/7/2013 retirees; 3 percent, simple Post 1/7/2013 retirees; 3 percent, simple through 2018, then 2.15 percent simple
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age

The total pension asset in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA	3.25 to 8.25 percent including wage inflation Pre 1/7/2013 retirees; 3 percent, simple Post 1/7/2013 retirees; 3 percent, simple through 2018, then 2.15 percent simple
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the previously described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 16 - Defined Benefit Pension Plans (Continued)

The long-term 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 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 at a loss of 2.94 percent for 2018.

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 2018 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.79 %
Domestic Equities	19.00	6.21
Real Estate	10.00	4.90
Private Equity	10.00	10.81
International Equities	20.00	7.83
Other investments	18.00	5.50
Total	100.00 %	5.95 %

Discount Rate The discount rate used to measure the total pension liability was 7.2 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 7.2 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 (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 16 - Defined Benefit Pension Plans (Continued)

	1% Decrease	Current Discount Rate	1% Increase
City's proportionate share of the net pension liability/(asset)	(6.20%)	(7.20%)	(8.20%)
Traditional Pension Plan	\$ 44,306,128	\$ 29,991,473	\$ 18,095,867
Combined Plan	\$ (31,857)	\$ (96,280)	\$ (142,928)

F. Actuarial Assumptions – OP&F

OP&F's total pension liability as of December 31, 2018 is based on the results of an actuarial valuation date of January 1, 2018, 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.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2018, are presented below:

Valuation Date	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.00 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
Cost of Living Adjustments	3.00 percent simple, 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent

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.

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

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 16 - Defined Benefit Pension Plans (Continued)

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. Mortality rates for active members were based on the RP2014 Total employee and Healthy Annuitant Mortality Tables rolled back to 2006, 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 January 1, 2017.

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. 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, 2018 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>10 year Expected Real Rate of Return **</u>	<u>30 year Expected Real Rate of Return **</u>
Cash and Cash Equivalents	0.00 %	1.00 %	0.80 %
Domestic Equity	16.00	5.60	5.50
Non-US Equity	16.00	6.10	5.90
Core Fixed Income *	23.00	2.20	2.60
U.S. Inflation Linked Bonds *	17.00	1.30	2.30
High Yield Fixed Income	7.00	4.20	4.80
Real Estate	12.00	5.70	6.10
Private Markets	8.00	8.40	8.40
Master Limited Partnerships	8.00	6.70	6.40
Private Credit	5.00	8.30	7.50
Real Assets	8.00	7.00	7.00
Total	<u>120.00 %</u>		

Note: Assumptions are geometric

* levered 2x

** numbers are net of expected inflation

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 16 - Defined Benefit Pension Plans (Continued)

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 1.2 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 8.00 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 8.00 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.

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 8.00 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 (7.00 percent), or one percentage point higher (9.00 percent) than the current rate.

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$ 68,007,445	\$ 51,739,072	\$ 38,144,497

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City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 17 – Defined Benefit OPEB Plans

A. Net OPEB Liability

The net OPEB liability reported on the statement of net position represents a liability 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 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 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 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 the 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. The proportionate share of each plan’s unfunded benefits is presented as a long-term *net OPEB liability* 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.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 17 – Defined Benefit OPEB Plans (Continued)

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' CAFR 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.

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. During 2019, health care is not being funded.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2019, 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. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and Combined Plan was 0 percent during calendar year 2018. 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 2019 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 \$20,681 for 2019.

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) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment healthcare plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. OP&F provides health care benefits including coverage for medical, prescription drug, dental, vision, and Medicare Part B Premium to retirees, qualifying benefit recipients and their eligible dependents.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 17 – Defined Benefit OPEB Plans (Continued)

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.

OP&F issues a publicly available 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 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 2019, 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.

On January 1, 2019, OP&F changed its retiree health care model and the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. 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.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 17 – Defined Benefit OPEB Plans (Continued)

The City’s contractually required contribution to OP&F was \$74,630 for 2019.

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018, 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, 2018, and was determined by rolling forward the total OPEB liability as of January 1, 2018, to December 31, 2018. The City’s proportion of the net OPEB liability 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&F</u>	<u>Total</u>
Proportion of the Net OPEB Liability			
Prior Measurement Date	0.107690%	0.638600%	
Proportion of the Net OPEB Liability			
Current Measurement Date	<u>0.108773%</u>	<u>0.633853%</u>	
Change in Proportionate Share	<u>0.001083%</u>	<u>-0.004747%</u>	
Proportionate Share of the Net OPEB			
Liability	\$ 14,181,432	\$ 5,772,200	\$ 19,953,632
OPEB Expense	\$ 1,373,812	\$ (28,411,257)	\$ (27,037,445)

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$4,803	\$0	\$4,803
Changes of assumptions	457,227	2,992,031	3,449,258
Net difference between projected and actual earnings on pension plan investments	650,135	195,394	845,529
Changes in proportion and differences between City contributions and proportionate share of contributions	119,051	236,965	356,016
City contributions subsequent to the measurement date	<u>20,681</u>	<u>74,630</u>	<u>95,311</u>
Total Deferred Outflows of Resources	<u>\$1,251,897</u>	<u>\$3,499,020</u>	<u>\$4,750,917</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$38,479	\$154,650	\$193,129
Changes of assumptions	0	1,598,018	1,598,018
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>0</u>	<u>210,764</u>	<u>210,764</u>
Total Deferred Inflows of Resources	<u>\$38,479</u>	<u>\$1,963,432</u>	<u>\$2,001,911</u>

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 17 – Defined Benefit OPEB Plans (Continued)

\$95,311 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 in 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2020	\$581,368	\$262,025	\$843,393
2021	175,484	262,025	437,509
2022	108,368	262,024	370,392
2023	327,517	321,124	648,641
2024	0	227,951	227,951
Thereafter	0	125,808	125,808
Total	\$1,192,737	\$1,460,957	\$2,653,694

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, 2017, rolled forward to the measurement date of December 31, 2018. 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:

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	3.96 percent
Prior Measurement date	3.85 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate	3.71 percent
Health Care Cost Trend Rate	10.0 percent, initial 3.25 percent, ultimate in 2029
Actuarial Cost Method	Individual Entry Age

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 17 – Defined Benefit OPEB Plans (Continued)

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

The most recent experience study was completed for a five year period ending December 31, 2015.

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 2018, 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 is 5.60 percent for 2018.

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.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 17 – Defined Benefit OPEB Plans (Continued)

The table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	34.00 %	2.42 %
Domestic Equities	21.00	6.21
Real Estate Investment Trust	6.00	5.98
International Equities	22.00	7.83
Other investments	17.00	5.57
Total	<u>100.00 %</u>	<u>5.16 %</u>

Discount Rate A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. A single discount rate of 3.85 percent was used to measure the OPEB liability on the measurement date of December 31, 2017. 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 3.71 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 2031. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2031, 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

The following table presents the City’s proportionate share of the net OPEB liability calculated using the single discount rate of 3.96 percent, as well as what the City’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.96 percent) or one-percentage-point higher (4.96 percent) than the current rate:

	<u>1% Decrease (2.96%)</u>	<u>Current Discount Rate (3.96%)</u>	<u>1% Increase (4.96%)</u>
City's proportionate share of the net OPEB liability	\$18,143,336	\$14,181,432	\$11,030,670

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 17 – Defined Benefit OPEB Plans (Continued)

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 2019 is 10.00 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 3.25 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 liability	\$13,631,432	\$14,181,432	\$14,814,883

F. Actuarial Assumptions – OP&F

OP&F’s total OPEB liability as of December 31, 2018, is based on the results of an actuarial valuation date of January 1, 2018, 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. 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.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 17 – Defined Benefit OPEB Plans (Continued)

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

Valuation Date	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.0 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	4.66 percent
Prior measurement date	3.24 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent

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.

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.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 17 – Defined Benefit OPEB Plans (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, 2018, are summarized below:

Asset Class	Target Allocation	10 year Expected Real Rate of Return **	30 year Expected Real Rate of Return **
Cash and Cash Equivalents	0.00 %	1.00 %	0.80 %
Domestic Equity	16.00	5.30	5.50
Non-US Equity	16.00	6.10	5.90
Core Fixed Income *	23.00	2.20	2.60
U.S. Inflation Linked Bonds *	17.00	1.30	2.30
High Yield Fixed Income	7.00	4.20	4.80
Real Estate	12.00	5.70	6.10
Private Markets	8.00	8.40	8.40
Master Limited Partnerships	8.00	6.70	6.40
Private Credit	5.00	8.30	7.50
Real Assets	8.00	7.00	7.00
Total	120.00 %		

Note: Assumptions are geometric

* levered 2x

** numbers are net of expected inflation

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 1.2 times due to the application of leverage in certain fixed income asset classes.

Discount Rate The total OPEB liability was calculated using the discount rate of 4.66 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 8 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. Therefore, a municipal bond rate of 3.16 percent at December 31, 2018 and 3.16 percent at December 31, 2017, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 4.66 percent. The municipal bond rate was determined using the S&P Municipal Bond 20 Year High Grade Rate Index.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 17 – Defined Benefit OPEB Plans (Continued)

The OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments until 2025. The long-term expected rate of return on health care investments was applied to projected costs through 2025, 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 4.66 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 (3.66 percent), or one percentage point higher (5.66 percent) than the current rate.

	1% Decrease (3.66%)	Current Discount Rate (4.66%)	1% Increase (5.66%)
City's proportionate share of the net OPEB liability	\$7,032,116	\$5,772,200	\$4,714,610

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 sensitive to changes in the health care cost trend rate because it is based on a medial benefit that is a flat dollar rate.

Changes between Measurement Date and Report Date

Beginning January 1, 2019 OP&F is changing its retiree health care model and the current self-insured health care plan will no longer be 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.

Note 18 - Other Employee Benefits

A. Compensated Absences

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

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 18 - Other Employee Benefits (Continued)

Police and fire department employees can receive, on a quarterly basis for police and a semi-annual basis for fire, payments for portions of overtime accumulated, upon written request to the respective department Chief.

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

B. Health and Life Insurance

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

Note 19 - Jointly Governed Organization

The West Shore Council of Governments helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions and regional development. The Board of Directors is comprised of one member from each of the six participating municipalities. The Board of Directors exercises total control over the operation of the Council including budgeting, appropriating, contracting and designating management. Budgets are adopted by the board. Each City's degree of control is limited to its representation on the Board of Directors. In 2019, the City contributed \$103,328.

Note 20 – Construction Contractual and Other Commitments

A. Construction Contractual Commitments

The following were significant contractual commitments outstanding at December 31, 2019.

Project	Contract Amount	Amount Paid	Amount Remaining
Transportation Improvements	\$1,152,075	\$883,052	\$269,023
Lakewood Hospital Demolition	7,076,068	5,500,979	1,575,089
Park Improvements	247,000	201,749	45,251
Waterline Improvements	8,050,375	6,739,650	1,310,725
Wastewater Improvements	34,877,075	14,528,397	20,348,678
Totals	<u>\$ 51,402,593</u>	<u>\$ 27,853,827</u>	<u>\$ 23,548,766</u>

During 2019 the City received a loan from the Ohio Public Works Administration in the amount of \$2,443,540 for the construction of the Idlewood, Lakeland & Morrison Watermain replacement project. The project is expected to be completed in 2020.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 20 – 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, 2019, the City's commitments for encumbrances in the governmental funds were as follows:

	Encumbrances Outstanding
Major Fund:	
General	\$4,443,015

Note 21 – 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, Parking 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, General Capital Improvement Fund, and the Winterhurst Fund were necessary to record the capital lease debt payments in the funds that originally recorded the leases and notes.

	TRANSFERS OUT			
	Governmental activities		Business-Type Activities	
	Major Funds		Major Fund	
	General	Debt Service	Sewer	Total
TRANSFERS IN				
<i>Governmental Activities</i>				
<u>Major Funds:</u>				
General	\$0	\$2,031,141	\$0	\$2,031,141
Debt Service	0	0	2,000,000	2,000,000
<u>Nonmajor Funds:</u>				
Office on Aging	690,000	0	0	690,000
Permanent Capital Improvement	0	163,589	0	163,589
Total Governmental Activities	690,000	2,194,730	2,000,000	4,884,730
<i>Business-Type Activities</i>				
<u>Nonmajor Fund:</u>				
Winterhurst	0	14,894	0	14,894
Total Business-Type Activities	0	14,894	0	14,894
<i>Internal Service Funds</i>				
Hospitalization	873,837	0	0	873,837
Workers' Compensation	16,337	0	0	16,337
Total	\$1,580,174	\$2,209,624	\$2,000,000	\$5,789,798

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 21 – Interfund Transfers and Balances (Continued)

B. Interfund Receivables and Payables

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

All interfund balances will be repaid within one year. Interfund balances at December 31, 2019, consist of the following:

<u>Interfund Payable</u>	<u>Interfund Receivable</u>			<u>Total</u>
	<u>General</u>	<u>Workers' Compensation</u>	<u>Hospitalization</u>	
<i>Governmental Funds</i>				
Major Funds:				
General	\$0	\$20,580	\$807,468	\$828,048
Community Development Block Grant	140,000	120	4,695	144,815
Nonmajor Funds:				
Street and Highway	0	838	32,862	33,700
Office on Aging	0	538	21,126	21,664
Emergency Shelter Grant	65,000	0	0	65,000
Family to Family	187,000	0	0	187,000
<i>Total Governmental Funds</i>	<u>392,000</u>	<u>22,076</u>	<u>866,151</u>	<u>1,280,227</u>
<i>Proprietary Funds</i>				
Major Funds:				
Water	0	778	30,515	31,293
Sewer	0	2,094	82,155	84,249
Nonmajor Funds:				
Parking Facilities	0	120	4,695	4,815
Winterhurst	160,000	0	0	160,000
<i>Total Proprietary Funds</i>	<u>160,000</u>	<u>2,992</u>	<u>117,365</u>	<u>280,357</u>
Total	<u><u>\$552,000</u></u>	<u><u>\$25,068</u></u>	<u><u>\$983,516</u></u>	<u><u>\$1,560,584</u></u>

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

Note 22 – 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. 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, 2019, the City abated residential property taxes totaling \$317,400 (tax year 2018/collection year 2019).

Note 23 - Subsequent Events

On March 25, 2020, the City issued \$28,215,000 in various purpose improvement income tax revenue notes, series 2020 at 2.00 percent that will mature March 24, 2021. \$22,705,000 of the proceeds was used to retire outstanding various purposes income tax revenue notes, series 2019.

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. The impact on the City's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

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 Six Years (1)

Traditional Plan	2019	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.109506%	0.109173%	0.107554%	0.110275%	0.111944%	0.111944%
City's Proportionate Share of the Net Pension Liability	\$29,991,473	\$17,127,127	\$24,423,684	\$19,101,020	\$13,501,698	\$13,196,739
City's Covered Payroll	\$14,809,729	\$14,440,354	\$13,903,507	\$13,724,833	\$13,769,800	\$13,724,831
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	202.51%	118.61%	175.67%	139.17%	98.05%	96.15%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%
Combined Plan	2019	2018	2017	2016	2015	2014
City's Proportion of the Net Pension (Asset)	0.086101%	0.074969%	0.063467%	0.062040%	0.046096%	0.046096%
City's Proportionate Share of the Net Pension (Asset)	(\$96,280)	(\$102,057)	(\$35,324)	(\$30,190)	(\$17,749)	(\$4,837)
City's Covered Payroll	\$350,514	\$307,038	\$247,050	\$225,775	\$169,775	\$225,769
City's Proportionate Share of the Net Pension (Asset) as a Percentage of its Covered Payroll	27.47%	33.24%	14.30%	13.37%	10.45%	2.14%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	126.64%	137.28%	116.55%	116.90%	114.83%	104.33%

(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

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 Six Years (1)

Police	2019	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.318155%	0.3228480%	0.3189346%	0.3243258%	0.3269860%	0.3269860%
City's Proportionate Share of the Net Pension Liability	\$25,969,855	\$19,814,640	\$20,200,995	\$20,864,107	\$17,356,788	\$15,925,244
City's Covered Payroll	\$7,991,637	\$7,987,753	\$7,669,200	\$7,416,211	\$7,231,742	\$7,006,764
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	324.96%	248.06%	263.40%	281.33%	240.01%	227.28%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.07%	70.91%	68.36%	66.77%	71.71%	73.00%
Fire	2019	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.315697%	0.3157512%	0.3130046%	0.3272778%	0.3135738%	0.3135738%
City's Proportionate Share of the Net Pension Liability	\$25,769,217	\$19,379,074	\$19,825,395	\$21,054,007	\$16,644,854	\$15,272,028
City's Covered Payroll	\$6,442,485	\$6,296,298	\$6,117,945	\$6,007,864	\$5,630,757	\$5,366,792
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	399.99%	307.79%	324.05%	350.44%	295.61%	284.57%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.07%	70.91%	68.36%	66.77%	71.71%	73.00%

(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

City of Lakewood, Ohio
Required Supplementary Information
Schedule of City Contributions - Pension
Ohio Public Employees Retirement System
Last Seven Years (1)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<u>Contractually Required Contributions</u>							
Traditional Plan	2,169,613	2,073,362	1,877,246	1,668,421	1,646,980	1,652,376	1,784,228
Combined Plan	53,858	49,072	39,915	29,646	27,093	20,373	29,350
Total Required Contributions	\$2,223,471	\$2,122,434	\$1,917,161	\$1,698,067	\$1,674,073	\$1,672,749	\$1,813,578
Contributions in Relation to the Contractually Required Contribution	(\$2,223,471)	(\$2,122,434)	(\$1,917,161)	(\$1,698,067)	(\$1,674,073)	(\$1,672,749)	(\$1,813,578)
Contribution Deficiency / (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>City's Covered Payroll</u>							
Traditional Plan	\$15,497,236	\$14,809,729	\$14,440,354	\$13,903,507	\$13,724,833	\$13,769,800	\$13,724,831
Combined Plan	\$384,700	\$350,514	\$307,038	\$247,050	\$225,775	\$169,775	\$225,769
<u>Pension Contributions as a Percentage of Covered Payroll</u>							
Traditional Plan	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%	13.00%
Combined Plan	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%	13.00%

(1) Information prior to 2013 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

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<u>Contractually Required Contributions</u>										
Police	\$1,556,230	\$1,518,411	\$1,517,673	\$1,457,148	\$1,409,080	\$1,374,031	\$1,102,164	\$896,221	\$921,634	\$877,675
Fire	\$1,582,821	\$1,513,984	\$1,479,630	\$1,437,717	\$1,411,848	\$1,323,228	\$1,085,702	\$936,402	\$959,008	\$925,438
Total Required Contributions	\$3,139,051	\$3,032,395	\$2,997,303	\$2,894,865	\$2,820,928	\$2,697,259	\$2,187,866	\$1,832,623	\$1,880,642	\$1,803,113
Contributions in Relation to the Contractually Required Contribution	(\$3,139,051)	(\$3,032,395)	(\$2,997,303)	(\$2,894,865)	(\$2,820,928)	(\$2,697,259)	(\$2,187,866)	(\$1,832,623)	(\$1,880,642)	(\$1,803,113)
Contribution Deficiency / (Excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<u>City's Covered Payroll</u>										
Police	\$8,190,684	\$7,991,637	\$7,987,753	\$7,669,200	\$7,416,211	\$7,231,742	\$7,006,764	\$7,029,184	\$7,228,502	\$6,883,725
Fire	\$6,735,409	\$6,442,485	\$6,296,298	\$6,117,945	\$6,007,864	\$5,630,757	\$5,366,792	\$5,428,417	\$5,559,467	\$5,364,858
<u>Pension Contributions as a Percentage of Covered Payroll</u>										
Police	19.00%	19.00%	19.00%	19.00%	19.00%	19.00%	[1]	12.75%	12.75%	12.75%
Fire	23.50%	23.50%	23.50%	23.50%	23.50%	23.50%	[1]	17.25%	17.25%	17.25%

[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

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's Proportion of the Net OPEB Liability	0.108773%	0.107690%	0.106720%
City's Proportionate Share of the Net OPEB Liability	\$ 14,181,432	\$ 11,694,341	\$ 10,779,082
City's Covered Payroll	\$ 15,777,237	\$ 15,253,148	\$ 14,748,015
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	89.89%	76.67%	73.09%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.33%	54.14%	54.04%

(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

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 Three Years (1)

	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.633853%	0.638600%	0.631940%
City's Proportionate Share of the Net OPEB Liability	\$ 5,772,200	\$ 36,182,165	\$ 29,996,771
City's Covered Payroll	\$ 14,434,122	\$ 14,284,051	\$ 13,787,145
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	39.99%	253.30%	217.57%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.57%	14.13%	15.96%

(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

City of Lakewood, Ohio
Required Supplementary Information
Schedule of City Contributions - OPEB
Ohio Public Employees Retirement System
Last Five Years (1)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 20,681	\$ 24,708	\$ 168,096	\$ 306,909	\$ 279,011
Contributions in Relation to the Contractually Required Contribution	<u>(20,681)</u>	<u>(24,708)</u>	<u>(168,096)</u>	<u>(306,909)</u>	<u>(279,011)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 16,251,249	\$ 15,777,237	\$ 15,253,148	\$ 14,748,015	\$ 14,570,020
Contributions as a Percentage of Covered Payroll	0.13%	0.16%	1.10%	2.08%	1.91%

(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

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

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Contractually Required Contribution	\$ 74,630	\$ 72,170	\$ 71,420	\$ 68,516	\$ 66,487	\$ 64,631	\$ 434,081	\$ 841,297	\$ 863,188	\$ 826,780
Contributions in Relation to the Contractually Required Contribution	(74,630)	(72,170)	(71,420)	(68,516)	(66,487)	(64,631)	(434,081)	(841,297)	(863,188)	(826,780)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 14,926,093	\$ 14,434,122	\$ 14,284,051	\$ 13,787,145	\$ 13,424,075	\$ 12,862,499	\$ 12,373,556	\$ 12,457,601	\$ 12,787,969	\$ 12,248,583
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	3.62%	6.75%	6.75%	6.75%

See accompanying notes to the required supplementary information

City of Lakewood, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2019

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 2014-2019.

