

Mary Taylor, CPA
Auditor of State

CITY OF WESTLAKE
CUYAHOGA COUNTY

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Mary Taylor, CPA

Auditor of State

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

City of Westlake
Cuyahoga County
27700 Hilliard Blvd.
Westlake, Ohio 44145

To the Members of City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Westlake, Cuyahoga County, (the City) as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 16, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinions on the financial statements, but not to opine on the effectiveness of the City's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the City's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the City's internal control will not prevent or detect a more than inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the City's internal control will not prevent or detect a material financial statement misstatement.

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

We noted certain matters that we reported to the City's management in a separate letter dated June 16, 2009.

Compliance and Other Matters

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

We did note certain noncompliance or other matters that we reported to the City's management in a separate letter dated June 16, 2009.

We intend this report solely for the information and use of the audit committee, management, and City Council. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

June 16, 2009



City of Westlake, Ohio

Comprehensive Annual Financial Report

For the Year Ended December 31, 2008





City of Westlake, Ohio

Comprehensive Annual Financial Report

For the Year Ended December 31, 2008

Prepared by the Department of Finance

Anne A. Fritz, Director

Bonnie L. Freeh, Assistant Director



City of Westlake, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2008
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FINANCE DEPARTMENT

27700 Hilliard Blvd. Phone 440.871.3300
Westlake, OH 44145 Fax 440.617.4284

June 16, 2009

Members of City Council
Citizens of Westlake, Ohio

We are pleased to submit the comprehensive annual financial report of the City of Westlake for the year ended December 31, 2008.

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

Management assumes full responsibility for both the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has 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.

Mary Taylor, CPA, Auditor of State, has issued an unqualified (“clean”) opinion on the City of Westlake’s financial statements for the year ended December 31, 2008. The independent auditor’s report is located at the front of the financial section of this report.

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, and should be read in conjunction with it.

HISTORY OF WESTLAKE

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

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

FORM OF GOVERNMENT

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

The City's chief executive and administrative officer is the Mayor who is elected to a four-year term and serves in a full-time capacity. The Mayor may veto legislation passed by Council. A two-thirds vote of all members of Council will override a veto.

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

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

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

The **Fire Department** provides fire protection and emergency medical services to citizens, as well as placing strong emphasis on community involvement and education. A chief and his assistant head the department. A Fire Prevention unit focuses on the reduction of potential fires and loss of property within the City. Two fire facilities located on the east and west sides of the City provide protection. The new Central Dispatch Center, a joint partnership with the cities of Bay Village, Rocky River, Fairview Park, and North Ridgeville, is under the jurisdiction of the Fire Department. The City began invoicing for ambulance service in 2008.

The **Service Department** is comprised of several divisions administered by a director. The City Service Division is responsible for the maintenance of all City vehicles, buildings and signs, and snow and leaf removal. The Storm/Sanitary Sewers Division maintains proper drainage control. The Parks Division maintains five parks and includes forestry services. The Streets Division is responsible for all non-contractual street repairs. In August of 2002, the City outsourced rubbish and recycling services. The City also owns and operates two cemeteries. A new Service Center facility opened in 2006 and includes administrative offices, vehicle storage and maintenance areas.

The **Recreation Department** provides numerous courses and programs throughout the year. During the summer months, the department operates a pool at Clague Park where swimming lessons are offered. The City owns the twenty-seven hole Meadowood Golf Course which operates on a profit/loss basis. The department's main responsibility is the operation of the Recreation Center that offers numerous programs and classes to residents. A new fitness facility and expanded office space were added in 2005.

The **Community Services Department** provides programs and assistance to older adults, and numerous residents participate and volunteer their time. The department also provides assistance and aid to families in need. Renovations to the Westlake Center were completed in 2004.

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

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

The **Purchasing Department** furnishes the City with the materials, equipment, and supplies needed to maintain operations. At present, the department also handles all personnel matters including health insurance. A separate Human Resource department will be established in the near future.

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

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

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

The chief executive powers of the City are vested in the Mayor. As administrator, he appoints, with council approval all department heads and is ultimately responsible for the operation of all departments and divisions. The **Mayor's Office** also oversees the functions of Communications and Information Technology and Human Resources.

ECONOMIC CONDITION AND OUTLOOK

Residential and commercial expansion has grown considerably over the past years resulting in several new subdivisions, offices, and retail spaces in Westlake. In November of 2000, voters approved the construction of Crocker Park, a mixed-use planned development on seventy-five acres in western Westlake. The development features high-end retailers, restaurants, office space, and residential dwellings within a "pedestrian-friendly" setting. Phase I opened in October of 2004, showcasing "trendy" retailers, office space overlooking a "European-styled" park with fountains and an outdoor chess area. Roadway improvements were also completed, providing additional lanes, widening the Detroit/Crocker intersection, and adding a landscaped median. Second and third floor apartment units contained within four buildings are featured above the retail shopping throughout Crocker Park's downtown area. During 2007, additional construction was completed featuring Sephora and Smith & Hawken and in 2008, Apple Computer, Guess, and DSW Shoe Warehouse opened for business.

During 2007, the Coral Company began construction of Westhampton, which will consist of 116 units on twenty-one acres at Crocker Park on the development's western edge. This \$45 million project will be an example of "New Urbanist" design and include town homes, loft-style units, and attached homes.

Housing will be arranged around a series of small parks and urban gardens. The total project will take four to five years to complete.

Office facilities are located throughout the City. The King James Office Park, Phases I through V, houses 335,000 square feet of office space including a fitness center. The Reserve Office Park was completed next to the Gemini Office Towers and features an Applebee's Restaurant. The Jamestown Office Building on Detroit Road and the Clemens Road West Office Building were completed in 2003. The Eveready Energizer Research Center is a 227,500 square foot facility and is the fourth largest employer in the City. Premier Physicians Office Building, consisting of 54,793 square feet of medical offices, opened in 2007.

Several industrial parks are also located in Westlake. The Sharon Drive Industrial Park features numerous businesses including the North American headquarters for Radiometer America. Several businesses are located on Sperry Drive in addition to the Marriott Courtyard and Towneplace Suites. Five restaurants are also situated on Sperry Drive. The First Street Industrial area and the Crocker Road Industrial area are sites of such facilities as Bonne Bell and USG/American Metals. The Clemens/Ranney Corporate Parkway is home to the headquarters of Hyland Software, a leader in software development and management and the second largest City employer.

St. John West Shore Hospital is a seventy-acre health campus and is the City's largest employer with a staff of almost 1,200 employees. The hospital expanded its cardiac care center in 2000. University Hospital opened an ambulatory surgical center that also features an emergency and treatment center. Satellites of Lakewood Hospital and the Cleveland Clinic are also located in Westlake.

Several development projects were approved for construction in 2008. The Clemens West Office Campus located on Clemens Road and the Glory Park complex situated on Center Ridge Road were both approved for development. Country Club Estates will add seven residential units and The Park subdivision, just west of Bradley Road, will add thirty-three units. The new Paramount West Tennis Club on Viking Parkway will be a 63,000 square foot facility and will begin construction in 2009. The Residence at Westlake is a twelve apartment complex that will feature 240 units and will be located between Center Ridge and Westtown Roads.

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

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

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

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

In addition to the above mentioned financial tools for commercial enterprises, the City participates with Cuyahoga County on a low interest loan program. The Housing Enhancement Loan Program offers homeowners whose homes are valued under \$250,000 improvement loans at 3.0 percent below the bond equivalent yield of the two-year treasury. Loans can be attained for up to \$200,000 over five or ten-year terms.