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%.

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2019.

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 2020, 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.

City of Lakewood, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019
(Continued)

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 2014-2019.

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. 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.

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018. 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%

Combining Statements

Fund Descriptions – Nonmajor Governmental Funds

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

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.
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.
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.

Fund Descriptions – Nonmajor Governmental Funds

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) Bond Retirement Fund	To account for and report all restricted tax increment financing activities.
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Non-Major Capital Project Funds

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

Permanent Capital Improvement Fund	To account for and report note proceeds restricted for acquisition of equipment and the construction of general capital assets of the City.
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Land Acquisition Fund	To account for and report transfers received and committed to the acquisition of properties to be developed for recreation, economic or other purposes as deemed appropriate by City Council and Mayor.
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City Park Improvement Fund	To account for and report donations committed to the improvement of the City Park.
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Tax Increment Financing (TIF) Capital Improvement Fund	To account for and report bond proceeds and all payment made to the developers of Rockport and Vedda Printing restricted for TIF activities. This fund did not have any activity or a budget in 2019, therefore, budgetary information is not provided.
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City of Lakewood, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$2,921,741	\$596,335	\$7,288,925	\$10,807,001
Cash and Cash Equivalents:				
In Segregated Accounts	0	0	85,357	85,357
Materials and Supplies Inventory	165,271	0	0	165,271
Accrued Interest Receivable	191	0	0	191
Accounts Receivable	13,425	0	0	13,425
Intergovernmental Receivable	1,076,442	0	153,380	1,229,822
Payments in Lieu of Taxes Receivable	0	1,236,758	0	1,236,758
Assets Held for Resale	0	0	613,341	613,341
Total Assets	4,177,070	1,833,093	8,141,003	14,151,166
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$141,179	\$0	\$756,417	\$897,596
Accrued Wages and Benefits	53,811	0	0	53,811
Intergovernmental Payable	73,834	0	0	73,834
Matured Compensated Absences Payable	19,451	0	0	19,451
Retainage Payable	0	0	85,357	85,357
Interfund Payable	307,364	0	0	307,364
Total Liabilities	595,639	0	841,774	1,437,413
Deferred Inflows of Resources:				
Payments in Lieu of Taxes	0	1,197,326	0	1,197,326
Unavailable Revenue - Delinquent Payments in Lieu of Taxes	0	39,432	0	39,432
Unavailable Revenue - Other	667,911	0	0	667,911
Total Deferred Inflows of Resources	667,911	1,236,758	0	1,904,669
Fund Balances:				
Nonspendable	165,271	0	0	165,271
Restricted	2,795,256	596,335	3,193,750	6,585,341
Committed	11,569	0	4,105,479	4,117,048
Unassigned (Deficit)	(58,576)	0	0	(58,576)
Total Fund Balance	2,913,520	596,335	7,299,229	10,809,084
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$4,177,070	\$1,833,093	\$8,141,003	\$14,151,166

City of Lakewood, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2019

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES				
Payments in Lieu of Taxes	\$0	\$1,197,326	\$0	\$1,197,326
Intergovernmental	3,580,821	86,860	1,469,954	5,137,635
Interest	1,355	0	0	1,355
Fines and Forfeitures	154,196	0	0	154,196
Charges for Services	85,741	0	0	85,741
Contributions and Donations	131,543	0	0	131,543
Special Assessments	9,812	0	0	9,812
All Other Revenues	184,111	0	6,962	191,073
Total Revenues	<u>4,147,579</u>	<u>1,284,186</u>	<u>1,476,916</u>	<u>6,908,681</u>
EXPENDITURES				
Security of Persons and Property:				
Police and Other	120,318	0	0	120,318
Public Health Services	926,537	0	0	926,537
Community Environment	858,162	0	0	858,162
Transportation	2,365,134	0	0	2,365,134
General Government	105,878	486,674	0	592,552
Capital Outlay	0	0	5,490,553	5,490,553
Debt Service:				
Principal Retirement	0	338,548	0	338,548
Interest and Fiscal Charges	0	64,580	0	64,580
Total Expenditures	<u>4,376,029</u>	<u>889,802</u>	<u>5,490,553</u>	<u>10,756,384</u>
Excess of Revenues Over (Under) Expenditures	<u>(228,450)</u>	<u>394,384</u>	<u>(4,013,637)</u>	<u>(3,847,703)</u>
OTHER FINANCING SOURCES				
Sale of Capital Assets	22,443	0	0	22,443
Bond Anticipation Notes Issued	0	0	4,080,000	4,080,000
Transfer In	690,000	0	163,589	853,589
Total Other Financing Sources	<u>712,443</u>	<u>0</u>	<u>4,243,589</u>	<u>4,956,032</u>
Net Change in Fund Balances	483,993	394,384	229,952	1,108,329
Fund Balances - Beginning of Year	2,429,527	201,951	7,069,277	9,700,755
Fund Balances - End of Year	<u>\$2,913,520</u>	<u>\$596,335</u>	<u>\$7,299,229</u>	<u>\$10,809,084</u>



City of Lakewood, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2019

	Street and Highway	Litter Control Grant	Law and Drug Enforcement Trust	Federal Forfeiture	Indigent Drivers Alcohol Treatment
ASSETS					
Equity in Pooled Cash and Cash Equivalents	\$591,197	\$8,996	\$96,360	\$88,722	\$157,115
Materials and Supplies Inventory	165,271	0	0	0	0
Accrued Interest Receivable	0	0	0	191	0
Accounts Receivable	0	0	138	0	521
Intergovernmental Receivable	1,027,673	0	0	0	0
Total Assets	\$1,784,141	\$8,996	\$96,498	\$88,913	\$157,636
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$51,138	\$0	\$12,273	\$0	\$0
Accrued Wages and Benefits	28,696	0	0	0	0
Intergovernmental Payable	40,035	0	0	0	0
Matured Compensated Absences Payable	19,451	0	0	0	0
Interfund Payable	33,700	0	0	0	0
Total Liabilities	173,020	0	12,273	0	0
Deferred Inflows of Resources:					
Unavailable Revenue - Other	667,911	0	0	0	0
Total Deferred Inflows of Resources	667,911	0	0	0	0
Fund Balances:					
Nonspendable	165,271	0	0	0	0
Restricted	777,939	8,996	84,225	88,913	157,636
Committed	0	0	0	0	0
Unassigned (Deficit)	0	0	0	0	0
Total Fund Balances (Deficit)	943,210	8,996	84,225	88,913	157,636
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$1,784,141	\$8,996	\$96,498	\$88,913	\$157,636

(Continued)

City of Lakewood, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2019

	Enforcement and Education	Political Subdivision	Computer Research and Maintenance	Court Special Projects
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$29,709	\$19,465	\$10,629	\$461,236
Materials and Supplies Inventory	0	0	0	0
Accrued Interest Receivable	0	0	0	0
Accounts Receivable	373	27	4,823	5,290
Intergovernmental Receivable	0	0	0	0
Total Assets	\$30,082	\$19,492	\$15,452	\$466,526
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$0	\$0	\$3,023	\$0
Accrued Wages and Benefits	0	0	0	217
Intergovernmental Payable	0	0	0	226
Matured Compensated Absences Payable	0	0	0	0
Interfund Payable	0	0	0	0
Total Liabilities	0	0	3,023	443
Deferred Inflows of Resources:				
Unavailable Revenue - Other	0	0	0	0
Total Deferred Inflows of Resources	0	0	0	0
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	30,082	19,492	12,429	466,083
Committed	0	0	0	0
Unassigned (Deficit)	0	0	0	0
Total Fund Balances (Deficit)	30,082	19,492	12,429	466,083
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$30,082	\$19,492	\$15,452	\$466,526

Court Probation Services	Indigent Drivers Interlock and Alcohol Monitoring	Emergency Shelter Grant	HOME Investment Program	Neighborhood Stabilization	Office on Aging
\$120,536	\$140,829	\$75,227	\$563,924	\$307,439	\$93,036
0	0	0	0	0	0
0	0	0	0	0	0
1,498	755	0	0	0	0
0	0	0	0	0	9,969
<u>\$122,034</u>	<u>\$141,584</u>	<u>\$75,227</u>	<u>\$563,924</u>	<u>\$307,439</u>	<u>\$103,005</u>

\$375	\$0	\$10,054	\$39,334	\$0	\$19,624
0	0	0	0	0	15,479
0	0	11,832	0	0	8,890
0	0	0	0	0	0
0	0	65,000	0	0	21,664
<u>375</u>	<u>0</u>	<u>86,886</u>	<u>39,334</u>	<u>0</u>	<u>65,657</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
121,659	141,584	0	524,590	307,439	37,348
0	0	0	0	0	0
0	0	(11,659)	0	0	0
<u>121,659</u>	<u>141,584</u>	<u>(11,659)</u>	<u>524,590</u>	<u>307,439</u>	<u>37,348</u>
<u>\$122,034</u>	<u>\$141,584</u>	<u>\$75,227</u>	<u>\$563,924</u>	<u>\$307,439</u>	<u>\$103,005</u>

(Continued)

City of Lakewood, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2019

	<u>Help-to- Others</u>	<u>Juvenile Diversion</u>	<u>Family to Family</u>	<u>FEMA</u>	<u>Total Nonmajor Special Revenue Funds</u>
ASSETS					
Equity in Pooled Cash and Cash Equivalents	\$11,569	\$10,581	\$132,390	\$2,781	\$2,921,741
Materials and Supplies Inventory	0	0	0	0	165,271
Accrued Interest Receivable	0	0	0	0	191
Accounts Receivable	0	0	0	0	13,425
Intergovernmental Receivable	0	3,600	35,200	0	1,076,442
Total Assets	<u>\$11,569</u>	<u>\$14,181</u>	<u>\$167,590</u>	<u>\$2,781</u>	<u>\$4,177,070</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$0	\$0	\$5,358	\$0	\$141,179
Accrued Wages and Benefits	0	0	9,419	0	53,811
Intergovernmental Payable	0	121	12,730	0	73,834
Matured Compensated Absences Payable	0	0	0	0	19,451
Interfund Payable	0	0	187,000	0	307,364
Total Liabilities	<u>0</u>	<u>121</u>	<u>214,507</u>	<u>0</u>	<u>595,639</u>
Deferred Inflows of Resources:					
Unavailable Revenue - Other	0	0	0	0	667,911
Total Deferred Inflows of Resources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>667,911</u>
Fund Balances:					
Nonspendable	0	0	0	0	165,271
Restricted	0	14,060	0	2,781	2,795,256
Committed	11,569	0	0	0	11,569
Unassigned (Deficit)	0	0	(46,917)	0	(58,576)
Total Fund Balances (Deficit)	<u>11,569</u>	<u>14,060</u>	<u>(46,917)</u>	<u>2,781</u>	<u>2,913,520</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$11,569</u>	<u>\$14,181</u>	<u>\$167,590</u>	<u>\$2,781</u>	<u>\$4,177,070</u>

City of Lakewood, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2019

	Street and Highway	Litter Control Grant	Law and Drug Enforcement Trust	Federal Forfeiture	Indigent Drivers Alcohol Treatment
REVENUES					
Intergovernmental	\$2,402,055	\$5,000	\$0	\$18,743	\$5,340
Interest	0	0	0	1,355	0
Fines and Forfeitures	0	0	4,893	0	5,966
Charges for Services	0	0	0	0	0
Contributions and Donations	0	0	0	0	0
Special Assessments	9,812	0	0	0	0
All Other Revenues	111,126	0	45,648	25,347	0
Total Revenues	2,522,993	5,000	50,541	45,445	11,306
EXPENDITURES					
Security of Persons and Property					
Police and Other	0	0	117,632	2,686	0
Public Health Services	0	0	0	0	0
Community Environment	0	1,713	0	0	0
Transportation	2,365,134	0	0	0	0
General Government	0	0	0	0	9,603
Total Expenditures	2,365,134	1,713	117,632	2,686	9,603
Excess of Revenues Over (Under) Expenditures	157,859	3,287	(67,091)	42,759	1,703
OTHER FINANCING SOURCES					
Sale of Capital Assets	0	0	22,443	0	0
Transfers In	0	0	0	0	0
Total Other Financing Sources	0	0	22,443	0	0
Net Change in Fund Balances	157,859	3,287	(44,648)	42,759	1,703
Fund Balances - Beginning of Year	785,351	5,709	128,873	46,154	155,933
Fund Balances - End of Year	\$943,210	\$8,996	\$84,225	\$88,913	\$157,636

(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, 2019

	Enforcement and Education	Political Subdivision	Computer Research and Maintenance	Court Special Projects	Court Probation Services
REVENUES					
Intergovernmental	\$0	\$0	\$0	\$0	\$0
Interest	0	0	0	0	0
Fines and Forfeitures	2,658	233	48,377	58,750	21,973
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	400	0	0	0	0
Total Revenues	<u>3,058</u>	<u>233</u>	<u>48,377</u>	<u>58,750</u>	<u>21,973</u>
EXPENDITURES					
Security of Persons and Property					
Police and Other	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	36,206	54,751	5,318
Total Expenditures	<u>0</u>	<u>0</u>	<u>36,206</u>	<u>54,751</u>	<u>5,318</u>
Excess of Revenues Over (Under) Expenditures	<u>3,058</u>	<u>233</u>	<u>12,171</u>	<u>3,999</u>	<u>16,655</u>
OTHER FINANCING SOURCES					
Sale of Capital Assets	0	0	0	0	0
Transfers In	0	0	0	0	0
Total Other Financing Sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	3,058	233	12,171	3,999	16,655
Fund Balances - Beginning of Year	27,024	19,259	258	462,084	105,004
Fund Balances - End of Year	<u>\$30,082</u>	<u>\$19,492</u>	<u>\$12,429</u>	<u>\$466,083</u>	<u>\$121,659</u>

Indigent Drivers Interlock and Alcohol Monitoring	Emergency Shelter Grant	HOME Investment Program	Neighborhood Stabilization	Office on Aging
\$0	\$226,488	\$383,730	\$0	\$90,452
0	0	0	0	0
11,346	0	0	0	0
0	0	0	0	71,468
0	0	0	0	108,255
0	0	0	0	0
0	0	0	0	0
<u>11,346</u>	<u>226,488</u>	<u>383,730</u>	<u>0</u>	<u>270,175</u>
0	0	0	0	0
0	0	0	0	926,537
0	201,897	170,359	28	0
0	0	0	0	0
0	0	0	0	0
<u>0</u>	<u>201,897</u>	<u>170,359</u>	<u>28</u>	<u>926,537</u>
<u>11,346</u>	<u>24,591</u>	<u>213,371</u>	<u>(28)</u>	<u>(656,362)</u>
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>690,000</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>690,000</u>
<u>11,346</u>	<u>24,591</u>	<u>213,371</u>	<u>(28)</u>	<u>33,638</u>
<u>130,238</u>	<u>(36,250)</u>	<u>311,219</u>	<u>307,467</u>	<u>3,710</u>
<u>\$141,584</u>	<u>(\$11,659)</u>	<u>\$524,590</u>	<u>\$307,439</u>	<u>\$37,348</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, 2019

	Help-to- Others	Juvenile Diversion	Family to Family	FEMA	Total Nonmajor Special Revenue Funds
REVENUES					
Intergovernmental	\$0	\$18,000	\$431,013	\$0	\$3,580,821
Interest	0	0	0	0	1,355
Fines and Forfeitures	0	0	0	0	154,196
Charges for Services	14,273	0	0	0	85,741
Contributions and Donations	23,288	0	0	0	131,543
Special Assessments	0	0	0	0	9,812
All Other Revenues	0	1,590	0	0	184,111
Total Revenues	37,561	19,590	431,013	0	4,147,579
EXPENDITURES					
Security of Persons and Property					
Police and Other	0	0	0	0	120,318
Public Health Services	0	0	0	0	926,537
Community Environment	37,561	16,855	429,749	0	858,162
Transportation	0	0	0	0	2,365,134
General Government	0	0	0	0	105,878
Total Expenditures	37,561	16,855	429,749	0	4,376,029
Excess of Revenues Over (Under) Expenditures	0	2,735	1,264	0	(228,450)
OTHER FINANCING SOURCES					
Sale of Capital Assets	0	0	0	0	22,443
Transfers In	0	0	0	0	690,000
Total Other Financing Sources	0	0	0	0	712,443
Net Change in Fund Balances	0	2,735	1,264	0	483,993
Fund Balances - Beginning of Year	11,569	11,325	(48,181)	2,781	2,429,527
Fund Balances - End of Year	\$11,569	\$14,060	(\$46,917)	\$2,781	\$2,913,520