Starting in the mid-1960's, the City has used an outside firm to formulate a guide plan to govern future development. The plan is updated approximately every twenty years and the City finished its third plan in December of 2006. The plan addresses residential and commercial development through usage factors and recommends the placement of roadways and green spaces. The plan forecasts full growth by 2020 and the City refers to the guide when planning future development.

Current Year Projects. The mission of the City of Westlake, its mayor, council, and employees, is to enhance the quality of life for all residents by providing the highest level of service in an efficient and cost effective manner. In 2008, the City upheld that mission by expanding and improving services, upgrading infrastructure, and enhancing public grounds and facilities.

The Police Department continued its commitment to public safety and awareness responding to over 33,000 calls and making over 6,200 arrests. Sixty-three community policing programs were offered in 2008. Programs such as the Community Police Academy, the Police Teen Academy, and the Ride-Along Program provided residents first-hand training and experiences. Student programs such as Safety Town and Drug Awareness Resistance Education (D.A.R.E.) continued with much success, and classes in firearm safety and Rape Aggression Defense were held. Three new officers were hired in 2008. During a traffic stop in April, the department broke the "largest identity theft case in the F.B.I.'s history" involving large sums of cash, fraudulent passports, and international fraud.

The Fire Department responded to 4,320 emergency runs in 2008. The department also conducted 1,627 fire inspections and re-inspections and held 84 community programs. In 2004, the City was awarded a Federal Emergency Management Agency (F.E.M.A.) grant for the purchase of equipment for the new Central Dispatching Center, which opened in March of 2006. The new center is shared by the cities of Westlake, Bay Village, Rocky River, and Fairview Park with the City of North Ridgeville joining in late December 2007. Located in 1,042 square feet of emergency room space at St. John West Shore Hospital, the Center employs seven full-time and seven part-time dispatchers.

The Service Department is comprised of sixty-one full-time employees and involved in numerous activities such as the maintenance of City streets, sewers, parks, buildings, and vehicles. In August of 2002, the City out-sourced rubbish and recycling collection to an outside contractor in efforts to better utilize the time and skills of City personnel. Almost 16,000 tons of refuse and over 1,600 tons of recyclables were collected in 2008. The department is also responsible for snow, leaf, and brush removal and assists with such community events as the Easter Egg and Pumpkin Hunts, the July 4th Party in the Park, and summer band concerts. A new Service Department facility opened in the fall of 2006. The 66,650 square foot structure incorporates all divisions of the department.

The Inspections Department issued 1,262 permits during 2008 with an estimated value of over \$51 million. Fifteen homes and condominiums were constructed at an average cost of \$389,000. The Planning Department was instrumental in the success of the Westlake in Bloom project with 307 residents and businesses competing for awards in various categories relating to City beautification. The department also assisted in the publication of the "Westlake Magazine". In 2008, the department met with or visited with 133 businesses.

Over 8,900 Westlake residents, or 28 percent of the population, are sixty-years of age or older. The Department of Community Services offers such services as referrals, prescription aid, transportation, health screening, and support groups. Westlake Assistance supplied 5,045 social services including assistance to those in need. During 2008, there were 102 unduplicated activities and programs and 47 trips offered through the department. One hundred and forty-five volunteers gave of their time.

The Westlake Recreation Center opened in November of 1998. Situated in an eighty-six acre park setting, the 82,700 square foot facility offers numerous amenities to residents. The Center features five pools, a gymnasium with two full size basketball courts, an overhead track, and exercise and craft rooms. An addition was completed in 2006 which added a one-story, 18,000 square foot fitness center, and renovated 3,000 square feet in office space. Over 5,000 square feet in the mezzanine exercise area was reconfigured to conference, multi-purpose, and exercise rooms. The Center was visited over 517,000 times in 2008. Peterson Pool at Clague Park sold 828 memberships. In addition to the numerous classes and activities held at the Recreation Center, the department organized the Fourth of July Party in the Park, the Fall Pumpkin Festival and Hunt, the Junior Olympics, and the annual Fishing Derby.

In 2008, an Information Technology (IT) Department was created and an IT manager was hired to oversee operations. An Economic Development Manager and an Assistant Purchasing Director were also hired in 2008. The Recreation Center and the Department of Community Services collaborated on projects such as the distribution of food and school supplies to residents in need. To insure sustainability in maintaining housing standards, City code was changed to allow more oversight of residential maintenance and a bi-annual inspection of rental property was established to be fully implemented in 2009. To further Westlake's goal to be a "green city", more bike lanes were added, modern traffic signals were put in place, and energy awareness was stressed. Finally, in an effort to move the City forward in technology, research began on Citywide WiFi, the Police expanded its wireless video camera system and technology issues were addressed by the IT Department.

Several infrastructure projects were initiated in 2008. The long-awaited Crocker/Stearns Road extension connecting Interstate 90 to Interstate 480 opened to traffic. The widening of Columbia Road between Hilliard Boulevard and Center Ridge Road was completed as were the improvements to the Bradley/Schwartz Roads intersection. The Forest Parkway water main replacement project was completed and water mains on Horseshoe Boulevard and in the Dover/Milmar Road area were also replaced. Storm improvements were made on Bradley Road. Improvements to the Recreation Center lake bank due to erosion and to the Center's tennis courts were also completed in 2008.

Future Projects The City of Westlake has also planned several capital projects for 2009. The two most notable projects are the widening of Hilliard Boulevard from Westlake High School to Crocker Road and the replacement of water lines in the Canterbury Estates subdivision. Storm and sanitary sewer improvements are planned in addition to the annual road maintenance program. Various park and recreation projects are scheduled and a new HVAC system will be installed at the Fire Department.

LONG-TERM FINANCIAL PLANNING

The City has been recognized as a leader in long-term financial planning. Since 1976, the City has been "cash" funding depreciation of sewer lines to accumulate resources for their maintenance and eventual replacement. From a budget perspective, these resources are segregated into a separate fund that can only be used for its intended purpose.

In addition to the funding of sewer line replacement, the City also established an equipment replacement funding mechanism in 1976. When vehicles and large equipment are purchased, they are depreciated over their estimated useful life and the respective department is charged annually for the "cash" funding of the depreciation. The resources are segregated and accumulated so that when the equipment or vehicle needs replacement, the resources are available.

The City also utilizes long-term planning for the funding of capital projects through a Five-Year Capital Plan. The plan is a document through which the major capital projects of the City are identified and subsequently matched to funding sources. The plan is updated annually to include new projects, revise projects listed and remove those completed.

The City has always tried to maintain a General Fund balance that would finance a minimum of three months of operations. The Finance Department reviews all monetary transactions on an on-going basis and works diligently to monitor revenues and reprioritize expenditures so that all fund balances, especially the General Fund, maintain optimal balances.