City of Lakewood, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2019

	Permanent Capital Improvement	Land Acquisition	City Park Improvement	Total Nonmajor Capital Projects Funds
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$3,796,787	\$3,466,331	\$25,807	\$7,288,925
Cash and Cash Equivalents:				
In Segregated Accounts	85,357	0	0	85,357
Intergovernmental Receivable	153,380	0	0	153,380
Assets Held for Resale	0	613,341	0	613,341
Total Assets	\$4,035,524	\$4,079,672	\$25,807	\$8,141,003
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$756,417	\$0	\$0	\$756,417
Retainage Payable	85,357	0	0	85,357
Total Liabilities	841,774	0	0	841,774
Fund Balances:				
Restricted	3,193,750	0	0	3,193,750
Committed	0	4,079,672	25,807	4,105,479
Total Fund Balances	3,193,750	4,079,672	25,807	7,299,229
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$4,035,524	\$4,079,672	\$25,807	\$8,141,003

City of Lakewood, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2019

	Permanent Capital Improvement	Land Acquisition	City Park Improvement	Total Nonmajor Capital Projects Funds
REVENUES				
Intergovernmental	\$1,469,954	\$0	\$0	\$1,469,954
All Other Revenues	0	0	6,962	6,962
Total Revenues	<u>1,469,954</u>	<u>0</u>	<u>6,962</u>	<u>1,476,916</u>
EXPENDITURES				
Capital Outlay	4,560,350	920,328	9,875	5,490,553
Total Expenditures	<u>4,560,350</u>	<u>920,328</u>	<u>9,875</u>	<u>5,490,553</u>
Excess of Revenues (Under) Expenditures	<u>(3,090,396)</u>	<u>(920,328)</u>	<u>(2,913)</u>	<u>(4,013,637)</u>
OTHER FINANCING SOURCES				
Bond Anticipation Notes Issued	4,080,000	0	0	4,080,000
Transfer In	163,589	0	0	163,589
Total Other Financing Sources	<u>4,243,589</u>	<u>0</u>	<u>0</u>	<u>4,243,589</u>
Net Change in Fund Balances	1,153,193	(920,328)	(2,913)	229,952
Fund Balances - Beginning of Year	2,040,557	5,000,000	28,720	7,069,277
Fund Balances - End of Year	<u><u>\$3,193,750</u></u>	<u><u>\$4,079,672</u></u>	<u><u>\$25,807</u></u>	<u><u>\$7,299,229</u></u>

Fund Descriptions – Nonmajor Proprietary Funds

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, 2019

	Parking Facilities	Winterhurst Ice Rink	Total Nonmajor Enterprise Funds
ASSETS			
Current Assets:			
Equity in Pooled Cash and Cash Equivalents	\$782,379	\$55,179	\$837,558
Materials and Supplies Inventory	69,950	0	69,950
Accounts Receivable	0	248,151	248,151
Total Current Assets	<u>852,329</u>	<u>303,330</u>	<u>1,155,659</u>
Noncurrent Assets:			
Net Pension Asset	798	0	798
Capital Assets:			
Land	77,120	10	77,130
Depreciable Capital Assets, Net of Depreciation	626,025	4,233,419	4,859,444
Total Noncurrent Assets	<u>703,943</u>	<u>4,233,429</u>	<u>4,937,372</u>
Total Assets	<u>1,556,272</u>	<u>4,536,759</u>	<u>6,093,031</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferral on Refunding	0	26,006	26,006
Pension	75,120	0	75,120
OPEB	10,369	0	10,369
Total Deferred Outflows of Resources	<u>85,489</u>	<u>26,006</u>	<u>111,495</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	45,972	93,547	139,519
Accrued Wages and Benefits	3,469	0	3,469
Intergovernmental Payable	2,140	0	2,140
Interfund Payable	4,815	160,000	164,815
Compensated Absences Payable	5,138	0	5,138
Accrued Interest Payable	158	196	354
General Obligation Bonds Payable	30,000	12,674	42,674
Total Current Liabilities	<u>91,692</u>	<u>266,417</u>	<u>358,109</u>
Noncurrent Liabilities:			
Compensated Absences Payable	2,364	0	2,364
General Obligation Bonds Payable	30,000	58,972	88,972
Net Pension Liability	248,480	0	248,480
Net OPEB Liability	117,494	0	117,494
Total Noncurrent Liabilities	<u>398,338</u>	<u>58,972</u>	<u>457,310</u>
Total Liabilities	<u>490,030</u>	<u>325,389</u>	<u>815,419</u>
DEFERRED INFLOWS OF RESOURCES			
Pension	3,827	0	3,827
OPEB	319	0	319
Total Deferred Inflows of Resources	<u>4,146</u>	<u>0</u>	<u>4,146</u>
NET POSITION			
Net Investment in Capital Assets	643,145	4,187,789	4,830,934
Unrestricted	504,440	49,587	554,027
Total Net Position	<u>\$1,147,585</u>	<u>\$4,237,376</u>	<u>\$5,384,961</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, 2019

	Parking Facilities	Winterhurst Ice Rink	Total Nonmajor Enterprise Funds
OPERATING REVENUES			
Charges for Services	\$484,518	\$293,202	\$777,720
Miscellaneous	9	56,000	56,009
Total Operating Revenues	<u>484,527</u>	<u>349,202</u>	<u>833,729</u>
OPERATING EXPENSES			
Salaries	238,754	0	238,754
Property Taxes	40,883	57,401	98,284
Materials and Supplies	42,843	0	42,843
Utilities	24,359	261,427	285,786
Contractual Services	124,411	5,800	130,211
Depreciation	39,319	79,970	119,289
Other	52,042	0	52,042
Total Operating Expense	<u>562,611</u>	<u>404,598</u>	<u>967,209</u>
Operating Income (Loss)	<u>(78,084)</u>	<u>(55,396)</u>	<u>(133,480)</u>
NONOPERATING EXPENSES			
Interest and Fiscal Charges	<u>(2,352)</u>	<u>(1,700)</u>	<u>(4,052)</u>
Total Nonoperating Expenses	<u>(2,352)</u>	<u>(1,700)</u>	<u>(4,052)</u>
Transfers In	<u>0</u>	<u>14,894</u>	<u>14,894</u>
Change in Net Position	<u>(80,436)</u>	<u>(42,202)</u>	<u>(122,638)</u>
Net Position - Beginning of Year	<u>1,228,021</u>	<u>4,279,578</u>	<u>5,507,599</u>
Net Position - End of Year	<u><u>\$1,147,585</u></u>	<u><u>\$4,237,376</u></u>	<u><u>\$5,384,961</u></u>

City of Lakewood, Ohio
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended December 31, 2019

	<u>Parking Facilities</u>	<u>Winterhurst Ice Rink</u>	<u>Total Nonmajor Enterprise Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Charges for Services	\$484,518	\$230,400	\$714,918
Cash Received from Other Operating Sources	9	56,000	56,009
Cash Payments for Employee Services and Benefits	(188,329)	0	(188,329)
Cash Payments for Goods and Services	(210,829)	(330,857)	(541,686)
Cash Payments for Other Operating Expenses	(52,042)	0	(52,042)
Net Cash Provided by (Used in) Operating Activities	<u>33,327</u>	<u>(44,457)</u>	<u>(11,130)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Advances In	0	100,000	100,000
Advances Out	0	(43,000)	(43,000)
Transfers In	0	14,894	14,894
Net Cash Provided by Noncapital Financing Activities	<u>0</u>	<u>71,894</u>	<u>71,894</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal Paid on Debt	(30,000)	(12,177)	(42,177)
Interest Paid on Debt	(2,393)	(2,717)	(5,110)
Net Cash (Used in) Capital and Related Financing Activities	<u>(32,393)</u>	<u>(14,894)</u>	<u>(47,287)</u>
Net Increase in Cash and Cash Equivalents	934	12,543	13,477
Cash and Cash Equivalents - Beginning of Year, Restated	781,445	42,636	824,081
Cash and Cash Equivalents - End of Year	<u>\$782,379</u>	<u>\$55,179</u>	<u>\$837,558</u>
RECONCILIATION OF OPERATING (LOSS) TO NET CASH PROVIDED (USED IN) BY OPERATING ACTIVITIES			
Operating (Loss)	(\$78,084)	(\$55,396)	(\$133,480)
Adjustments:			
Depreciation	39,319	79,970	119,289
(Increase) Decrease in Assets and Deferred Outflows of Resources:			
Accounts Receivable	0	(62,802)	(62,802)
Prepaid Items			
Intergovernmental Receivable	0	0	0
Materials and Supplies Inventory	21,640	0	21,640
Net Pension Asset	48	0	48
Deferred Outflows of Resources - Pension	(38,974)	0	(38,974)
Deferred Outflows of Resources - OPEB	(2,493)	0	(2,493)
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:			
Accounts Payable	27	(6,229)	(6,202)
Retainage Payable	0	0	0
Accrued Wages and Benefits	449	0	449
Compensated Absences Payable	236	0	236
Interfund Payable	1,791	0	1,791
Intergovernmental Payable	59	0	59
Net Pension Liability	106,581	0	106,581
Net OPEB Liability	20,606	0	20,606
Deferred Inflows of Resources - Pension	(30,979)	0	(30,979)
Deferred Inflows of Resources - OPEB	(6,899)	0	(6,899)
Net Cash Provided by (Used in) Operating Activities	<u>\$33,327</u>	<u>(\$44,457)</u>	<u>(\$11,130)</u>

City of Lakewood, Ohio
Combining Statement of Net Position
Nonmajor Internal Service Funds
December 31, 2019

	<u>Hospitalization</u>	<u>Workers'</u> <u>Compensation</u>	<u>Total</u> <u>Nonmajor</u> <u>Internal</u> <u>Service</u> <u>Funds</u>
ASSETS			
Current Assets:			
Equity in Pooled Cash and Cash Equivalents	\$2,694,938	\$582,169	\$3,277,107
Interfund Receivable	983,516	25,068	1,008,584
Total Assets	<u>3,678,454</u>	<u>607,237</u>	<u>4,285,691</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$485	\$0	\$485
Intergovernmental Payable	0	7,000	7,000
Claims Payable	983,516	25,068	1,008,584
Total Current Liabilities	<u>984,001</u>	<u>32,068</u>	<u>1,016,069</u>
NET POSITION			
Unrestricted	2,694,453	575,169	3,269,622
Total Net Position	<u>\$2,694,453</u>	<u>\$575,169</u>	<u>\$3,269,622</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, 2019

	<u>Hospitalization</u>	<u>Workers' Compensation</u>	<u>Total Nonmajor Internal Service Funds</u>
OPERATING REVENUES			
Charges for Services	\$5,748,777	\$363,111	\$6,111,888
Miscellaneous	937,240	0	937,240
Total Operating Revenues	<u>6,686,017</u>	<u>363,111</u>	<u>7,049,128</u>
OPERATING EXPENSES			
Contractual Services	79,910	93,634	173,544
Claims	7,739,510	300,876	8,040,386
Total Operating Expense	<u>7,819,420</u>	<u>394,510</u>	<u>8,213,930</u>
Operating (Loss)	<u>(1,133,403)</u>	<u>(31,399)</u>	<u>(1,164,802)</u>
Transfers In	873,837	16,337	890,174
Change in Net Position	<u>(259,566)</u>	<u>(15,062)</u>	<u>(274,628)</u>
Net Position - Beginning of Year	<u>2,954,019</u>	<u>590,231</u>	<u>3,544,250</u>
Net Position - End of Year	<u><u>\$2,694,453</u></u>	<u><u>\$575,169</u></u>	<u><u>\$3,269,622</u></u>

City of Lakewood, Ohio
Combining Statement of Cash Flows
Nonmajor Internal Service Funds
For the Year Ended December 31, 2019

	Hospitalization	Workers' Compensation	Total Nonmajor Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Charges for Services	\$5,375,997	\$357,756	\$5,733,753
Cash Received from Other Operating Sources	937,240	0	937,240
Cash Payments for Goods and Services	(79,910)	(93,634)	(173,544)
Cash Payments for Claims	(7,367,660)	(288,521)	(7,656,181)
Net Cash (Used in) Operating Activities	<u>(1,134,333)</u>	<u>(24,399)</u>	<u>(1,158,732)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers In	<u>873,837</u>	<u>16,337</u>	<u>890,174</u>
Net Cash Provided by Noncapital Financing Activities	<u>873,837</u>	<u>16,337</u>	<u>890,174</u>
Net (Decrease) in Cash and Cash Equivalents	(260,496)	(8,062)	(268,558)
Cash and Cash Equivalents - Beginning of Year	2,955,434	590,231	3,545,665
Cash and Cash Equivalents - End of Year	<u><u>\$2,694,938</u></u>	<u><u>\$582,169</u></u>	<u><u>\$3,277,107</u></u>
RECONCILIATION OF OPERATING (LOSS) TO NET CASH USED IN OPERATING ACTIVITIES			
Operating (Loss)	(\$1,133,403)	(\$31,399)	(\$1,164,802)
Adjustments:			
(Increase) Decrease in Assets:			
Interfund Receivable	(372,780)	(5,355)	(378,135)
Increase (Decrease) in Liabilities:			
Accounts Payable	485	0	485
Intergovernmental Payable	0	7,000	7,000
Claims Payable	371,365	5,355	376,720
Net Cash (Used) in Operating Activities	<u><u>(\$1,134,333)</u></u>	<u><u>(\$24,399)</u></u>	<u><u>(\$1,158,732)</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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Property Taxes	\$9,299,644	\$9,410,000	\$110,356
Municipal Income Taxes	23,411,701	25,407,039	1,995,338
Charges for Services	1,653,259	1,652,660	(599)
Licenses, Permits and Fees	1,921,472	2,124,593	203,121
Fines and Forfeitures	1,498,032	1,398,342	(99,690)
Intergovernmental	2,056,655	2,185,314	128,659
Interest	1,196,259	1,464,744	268,485
Miscellaneous	230,565	414,357	183,792
<i>Total Revenues</i>	<u>41,267,587</u>	<u>44,057,049</u>	<u>2,789,462</u>
Expenditures			
Current:			
General Government:			
Council			
Salaries	161,535	161,415	120
Fringe Benefits	38,346	38,288	58
Travel and Transportation	1,225	1,153	72
Professional Services	13,550	13,119	431
Communications	3,245	2,841	404
Materials and Supplies	2,300	2,245	55
Other	1,935	1,632	303
Total Council	<u>222,136</u>	<u>220,693</u>	<u>1,443</u>
Municipal Court			
Salaries	964,242	899,670	64,572
Fringe Benefits	149,476	138,010	11,466
Travel and Transportation	5,700	5,320	380
Professional Services	58,300	44,215	14,085
Communications	46,750	40,736	6,014
Contractual Services	800	612	188
Materials and Supplies	21,300	15,935	5,365
Other	26,700	21,146	5,554
Total Municipal Court	<u>1,273,268</u>	<u>1,165,644</u>	<u>107,624</u>
Civil Service			
Salaries	61,600	61,412	188
Fringe Benefits	23,175	23,146	29
Professional Services	19,000	18,457	543
Communications	485	401	84
Materials and Supplies	685	671	14
Total Civil Service	<u>104,945</u>	<u>104,087</u>	<u>858</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, 2019
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Mayor's Office			
Salaries	\$226,800	\$224,810	\$1,990
Fringe Benefits	76,425	75,791	634
Travel and Transportation	2,775	2,539	236
Professional Services	10,800	9,761	1,039
Communications	2,100	1,721	379
Materials and Supplies	1,025	985	40
Other	775	626	149
Total Mayor's Office	320,700	316,233	4,467
Human Resources			
Salaries	202,100	201,969	131
Fringe Benefits	73,035	72,259	776
Travel and Transportation	50	26	24
Professional Services	22,625	21,744	881
Communications	875	743	132
Materials and Supplies	1,700	1,672	28
Other	2,500	2,226	274
Total Human Resources	302,885	300,639	2,246
Community Relations			
Salaries	61,425	60,692	733
Fringe Benefits	23,348	23,341	7
Professional Services	7,500	7,253	247
Communications	25,135	24,115	1,020
Contractual Services	5,000	5,000	0
Materials and Supplies	860	793	67
Other	13,650	12,797	853
Total Community Relations	136,918	133,991	2,927
Public Works Administration			
Salaries	90,614	90,594	20
Fringe Benefits	54,930	54,856	74
Travel and Transportation	100	63	37
Professional Services	700	652	48
Communications	600	500	100
Materials and Supplies	775	508	267
Other	1,025	666	359
Total Public Works Administration	148,744	147,839	905
Buildings and Facilities-Security			
Salaries	116,000	109,201	6,799
Fringe Benefits	18,250	16,872	1,378
Total Buildings and Facilities	134,250	126,073	8,177

(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, 2019
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Fleet Management			
Salaries	\$673,431	\$665,930	\$7,501
Fringe Benefits	250,805	248,533	2,272
Travel and Transportation	120	115	5
Professional Services	12,000	11,563	437
Communications	965	825	140
Contractual Services	29,500	29,349	151
Materials and Supplies	608,950	606,986	1,964
Utilities	3,825	3,774	51
Capital Outlay	7,011	7,010	1
Other	35,960	35,662	298
Total Fleet Management	1,622,567	1,609,747	12,820
Engineering			
Salaries	43,135	42,981	154
Fringe Benefits	48,621	48,318	303
Travel and Transportation	1,775	1,560	215
Professional Services	1,560	1,231	329
Communications	3,500	3,052	448
Contractual Services	179,500	158,369	21,131
Materials and Supplies	1,390	1,285	105
Capital Outlay	9,405	9,405	0
Other	1,295	1,068	227
Total Engineering	290,181	267,269	22,912
Finance			
Salaries	445,904	444,730	1,174
Fringe Benefits	166,440	165,919	521
Travel and Transportation	1,227	1,202	25
Professional Services	72,075	69,195	2,880
Communications	4,700	4,253	447
Materials and Supplies	3,050	2,932	118
Other	4,360	3,973	387
Total Finance	697,756	692,204	5,552

(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, 2019
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Income Tax			
Salaries	\$430,384	\$424,121	\$6,263
Fringe Benefits	150,146	149,027	1,119
Travel and Transportation	4,425	4,425	0
Professional Services	133,475	126,924	6,551
Communications	92,930	84,630	8,300
Contractual Services	1,800	1,733	67
Materials and Supplies	3,425	3,268	157
Refunds	723,000	722,426	574
Utilities	3,050	2,909	141
Other	107,650	102,086	5,564
Total Income Tax	1,650,285	1,621,549	28,736
Information Systems			
Salaries	366,000	363,237	2,763
Fringe Benefits	112,639	111,329	1,310
Professional Services	70,000	68,464	1,536
Communications	22,760	21,715	1,045
Contractual Services	27,000	26,441	559
Materials and Supplies	99,510	98,243	1,267
Capital Outlay	845,971	839,676	6,295
Other	682,000	681,540	460
Total Information Systems	2,225,880	2,210,645	15,235
General Administration			
Salaries	136,529	136,529	0
Fringe Benefits	38,920	36,753	2,167
Professional Services	356,750	355,910	840
Communications	7,025	1,922	5,103
Contractual Services	3,000	2,794	206
Materials and Supplies	10,750	6,207	4,543
Insurance	704,815	702,485	2,330
Other	3,666,183	3,665,149	1,034
Total General Administration	4,923,972	4,907,749	16,223
Law			
Salaries	396,400	393,082	3,318
Fringe Benefits	123,162	122,067	1,095
Travel and Transportation	1,125	1,094	31
Professional Services	54,220	52,939	1,281
Communications	1,500	1,316	184
Materials and Supplies	12,740	12,482	258
Other	2,290	1,992	298
Total Law	591,437	584,972	6,465
Total General Government	14,645,924	14,409,334	236,590

(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, 2019
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Security of Persons and Property:			
Police			
Salaries	\$8,666,840	\$8,606,488	\$60,352
Fringe Benefits	1,617,348	1,612,640	4,708
Travel and Transportation	130	126	4
Professional Services	62,650	62,466	184
Communications	97,571	96,799	772
Contractual Services	244,000	243,240	760
Materials and Supplies	181,195	177,814	3,381
Capital Outlay	60,207	60,206	1
Other	36,060	34,066	1,994
Total Police	10,966,001	10,893,845	72,156
Police Communications			
Salaries	617,936	615,157	2,779
Fringe Benefits	265,134	265,036	98
Other	16,200	14,813	1,387
Total Police Communications	899,270	895,006	4,264
School Guards			
Salaries	167,500	164,237	3,263
Fringe Benefits	29,500	27,407	2,093
Other	1,000	758	242
Total School Guards	198,000	192,402	5,598
Fire			
Salaries	7,019,667	6,995,482	24,185
Fringe Benefits	1,286,889	1,286,021	868
Travel and Transportation	8,530	8,427	103
Professional Services	34,900	33,876	1,024
Communications	26,315	25,365	950
Contractual Services	16,000	14,847	1,153
Materials and Supplies	178,905	171,791	7,114
Utilities	62,000	58,171	3,829
Other	45,200	41,129	4,071
Total Fire	8,678,406	8,635,109	43,297
Street Lighting			
Other	566,000	557,769	8,231

(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, 2019
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Animal Control			
Salaries	\$146,081	\$144,774	\$1,307
Fringe Benefits	64,660	64,648	12
Communications	575	437	138
Contractual Services	3,600	3,592	8
Materials and Supplies	4,200	3,727	473
Utilities	9,000	8,016	984
Other	100	85	15
Total Animal Control	<u>228,216</u>	<u>225,279</u>	<u>2,937</u>
<i>Total Security of Persons and Property</i>	<u>21,535,893</u>	<u>21,399,410</u>	<u>136,483</u>
Public Health Services:			
Support of Prisoners			
Salaries	123,555	121,423	2,132
Fringe Benefits	47,344	46,556	788
Professional Services	64,400	63,897	503
Contractual Services	36,100	36,094	6
Materials and Supplies	30,500	29,759	741
Total Support of Prisoners	<u>301,899</u>	<u>297,729</u>	<u>4,170</u>
Human Services Administration			
Salaries	237,098	235,621	1,477
Fringe Benefits	76,615	76,576	39
Professional Services	50	50	0
Communications	300	227	73
Materials and Supplies	575	527	48
Other	625	594	31
Total Human Services Administration	<u>315,263</u>	<u>313,595</u>	<u>1,668</u>
Total Public Health Services	<u>617,162</u>	<u>611,324</u>	<u>5,838</u>
Community Environment:			
Housing and Building			
Salaries	841,900	834,821	7,079
Fringe Benefits	326,934	324,946	1,988
Travel and Transportation	785	770	15
Professional Services	142,000	141,937	63
Communications	14,625	13,494	1,131
Contractual Services	26,440	26,250	190
Materials and Supplies	7,125	6,979	146
Other	27,754	26,518	1,236
Total Housing and Building	<u>1,387,563</u>	<u>1,375,715</u>	<u>11,848</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, 2019
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Forestry			
Salaries	\$255,547	\$242,812	\$12,735
Fringe Benefits	98,376	96,897	1,479
Professional Services	1,800	1,775	25
Contractual Services	77,000	76,737	263
Materials and Supplies	32,600	30,093	2,507
Capital Outlay	252,000	251,225	775
Other	500	486	14
Total Forestry	<u>717,823</u>	<u>700,025</u>	<u>17,798</u>
Child Care			
Salaries	45,000	44,401	599
Fringe Benefits	20,753	20,556	197
Communications	275	203	72
Materials and Supplies	50	43	7
Other	650	578	72
Total Child Care	<u>66,728</u>	<u>65,781</u>	<u>947</u>
Youth			
Salaries	129,025	118,590	10,435
Fringe Benefits	102,961	102,475	486
Travel and Transportation	150	123	27
Communications	2,700	2,365	335
Contractual Services	300	289	11
Materials and Supplies	925	841	84
Utilities	4,300	3,975	325
Other	2,850	2,499	351
Total Youth	<u>243,211</u>	<u>231,157</u>	<u>12,054</u>
Planning and Development			
Salaries	246,000	243,006	2,994
Fringe Benefits	96,254	93,209	3,045
Travel and Transportation	411	403	8
Professional Services	18,220	18,210	10
Communications	4,480	4,474	6
Contractual Services	3,010	3,008	2
Materials and Supplies	2,202	2,188	14
Capital Outlay	1,561	1,560	1
Other	1,259,931	1,259,931	0
Total Planning and Development	<u>1,632,069</u>	<u>1,625,989</u>	<u>6,080</u>
<i>Total Community Environment</i>	<u>4,047,394</u>	<u>3,998,667</u>	<u>48,727</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, 2019
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Basic Utility Services:			
Refuse and Recycling			
Salaries	\$1,567,933	\$1,563,652	\$4,281
Fringe Benefits	640,893	640,482	411
Professional Services	900	800	100
Communications	7,630	7,018	612
Contractual Services	938,200	933,751	4,449
Materials and Supplies	172,200	159,620	12,580
Utilities	25,000	20,380	4,620
Capital Outlay	57,000	56,953	47
Other	23,000	19,783	3,217
<i>Total Basic Utility Services</i>	<u>3,432,756</u>	<u>3,402,439</u>	<u>30,317</u>
Leisure Time Activities:			
Parks			
Salaries	1,080,363	1,074,302	6,061
Fringe Benefits	432,227	431,930	297
Professional Services	1,800	1,533	267
Communications	3,600	3,385	215
Contractual Services	172,000	167,861	4,139
Materials and Supplies	219,725	211,348	8,377
Utilities	221,000	205,928	15,072
Capital Outlay	222,000	199,581	22,419
Other	113,070	110,880	2,190
<i>Total Parks</i>	<u>2,465,785</u>	<u>2,406,748</u>	<u>59,037</u>
Band Concerts			
Professional Services	12,900	12,900	0
<i>Total Band Concerts</i>	<u>12,900</u>	<u>12,900</u>	<u>0</u>
Museums			
Contractual Services	4,000	0	4,000
Utilities	2,400	2,115	285
<i>Total Museums</i>	<u>6,400</u>	<u>2,115</u>	<u>4,285</u>
July 4th Festival			
Salaries	10,949	10,948	1
Fringe Benefits	1,688	1,686	2
Contractual Services	38,418	38,417	1
Materials and Supplies	2,453	2,450	3
<i>Total July 4th Festival</i>	<u>53,508</u>	<u>53,501</u>	<u>7</u>
Tennis Courts			
Utilities	12,500	11,466	1,034
<i>Total Tennis Courts</i>	<u>12,500</u>	<u>11,466</u>	<u>1,034</u>
<i>Total Leisure Time Activities</i>	<u>2,551,093</u>	<u>2,486,730</u>	<u>64,363</u>
<i>Total Expenditures</i>	<u>46,830,222</u>	<u>46,307,904</u>	<u>522,318</u>
<i>Excess of Revenues Over Expenditures</i>	<u>(5,562,635)</u>	<u>(2,250,855)</u>	<u>3,311,780</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, 2019
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses)			
Sale of Capital Assets	\$153,532	\$153,116	(\$416)
Advance In	600,000	363,500	(236,500)
Transfers Out	(1,581,448)	(1,580,174)	1,274
Advance Out	(492,800)	(492,000)	800
<i>Total Other Financing Sources (Uses)</i>	<u>(1,320,716)</u>	<u>(1,555,558)</u>	<u>(234,842)</u>
<i>Net Change in Fund Balance</i>	(6,883,351)	(3,806,413)	3,076,938
<i>Fund Balance Beginning of Year</i>	6,779,026	6,779,026	0
<i>Prior Year Encumbrances Appropriated</i>	4,956,484	4,956,484	0
<i>Fund Balance End of Year</i>	<u>\$4,852,159</u>	<u>\$7,929,097</u>	<u>\$3,076,938</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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Property Taxes	\$3,137,161	\$3,168,616	\$31,455
Intergovernmental	389,280	399,525	10,245
<i>Total Revenues</i>	<u>3,526,441</u>	<u>3,568,141</u>	<u>41,700</u>
Expenditures			
Current:			
Security of Persons and Property:			
Fringe Benefits Police	1,605,000	1,587,828	17,172
Fringe Benefits Fire	1,612,000	1,601,536	10,464
<i>Total Expenditures</i>	<u>3,217,000</u>	<u>3,189,364</u>	<u>27,636</u>
<i>Excess of Revenues Over Expenditures</i>	309,441	378,777	69,336
Other Financing (Uses)			
Advance Out	(55,000)	(55,000)	0
<i>Total Other Financing (Uses)</i>	<u>(55,000)</u>	<u>(55,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	254,441	323,777	69,336
<i>Fund Balance Beginning of Year</i>	<u>746,941</u>	<u>746,941</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,001,382</u></u>	<u><u>\$1,070,718</u></u>	<u><u>\$69,336</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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$2,133,932	\$1,933,760	(\$200,172)
Expenditures			
Current:			
Community Environment:			
Salaries	362,323	357,806	4,517
Fringe Benefits	113,374	110,640	2,734
Travel and Transportation	910	889	21
Professional Services	20,327	12,287	8,040
Communications	1,370	1,187	183
Contractual Services	614,933	592,237	22,696
Materials and Supplies	325	323	2
Capital Outlay	824,500	776,576	47,924
Other	67,098	66,684	414
<i>Total Expenditures</i>	<u>2,005,160</u>	<u>1,918,629</u>	<u>86,531</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	128,772	15,131	(113,641)
Other Financing Sources (Uses)			
Advances In	75,000	140,000	65,000
Advances Out	(128,000)	(128,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(53,000)</u>	<u>12,000</u>	<u>65,000</u>
<i>Net Change in Fund Balance</i>	75,772	27,131	(48,641)
<i>Fund Balance Beginning of Year</i>	<u>178,890</u>	<u>178,890</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$254,662</u>	<u>\$206,021</u>	<u>(\$48,641)</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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Charges for Services	\$1,120,233	\$2,282,378	\$1,162,145
Special Assessments	13,131	14,553	1,422
Intergovernmental	757	606,050	605,293
Miscellaneous	1,617	3,297	1,680
<i>Total Revenues</i>	<u>1,135,738</u>	<u>2,906,278</u>	<u>1,770,540</u>
Expenditures			
Current:			
Security of Persons and Property:			
Fire:			
Salaries	657,495	649,194	8,301
Fringe Benefits	220,980	218,270	2,710
Travel and Transportation	1,625	1,560	65
Professional Services	86,400	85,291	1,109
Communications	1,500	1,326	174
Contractual Services	700	691	9
Materials and Supplies	55,900	46,357	9,543
Capital Outlay	510,000	509,144	856
Other	22,200	13,152	9,048
<i>Total Security of Persons and Property</i>	<u>1,556,800</u>	<u>1,524,985</u>	<u>31,815</u>
Public Health Services:			
Health:			
Salaries	91,202	86,090	5,112
Fringe Benefits	28,163	26,926	1,237
Professional Services	75	63	12
Communications	1,000	926	74
Contractual Services	248,901	248,834	67
Materials and Supplies	3,200	3,016	184
Utilities	5,500	5,194	306
Other	2,890	2,664	226
<i>Total Public Health Services</i>	<u>380,931</u>	<u>373,713</u>	<u>7,218</u>

(continued)

City of Lakewood, Ohio
*Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Basis) and Actual
 Lakewood Hospital Fund
 For the Year Ended December 31, 2019
 (Continued)*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Community Environment:			
Planning and Development:			
Professional Services	\$193,000	\$185,046	\$7,954
Contractual Services	7,000,000	5,460,581	1,539,419
Property Taxes	46,981	46,981	0
<i>Total Community Environment</i>	<u>7,239,981</u>	<u>5,692,608</u>	<u>1,547,373</u>
Debt Service:			
Principal Retirement	198,170	197,498	672
Interest and Fiscal Charges	39,830	39,829	1
<i>Total Debt Service</i>	<u>238,000</u>	<u>237,327</u>	<u>673</u>
<i>Total Expenditures</i>	<u>9,415,712</u>	<u>7,828,633</u>	<u>1,587,079</u>
<i>Net Change in Fund Balance</i>	(8,279,974)	(4,922,355)	3,357,619
<i>Fund Balance Beginning of Year</i>	<u>17,920,371</u>	<u>17,920,371</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$9,640,397</u></u>	<u><u>\$12,998,016</u></u>	<u><u>\$3,357,619</u></u>

City of Lakewood, Ohio
*Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Basis) and Actual
 Debt Service Fund
 For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Property Taxes	\$3,318,890	\$3,352,222	\$33,332
Intergovernmental	411,827	422,677	10,850
Special Assessments	461,610	653,837	192,227
Interest	78,000	97,009	19,009
Miscellaneous	7,443	68,389	60,946
<i>Total Revenues</i>	<u>4,277,770</u>	<u>4,594,134</u>	<u>316,364</u>
Expenditures			
Current:			
Debt Service:			
Principal Retirement	16,454,006	16,423,205	30,801
Interest and Fiscal Charges	1,658,911	1,658,908	3
Bond Issuance Costs	143,618	143,617	1
<i>Total Expenditures</i>	<u>18,256,535</u>	<u>18,225,730</u>	<u>30,805</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(13,978,765)</u>	<u>(13,631,596)</u>	<u>347,169</u>
Other Financing Sources (Uses)			
General Obligation Debt Issued	9,652,000	8,861,498	(790,502)
Bond Anticipation Notes Issued	2,335,000	2,335,000	0
Premium on Debt Issued	0	972,251	972,251
Transfers In	2,000,000	2,000,000	0
Transfers Out	(163,589)	(163,589)	0
<i>Total Other Financing Sources (Uses)</i>	<u>13,823,411</u>	<u>14,005,160</u>	<u>181,749</u>
<i>Net Change in Fund Balance</i>	(155,354)	373,564	528,918
<i>Fund Balance Beginning of Year</i>	<u>3,770,198</u>	<u>3,770,198</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,614,844</u></u>	<u><u>\$4,143,762</u></u>	<u><u>\$528,918</u></u>

City of Kent, Ohio
*Schedule of Revenues, Expenses and Changes in Fund Equity -
 Budget (Non-GAAP Basis) and Actual
 Water Fund
 For the Year Ended December 31, 2009*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Charges for Services	\$11,040,000	\$11,949,347	\$909,347
Intergovernmental	388,704	6,495,151	6,106,447
Interest	166,000	248,890	82,890
Special Assessments	61,919	47,967	(13,952)
Miscellaneous	0	945	945
<i>Total Revenues</i>	<u>11,656,623</u>	<u>18,742,300</u>	<u>7,085,677</u>
Expenses			
Salaries	960,002	947,629	12,373
Fringe Benefits	339,281	338,901	380
Professional Services	586,815	576,244	10,571
Communications	104,987	96,493	8,494
Contractual Services	37,800	37,337	463
Materials and Supplies	306,333	285,773	20,560
Capital Outlay	9,828,755	9,488,771	339,984
Purchased Water	5,611,800	5,580,625	31,175
Utilities	50,450	42,601	7,849
Other	594,892	588,916	5,976
Debt Service:			
Principal Retirement	8,130,900	8,130,898	2
Interest and Fiscal Charges	547,697	547,694	3
Bond Issuance Costs	38,517	38,516	1
<i>Total Expenses</i>	<u>27,138,229</u>	<u>26,700,398</u>	<u>437,831</u>
<i>Excess of Revenues Under Expenses before Transfers</i>	(15,481,606)	(7,958,098)	7,523,508
Other Financing Sources			
General Obligation Debt Issued	7,940,500	7,642,318	(298,182)
Premium on General Obligation Debt Issued	55,284	387,478	332,194
<i>Total Other Financing Sources</i>	<u>7,995,784</u>	<u>8,029,796</u>	<u>34,012</u>
<i>Net Change in Fund Equity</i>	(7,485,822)	71,698	7,557,520
<i>Fund Equity Beginning of Year</i>	<u>10,949,329</u>	<u>10,949,329</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$3,463,507</u></u>	<u><u>\$11,021,027</u></u>	<u><u>\$7,557,520</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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Property Taxes	\$1,912,901	\$1,932,075	\$19,174
Intergovernmental	764,068	6,904,091	6,140,023
Charges for Services	14,250,000	11,939,818	(2,310,182)
Special Assessments	52,600	42,220	(10,380)
Miscellaneous	536,881	22,712	(514,169)
<i>Total Revenues</i>	<u>17,516,450</u>	<u>20,840,916</u>	<u>3,324,466</u>
Expenses			
Salaries	2,269,648	2,269,576	72
Fringe Benefits	892,295	892,048	247
Travel and Transportation	2,155	2,058	97
Professional Services	703,650	695,559	8,091
Communications	6,545	5,874	671
Contractual Services	1,482,100	1,477,858	4,242
Materials and Supplies	407,095	382,285	24,810
Capital Outlay	9,957,000	9,758,593	198,407
Utilities	235,600	234,422	1,178
Other	1,042,926	1,041,878	1,048
Debt Service:			
Principal Retirement	16,126,568	16,112,139	14,429
Interest and Fiscal Charges	1,089,009	1,088,059	950
<i>Total Expenses</i>	<u>34,214,591</u>	<u>33,960,349</u>	<u>254,242</u>
<i>Excess of Revenues Over Expenses before Transfers</i>	(16,698,141)	(13,119,433)	3,578,708
Other Financing Sources (Uses)			
General Obligation Debt Issued	17,360,000	16,001,184	(1,358,816)
Premium on General Obligation Debt Issued	59,688	548,198	488,510
Transfers Out	(2,000,000)	(2,000,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>15,419,688</u>	<u>14,549,382</u>	<u>(870,306)</u>
<i>Net Change in Fund Equity</i>	(1,278,453)	1,429,949	2,708,402
<i>Fund Equity Beginning of Year</i>	<u>16,460,351</u>	<u>16,460,351</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>15,181,898</u></u>	<u><u>\$17,890,300</u></u>	<u><u>\$2,708,402</u></u>

City of Lakewood, Ohio
*Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Basis) and Actual
 Street and Highway Fund
 For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$1,886,277	\$2,262,182	\$375,905
Special Assessments	9,518	9,812	294
Miscellaneous	162,590	111,126	(51,464)
<i>Total Revenues</i>	<u>2,058,385</u>	<u>2,383,120</u>	<u>324,735</u>
Expenditures			
Current:			
Transportation:			
Public Works:			
Salaries	1,155,783	1,153,650	2,133
Fringe Benefits	413,769	413,726	43
Professional Services	22,800	21,810	990
Communications	5,100	4,887	213
Contractual Services	33,500	31,115	2,385
Materials and Supplies	517,600	508,359	9,241
Utilities	51,500	48,867	2,633
Capital Outlay	182,000	181,046	954
Other	1,150	966	184
<i>Total Expenditures</i>	<u>2,383,202</u>	<u>2,364,426</u>	<u>18,776</u>
<i>Net Change in Fund Balance</i>	(324,817)	18,694	343,511
<i>Fund Balance Beginning of Year</i>	<u>550,993</u>	<u>550,993</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$226,176</u></u>	<u><u>\$569,687</u></u>	<u><u>\$343,511</u></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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$0	\$5,000	\$5,000
Expenditures			
Current:			
Community Environment:			
Refuse:			
Other	5,000	1,713	3,287
<i>Total Expenditures</i>	<u>5,000</u>	<u>1,713</u>	<u>3,287</u>
<i>Net Change in Fund Balance</i>	(5,000)	3,287	8,287
<i>Fund Balance Beginning of Year</i>	<u>5,709</u>	<u>5,709</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$709</u></u>	<u><u>\$8,996</u></u>	<u><u>\$8,287</u></u>