OTHER INFORMATION

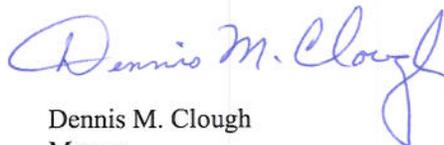
Certificate of Achievement. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Westlake, Ohio, for its comprehensive annual financial report (CAFR) for the year ended December 31, 2007. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

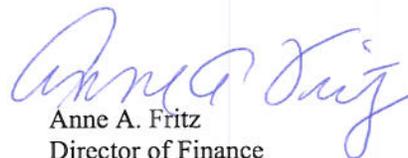
A Certificate of Achievement is valid for a period of one year only. The City of Westlake has received a Certificate of Achievement for the last twenty-four consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting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

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

Respectfully submitted,



Dennis M. Clough
Mayor

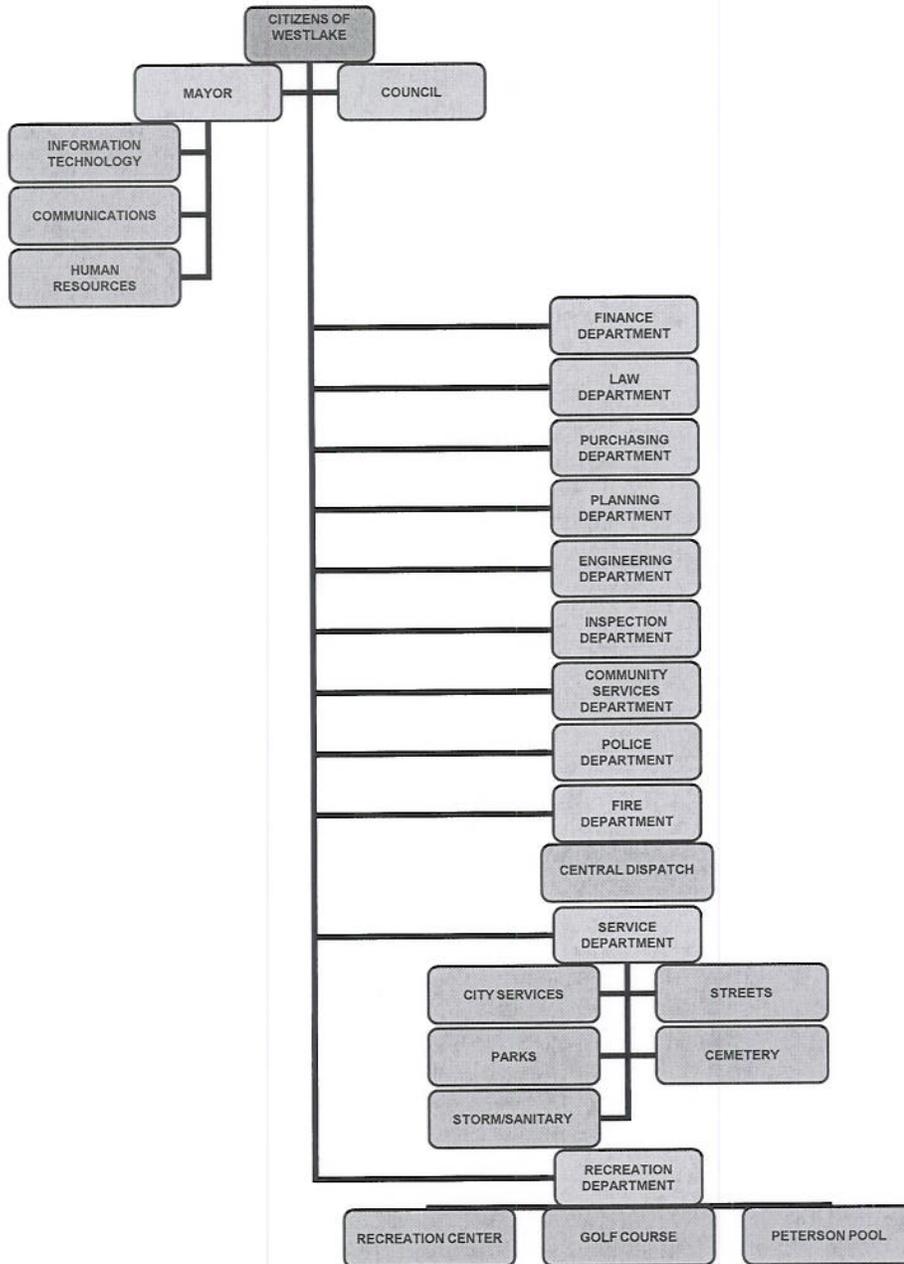


Anne A. Fritz
Director of Finance

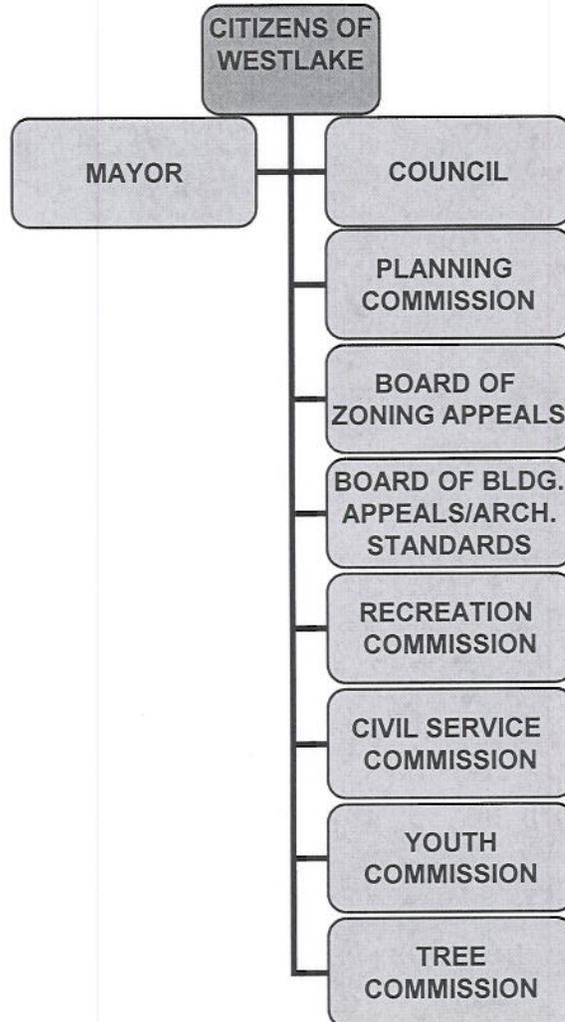


Bonnie L. Freeh
Assistant Director of Finance

CITY OF WESTLAKE ORGANIZATIONAL CHART DEPARTMENTS



CITY OF WESTLAKE ORGANIZATIONAL CHART COMMISSIONS



CITY OF WESTLAKE, OHIO

**PRINCIPAL OFFICIALS
DECEMBER 31, 2008**

ELECTED OFFICIALS

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

APPOINTED OFFICIALS

Director of Engineering Robert Kelly
Director of Finance Anne Fritz
Director of Inspections..... Donald Grayem
Director of Law John Wheeler
Director of Planning..... Robert Parry
Director of Purchasing Mary Calabrese
Director of Recreation..... Michael Rump
Director of Community Services Joyce Able Schroth
Director of Service Donald Glauner
Chief of Police Richard Walling
Chief of Fire (Provisional) Ronald Janicek

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Westlake
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

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President

Executive Director

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

City of Westlake
Cuyahoga County
27700 Hilliard Blvd.
Westlake, Ohio 44145

To the Members of City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Westlake, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Westlake, Cuyahoga County, Ohio, as of December 31, 2008, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General and Recreation funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2009, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

June 16, 2009

City of Westlake, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2008
Unaudited

The discussion and analysis of the City of Westlake's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2008. 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 2008 are as follows:

- Total assets of the City of Westlake exceeded its liabilities at the close of the most recent year by \$222,358,881 (*net assets*). Of this amount, \$35,866,082 (*unrestricted net assets*) may be used to meet the City's ongoing obligations to its citizens and creditors, subject to and in accordance with their respective purposes.
- Total Net Assets decreased from 2007 by \$10,061,343 (4.33%). Unrestricted net assets decreased by \$13,565,394 (27.44%).
- Governmental Activities program expenses of \$57,747,498 were funded primarily through General revenues.
- Total Depreciable Capital Assets decreased by \$3,566,846 or 2.46 percent from 2007. Non-depreciable Capital Assets increased by \$4,030,741 over 2007 due to major infrastructure improvements underway.
- As of the close of the current year, the City of Westlake's governmental funds reported combined ending fund balances of \$53,068,857, a decrease of \$11,364,931 in comparison with the prior year.