City of Lakewood, Ohio

*Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Law and Drug Enforcement Trust Fund
For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$68,502	\$0	(\$68,502)
Fines and Forfeitures	6,743	5,190	(1,553)
Miscellaneous	0	45,648	45,648
<i>Total Revenues</i>	<u>75,245</u>	<u>50,838</u>	<u>(24,407)</u>
Expenditures			
Current:			
Security of Persons and Property:			
Police:			
Fringe Benefits	40,100	39,714	386
Travel and Transportation	9,900	9,419	481
Professional Services	51,225	51,155	70
Contractual Services	500	450	50
Materials and Supplies	10,000	9,315	685
Other	4,901	4,748	153
<i>Total Expenditures</i>	<u>116,626</u>	<u>114,801</u>	<u>1,825</u>
<i>Excess of Revenue Under Expenditures</i>	(41,381)	(63,963)	(22,582)
Other Financing Sources			
Sale of Capital Assets	2,275	22,443	20,168
<i>Total Other Financing Sources</i>	<u>2,275</u>	<u>22,443</u>	<u>20,168</u>
<i>Net Change in Fund Balance</i>	(39,106)	(41,520)	(2,414)
<i>Fund Balance Beginning of Year</i>	<u>137,880</u>	<u>137,880</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$98,774</u></u>	<u><u>\$96,360</u></u>	<u><u>(\$2,414)</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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$0	\$18,743	\$18,743
Fines and Forefetures	10,644	0	(10,644)
Interest	0	1,213	1,213
Miscellaneous	0	25,347	25,347
<i>Total Revenues</i>	<u>10,644</u>	<u>45,303</u>	<u>34,659</u>
Expenditures			
Current:			
Security of Persons and Property:			
Police:			
Capital Outlay	<u>3,000</u>	<u>2,686</u>	<u>314</u>
<i>Net Change in Fund Balance</i>	7,644	42,617	34,973
<i>Fund Balance Beginning of Year</i>	<u>46,199</u>	<u>46,199</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$53,843</u></u>	<u><u>\$88,816</u></u>	<u><u>\$34,973</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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Fines and Forfeitures	\$6,401	\$6,017	(\$384)
Intergovernmental	5,723	5,340	(383)
<i>Total Revenues</i>	<u>12,124</u>	<u>11,357</u>	<u>(767)</u>
Expenditures			
Current:			
General Government:			
Municipal Court:			
Professional Services	15,000	7,348	7,652
Materials and Supplies	5,000	2,725	2,275
<i>Total Expenditures</i>	<u>20,000</u>	<u>10,073</u>	<u>9,927</u>
<i>Net Change in Fund Balance</i>	(7,876)	1,284	9,160
<i>Fund Balance Beginning of Year</i>	<u>155,831</u>	<u>155,831</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$147,955</u>	<u>\$157,115</u>	<u>\$9,160</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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Fines and Forfeitures	\$2,800	\$2,585	(\$215)
Miscellaneous	700	400	(300)
<i>Total Revenues</i>	<u>3,500</u>	<u>2,985</u>	<u>(515)</u>
Expenditures			
Current:			
Security of Persons and Property:			
Police:			
Materials and Supplies	5,000	0	5,000
<i>Total Expenditures</i>	<u>5,000</u>	<u>0</u>	<u>5,000</u>
<i>Net Change in Fund Balance</i>	(1,500)	2,985	4,485
<i>Fund Balance Beginning of Year</i>	<u>26,724</u>	<u>26,724</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$25,224</u></u>	<u><u>\$29,709</u></u>	<u><u>\$4,485</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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Fines and Forfeitures	\$554	\$227	(\$327)
Expenditures			
Current:			
General Government:			
Municipal Court:			
Professional Services	2,000	0	2,000
<i>Net Change in Fund Balance</i>	(1,446)	227	1,673
<i>Fund Balance Beginning of Year</i>	19,238	19,238	0
<i>Fund Balance End of Year</i>	\$17,792	\$19,465	\$1,673

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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Fines and Forfeitures	\$40,939	\$45,262	\$4,323
Expenditures			
Current:			
General Government:			
Municipal Court:			
Contractual Services	36,000	35,805	195
<i>Total Expenditures</i>	36,000	35,805	195
<i>Net Change in Fund Balance</i>	4,939	9,457	4,518
<i>Fund Balance Beginning of Year</i>	1,172	1,172	0
<i>Fund Balance End of Year</i>	\$6,111	\$10,629	\$4,518

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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Fines and Forfeitures	\$86,748	\$60,082	(\$26,666)
Expenditures			
Current:			
General Government:			
Municipal Court:			
Salaries	25,000	22,111	2,889
Fringe Benefits	4,000	3,416	584
Contractual Services	40,000	29,897	10,103
Materials and Supplies	1,500	163	1,337
<i>Total Expenditures</i>	70,500	55,587	14,913
<i>Net Change in Fund Balance</i>	16,248	4,495	(11,753)
<i>Fund Balance Beginning of Year</i>	456,741	456,741	0
<i>Fund Balance End of Year</i>	\$472,989	\$461,236	(\$11,753)

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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Fines and Forfeitures	\$23,587	\$23,257	(\$330)
Expenditures			
Current:			
General Government:			
Municipal Court:			
Professional Services	10,150	5,752	4,398
Materials and Supplies	500	222	278
<i>Total Expenditures</i>	10,650	5,974	4,676
<i>Net Change in Fund Balance</i>	12,937	17,283	4,346
<i>Fund Balance Beginning of Year</i>	103,253	103,253	0
<i>Fund Balance End of Year</i>	\$116,190	\$120,536	\$4,346

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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Fines and Forfeitures	\$11,749	\$11,894	\$145
Expenditures			
Current:			
General Government:			
Municipal Court:			
Professional Services	1,000	0	1,000
<i>Net Change in Fund Balance</i>	10,749	11,894	1,145
<i>Fund Balance Beginning of Year</i>	128,935	128,935	0
<i>Fund Balance End of Year</i>	<u>\$139,684</u>	<u>\$140,829</u>	<u>\$1,145</u>

City of Lakewood, Ohio
*Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget (Non-GAAP Basis) and Actual
 Emergency Shelter Grant Fund
 For the Year Ended December 31, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$164,000	\$226,488	\$62,488
Expenditures			
Current:			
Community Environment:			
Planning and Development:			
Salaries	4,600	4,572	28
Fringe Benefits	765	703	62
Contractual Services	231,518	221,213	10,305
<i>Total Expenditures</i>	<u>236,883</u>	<u>226,488</u>	<u>10,395</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(72,883)	0	72,883
Other Financing Sources (Uses)			
Advances In	150,000	65,000	(85,000)
Advances Out	(11,500)	(11,500)	0
<i>Total Other Financing Sources (Uses)</i>	<u>138,500</u>	<u>53,500</u>	<u>(85,000)</u>
<i>Net Change in Fund Balance</i>	65,617	53,500	(12,117)
<i>Fund Balance Beginning of Year</i>	<u>9,944</u>	<u>9,944</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$75,561</u></u>	<u><u>\$63,444</u></u>	<u><u>(\$12,117)</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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$343,258	\$383,730	\$40,472
Expenditures			
Current:			
Community Environment:			
Planning and Development:			
Contractual Services	150,000	145,502	4,498
<i>Total Expenditures</i>	150,000	145,502	4,498
<i>Excess of Revenues Over Expenditures</i>	193,258	238,228	44,970
Other Financing Uses			
Advances In	92,768	0	(92,768)
<i>Net Change in Fund Balance</i>	286,026	238,228	(47,798)
<i>Fund Balance Beginning of Year</i>	325,696	325,696	0
<i>Fund Balance End of Year</i>	\$611,722	\$563,924	(\$47,798)

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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
Revenues	\$0	\$0	\$0
Expenditures			
Contractual Services	100	28	72
<i>Total Expenditures</i>	<u>100</u>	<u>28</u>	<u>72</u>
 <i>Net Change in Fund Balance</i>	 (100)	 (28)	 72
<i>Fund Balance Beginning of Year</i>	<u>307,467</u>	<u>307,467</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$307,367</u></u>	<u><u>\$307,439</u></u>	<u><u>\$72</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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Charges for Services	\$69,074	\$71,468	\$2,394
Intergovernmental	130,000	90,655	(39,345)
Contributions and Donations	60,982	108,255	47,273
<i>Total Revenues</i>	<u>260,056</u>	<u>270,378</u>	<u>10,322</u>
Expenditures			
Current:			
Public Health Services:			
Office on Aging:			
Salaries	533,970	530,444	3,526
Fringe Benefits	207,510	207,471	39
Professional Services	925	855	70
Communications	6,700	5,913	787
Contractual Services	107,000	105,555	1,445
Materials and Supplies	25,750	23,016	2,734
Utilities	30,300	28,505	1,795
Capital Outlay	2,000	1,963	37
Other	6,935	6,154	781
<i>Total Expenditures</i>	<u>921,090</u>	<u>909,876</u>	<u>11,214</u>
<i>Excess of Revenues Under Expenditures</i>	(661,034)	(639,498)	21,536
Other Financing Sources			
Transfers In	690,000	690,000	0
<i>Net Change in Fund Balance</i>	28,966	50,502	21,536
<i>Fund Balance Beginning of Year</i>	<u>42,534</u>	<u>42,534</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$71,500</u></u>	<u><u>\$93,036</u></u>	<u><u>\$21,536</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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Charges for Services	\$15,925	\$14,273	(\$1,652)
Contributions and Donations	23,682	23,288	(394)
<i>Total Revenues</i>	<u>39,607</u>	<u>37,561</u>	<u>(2,046)</u>
Expenditures			
Current:			
Community Environment:			
Youth:			
Salaries	31,100	31,021	79
Fringe Benefits	5,300	4,793	507
Communications	125	100	25
Materials and Supplies	1,750	1,647	103
<i>Total Expenditures</i>	<u>38,275</u>	<u>37,561</u>	<u>714</u>
<i>Net Change in Fund Balance</i>	1,332	0	(1,332)
<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>\$12,901</u></u>	<u><u>\$11,569</u></u>	<u><u>(\$1,332)</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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$9,000	\$14,400	\$5,400
Miscellaneous	3,000	1,590	(1,410)
<i>Total Revenues</i>	<u>12,000</u>	<u>15,990</u>	<u>3,990</u>
Expenditures			
Current:			
Community Environment:			
Youth Services:			
Salaries	17,000	15,001	1,999
Fringe Benefits	3,300	2,368	932
<i>Total Expenditures</i>	<u>20,300</u>	<u>17,369</u>	<u>2,931</u>
<i>Net Change in Fund Balance</i>	(8,300)	(1,379)	6,921
<i>Fund Balance Beginning of Year</i>	<u>11,960</u>	<u>11,960</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,660</u></u>	<u><u>\$10,581</u></u>	<u><u>\$6,921</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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$342,268	\$460,721	\$118,453
<i>Total Revenues</i>	<u>342,268</u>	<u>460,721</u>	<u>118,453</u>
Expenditures			
Current:			
Community Environment:			
Child Care:			
Salaries	310,715	310,711	4
Fringe Benefits	49,260	49,257	3
Travel and Transportation	20	14	6
Professional Services	22,300	20,286	2,014
Communications	5,200	5,035	165
Materials and Supplies	15,750	15,926	(176)
Utilities	1,673	1,792	(119)
Other	21,210	19,732	1,478
<i>Total Expenditures</i>	<u>426,128</u>	<u>422,753</u>	<u>3,375</u>
<i>Excess of Revenues Over Expenditures</i>	(83,860)	37,968	121,828
Other Financing Sources (Uses)			
Advance In	200,000	187,000	(13,000)
Advance out	(126,000)	(126,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>74,000</u>	<u>61,000</u>	<u>(13,000)</u>
<i>Net Change in Fund Balance</i>	(9,860)	98,968	108,828
<i>Fund Balance Beginning of Year</i>	<u>25,788</u>	<u>25,788</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$15,928</u></u>	<u><u>\$124,756</u></u>	<u><u>\$108,828</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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues	\$0	\$0	\$0
Expenditures	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	2,781	2,781	0
<i>Fund Balance End of Year</i>	\$2,781	\$2,781	\$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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Miscellaneous	\$4,000	\$4,000	\$0
Expenditures			
Current:			
General Government:			
Mayor's Office:			
Salaries	3,500	3,500	0
Fringe Benefits	558	558	0
<i>Total Expenditures</i>	4,058	4,058	0
<i>Net Change in Fund Balance</i>	(58)	(58)	0
<i>Fund Balance Beginning of Year</i>	1,372	1,372	0
<i>Fund Balance End of Year</i>	\$1,314	\$1,314	\$0

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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Payments in Lieu of Taxes	\$920,786	\$1,197,326	\$276,540
Intergovernmental	38,575	86,860	48,285
<i>Total Revenues</i>	<u>959,361</u>	<u>1,284,186</u>	<u>324,825</u>
Expenditures			
Current:			
General Government:			
Other	578,564	578,564	0
Debt Service:			
Principal Retirement	338,548	338,548	0
Interest and Fiscal Charges	64,580	64,580	0
<i>Total Expenditures</i>	<u>981,692</u>	<u>981,692</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(22,331)	302,494	324,825
<i>Fund Balance Beginning of Year</i>	<u>293,841</u>	<u>293,841</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$271,510</u></u>	<u><u>\$596,335</u></u>	<u><u>\$324,825</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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$0	\$1,316,574	\$1,316,574
Expenditures			
Current:			
Transportation			
Capital Outlay	\$4,682,011	\$3,626,985	\$1,055,026
<i>Total Streets and Highways</i>	4,682,011	3,626,985	1,055,026
Leisure Time Activities			
Capital Outlay	265,000	221,247	43,753
<i>Total Culture and Recreation</i>	265,000	221,247	43,753
<i>Total Expenditures</i>	4,947,011	3,848,232	1,098,779
<i>Excess of Revenues Under Expenditures</i>	(4,947,011)	(2,531,658)	2,415,353
Other Financing Sources			
Bond Anticipation Notes Issued	4,080,000	4,080,000	0
Transfer In	0	163,589	163,589
<i>Total Other Financing Sources</i>	4,080,000	4,243,589	163,589
<i>Net Change in Fund Balance</i>	(867,011)	1,711,931	2,578,942
<i>Fund Balance Beginning of Year</i>	2,170,213	2,170,213	0
<i>Fund Balance End of Year</i>	\$1,303,202	\$3,882,144	\$2,578,942

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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues	\$0	\$0	\$0
Expenditures			
Current:			
Community Environment:			
Capital Outlay	950,000	920,328	29,672
<i>Net Change in Fund Balance</i>	(950,000)	(920,328)	29,672
<i>Fund Balance Beginning of Year</i>	4,386,659	4,386,659	0
<i>Fund Balance End of Year</i>	\$3,436,659	\$3,466,331	\$29,672

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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Miscellaneous	\$5,423	\$6,962	\$1,539
Expenditures			
Current:			
Leisure Time Activities:			
Capital Outlay	10,000	9,875	125
<i>Net Change in Fund Balance</i>	(4,577)	(2,913)	1,664
<i>Fund Balance Beginning of Year</i>	28,720	28,720	0
<i>Fund Balance End of Year</i>	\$24,143	\$25,807	\$1,664

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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Charges for Services	\$453,526	\$484,518	\$30,992
Miscellaneous	100	9	(91)
<i>Total Revenues</i>	<u>453,626</u>	<u>484,527</u>	<u>30,901</u>
Expenses			
Salaries	138,525	133,426	5,099
Fringe Benefits	55,241	54,903	338
Professional Services	11,250	10,560	690
Communications	4,135	2,718	1,417
Contractual Services	5,600	5,468	132
Materials and Supplies	22,800	21,452	1,348
Capital Outlay	106,000	105,213	787
Utilities	26,000	24,561	1,439
Property Taxes	41,000	40,857	143
Other	52,208	52,042	166
Debt Service:			
Principal Retirement	30,001	30,000	1
Interest and Fiscal Charges	2,393	2,393	0
<i>Total Expenses</i>	<u>495,153</u>	<u>483,593</u>	<u>11,560</u>
<i>Net Change in Fund Equity</i>	(41,527)	934	42,461
<i>Fund Equity Beginning of Year</i>	<u>781,445</u>	<u>781,445</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$739,918</u></u>	<u><u>\$782,379</u></u>	<u><u>\$42,461</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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Charges for Services	\$260,702	\$230,400	(\$30,302)
Miscellaneous	83,500	56,000	(27,500)
<i>Total Revenues</i>	<u>344,202</u>	<u>286,400</u>	<u>(57,802)</u>
Expenses			
Contractual Services	6,000	5,800	200
Property Taxes	57,365	57,365	0
Utilities	289,000	267,692	21,308
<i>Total Expenses</i>	<u>352,365</u>	<u>330,857</u>	<u>21,508</u>
<i>Excess of Revenues Over Expenses before Advances and Transfers</i>	(8,163)	(44,457)	(36,294)
Other Financing Sources (Uses)			
Advance In	100,000	100,000	0
Advance Out	(43,000)	(43,000)	0
<i>Total Other Financing Sources(Uses)</i>	<u>57,000</u>	<u>57,000</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	48,837	12,543	(36,294)
<i>Fund Equity Beginning of Year</i>	<u>42,636</u>	<u>42,636</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$91,473</u>	<u>\$55,179</u>	<u>(\$36,294)</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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Charges for Services	\$5,250,000	\$5,375,997	\$125,997
Miscellaneous	950,000	937,240	(12,760)
<i>Total Revenues</i>	<u>6,200,000</u>	<u>6,313,237</u>	<u>113,237</u>
Expenses			
Professional Services	80,188	79,910	278
Claims	7,425,000	7,367,660	57,340
<i>Total Expenses</i>	<u>7,505,188</u>	<u>7,447,570</u>	<u>57,618</u>
<i>Excess of Revenues Under Expenses before Transfers</i>	(1,305,188)	(1,134,333)	170,855
Transfers In	256,724	873,837	617,113
<i>Net Change in Fund Equity</i>	(1,048,464)	(260,496)	787,968
<i>Fund Equity Beginning of Year</i>	2,955,434	2,955,434	0
<i>Fund Equity End of Year</i>	<u><u>\$1,906,970</u></u>	<u><u>\$2,694,938</u></u>	<u><u>\$787,968</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, 2019*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Charges for Services	\$375,000	\$357,756	(\$17,244)
<i>Total Revenues</i>	<u>375,000</u>	<u>357,756</u>	<u>(17,244)</u>
Expenses			
Professional Services	30,200	21,190	9,010
Workers' Compensation Premium	72,444	72,444	0
Workers' Compensation Claims	299,835	288,521	11,314
<i>Total Expenses</i>	<u>402,479</u>	<u>382,155</u>	<u>20,324</u>
<i>Excess of Revenues Over (Under) Expenses before Transfers</i>	(27,479)	(24,399)	3,080
Transfers In	17,523	16,337	(1,186)
<i>Net Change in Fund Equity</i>	(9,956)	(8,062)	1,894
<i>Fund Equity Beginning of Year</i>	<u>590,231</u>	<u>590,231</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$580,275</u></u>	<u><u>\$582,169</u></u>	<u><u>\$1,894</u></u>

STATISTICAL SECTION

City of Lakewood, Ohio

Statistical Section

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S2 – S13
Revenue Capacity 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
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S21 – S29
Economic and Demographic Information 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
Operating Information 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*

	2019	2018 (3)	2017 (2)	2016
Governmental Activities				
Net Investment in Capital Assets	\$48,340,802	\$43,044,549	\$43,075,007	\$42,035,922
Restricted:				
Capital Projects	1,639,770	7,069,277	5,024,221	5,061,630
Debt Service	3,680,035	2,838,874	4,385,292	3,308,652
Other Purposes	26,546,422	24,643,384	16,711,939	16,027,847
Unrestricted	(40,881,404)	(67,478,508)	(66,095,319)	(20,079,817)
<i>Total Governmental Activities Net Position</i>	<u>39,325,625</u>	<u>10,117,576</u>	<u>3,101,140</u>	<u>46,354,234</u>
Business - Type Activities				
Net Investment in Capital Assets	75,661,907	58,378,500	59,258,570	55,855,430
Restricted for Debt Service	0	0	0	25,330
Restricted for Replacement and Improvement	0	0	0	196,078
Unrestricted	23,808,559	25,813,164	19,786,416	19,261,591
<i>Total Business-Type Activities Net Position</i>	<u>99,470,466</u>	<u>84,191,664</u>	<u>79,044,986</u>	<u>75,338,429</u>
Primary Government				
Net Investment in Capital Assets	124,002,709	101,423,049	102,333,577	97,891,352
Restricted	31,866,227	34,551,535	26,121,452	24,619,537
Unrestricted	(17,072,845)	(41,665,344)	(46,308,903)	(818,226)
<i>Total Primary Government Net Position</i>	<u>\$138,796,091</u>	<u>\$94,309,240</u>	<u>\$82,146,126</u>	<u>\$121,692,663</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

Table 1

<u>2015 (1)</u>	<u>2014 (1)</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$41,107,537	\$39,149,696	\$36,587,631	\$35,009,349	\$32,219,436	\$29,616,097
6,501,371	5,307,076	981,966	969,500	737,334	948,539
2,151,445	2,513,589	1,993,423	975,150	194,209	1,038,625
14,976,729	5,373,867	5,620,042	5,898,631	5,130,754	6,279,579
<u>(17,026,229)</u>	<u>(17,214,472)</u>	<u>25,657,862</u>	<u>15,752,227</u>	<u>13,594,321</u>	<u>8,184,766</u>
<u>47,710,853</u>	<u>35,129,756</u>	<u>70,840,924</u>	<u>58,604,857</u>	<u>51,876,054</u>	<u>46,067,606</u>
54,036,529	49,186,022	49,781,404	47,805,599	43,819,639	43,114,193
931,832	976,525	977,430	976,717	1,090,028	1,328,713
195,701	195,650	195,585	195,499	195,493	195,474
<u>14,815,158</u>	<u>15,589,980</u>	<u>13,290,944</u>	<u>10,729,412</u>	<u>10,716,664</u>	<u>9,163,854</u>
<u>69,979,220</u>	<u>65,948,177</u>	<u>64,245,363</u>	<u>59,707,227</u>	<u>55,821,824</u>	<u>53,802,234</u>
95,144,066	88,335,718	86,369,035	82,814,948	76,039,075	72,730,290
24,757,078	14,366,707	9,768,446	9,015,497	7,347,818	9,790,930
<u>(2,211,071)</u>	<u>(1,624,492)</u>	<u>38,948,806</u>	<u>26,481,639</u>	<u>24,310,985</u>	<u>17,348,620</u>
<u>\$117,690,073</u>	<u>\$101,077,933</u>	<u>\$135,086,287</u>	<u>\$118,312,084</u>	<u>\$107,697,878</u>	<u>\$99,869,840</u>

City of Lakewood, Ohio

Changes in Net Position Accrual Basis of Accounting Last Ten Years

	2019	2018	2017	2016
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$5,556,507	\$5,276,026	\$5,691,462	\$5,728,112
Security of Persons and Property				
Police and Other	13,568	56,447	90,516	538,241
Fire	1,821,996	1,764,267	2,390,092	2,342,043
Public Health Services	71,468	66,635	65,289	72,057
Transportation	0	0	932	0
Community Environment	618,004	460,481	213,266	15,558
Basic Utility Services	0	0	0	3,500
Subtotal - Charges for Services	<u>8,081,543</u>	<u>7,623,856</u>	<u>8,451,557</u>	<u>8,699,511</u>
Operating Grants and Contributions:				
General Government	31,155	176,735	73,183	0
Security of Persons and Property				
Police and Other	24,083	60,693	55,347	27,668
Fire	589,650	6,925	2,690	77,243
Public Health Services	197,393	154,816	159,083	123,854
Transportation	2,601,890	1,978,606	2,007,041	2,072,014
Leisure Time Activities	0	0	0	0
Community Environment	2,925,864	11,435,206	2,896,145	2,554,869
Subtotal - Operating Grants and Contributions	<u>6,370,035</u>	<u>13,812,981</u>	<u>5,193,489</u>	<u>4,855,648</u>
Capital Grants and Contributions:				
Security of Persons and Property - Fire	0	0	0	0
Public Health Services	0	0	0	617,438
Community Environment	2,220,419	642,806	592,724	412,057
Transportation	9,812	597,287	598,608	89,082
	<u>2,230,231</u>	<u>1,240,093</u>	<u>1,191,332</u>	<u>1,118,577</u>
<i>Total Governmental Activities Program Revenues</i>	<u>16,681,809</u>	<u>22,676,930</u>	<u>14,836,378</u>	<u>14,673,736</u>
Business-Type Activities:				
Charges for Services:				
Water	10,828,254	10,612,924	10,427,310	10,449,847
Sewer	11,129,172	10,610,832	9,870,965	9,277,971
Parking Facilities	484,518	487,107	468,581	487,715
Winterhurst Ice Rink	293,202	297,110	302,710	323,465
Subtotal - Charges for Services	<u>22,735,146</u>	<u>22,007,973</u>	<u>21,069,566</u>	<u>20,538,998</u>
Operating Grants and Contributions:				
Sewer	0	0	0	0
Subtotal - Operating Grants and Contributions	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Capital Grants and Contributions:				
Water	4,009,844	40,109	1,279,891	0
Sewer	8,749,502	387,224	0	0
Subtotal - Capital Grants and Contributions	<u>12,759,346</u>	<u>427,333</u>	<u>1,279,891</u>	<u>0</u>
<i>Total Business-Type Activities Program Revenues</i>	<u>35,494,492</u>	<u>22,435,306</u>	<u>22,349,457</u>	<u>20,538,998</u>
<i>Total Primary Government Program Revenues</i>	<u>\$52,176,301</u>	<u>\$45,112,236</u>	<u>\$37,185,835</u>	<u>\$35,212,734</u>

Table 2

2015	2014	2013	2012	2011	2010
\$2,417,220	\$2,565,467	\$4,696,630	\$3,933,477	\$3,024,201	\$2,529,470
1,705,381	1,681,145	41,793	233,865	257,705	265,127
2,434,467	2,312,807	2,375,131	2,346,537	2,263,974	2,233,515
72,200	73,542	86,254	103,489	293,641	248,489
48,242	85,435	48,369	219,863	4,360	28,395
1,194,867	1,355,395	344,561	972,416	1,642,224	1,895,118
39,816	43,038	0	0	0	0
<u>7,912,193</u>	<u>8,116,829</u>	<u>7,592,738</u>	<u>7,809,647</u>	<u>7,486,105</u>	<u>7,200,114</u>
15,400	17,080	3,312	0	765,886	612,272
28,531	74,584	6,946	30,417	432,224	449,353
13,905	37,612	427,779	0	900	3,350
6,902,085	97,273	111,763	46,779	217,458	246,649
2,001,462	1,903,634	1,890,684	1,874,122	1,833,219	2,012,270
2,669	17,088	0	99,639	0	0
2,878,700	3,312,684	3,660,106	2,824,142	3,081,636	4,718,408
<u>11,842,752</u>	<u>5,459,955</u>	<u>6,100,590</u>	<u>4,875,099</u>	<u>6,331,323</u>	<u>8,042,302</u>
0	0	0	91,166	0	0
3,296,758	64,473	79,548	0	0	0
226,337	0	23,311	48,690	0	0
858,161	1,029,913	106,505	75,390	0	0
<u>4,381,256</u>	<u>1,094,386</u>	<u>209,364</u>	<u>215,246</u>	<u>0</u>	<u>0</u>
<u>24,136,201</u>	<u>14,671,170</u>	<u>13,902,692</u>	<u>12,899,992</u>	<u>13,817,428</u>	<u>15,242,416</u>
10,786,061	11,023,493	11,273,817	11,209,329	10,683,491	10,759,734
8,365,370	8,275,152	7,924,286	7,422,740	6,573,925	6,157,686
455,700	464,973	425,848	462,300	456,607	434,510
351,858	440,413	181,272	372,284	343,061	563,499
<u>19,958,989</u>	<u>20,204,031</u>	<u>19,805,223</u>	<u>19,466,653</u>	<u>18,057,084</u>	<u>17,915,429</u>
0	0	0	0	246,194	283,595
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>246,194</u>	<u>283,595</u>
1,171,927	36,000	84,724	566,385	80,560	0
0	84,628	43,996	0	25,536	0
<u>1,171,927</u>	<u>120,628</u>	<u>128,720</u>	<u>566,385</u>	<u>106,096</u>	<u>0</u>
<u>21,130,916</u>	<u>20,324,659</u>	<u>19,933,943</u>	<u>20,033,038</u>	<u>18,409,374</u>	<u>18,199,024</u>
<u>\$45,267,117</u>	<u>\$34,995,829</u>	<u>\$33,836,635</u>	<u>\$32,933,030</u>	<u>\$32,226,802</u>	<u>\$33,441,440</u>

City of Lakewood, Ohio

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Expenses				
Governmental Activities:				
General Government	\$12,468,984	\$9,881,664	\$10,314,519	\$10,038,205
Security of Persons and Property				
Police and Other	3,228,856	17,242,593	15,229,304	15,636,103
Fire	558,866	13,461,208	13,056,945	12,492,447
Public Health Services	2,342,903	1,939,618	1,964,825	1,895,266
Transportation	4,392,858	3,828,421	3,921,229	4,208,095
Community Environment	6,741,072	6,946,597	6,655,555	5,942,684
Basic Utility Services	4,435,535	4,004,891	3,935,756	3,645,449
Leisure Time Activities	3,435,810	2,895,785	2,944,733	2,827,356
Interest and Fiscal Charges	<u>1,642,407</u>	<u>1,396,077</u>	<u>1,961,698</u>	<u>1,453,699</u>
<i>Total Governmental Activities Expenses</i>	<u>39,247,291</u>	<u>61,596,854</u>	<u>59,984,564</u>	<u>58,139,304</u>
Business-Type Activities				
Water	10,118,101	8,848,326	8,977,286	9,792,697
Sewer	9,567,217	9,761,987	7,133,603	6,658,898
Parking Facilities	564,963	369,619	427,010	412,670
Winterhurst Ice Rink	<u>406,298</u>	<u>426,844</u>	<u>401,376</u>	<u>474,323</u>
<i>Total Business-Type Activities Expenses</i>	<u>20,656,579</u>	<u>19,406,776</u>	<u>16,939,275</u>	<u>17,338,588</u>
<i>Total Primary Government Expenses</i>	<u>59,903,870</u>	<u>81,003,630</u>	<u>76,923,839</u>	<u>75,477,892</u>
Net (Expense)/Revenue				
Governmental Activities	(22,565,482)	(38,919,924)	(45,148,186)	(43,465,568)
Business-Type Activities	<u>14,837,913</u>	<u>3,028,530</u>	<u>5,410,182</u>	<u>3,200,410</u>
<i>Total Primary Government Net Expense</i>	<u>(\$7,727,569)</u>	<u>(\$35,891,394)</u>	<u>(\$39,738,004)</u>	<u>(\$40,265,158)</u>

Table 2

2015	2014	2013	2012	2011	2010
\$9,341,967	\$9,439,522	\$8,498,246	\$9,204,662	\$7,529,571	\$8,423,969
13,677,739	13,662,669	12,670,338	11,844,579	11,617,633	12,272,317
10,740,998	10,238,188	10,099,908	9,936,091	9,426,271	9,526,516
1,824,905	1,867,088	1,866,759	1,940,130	2,136,807	2,383,427
3,518,156	3,199,757	2,605,700	2,536,751	1,948,825	3,092,325
5,135,801	5,954,990	4,910,641	4,773,590	5,804,830	6,819,791
3,525,439	3,561,708	3,383,635	3,274,630	3,393,665	3,472,641
2,474,236	2,527,405	2,121,447	1,786,849	3,222,378	1,831,789
1,293,602	1,453,572	1,481,371	1,632,156	1,835,631	1,788,103
<u>51,532,843</u>	<u>51,904,899</u>	<u>47,638,045</u>	<u>46,929,438</u>	<u>46,915,611</u>	<u>49,610,878</u>
10,437,438	9,852,335	9,059,160	10,283,462	9,652,083	9,665,155
6,448,991	6,182,538	6,061,044	5,674,713	5,896,702	6,012,674
355,917	319,581	300,332	392,765	349,501	386,946
470,683	461,923	429,550	525,941	571,530	736,397
<u>17,713,029</u>	<u>16,816,377</u>	<u>15,850,086</u>	<u>16,876,881</u>	<u>16,469,816</u>	<u>16,801,172</u>
<u>69,245,872</u>	<u>68,721,276</u>	<u>63,488,131</u>	<u>63,806,319</u>	<u>63,385,427</u>	<u>66,412,050</u>
(27,396,642)	(37,233,729)	(33,735,353)	(34,029,446)	(33,098,183)	(34,368,462)
3,417,887	3,508,282	4,083,857	3,156,157	1,939,558	1,397,852
<u>(\$23,978,755)</u>	<u>(\$33,725,447)</u>	<u>(\$29,651,496)</u>	<u>(\$30,873,289)</u>	<u>(\$31,158,625)</u>	<u>(\$32,970,610)</u>

City of Lakewood, Ohio

Changes in Net Position (continued)

Accrual Basis of Accounting

Last Ten Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes:				
Property Taxes Levied For:				
General Purposes	\$8,388,474	\$7,032,787	\$6,951,057	\$6,796,884
Police and Fire Pension	3,365,105	2,666,767	2,788,459	2,577,331
Debt Service	3,180,794	2,821,228	2,635,788	2,726,623
Payments in Lieu of Taxes	1,203,835	941,486	521,296	499,544
Municipal Income Taxes levied for:				
General Purposes	26,449,000	24,888,422	21,338,449	23,236,281
Grants and Entitlements not Restricted to				
Specific Programs	4,493,661	3,662,605	3,551,342	3,685,616
Investment Income	1,957,645	1,242,399	407,277	192,986
Gain from Sale of Capital Assets-Gov	0	381,525	0	0
Miscellaneous	749,911	465,681	424,698	914,982
<i>Total Governmental Activities</i>	<u>49,788,425</u>	<u>44,102,900</u>	<u>38,618,366</u>	<u>40,630,247</u>
Business-Type Activities				
Property Taxes Levied For:				
Sewer	1,939,500	1,626,074	1,607,149	1,571,541
Grants and Entitlements not Restricted to				
Specific Programs	0	0	66,504	1,686,943
Investment Income	406,829	170,019	168,199	52,435
Miscellaneous	79,666	116,922	267,586	326,582
<i>Total Business-Type Activities</i>	<u>2,425,995</u>	<u>1,913,015</u>	<u>2,109,438</u>	<u>3,637,501</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>52,214,420</u>	<u>46,015,915</u>	<u>40,727,804</u>	<u>44,267,748</u>
Transfers				
Governmental Activities	1,985,106	1,833,460	1,713,362	1,478,702
Business-Type Activities	<u>(1,985,106)</u>	<u>(1,833,460)</u>	<u>(1,713,362)</u>	<u>(1,478,702)</u>
Restatements				
Governmental Activities	0	0	(38,436,636)	0
Business-Type Activities	0	2,038,593	(2,099,701)	0
<i>Total Restatements Activities</i>	<u>0</u>	<u>2,038,593</u>	<u>(40,536,337)</u>	<u>0</u>
Change in Net Position				
Governmental Activities	29,208,049	9,055,029	(45,352,795)	(1,356,619)
Business-Type Activities	<u>15,278,802</u>	<u>5,146,678</u>	<u>3,706,557</u>	<u>5,359,209</u>
<i>Total Primary Government Change in Net Position</i>	<u>\$44,486,851</u>	<u>\$14,201,707</u>	<u>(\$41,646,238)</u>	<u>\$4,002,590</u>

Table 2

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$6,619,558	\$6,255,782	\$6,560,213	\$6,807,497	\$6,581,357	\$6,857,844
2,512,111	2,376,261	2,491,699	2,589,594	2,608,762	2,608,762
2,666,760	2,532,060	2,654,186	2,753,385	2,784,378	2,784,378
448,815	494,754	467,984	401,767	355,641	341,399
22,563,434	21,954,834	21,122,681	20,628,523	19,474,728	19,686,732
3,719,128	3,722,984	10,929,532	5,646,551	5,997,696	6,727,090
100,437	49,548	13,857	6,758	8,792	68,060
14,776	17,237	0	130,124	25,308	0
453,344	387,811	216,560	611,500	713,582	436,670
<u>39,098,363</u>	<u>37,791,271</u>	<u>44,456,712</u>	<u>39,575,699</u>	<u>38,550,244</u>	<u>39,510,935</u>
1,530,516	1,447,720	1,519,408	1,581,775	1,556,497	1,590,695
643,502	218,529	219,013	229,477	0	0
40,366	18,351	5,055	2,029	2,474	16,338
96,122	260,388	225,511	98,515	162,210	78,032
<u>2,310,506</u>	<u>1,944,988</u>	<u>1,968,987</u>	<u>1,911,796</u>	<u>1,721,181</u>	<u>1,685,065</u>
41,408,869	39,736,259	46,425,699	41,487,495	40,271,425	41,196,000
1,697,350	1,470,815	1,514,708	1,182,550	1,041,754	1,073,981
<u>(1,697,350)</u>	<u>(1,470,815)</u>	<u>(1,514,708)</u>	<u>(1,182,550)</u>	<u>(1,041,754)</u>	<u>(1,073,981)</u>
(817,974)	(37,739,525)	0	0	(685,367)	125,961
0	(2,279,641)	0	0	(599,395)	(52,500)
<u>(817,974)</u>	<u>(40,019,166)</u>	<u>0</u>	<u>0</u>	<u>(1,284,762)</u>	<u>73,461</u>
12,581,097	(37,990,809)	12,236,067	6,728,803	5,209,053	6,342,415
4,031,043	1,702,814	4,538,136	3,885,403	2,019,590	1,956,436
<u>\$16,612,140</u>	<u>(\$36,287,995)</u>	<u>\$16,774,203</u>	<u>\$10,614,206</u>	<u>\$7,228,643</u>	<u>\$8,298,851</u>

City of Lakewood, Ohio

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

	2019	2018	2017	2016
General Fund				
Nonspendable	1,608,564	1,387,909	1,615,269	1,528,257
Assigned	4,444,329	6,026,716	6,640,100	5,221,363
Unassigned	10,668,340	7,443,450	6,258,106	7,480,460
Total General Fund	16,721,233	14,858,075	14,513,475	14,230,080
All Other Governmental Funds				
Reserved	0	0	0	0
Unreserved, Undesignated (Deficit), Reported in:				
Special Revenue Funds	0	0	0	0
Debt Service Funds	0	0	0	0
Capital Projects Funds	0	0	0	0
Nonspendable	167,524	181,493	94,824	185,420
Restricted	33,642,783	30,008,835	20,638,400	19,141,481
Committed	4,117,048	5,040,289	5,035,790	5,073,199
Unassigned (Deficit)	(58,576)	(84,431)	(170,365)	(64,133)
Total All Other Governmental Funds	37,868,779	35,146,186	25,598,649	24,335,967
Total Governmental Funds	\$54,590,012	\$50,004,261	\$40,112,124	\$38,566,047

Note: In 2011 the City implemented GASB 54. As a result, the 2010 fund balances were reclassified to reflect the effects of GASB Statement No. 54.