Overview of the Financial Statements

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

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

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

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

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

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

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

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

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

The City of Westlake maintains 37 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances, for the General Fund, Recreation special revenue fund, Special Assessment Bond Retirement Fund, and Issue 11 Improvements capital projects fund, all of which are considered to be major funds. Data from the other 33 governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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

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Proprietary Funds The City of Westlake maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its sewer operations and golf course activity. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains such a fund for its self-insurance of health related employee benefits. Because this predominately benefits governmental rather than business functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sewer operations as it is considered a major fund, while the golf course enterprise fund is a nonmajor fund.

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

Notes to the Basic Financial Statements The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 31 through 60 of this report.

Other information In addition to the basic financial statements and accompanying notes, this report also presents certain other information that the City believes readers will find useful. After the notes to the basic financial statements, the combining statements referred to earlier in connection with nonmajor governmental funds are presented, as well as individual detailed budgetary comparisons for all nonmajor funds. This information can be found on pages 62 through 127 of this 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 2008?" The Statement of Net Assets and the Statement of Activities answers this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by the private sector. The basis for this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

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

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

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

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The City of Westlake as a Whole

Recall that the Statement of Net Assets looks at the City as a whole. The following provides a summary of the City's net assets for 2008 compared to 2007.

NET ASSETS
TABLE 1

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|-------------------------|----------------------|--------------------------|---------------------|----------------------|----------------------|
| | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 |
| Current and Other Assets | \$87,485,525 | \$89,246,299 | \$19,718,072 | \$19,392,994 | \$107,203,597 | \$108,639,293 |
| Capital Assets, Net | 132,413,633 | 131,497,121 | 31,760,772 | 32,213,389 | 164,174,405 | 163,710,510 |
| <i>Total Assets</i> | <i>219,899,158</i> | <i>220,743,420</i> | <i>51,478,844</i> | <i>51,606,383</i> | <i>271,378,002</i> | <i>272,349,803</i> |
| Current and Other Liabilities | 24,974,601 | 15,086,513 | 307,769 | 142,586 | 25,282,370 | 15,229,099 |
| Long-Term Liabilities: | | | | | | |
| Due within One Year | 1,756,772 | 1,648,030 | 0 | 0 | 1,756,772 | 1,648,030 |
| Due in More than One Year | 21,979,979 | 23,052,450 | 0 | 0 | 21,979,979 | 23,052,450 |
| <i>Total Liabilities</i> | <i>48,711,352</i> | <i>39,786,993</i> | <i>307,769</i> | <i>142,586</i> | <i>49,019,121</i> | <i>39,929,579</i> |
| Invested in Capital Assets, Net of Related Debt | 116,235,290 | 113,908,126 | 31,760,772 | 32,213,389 | 147,996,062 | 146,121,515 |
| Restricted for: | | | | | | |
| Capital Projects | 22,240,319 | 21,043,125 | 0 | 0 | 22,240,319 | 21,043,125 |
| Debt Service | 7,062,130 | 7,217,444 | 0 | 0 | 7,062,130 | 7,217,444 |
| Other Purposes | 9,194,288 | 8,606,664 | 0 | 0 | 9,194,288 | 8,606,664 |
| Unrestricted | 16,455,779 | 30,181,068 | 19,410,303 | 19,250,408 | 35,866,082 | 49,431,476 |
| <i>Total Net Assets</i> | <i>\$171,187,806</i> | <i>\$180,956,427</i> | <i>\$51,171,075</i> | <i>\$51,463,797</i> | <i>\$222,358,881</i> | <i>\$232,420,224</i> |

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. For the City of Westlake, total assets exceed total liabilities by \$222,358,881 at the close of the most recent year.

The largest portion of the City's net assets (66.57 percent) reflects investments in capital assets (e.g. land, construction in progress, buildings, improvements, machinery and equipment, vehicles, and infrastructure), less any related debt to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Total assets decreased \$971,801 from 2007 to 2008, while the City's total liabilities increased by \$9,089,542. The decrease in assets and increase in liabilities is due to a one-time expenses relating to the settlement of a long outstanding litigation claim which included certain property acquisitions. A portion of the settlement was paid in December 2008, with the balance paid in early 2009.

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

Our total net assets of the City's governmental activities decreased \$9,768,621 (5.4 percent) during the current year due to the aforementioned litigation settlement. This also caused total unrestricted net assets to decrease by \$13,565,394. Restricted net assets for capital projects increased by \$1,197,194 which was the result of accumulating resources for future projects planned for 2009.

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

CHANGES IN NET ASSETS

TABLE 2

| | Governmental Activities | | Business-Type Activities | | Total | |
|------------------------------------|-------------------------|-------------------|--------------------------|------------------|---------------------|---------------------|
| | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 |
| Revenues | | | | | | |
| Program Revenues: | | | | | | |
| Charges for Services | \$5,257,791 | \$4,755,203 | \$2,477,434 | \$2,280,632 | \$7,735,225 | \$7,035,835 |
| Operating Grants and Contributions | 1,999,419 | 2,247,881 | 0 | 0 | 1,999,419 | 2,247,881 |
| Capital Grants and Contributions | 861,837 | 86,159 | 0 | 0 | 861,837 | 86,159 |
| Total Program Revenues | 8,119,047 | 7,089,243 | 2,477,434 | 2,280,632 | 10,596,481 | 9,369,875 |
| General Revenues: | | | | | | |
| Property Taxes | 12,100,495 | 12,949,576 | 0 | 0 | 12,100,495 | 12,949,576 |
| Income Taxes | 18,825,927 | 20,791,316 | 0 | 0 | 18,825,927 | 20,791,316 |
| Admission Taxes | 197,798 | 211,079 | 0 | 0 | 197,798 | 211,079 |
| Hotel Taxes | 457,987 | 492,516 | 0 | 0 | 457,987 | 492,516 |
| Grants and Entitlements | 4,282,803 | 3,645,105 | 0 | 0 | 4,282,803 | 3,645,105 |
| Franchise Taxes | 438,367 | 0 | 0 | 0 | 438,367 | 0 |
| Investment Income | 2,877,142 | 4,362,251 | 927,845 | 77,528 | 3,804,987 | 4,439,779 |
| Other | 687,619 | 322,680 | 9,399 | 8,961 | 697,018 | 331,641 |
| Total General Revenues | 39,868,138 | 42,774,523 | 937,244 | 86,489 | 40,805,382 | 42,861,012 |
| Total Revenues | 47,987,185 | 49,863,766 | 3,414,678 | 2,367,121 | \$51,401,863 | \$52,230,887 |

City of Westlake, Ohio
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CHANGES IN NET ASSETS

TABLE 2 (Continued)