Table 3

2015	2014	2013	2012	2011	2010
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
1,465,171	1,203,968	1,177,098	646,379	631,634	647,847
3,861,300	5,768,149	3,128,964	1,943,879	1,103,061	950,918
9,506,549	8,165,507	13,722,092	7,101,028	7,168,275	4,966,043
<u>14,833,020</u>	<u>15,137,624</u>	<u>18,028,154</u>	<u>9,691,286</u>	<u>8,902,970</u>	<u>6,564,808</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
119,403	58,799	114,906	200,891	170,573	187,494
6,992,095	8,439,921	7,521,893	6,115,764	5,865,238	7,043,077
15,572,469	6,070,832	968,587	786,167	853,414	663,681
<u>(35,159)</u>	<u>(31,552)</u>	<u>(19,268)</u>	<u>(81,533)</u>	<u>(31,316)</u>	<u>(158,907)</u>
<u>22,648,808</u>	<u>14,538,000</u>	<u>8,586,118</u>	<u>7,021,289</u>	<u>6,857,909</u>	<u>7,735,345</u>
<u>\$37,481,828</u>	<u>\$29,675,624</u>	<u>\$26,614,272</u>	<u>\$16,712,575</u>	<u>\$15,760,879</u>	<u>\$14,300,153</u>

City of Lakewood, Ohio

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

	2019	2018	2017	2016
Revenues				
Property Taxes	\$14,877,198	\$12,543,607	\$12,271,930	\$12,203,722
Payments in Lieu of Taxes	1,197,326	920,786	580,535	482,858
Municipal Income Taxes	25,677,023	24,470,492	23,530,264	22,890,653
Charges for Services	4,410,919	3,853,981	4,360,503	4,187,477
Fees, Licenses, and Permits	2,124,593	2,107,089	2,559,886	2,732,469
Fines and Forfeitures	1,521,922	1,713,606	1,602,093	1,645,823
Intergovernmental	11,678,726	9,343,582	8,698,712	8,568,620
Special Assessments	678,202	666,055	613,120	395,611
Interest	1,957,645	1,242,399	407,315	192,986
Contributions and Miscellaneous	881,454	8,455,233	527,221	1,558,842
<i>Total Revenues</i>	<u>65,005,008</u>	<u>65,316,830</u>	<u>55,151,579</u>	<u>54,859,061</u>
Expenditures				
Current:				
General Government	11,561,540	10,227,462	10,993,061	9,067,631
Security of Persons and Property				
Police and Other	14,633,989	14,298,247	14,031,309	13,342,497
Fire	11,884,896	11,179,855	10,810,454	10,892,695
Public Health Services	1,938,746	1,769,528	1,727,408	1,703,110
Transportation	2,365,134	2,150,682	2,045,750	2,120,232
Community Environment	5,862,054	6,482,930	6,130,893	5,770,256
Basic Utilities Services	3,478,356	3,463,882	3,239,444	3,046,025
Leisure Time Activities	2,491,861	2,293,867	2,246,306	2,238,870
Capital Outlay	7,292,630	4,551,101	3,915,901	6,313,597
Debt Service:				
Principal Retirement	16,947,073	12,991,670	8,229,099	17,052,154
Interest and Fiscal Charges	1,760,601	1,416,996	1,260,832	1,456,894
Debt Issuance Costs	143,617	50,475	91,568	139,703
<i>Total Expenditures</i>	<u>80,360,497</u>	<u>70,876,695</u>	<u>64,722,025</u>	<u>73,143,664</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(15,355,489)</u>	<u>(5,559,865)</u>	<u>(9,570,446)</u>	<u>(18,284,603)</u>
Other Financing Sources (Uses)				
General Obligation Bonds Issued	0	0	0	16,969,120
Refunding Bonds Issued	8,861,498	0	5,745,000	0
Bond Anticipation Notes Issued	6,415,000	11,987,000	8,577,000	4,099,000
Refunding Bond Anticipation Notes Issued	0	0	0	0
Premium on Debt Issuance	972,251	81,432	67,870	1,456,752
Sale of Capital Assets	175,559	589,918	191,967	189,405
Inception of Capital Lease	2,422,000	1,258,120	1,657,000	1,217,224
Current Refunding	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	(5,843,741)	(4,694,833)
Transfers In	4,884,730	4,698,253	4,745,608	4,363,018
Transfers Out	(3,789,798)	(3,162,721)	(4,024,181)	(4,230,864)
<i>Total Other Financing Sources (Uses)</i>	<u>19,941,240</u>	<u>15,452,002</u>	<u>11,116,523</u>	<u>19,368,822</u>
<i>Restatements</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>\$4,585,751</u>	<u>\$9,892,137</u>	<u>\$1,546,077</u>	<u>\$1,084,219</u>
Debt Service as a Percentage of Noncapital Expenditures	25.9%	22.1%	16.0%	27.5%

Table 4

2015	2014	2013	2012	2011	2010
\$11,708,269	\$11,379,654	\$11,650,884	\$12,041,251	\$12,041,503	\$12,301,006
456,077	489,379	483,679	379,614	328,790	341,399
22,391,110	21,158,365	20,119,636	19,542,235	18,766,179	17,850,439
3,992,662	3,937,040	3,831,150	3,396,958	4,036,644	3,578,550
2,024,622	2,203,740	1,962,750	2,351,660	1,630,554	1,886,868
1,917,593	1,913,424	1,695,082	1,811,478	1,814,547	1,690,587
9,496,036	11,422,657	15,904,055	10,383,636	11,984,530	14,727,449
258,041	73,672	31,511	75,390	4,360	47,459
100,437	49,548	13,857	6,758	8,792	68,060
9,899,156	575,734	901,706	936,797	824,613	544,005
<u>62,244,003</u>	<u>53,203,213</u>	<u>56,594,310</u>	<u>50,925,777</u>	<u>51,440,512</u>	<u>53,035,822</u>
8,781,381	8,838,958	8,029,518	9,147,337	7,691,955	8,149,714
12,593,009	12,339,318	11,955,911	12,000,737	12,223,002	12,069,033
9,663,938	9,480,970	9,355,592	9,299,325	9,197,428	9,282,338
1,699,832	1,742,634	1,755,943	1,914,502	2,268,579	2,281,603
2,091,066	1,915,695	1,880,557	1,768,040	2,151,849	1,867,759
5,078,451	5,797,278	4,829,707	4,559,327	6,084,834	6,727,225
3,020,504	3,068,909	2,966,538	3,012,214	3,331,914	3,150,020
1,952,458	2,141,599	1,768,169	1,510,669	1,732,556	1,542,088
8,018,007	5,501,475	2,446,578	3,870,084	3,022,809	760,521
14,166,854	9,855,339	7,457,812	11,002,721	11,686,748	11,949,421
1,348,516	1,414,906	1,487,391	1,536,273	1,734,982	1,830,823
21,556	40,184	18,201	81,512	114,820	0
<u>68,435,572</u>	<u>62,137,265</u>	<u>53,951,917</u>	<u>59,702,741</u>	<u>61,241,476</u>	<u>59,610,545</u>
<u>(6,191,569)</u>	<u>(8,934,052)</u>	<u>2,642,393</u>	<u>(8,776,964)</u>	<u>(9,800,964)</u>	<u>(6,574,723)</u>
0	0	0	0	10,845,268	0
0	0	0	3,097,661	0	0
13,535,000	10,187,000	6,202,000	5,896,000	1,948,000	7,771,000
0	0	0	3,427,889	0	0
109,332	78,314	41,474	137,491	62,105	0
14,776	17,237	11,656	130,124	25,308	0
1,890,000	1,881,855	1,044,967	974,285	1,487,326	0
0	0	0	0	0	0
0	0	0	(3,497,340)	(3,048,069)	0
5,173,697	9,021,394	4,573,048	4,286,718	2,777,968	4,000,770
<u>(6,725,032)</u>	<u>(9,190,396)</u>	<u>(4,613,841)</u>	<u>(4,724,168)</u>	<u>(2,836,216)</u>	<u>(4,118,272)</u>
<u>13,997,773</u>	<u>11,995,404</u>	<u>7,259,304</u>	<u>9,728,660</u>	<u>11,261,690</u>	<u>7,653,498</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$7,806,204</u>	<u>\$3,061,352</u>	<u>\$9,901,697</u>	<u>\$951,696</u>	<u>\$1,460,726</u>	<u>\$1,078,775</u>
25.8%	20.0%	17.4%	22.6%	23.9%	23.1%

City of Lakewood, Ohio

Assessed Valuations and Estimated Actual Values of Taxable Property

Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value			Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU	Estimated Actual Value	Assessed Value	Estimated Actual Value
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
2012	721,599,290	163,222,160	2,528,061,286	12,758,240	14,498,000
2011	727,775,410	166,733,970	2,555,741,086	12,400,630	14,091,625
2010	728,076,240	167,461,630	2,558,679,629	12,391,260	14,080,977

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

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

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

Source: Cuyahoga County, Ohio; Fiscal Officer

Table 5

Tangible Personal Property		Total		Ratio	Tax Rate per \$1,000 of Assessed Value
General Business					
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$0	\$0	\$1,093,060,780	\$3,090,678,016	35.37 %	\$17.40
0	0	913,090,440	2,577,901,111	35.42	17.40
0	0	901,369,840	2,546,344,448	35.40	17.40
0	0	895,479,080	2,531,041,929	35.38	17.40
0	0	853,735,370	2,412,131,025	35.39	17.40
0	0	852,567,200	2,409,776,821	35.38	17.40
0	0	853,296,680	2,414,322,573	35.34	17.40
0	0	897,579,690	2,542,559,286	35.30	17.40
0	0	906,910,010	2,569,832,711	35.29	17.40
0	0	907,929,130	2,572,760,606	35.29	17.40

City of Lakewood, Ohio

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

Last Ten Years

	2019	2018	2017	2016
Charter Millage				
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
Total Charter Millage	\$17.4000	\$17.4000	\$17.4000	\$17.4000
Overlapping Rates by Taxing District				
Lakewood City School District				
Residential/Agricultural Real	\$55.3328	\$62.9457	\$62.8527	\$62.8665
Commercial/Industrial and Public Utility Real	75.1110	82.8867	83.6793	83.6381
General Business and Public Utility Personal	122.7300	122.7300	122.7300	122.7300
Cuyahoga County Council (1)				
Residential/Agricultural Real	17.3026	18.4840	17.9391	17.9255
Commercial/Industrial and Public Utility Real	17.3766	18.6092	18.1176	18.1676
General Business and Public Utility Personal	18.6800	18.6800	18.1800	18.1800
Special Taxing Districts (2)				
Residential/Agricultural Real	4.4326	9.0668	5.0597	5.0611
Commercial/Industrial and Public Utility Real	5.1355	9.1573	5.7281	5.7342
General Business and Public Utility Personal	6.2500	9.5500	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>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</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
2.0000	2.0000	2.0000	2.0000	2.0000	2.0000
<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>	<u>\$17.4000</u>
\$62.8665	\$66.6502	\$66.5450	\$58.5508	\$56.6894	\$56.4019
83.6381	80.8677	80.9159	72.8585	70.3761	69.8953
122.7300	123.2300	123.2300	115.4000	115.4000	115.4000
17.9255	18.1643	17.2639	16.4335	16.3035	16.3660
18.1676	18.1228	17.1291	16.1672	15.9138	15.9620
18.1800	18.1800	17.2800	16.4500	16.4500	16.5500
5.0611	4.6000	4.6000	4.3544	4.1938	4.1657
5.7342	5.5100	5.5100	4.5847	4.3906	4.3529
6.2500	6.2500	6.2500	5.3500	5.3500	5.3500

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
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
2012	16,076,676	15,291,655	95.12	688,402	15,980,057	99.40	1,224,804	7.62
2011	16,135,708	15,259,060	94.57	565,338	15,824,398	98.07	1,244,407	7.71
2010	16,154,477	15,383,763	95.23	641,045	16,024,808	99.20	1,214,467	7.52

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

2019 and 2010

Table 8

Taxpayer	2019 (1)	
	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Cleveland Electric Illuminating Company	\$13,527,790	1.26 %
Lakewood Senior Campus	3,619,890	0.34
American Transmission System	3,243,650	0.30
Castlewood Association	2,020,950	0.19
Marine Towers	2,656,330	0.25
12000 Edgewater Drive Ltd.	3,297,910	0.31
East Ohio Gas Co	1,984,760	0.18
Imperial House Apartments LLC	2,215,650	0.21
Shoreham Apartments	2,219,280	0.21
LRC-G Lakewood, LLC	1,804,650	0.17
Total	\$36,590,860	3.41 %
Total Real Property Assessed Valuation	\$1,074,259,540	
Taxpayer	2010 (1)	
	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Cleveland Electric Illuminating Company	\$10,226,600	1.14 %
14600 Detroit Avenue	5,057,510	0.56
Lakewood Senior Campus	3,437,960	0.38
Lakewood Senior Citizens, Inc.	2,262,440	0.25
Wildcat II, LLC	2,026,630	0.23
Marine Towers West	2,011,980	0.22
12000 Edgewater Ltd.	1,901,930	0.21
Lakewood Health Care	1,863,930	0.21
Castlewood Association	1,820,010	0.20
Lakewood Association L.P.	1,780,700	0.20
Total	\$32,389,690	3.60 %
Total Real Property Assessed Valuation	\$895,537,870	

Source: Cuyahoga County, Ohio; Fiscal Officer

(1) The amounts presented represent the assessed values upon which 2019 and 2010 collections were based.

City of Lakewood, Ohio

Income Tax Revenue Base and Collections (Cash Basis)

Last Ten Years

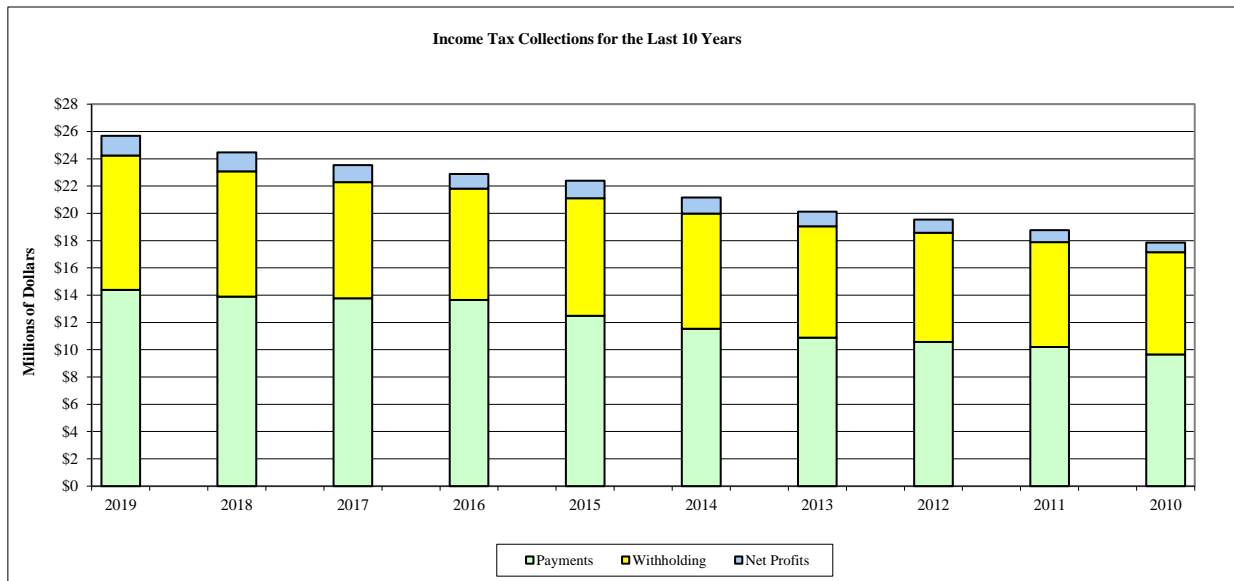
Table 9

Tax Year	Tax Rate	Total Tax Collected (1)	Taxes From Individual Payments	Percentage of Taxes From Individual Payments	Taxes From Withholding	Percentage of Taxes From Withholding	Taxes From Net Profits	Percentage of Taxes From Net Profits
2019	1.50%	\$25,677,023	\$14,384,268	56.02%	\$9,862,545	38.41%	\$1,430,210	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
2012	1.50	19,542,235	10,574,337	54.11	8,008,136	40.98	959,762	4.91
2011	1.50	18,766,179	10,191,507	54.31	7,696,981	41.02	877,691	4.67
2010	1.50	17,850,439	9,656,284	54.10	7,484,885	41.93	709,270	3.97

(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	Capital Leases	Long-term Bond Anticipation Notes (5)
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
2012	29,444,981	7,153,314	(1,951,867)	34,646,428	1.36	664.60	0	184,800	6,015,960	3,956,143
2011	32,266,849	8,224,427	(1,284,237)	39,207,039	1.53	752.09	0	215,600	6,122,214	1,948,000
2010	27,304,917	9,222,488	(2,367,338)	34,160,067	1.33	655.27	0	246,400	5,574,518	7,771,000

Business-Type Activities								
Year	General Obligation Bonds (4)	Revenue Bonds	Bond Anticipation Notes (5)	Capital Leases	OPWC/OWDA Loans	Total Debt (3)	Percentage of Personal Income (2)	Per Capita (2)
2019	\$29,276,496	\$0	\$16,334,027	\$2,250,908	\$7,503,743	\$104,080,543	7.27 %	\$1,996.52
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
2012	7,153,314	22,443,126	0	2,541,600	3,107,421	74,847,345	5.23	1,435.76
2011	8,224,427	23,304,460	0	2,879,636	3,486,862	78,448,048	5.48	1,504.83
2010	9,222,488	24,610,322	0	1,224,164	3,864,982	79,818,791	5.58	1,409.08

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>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Overall Legal Debt Limit (10.5% of Assessed Valuation)	\$114,771,382	\$95,874,496	\$94,643,833	\$94,025,303
Net Debt Applicable to Debt Limit	<u>46,430,547</u>	<u>37,761,556</u>	<u>37,273,479</u>	<u>34,019,736</u>
Overall Legal Debt Margin (10.5% of Assessed Valuation)	<u>\$68,340,835</u>	<u>\$58,112,940</u>	<u>\$57,370,354</u>	<u>\$60,005,567</u>
Legal Debt Margin as a Percentage of Debt Limit	<u>59.55%</u>	<u>60.61%</u>	<u>60.62%</u>	<u>63.82%</u>
Unvoted Legal Debt Limit (5.5% of Assessed Valuation)	\$60,118,343	\$95,874,496	\$50,219,974	\$49,251,349
Net Debt Applicable to Debt Limit	<u>46,430,547</u>	<u>37,761,556</u>	<u>37,273,479</u>	<u>34,019,736</u>
Unvoted Legal Debt Margin (5.5% of Assessed Valuation)	<u>\$13,687,796</u>	<u>\$58,112,940</u>	<u>\$12,946,495</u>	<u>\$15,231,613</u>
Legal Debt Margin as a Percentage of Debt Limit	<u>22.77%</u>	<u>60.61%</u>	<u>25.78%</u>	<u>30.93%</u>

Legal Debt Margin Calculation for the Year Ended December 31, 2019

	<u>Overall Margin Within 10.5%</u>	<u>Unvoted Margin Within 5.5%</u>
Assessed property value	<u>\$1,093,060,780</u>	<u>\$1,093,060,780</u>
Debt Limitation (percentage of assessed property value)	\$114,771,382	\$60,118,343
Gross Indebtedness:	95,313,591	95,313,591
Less: General Obligation Bonds	(1,841,631)	(1,841,631)
General Obligation Bonds - Enterprise Funds	(26,603,851)	(26,603,851)
Enterprise Notes Payable	(16,290,000)	(16,290,000)
Debt Service Fund	<u>(4,147,562)</u>	<u>(4,147,562)</u>
Net Debt Applicable to Debt Limit	<u>46,430,547</u>	<u>46,430,547</u>
Legal Debt Margin Within Limitations	<u>\$68,340,835</u>	<u>\$13,687,796</u>

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

Table 11

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$89,642,214	\$89,488,056	\$89,596,151	\$94,245,867	\$95,225,551	\$95,332,559
<u>33,445,675</u>	<u>32,642,122</u>	<u>31,554,491</u>	<u>32,392,911</u>	<u>33,491,466</u>	<u>34,466,401</u>
<u>\$56,196,539</u>	<u>\$56,845,934</u>	<u>\$58,041,660</u>	<u>\$61,852,956</u>	<u>\$61,734,085</u>	<u>\$60,866,158</u>
<u>62.69%</u>	<u>63.52%</u>	<u>64.78%</u>	<u>65.63%</u>	<u>64.83%</u>	<u>63.85%</u>
\$46,955,445	\$46,874,696	\$46,931,317	\$49,366,883	\$49,880,051	\$49,936,102
<u>33,445,675</u>	<u>32,642,122</u>	<u>31,554,491</u>	<u>32,392,911</u>	<u>33,491,466</u>	<u>34,466,401</u>
<u>\$13,509,770</u>	<u>\$14,232,574</u>	<u>\$15,376,826</u>	<u>\$16,973,972</u>	<u>\$16,388,585</u>	<u>\$15,469,701</u>
<u>28.77%</u>	<u>30.36%</u>	<u>32.76%</u>	<u>34.38%</u>	<u>32.86%</u>	<u>30.98%</u>

City of Lakewood, Ohio

Computation of Direct and Overlapping Debt Attributable to Governmental Activities

December 31, 2019

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)	\$35,766,991	100.00 %	\$35,766,991
Notes Payable - Long-term (3)	6,432,334	100.00	6,432,334
Capital Leases	6,516,044	100.00	6,516,044
	<u>48,715,369</u>		<u>48,715,369</u>
<u>Overlapping Debt:</u>			
Cuyahoga County	245,120,000	3.94	9,649,415
Cuyahoga Community College	207,010,000	3.94	8,149,174
Lakewood City School District	129,811,803	100.00	129,811,803
	<u>581,941,803</u>		<u>147,610,392</u>
Total	<u><u>\$630,657,172</u></u>		<u><u>\$196,325,761</u></u>

Source: Cuyahoga County, Ohio; County Fiscal Officer

- (1) Overlapping percentages were calculated by dividing each overlapping government located within the boundaries of the City by the subdivision's total assessed valuation of the government. The valuations were for the 2019 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

	2019	2018	2017	2016
Net Available Revenue:				
Gross Revenues (1)	\$11,236,028	\$10,863,052	\$10,602,226	\$10,471,468
Less: Operating Expenses (2)	8,750,601	7,824,989	7,838,515	8,548,106
Net Available Revenue	<u>\$2,485,427</u>	<u>\$3,038,063</u>	<u>\$2,763,711</u>	<u>\$1,923,362</u>
Debt Service OPWC Loans:				
Principal	\$384,477	\$446,895	\$380,904	\$330,153
OPWC Coverage	<u>6.46</u>	<u>6.80</u>	<u>7.26</u>	<u>5.83</u>
Debt Service - Revenue Bonds:				
Principal	0	0	865,000	18,500
Interest	0	0	113,327	61,425
Revenue Bond Coverage	<u>0.00</u>	<u>0.00</u>	<u>2.82</u>	<u>24.06</u>
Total Debt Service:				
Principal	384,477	446,895	1,245,904	515,153
Interest	0	0	113,327	61,425
Total Coverage	<u>6.46</u>	<u>6.80</u>	<u>2.03</u>	<u>3.34</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

2015	2014	2013	2012	2011	2010
\$10,842,642	\$11,074,606	\$11,306,665	\$11,214,618	\$10,774,944	\$10,777,249
9,292,198	8,717,099	7,975,571	9,190,160	8,128,431	8,468,811
<u>\$1,550,444</u>	<u>\$2,357,507</u>	<u>\$3,331,094</u>	<u>\$2,024,458</u>	<u>\$2,646,513</u>	<u>\$2,308,438</u>
\$313,229	\$313,229	\$332,903	\$313,229	\$313,229	\$313,229
<u>4.95</u>	<u>7.53</u>	<u>10.01</u>	<u>6.46</u>	<u>8.45</u>	<u>7.37</u>
534,039	512,252	486,359	465,465	954,572	919,125
433,008	456,823	479,013	500,187	538,959	575,314
<u>1.60</u>	<u>2.43</u>	<u>3.45</u>	<u>2.10</u>	<u>1.77</u>	<u>1.54</u>
847,268	825,481	819,262	778,694	1,267,801	1,232,354
433,008	456,823	479,013	500,187	538,959	575,314
<u>1.21</u>	<u>1.84</u>	<u>2.57</u>	<u>1.58</u>	<u>1.46</u>	<u>1.28</u>

City of Lakewood, Ohio

Pledged Revenue Coverage

Sewer

Last Ten Years

	2019	2018	2017	2016
Net Available Revenue:				
Gross Revenues (1)	\$11,151,884	\$11,019,878	\$10,114,761	\$12,812,351
Less: Operating Expenses (2)	7,699,333	7,750,170	5,503,206	4,842,071
Net Available Revenue	<u>\$3,452,551</u>	<u>\$3,269,708</u>	<u>\$4,611,555</u>	<u>\$7,970,280</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	60,436	55,902	55,902	34,486
OPWC Coverage	<u>57.13</u>	<u>58.49</u>	<u>82.49</u>	<u>231.12</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	60,436	55,902	55,902	34,486
Interest	0	0	0	0
Total Coverage	<u>57.13</u>	<u>58.49</u>	<u>82.49</u>	<u>231.12</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

2015	2014	2013	2012	2011	2010
\$9,009,122	\$8,643,807	\$8,263,735	\$7,653,452	\$6,849,662	\$6,443,136
4,902,343	4,572,164	4,471,397	3,976,850	3,757,052	4,207,534
<u>\$4,106,779</u>	<u>\$4,071,643</u>	<u>\$3,792,338</u>	<u>\$3,676,602</u>	<u>\$3,092,610</u>	<u>\$2,235,602</u>
\$0	\$0	\$16,382	\$31,726	\$30,405	\$29,138
0	0	346	1,731	3,053	4,861
<u>0.00</u>	<u>0.00</u>	<u>226.71</u>	<u>109.89</u>	<u>92.43</u>	<u>65.75</u>
34,486	34,486	34,486	34,486	34,486	34,485
<u>119.09</u>	<u>118.07</u>	<u>109.97</u>	<u>106.61</u>	<u>89.68</u>	<u>64.83</u>
465,000	445,000	430,000	405,000	390,000	375,000
480,613	498,413	515,613	535,863	551,463	566,463
<u>4.34</u>	<u>4.32</u>	<u>4.01</u>	<u>3.91</u>	<u>3.28</u>	<u>2.37</u>
499,486	479,486	480,868	471,212	454,891	438,623
480,613	498,413	515,959	537,594	554,516	571,324
<u>4.19</u>	<u>4.16</u>	<u>3.80</u>	<u>3.64</u>	<u>3.06</u>	<u>2.21</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)
2019	52,131	\$1,431,100,212	\$27,452	\$43,154	34.9	38.9%	4,854	3.6%	\$1,093,060,780
2018	52,131	1,431,100,212	27,452	43,154	34.9	38.9	4,947	5.0	913,090,440
2017	52,131	1,431,100,212	27,452	43,154	34.9	38.9	4,886	4.9	901,369,840
2016	52,131	1,431,100,212	27,452	43,154	34.9	38.9	5,026	5.4	895,479,080
2015	52,131	1,431,100,212	27,452	43,154	34.9	38.9	5,308	4.6	853,735,370
2014	52,131	1,431,100,212	27,452	43,154	34.9	38.9	5,192	6.0	852,567,200
2013	52,131	1,431,100,212	27,452	43,154	34.9	38.9	5,833	7.2	853,296,680
2012	52,131	1,431,100,212	27,452	43,154	34.9	38.9	5,870	6.6	897,579,690
2011	52,131	1,431,100,212	27,452	43,154	34.9	38.9	5,667	7.1	906,910,010
2010	52,131	1,431,100,212	27,452	44,268	35.4	38.9	5,664	8.6	907,929,130

(1) Source: U. S. Census

(2) Source: Lakewood City School District

(3) Ohio Department of Job and Family Services

(4) Source: Cuyahoga County Fiscal Officer

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

City of Lakewood, Ohio

Principal Employers – Based on Income Tax Dollars Withheld

Current and Nine Years Ago

Table 16

2019			
Employer	Nature of Activity	Employees *	Percentage of Total City Employment
Lakewood Board of Education	School District	1,102	9.39%
City of Lakewood	Municipality	572	4.87
Cleveland Clinic Foundation	Health Care	686	5.85
First Mutual Holding Company	Financial Institution	288	2.45
Onix Networking Group	Technology	126	1.07
St. Edward High School	Private School	316	2.69
Advance Energy Tech, Inc.	Manufacturing	112	0.95
Riser Foods Company	Grocer	305	2.60
ADA Architects Inc.	Professional Services	46	0.39
Roundstone Management LTD	Professional Services	76	0.65
Total		<u>3,629</u>	<u>30.92%</u>
Total Employment within the City		<u>11,736</u>	

2010			
Employer	Nature of Activity	Employees **	
Lakewood Hospital	Health Care	1,401	
Lakewood Board of Education	School District	1,050	
City of Lakewood	Municipality	452	
The MF Cachet Co.	Specialty Chemical Sales	55	
New York Life Insurance, Incorporated	Insurance Company	280	
AT&T	Public Utility	160	
Ferry Cap & Set Screw Co.	Manufacturing	120	
Riser Foods Company	Grocer	290	
Graftech International Holdings	Manufacturing	120	
First Federal Savings and Loan Assn. of Lakewood	Financial Institution	152	
Total		<u>4,080</u>	
Total Employment within the City		<u>n/a</u>	

Source: City of Lakewood; Department of Taxation

* Number of w-2's filed with the City

** Based on actual number of employees

n/a - not available

City of Lakewood, Ohio

Full-Time City Employees by Function/Program

Last Ten Years

Table 17

Function/Program	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Government										
Council	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Court	13.00	15.00	13.00	13.00	14.00	15.00	15.00	16.00	20.00	20.00
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	2.00	2.00
Human Resources	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Community Relations	1.00	1.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00
Finance	7.00	7.00	7.00	7.00	7.00	7.00	6.00	7.00	7.00	6.00
Income Tax	6.00	6.00	6.00	6.00	6.00	6.00	6.00	4.00	4.00	4.00
Information System	3.00	4.00	4.00	4.00	4.00	4.00	3.00	4.00	4.00	4.00
Utility Billing	3.00	3.00	3.00	3.00	3.00	2.00	2.00	2.00	3.00	2.00
Health/Vital Stats	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00
Law	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	3.00	3.00
Planning and Development	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00
Community Development	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00
Security of Persons and Property										
Police	99.00	98.00	99.00	99.00	98.00	97.00	95.00	95.00	97.00	100.00
Police - Communications	11.00	10.00	11.00	11.00	11.00	10.00	11.00	11.00	10.00	10.00
Support of Prisoners	2.00	2.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	5.00
Fire	82.00	80.00	80.00	75.00	79.00	77.00	76.00	76.00	76.00	75.00
Emergency Medical Services	8.00	8.00	8.00	9.00	9.00	9.00	12.00	12.00	12.00	13.00
Housing and Building	14.00	14.00	15.00	14.00	14.00	15.00	13.00	12.00	13.00	15.00
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
Public Works										
Public Works Administration	3.00	3.00	3.00	2.00	2.00	1.00	1.00	2.00	2.00	2.00
Parks	18.00	18.00	18.00	18.00	18.00	17.00	18.00	12.00	13.00	13.00
Buildings and Facilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	2.00
Construction	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00	4.00	4.00
Streets	14.00	14.00	13.00	14.00	14.00	14.00	14.00	14.00	14.00	15.00
Forestry	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00	5.00
Traffic Signs	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00
Refuse	27.00	27.00	27.00	25.00	28.00	29.00	30.00	30.00	32.00	35.00
Fleet	10.00	9.00	10.00	10.00	10.00	10.00	10.00	10.00	11.00	11.00
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	5.00	5.00	5.00	5.00	6.00	6.00	6.00	6.00
Water Metering	5.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00
Wastewater Collections	13.00	13.00	11.00	11.00	11.00	12.00	11.00	12.00	11.00	12.00
Wastewater Treatment	22.00	23.00	21.00	21.00	21.00	22.00	23.00	23.00	22.00	23.00
Engineering	3.00	3.00	4.00	4.00	4.00	4.00	3.00	3.00	3.00	4.00
Winterhurst	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Human Services										
Human Services Administration	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Office on Aging IIIB	9.00	9.00	10.00	11.00	11.00	11.00	11.00	12.00	16.00	18.00
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	6.00	6.00	6.00	6.00	6.00	6.00	8.00	8.00
Totals:	<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>	<u>417.00</u>	<u>432.00</u>	<u>452.00</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	2019	2018	2017	2016
General Government				
<i>Clerk of Council</i>				
Number of ordinances passed	46	65	58	61
Number of resolutions passed	99	77	60	63
<i>Civil Service</i>				
Number of police and fire entry application processed	0	101	97	150
<i>Finance Department</i>				
Number of checks/ vouchers issued	3,505	3,844	4,763	5,245
Interest earnings for fiscal year (cash basis)	\$1,811,856	\$1,512,827	\$755,994	\$387,280
<i>Income Tax</i>				
Number of Annual withholding forms processed	25,773	30,080	33,461	32,800
Number of Business net profit forms processed	2,291	1,998	2,481	2,460
Public Works				
<i>Engineering</i>				
Dollar amount of Construction overseen by Engineer	\$35,520,000	\$56,300,000	\$15,895,682	\$25,000,000
<i>Forestry</i>				
Number of trees planted	544	422	451	415
<i>Parking Enforcement</i>				
Number of parking tickets	12,841	12,145	12,177	13,968
<i>Refuse</i>				
Collection of resident and business garbage in tons	17,693	16,907	15,525	16,358
<i>Water</i>				
Average (MCF) of water billed monthly (in thousands)	152,421	160,189	165,275	181,664
<i>Wastewater Collection</i>				
Average (MCF) of sewer billed monthly (in thousands)	152,421	160,189	165,275	181,664
<i>Wastewater Treatment</i>				
Influent flow in millions of gallons per year	2,528	2,599	2,216	2,379
Bio-solids wet tons per year	5,191	4,975	4,735	4,787

Table 18

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
51	59	50	86	66	107
59	94	70	79	70	76
0	0	67	169	0	0
5,494	5,577	6,477	7,232	8,705	8,924
\$136,405	\$107,466	\$15,300	\$8,787	\$11,232	\$103,993
28,794	26,696	26,645	25,456	24,275	22,794
2,493	2,451	2,397	2,399	2,378	2,224
\$10,525,600	\$4,958,463	\$4,548,953	\$3,642,342	\$3,687,241	\$3,925,960
415	378	275	65	6	272
13,791	13,155	4,568	4,743	3,542	12,118
16,075	14,774	15,606	16,049	16,369	16,296
182,139	172,472	185,803	190,425	186,536	194,311
182,139	172,472	185,803	190,425	186,536	194,311
2,607	2,730	2,741	2,577	3,793	2,520
5,030	4,737	5,303	4,750	5,240	5,580

City of Lakewood, Ohio

Operating Indicators by Function/Program (continued)

Last Ten Years

Function/Program	2019	2018	2017	2016
Security of Persons and Property				
<i>Police</i>				
Total calls for services	30,270	44,933	52,666	57,074
Number of citations issued	5,531	5,279	6,002	6,528
<i>Fire</i>				
Total calls for services-Fire	1,314	2,109	2,187	2,319
Total calls for services-EMS	5,312	5,475	5,338	5,383
Community Environment				
<i>Building Department</i>				
Estimated value of construction	\$35,800,000	\$37,800,000	\$76,525,044	\$33,001,286
Number of permits issued (all types)	2,958	2,945	2,988	2,864
Leisure Time Activities				
<i>Parks</i>				
Recreation Men's and Women's Leagues receipts	\$6,485	\$6,850	\$6,783	\$6,295
Recreation Youth Activities receipts	\$85,253	\$86,015	\$85,495	\$81,500

Table 18

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
59,833	54,430	42,601	54,480	57,570	64,064
7,859	9,476	7,543	8,411	8,353	16,710
2,043	1,406	1,828	1,585	1,387	1,256
5,354	5,301	5,328	5,653	5,399	5,208
\$108,813,914	\$29,889,659	\$28,056,591	\$30,828,918	\$21,012,297	\$25,472,201
2,574	2,449	2,469	2,573	2,473	2,552
\$5,975	\$5,798	\$5,675	\$5,405	\$5,307	\$5,125
\$78,900	\$78,569	\$79,841	\$80,522	\$80,351	\$79,205

City of Lakewood, Ohio

Capital Assets Statistics by Function/Program

Last Ten Years

Function/Program	2019	2018	2017	2016
Security of Persons and Property				
Police				
Stations	1	1	1	1
Vehicles	52	53	47	51
Fire				
Stations	3	3	3	3
Vehicles	23	23	21	18
Leisure Time Activities				
Parks				
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	5	5	5
Number of Soccer Fields	1	1	1	1
Transportation				
Service				
Streets (miles)	93	93	93	93
Street Lights	1,488	1,488	1,488	1,488
Water and Sewer				
Water Lines (miles)	112	112	112	112
Sanitary Sewers (miles)	75	75	75	75
Storm Sewers (miles)	66	66	66	66
Combined Sewers (miles)	25	25	25	25

Source: City of Lakewood

Table 19

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
1	1	1	1	1	1
51	49	49	45	44	44
3	3	3	3	3	3
18	15	15	19	17	17
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 12/22/2020

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

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