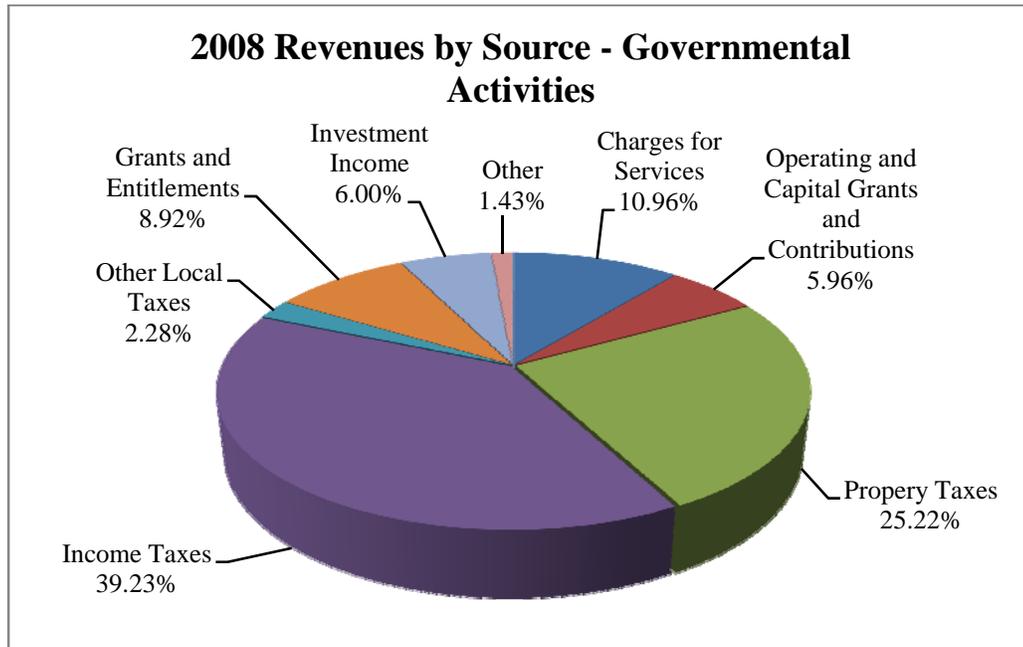
| | Governmental Activities | | Business - Type Activities | | Total | |
|---|----------------------------|----------------------|-------------------------------|---------------------|----------------------|----------------------|
| | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 |
| Program Expenses | | | | | | |
| General Government | 22,355,014 | 7,364,070 | 0 | 0 | 22,355,014 | 7,364,070 |
| Security of Persons and Property | 15,023,844 | 13,159,961 | 0 | 0 | 15,023,844 | 13,159,961 |
| Public Health and Welfare | 1,040,137 | 962,658 | 0 | 0 | 1,040,137 | 962,658 |
| Transportation | 11,143,476 | 10,093,953 | 0 | 0 | 11,143,476 | 10,093,953 |
| Community Environment | 1,436,256 | 1,305,482 | 0 | 0 | 1,436,256 | 1,305,482 |
| Basic Utility | 1,925,985 | 2,184,182 | 0 | 0 | 1,925,985 | 2,184,182 |
| Leisure Time Activities | 3,990,032 | 4,312,925 | 0 | 0 | 3,990,032 | 4,312,925 |
| Interest and Fiscal Charges | 832,754 | 633,706 | 0 | 0 | 832,754 | 633,706 |
| Sewer | 0 | 0 | 3,206,285 | 3,396,803 | 3,206,285 | 3,396,803 |
| Golf Course | 0 | 0 | 509,423 | 475,205 | 509,423 | 475,205 |
| Total Program Expenses | 57,747,498 | 40,016,937 | 3,715,708 | 3,872,008 | 61,463,206 | 43,888,945 |
| <i>Increase (Decrease) in Net Assets Before Transfers and Contributions</i> | (9,760,313) | 9,846,829 | (301,030) | (1,504,887) | (10,061,343) | 8,341,942 |
| Transfers and Contributions | (8,308) | 133,438 | 8,308 | (133,438) | 0 | 0 |
| <i>Change in Net Assets</i> | (9,768,621) | 9,980,267 | (292,722) | (1,638,325) | (10,061,343) | 8,341,942 |
| <i>Net Assets Beginning of Year</i> | 180,956,427 | 170,976,160 | 51,463,797 | 53,102,122 | 232,420,224 | 224,078,282 |
| <i>Net Assets End of Year</i> | <u>\$171,187,806</u> | <u>\$180,956,427</u> | <u>\$51,171,075</u> | <u>\$51,463,797</u> | <u>\$222,358,881</u> | <u>\$232,420,224</u> |

Governmental Activities

Governmental activities decreased the City's net assets by \$9,768,621 during 2008, as compared to an increase of \$9,980,267 during 2007. Total revenues decreased by \$1,876,581, and program expenses increased, by \$17,730,561. The increase in program expense for 2008 included the one-time expense relating to the settlement of outstanding litigation/land acquisition in the governmental activities.

Several types of revenues fund our governmental activities, with the City income tax being the biggest contributor. The income tax rate was 1.5 percent for 2008, the same as the prior year. Both residents of the City and non-residents who work inside the City are subject to the income tax. However if residents work in a locality that has a municipal income tax, the City provides 100 percent credit up to 1.5 percent for those who pay income tax to another city. City Council could by Ordinance, choose to vary that income tax credit and create additional revenues for the City.

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The income tax revenue for 2008 was \$18,825,927, a decrease of \$1,965,389 or 9.45 percent from 2007. The decrease was partially due to certain one-time payments relating to two corporate citizens received during 2007, as well as reflecting the recent economic downturn in the local and national economies. Of the \$47,987,185 in total revenues, income tax accounts for 39.23 percent of the total, as compared to 41.70 percent of the total for 2007. Property taxes for 2008 were \$12,100,495, a \$849,081 decrease from 2007.

Charges for services increased for 2008 by \$502,588 (10.57 percent) due to the City's emergency medical service billing which began during 2008. These collections represent amounts reimbursed by insurance companies and/or nonresidents for basic and advanced life support services.

Capital grants and contributions increased \$775,678 during 2008, which primarily resulted from the one-time grants awarded in the current year for the Columbia Road project.

General revenues from grants and entitlements, such as local government funds, are also revenue generators. The City monitors its source of revenues very closely for fluctuations. During 2008, grants and entitlements increased by \$637,698. Investment earnings decreased by \$1,485,109 from 2007 due to lower rates earned on investments during the latter part of 2008.

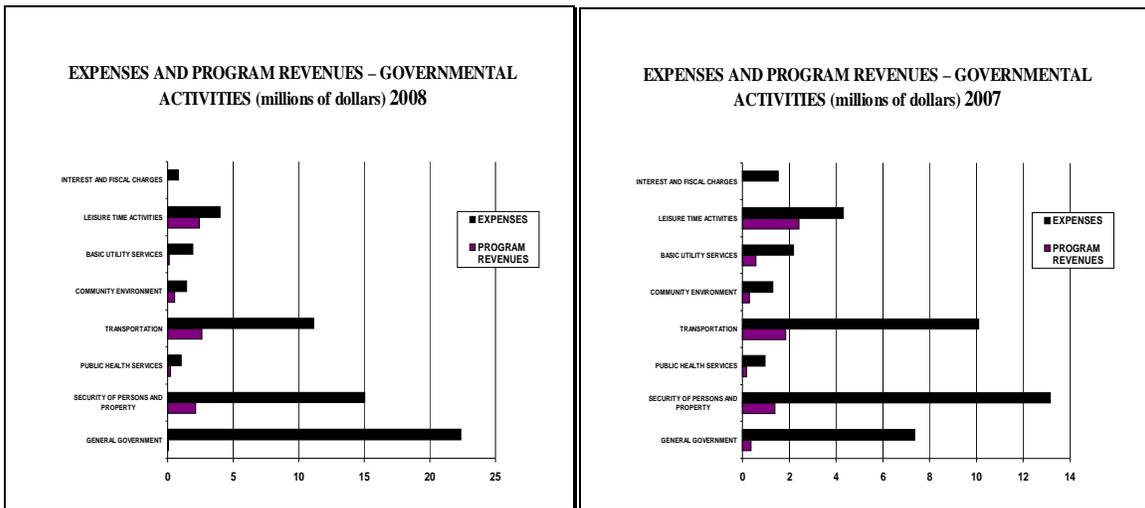
The largest program function for the City for 2008 is general government which accounts for the basic operations of the City including council, mayor, finance, law, purchasing, civil service, engineering, building maintenance, among other services. Due to the one-time settlement of outstanding litigation, general government expenses for 2008 are considerable higher than the prior year, and stand at \$22,355,014 for 2008, as compared to \$7,364,070 for 2007. Taking into consideration the one-time expense, other general government expenses were flat from 2007 to 2008.

The next largest program expense for 2008 is security of persons and property, with program expenses of \$15,023,844 as compared to \$13,159,961 in 2007, an increase of 14.16 percent. The increase was primarily due to increased salary expenses, including additional funding for health care related expenses.

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The next largest program is transportation, which increased \$1,049,523 (or 10.40 percent) during 2008 due to the large road maintenance program occurring as well as increases in salaries and benefits for 2008.

Leisure time activity expense decreased slightly during 2008, decreasing by \$322,893, or 7.49 percent, due to operating efficiencies achieved during 2008. Community environment increased \$130,774 or 10.02 percent due to the increase in salaries and benefits for departmental employees as well as additional architectural services. Expenses for basic utility services decreased from 2007 to 2008 \$258,197 or 11.82 percent as many efficiencies were achieved, including seeking reimbursement from the schools for their trash pickup during 2008.



The charts above reflect how the City funds its programs, either through program or general revenues. As can be seen above, all programs have a heavy reliance on general revenues, with over 83 percent of total 2008 revenues coming from general revenues. Leisure time activities received the most charges for services program revenue, primarily from the City recreation center which is a membership-only facility.

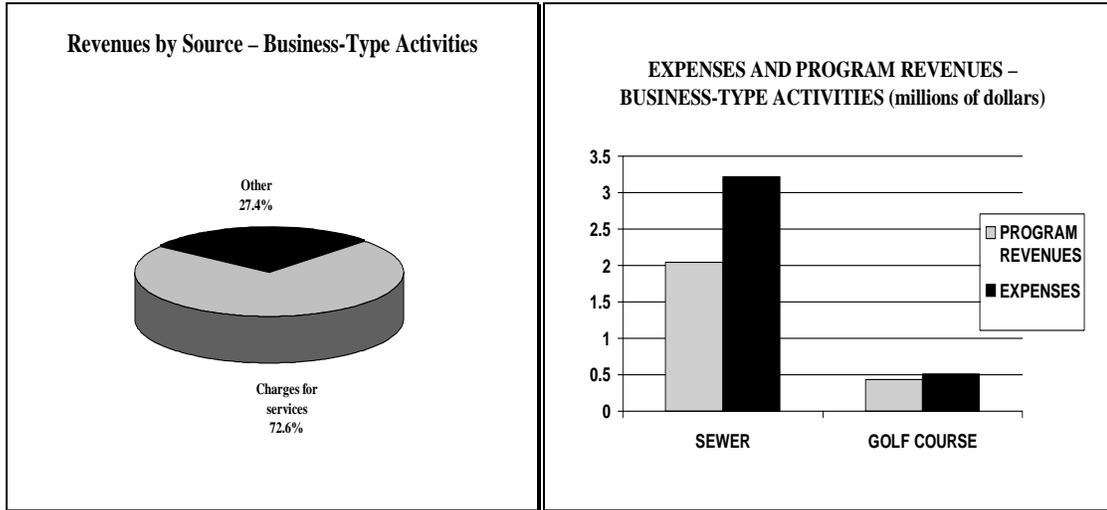
While security of persons and property is a large program expense, only a small portion of the total program expense is offset by program revenues. The primary program revenue is from police fines and forfeitures. The fire and emergency rescue department is now partially funded with the EMS fee reimbursement as previously mentioned.

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

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Business-Type Activities and Enterprise Funds

The Business-Type activities of the City, which include the City's sewer operations and golf activities, decreased the City's net assets by \$292,722 during 2008, as compared to a decrease of net assets of \$1,638,325 during 2007.



Program expenses exceeded program revenues in the amount of \$1,167,324 for the sewer operations for 2008. This is due to increased contributions required to the City's share of operating expenses of the Rocky River Wastewater Treatment Plant, improved maintenance program for sewers through the public service department, as well as additional sewer depreciation for recently-replaced sewer lines. Investment income of \$927,845 was recognized during 2008.

Program expenses exceeded program revenues in the Golf Course activity in the amount of \$70,950 for the current year, reflecting an increase in expenses.

Financial Analysis of the Government's Funds

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

Governmental Funds

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

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

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

As of the end of the current year, the City of Westlake's governmental funds reported combined ending fund balances of \$53,068,857, which was a decrease of \$11,364,931 from 2007. Of the total governmental fund balances, \$6,922,553 is designated for capital acquisition through the City's equipment replacement program, \$1,705,038 is designated for termination benefits, and \$9,784,503 constitutes undesignated General fund balance. Other undesignated fund balances include amounts that are in special revenue funds \$8,055,321, debt service funds \$2,130,970, and capital projects funds \$19,320,811. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchases of the prior period (\$3,182,816), and to reflect amounts advanced to other funds (\$1,700,000) and for unclaimed monies (\$266,845).

All governmental funds had total revenues of \$48,509,037 and expenditures of \$60,066,288, with expenditures exceeding revenues by \$11,557,251. The decrease was due to the one-time expenditure relating to the settlement of the long-outstanding litigation/land acquisition during 2008.

General Fund

The General Fund is the chief operating fund of the City. At the end of the current year, total fund balance for the General Fund was \$19,137,508, of which \$463,607 was reserved for encumbrances, \$1,700,000 reserved for advances, \$266,845 was reserved for unclaimed monies, \$6,922,553 was designated for capital acquisition, and \$9,784,503 was undesignated for financial reporting purposes. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to annual fund expenditures. Undesignated General Fund balance represents 23.60 percent of total General Fund expenditures, while total fund balance represents 46.15 percent of that same amount.

During the current year, the fund balance of the City's General Fund decreased by \$12,949,241, resulting from the City's one-time expenditure relating to the settlement of the long-outstanding litigation/land acquisition during 2008.

Recreation Fund

The Recreation special revenue fund accounts for membership and program fees which are used to operate and maintain the recreation center. At the end of the current year, total fund balance for the Recreation fund was \$1,644,494, which was a small increase from the prior year. As in the prior year, it is notable that revenues still exceeded expenditures.

Special Assessment Bond Retirement Fund

The Special Assessment Bond Retirement debt service fund accounts for resources used for the retirement of debt issued to finance public improvements deemed to benefit the properties against which special assessments are levied. At the end of the current year, total fund balance was \$385,368, which was a small increase from the prior year. As in the prior year, revenues exceeded principal and interest payments.

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Issue 11 Fund

The Issue 11 capital projects fund accounts for the infrastructure-related capital improvements which are funded through a 3/8 of one percent of dedicated income tax. At the end of the current year, total fund balance for the Issue 11 fund was \$10,948,425, of which \$1,711,622 was reserved for encumbrances.

During the current year, the fund balance of the City's Issue 11 fund increased by \$899,089, resulting from the accumulation of income tax resources for projects set to commence during 2009.

The dedicated 3/8 of one percent income tax for infrastructure used by this fund was renewed in November 2006, and was effective for another fifteen years beginning January 1, 2008.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General fund. During the course of 2008 the City amended its General fund budget on various occasions. All recommendations for budget changes come to the Finance Committee of City Council for review before going to the whole Council for ordinance enactment on the change. The City does allow small interdepartmental budget changes that modify line items within the accounting system which are within their appropriation category (salaries and other expenses). The General Fund supports many of our major activities such as our Police and Fire 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 budgeted revenues were \$29,300,472. The final budgeted revenues were \$29,041,371. Original General Fund budgeted expenditures were \$33,865,667, and the final amended budget was \$47,158,117. Actual General Fund expenditures were \$41,962,711 or \$5,195,406 less than budgeted due to certain capital projects being delayed until 2009, and other operating expenditures less than originally estimated.

The differences between the General fund's original budget and the final amended budget were as follows:

- A \$340,000 advance to the federal capital grants' fund.
- \$200,000 for income tax expenditures relating to sharing of income tax revenue with the local schools for Community Reinvestment Act (CRA) eligible projects.
- \$101,050 for election related expenditures now charged to municipalities
- \$200,000 in City service salaries for various projects, and \$100,000 for snow removal labor.
- \$17,500 for building maintenance for the police department
- \$279,400 for increased fuel related expenditures; \$7,500 for purchasing related salaries; and \$4,500 for police expenditures.
- An additional \$300,000 for legal services.

City of Westlake, Ohio
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- A net increase of \$9,190,500 relating to the settlement of the outstanding litigation/property acquisition (\$14,135,000 increase for the settlement and decreased expenditures/transfers/advances of \$4,944,500).

Capital Assets and Debt Administration

CAPITAL ASSETS AT DECEMBER 31, 2008
(NET OF DEPRECIATION)

TABLE 3

| | Governmental Activities | | Business-Type Activities | |
|--------------------------|-------------------------|----------------------|--------------------------|---------------------|
| | 2008 | 2007 | 2008 | 2007 |
| Land | \$11,330,608 | \$6,041,529 | \$1,499,176 | \$1,499,176 |
| Construction in Progress | 8,644,656 | 10,546,872 | 1,430,925 | 787,047 |
| Buildings | 34,959,695 | 35,726,334 | 1,431,897 | 1,466,809 |
| Improvements | 2,160,361 | 2,270,415 | 83,544 | 85,216 |
| Machinery & Equipment | 1,295,427 | 1,389,352 | 53,000 | 49,078 |
| Furniture and Fixtures | 717,176 | 742,399 | 8,978 | 11,629 |
| Vehicles | 2,912,049 | 2,454,594 | 50,362 | 113,557 |
| Infrastructure | | | | |
| Roads | 35,247,548 | 36,927,013 | 0 | 0 |
| Water Mains | 17,415,129 | 17,275,674 | 0 | 0 |
| Storm Sewers | 12,939,473 | 13,269,225 | 0 | 0 |
| Sewers | 0 | 0 | 27,202,890 | 28,200,877 |
| Culverts | 850,862 | 946,182 | 0 | 0 |
| Traffic Signals | 2,745,693 | 2,677,643 | 0 | 0 |
| Bridges | 1,194,956 | 1,229,889 | 0 | 0 |
| Total | \$132,413,633 | \$131,497,121 | \$31,760,772 | \$32,213,389 |

Total capital assets net of depreciation for governmental activities of the City of Westlake for the year 2008 were \$132,413,633, as compared to \$131,497,121 in 2007. The most significant increases in capital assets came in Land, which increased \$5,289,079 during 2008 relating to putting the Crocker Road Extension in service for 2008, as well as other property acquisition. Total capital assets for business-type activities decreased from \$32,213,389 in 2007 to \$31,760,772 in 2008, due to current year depreciation outpacing current year acquisitions.

The City is committed to a long-term goal of meeting the needs of its infrastructure and facilities. We have a five-year capital plan in place that provides for street improvements and adding additional facilities to complement our current structures. For additional information see Note 9 to the basic financial statements.

City of Westlake, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2008
Unaudited

Debt

As of December 31, 2008, the City of Westlake had \$18,211,573 in bonds and loans outstanding.

OUTSTANDING DEBT AT DECEMBER 31, 2008

TABLE 4

| | Governmental Activities | |
|--------------------------|-------------------------|--------------|
| | 2008 | 2007 |
| General Obligation Bonds | \$12,113,417 | \$13,272,455 |
| Special Assessment Bonds | 5,350,923 | 5,699,350 |
| OPWC Loans | 747,233 | 807,993 |
| Total | \$18,211,573 | \$19,779,798 |

The general obligation bonds are composed of (1) Sewer Improvement – a 1986 voted debt issue repaid from charges for services; (2) 1997 Safety Facility Refunding Bonds repaid from property taxes, (3) 1997 Recreation Center voted issue for the construction of the City recreation center to be repaid from a dedicated 1/8 percent of the City's municipal income tax; and (4) Various purpose other bonds including advance refunding bonds issued in 1997 for the safety facilities debt and 2004 for street improvements.

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

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

State statutes limit the amount of general obligation debt a governmental entity may issue to 10.5 percent of total assessed valuation. The City's overall legal debt margin was \$136,683,185 at December 31, 2008.

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

Current Financial Related Activities

The City of Westlake maintained throughout 2008 a Moody's Investors Service and Fitch's Aaa rating, and Standard and Poor's AAA rating, and all ratings were affirmed in 2008. Westlake remains the only suburb in Ohio to have been awarded all of the Aaa/AAA ratings.

The Administration and City Council developed a master plan for the acquisition of equipment and the building or upgrading of City facilities. As a result, we have seen a remarkable increase in our capital assets over that period of time and the expansion of all City services. The 2008 year is no different as the City completed the street, water line, sewer line, and other infrastructure improvements.

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

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 the City's accountability for all money it receives, spends, or invests. If you have any questions about this report or need additional information contact Director of Finance Anne A. Fritz, City of Westlake, 27700 Hilliard Blvd., Westlake, Ohio 44145, telephone 440-617-4252, or web site at www.cityofwestlake.org.

City of Westlake, Ohio

Statement of Net Assets

December 31, 2008

| | Governmental Activities | Business-Type Activities | Total |
|---|----------------------------|-----------------------------|----------------------|
| Assets | | | |
| Equity in Pooled Cash and Cash Equivalents | \$59,488,953 | \$9,591,384 | \$69,080,337 |
| Cash and Cash Equivalents with Fiscal Agents | 35,000 | 0 | 35,000 |
| Cash and Cash Equivalents with Escrow Agents | 655,748 | 90,901 | 746,649 |
| Materials and Supplies Inventory | 317,743 | 12,863 | 330,606 |
| Accrued Interest Receivable | 1,443,748 | 202,302 | 1,646,050 |
| Accounts Receivable | 352,776 | 390,720 | 743,496 |
| Internal Balances | 200,000 | (200,000) | 0 |
| Intergovernmental Receivable | 2,632,819 | 0 | 2,632,819 |
| Prepaid Items | 214,776 | 0 | 214,776 |
| Municipal Income Taxes Receivable | 4,203,880 | 0 | 4,203,880 |
| Admission Taxes Receivable | 31,879 | 0 | 31,879 |
| Hotel Taxes Receivable | 30,892 | 0 | 30,892 |
| Permissive Motor Vehicle Taxes Receivable | 53,918 | 0 | 53,918 |
| Property Taxes Receivable | 12,252,448 | 0 | 12,252,448 |
| Special Assessments Receivable | 5,075,000 | 0 | 5,075,000 |
| Deferred Charges | 495,945 | 0 | 495,945 |
| Investment in Joint Venture | 0 | 9,629,902 | 9,629,902 |
| Nondepreciable Capital Assets | 19,975,264 | 2,930,101 | 22,905,365 |
| Depreciable Capital Assets, Net | 112,438,369 | 28,830,671 | 141,269,040 |
| <i>Total Assets</i> | <u>219,899,158</u> | <u>51,478,844</u> | <u>271,378,002</u> |
| Liabilities | | | |
| Accounts Payable | 10,434,779 | 2,323 | 10,437,102 |
| Contracts Payable | 341,126 | 11,386 | 352,512 |
| Accrued Wages | 782,043 | 24,224 | 806,267 |
| Retainage Payable | 655,748 | 90,901 | 746,649 |
| Accrued Interest Payable | 75,830 | 0 | 75,830 |
| Intergovernmental Payable | 597,795 | 3,716 | 601,511 |
| Deferred Revenue | 11,794,413 | 175,219 | 11,969,632 |
| Claims Payable | 292,867 | 0 | 292,867 |
| Long-Term Liabilities: | | | |
| Due Within One Year | 1,756,772 | 0 | 1,756,772 |
| Due In More Than One Year | 21,979,979 | 0 | 21,979,979 |
| <i>Total Liabilities</i> | <u>48,711,352</u> | <u>307,769</u> | <u>49,019,121</u> |
| Net Assets | | | |
| Invested in Capital Assets, Net of Related Debt | 116,235,290 | 31,760,772 | 147,996,062 |
| Restricted for: | | | |
| Capital Projects | 22,240,319 | 0 | 22,240,319 |
| Debt Service | 7,062,130 | 0 | 7,062,130 |
| Recreation | 1,657,945 | 0 | 1,657,945 |
| Street Maintenance | 1,498,721 | 0 | 1,498,721 |
| Permissive Motor Vehicle | 1,004,505 | 0 | 1,004,505 |
| Police and Fire Operating | 808,780 | 0 | 808,780 |
| Emergency Medical Service | 828,572 | 0 | 828,572 |
| Unclaimed Monies | 266,845 | 0 | 266,845 |
| Other Purposes | 3,128,920 | 0 | 3,128,920 |
| Unrestricted | 16,455,779 | 19,410,303 | 35,866,082 |
| <i>Total Net Assets</i> | <u>\$171,187,806</u> | <u>\$51,171,075</u> | <u>\$222,358,881</u> |

See accompanying notes to the basic financial statements

City of Westlake, Ohio
Statement of Activities
For the Year Ended December 31, 2008

| | Program Revenues | | | |
|---------------------------------------|----------------------------|---------------------------|--|-------------------------|
| | Expenses | Charges for Services | Operating Grants and Contributions | |
| Governmental Activities | | | | |
| General Government | \$22,355,014 | \$62,982 | \$0 | \$0 |
| Security of Persons and Property | 15,023,844 | 1,792,383 | 357,002 | 0 |
| Public Health Services | 1,040,137 | 219,131 | 0 | 0 |
| Transportation | 11,143,476 | 170,479 | 1,579,553 | 861,837 |
| Community Environment | 1,436,256 | 473,546 | 62,864 | 0 |
| Basic Utility Services | 1,925,985 | 117,076 | 0 | 0 |
| Leisure Time Activities | 3,990,032 | 2,422,194 | 0 | 0 |
| Interest and Fiscal Charges | 832,754 | 0 | 0 | 0 |
| <i>Total Governmental Activities</i> | <u>57,747,498</u> | <u>5,257,791</u> | <u>1,999,419</u> | <u>861,837</u> |
| Business-Type Activities | | | | |
| Sewer | 3,206,285 | 2,038,961 | 0 | 0 |
| Golf Course | 509,423 | 438,473 | 0 | 0 |
| <i>Total Business-Type Activities</i> | <u>3,715,708</u> | <u>2,477,434</u> | <u>0</u> | <u>0</u> |
| <i>Total</i> | <u><u>\$61,463,206</u></u> | <u><u>\$7,735,225</u></u> | <u><u>\$1,999,419</u></u> | <u><u>\$861,837</u></u> |

General Revenues

Property Taxes Levied for:

- General Purposes
- Police Pension
- Fire Pension
- Police and Fire Operating
- Debt Service

Municipal Income Taxes Levied for:

- General Purposes
- Recreation
- Debt Service
- Capital Outlay
- Admission Taxes
- Hotel Taxes
- Grants and Entitlements not Restricted
to Specific Programs
- Franchise Taxes
- Investment Earnings
- Miscellaneous

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Assets

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

Net Assets End of Year

See accompanying notes to the basic financial statements

| Net (Expense) Revenue and Changes in Net Assets | | |
|--|-----------------------------|----------------------|
| Governmental Activities | Business-Type Activities | Total |
| (\$22,292,032) | \$0 | (\$22,292,032) |
| (12,874,459) | 0 | (12,874,459) |
| (821,006) | 0 | (821,006) |
| (8,531,607) | 0 | (8,531,607) |
| (899,846) | 0 | (899,846) |
| (1,808,909) | 0 | (1,808,909) |
| (1,567,838) | 0 | (1,567,838) |
| (832,754) | 0 | (832,754) |
| <u>(49,628,451)</u> | <u>0</u> | <u>(49,628,451)</u> |
| 0 | (1,167,324) | (1,167,324) |
| <u>0</u> | <u>(70,950)</u> | <u>(70,950)</u> |
| 0 | (1,238,274) | (1,238,274) |
| <u>(49,628,451)</u> | <u>(1,238,274)</u> | <u>(50,866,725)</u> |
| 9,389,659 | 0 | 9,389,659 |
| 370,644 | 0 | 370,644 |
| 370,644 | 0 | 370,644 |
| 1,111,933 | 0 | 1,111,933 |
| 857,615 | 0 | 857,615 |
| 12,462,547 | 0 | 12,462,547 |
| 250,588 | 0 | 250,588 |
| 1,002,399 | 0 | 1,002,399 |
| 5,110,393 | 0 | 5,110,393 |
| 197,798 | 0 | 197,798 |
| 457,987 | 0 | 457,987 |
| 4,282,803 | 0 | 4,282,803 |
| 438,367 | 0 | 438,367 |
| 2,877,142 | 927,845 | 3,804,987 |
| <u>687,619</u> | <u>9,399</u> | <u>697,018</u> |
| 39,868,138 | 937,244 | 40,805,382 |
| <u>(8,308)</u> | <u>8,308</u> | <u>0</u> |
| 39,859,830 | 945,552 | 40,805,382 |
| (9,768,621) | (292,722) | (10,061,343) |
| <u>180,956,427</u> | <u>51,463,797</u> | <u>232,420,224</u> |
| <u>\$171,187,806</u> | <u>\$51,171,075</u> | <u>\$222,358,881</u> |

City of Westlake, Ohio

*Balance Sheet
Governmental Funds
December 31, 2008*

| | General | Recreation | Special Assessment Bond Retirement | Issue 11 Improvements | Other Governmental Funds | Total Governmental Funds |
|---|---------------------|--------------------|---|--------------------------|--------------------------------|--------------------------------|
| Assets | | | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$24,402,004 | \$1,691,556 | \$385,368 | \$9,944,319 | \$21,692,903 | \$58,116,150 |
| Cash and Cash Equivalents: | | | | | | |
| with Fiscal Agents | 0 | 0 | 0 | 0 | 35,000 | 35,000 |
| with Escrow Agents | 8,584 | 0 | 0 | 477,685 | 169,479 | 655,748 |
| Materials and Supplies Inventory | 316,147 | 1,596 | 0 | 0 | 0 | 317,743 |
| Accrued Interest Receivable | 903,983 | 0 | 0 | 226,684 | 313,081 | 1,443,748 |
| Accounts Receivable | 115,754 | 2,803 | 0 | 0 | 212,250 | 330,807 |
| Interfund Receivable | 340,000 | 0 | 0 | 0 | 0 | 340,000 |
| Intergovernmental Receivable | 1,409,961 | 0 | 0 | 0 | 1,222,858 | 2,632,819 |
| Prepaid Items | 212,631 | 1,235 | 0 | 0 | 910 | 214,776 |
| Municipal Income Taxes Receivable | 2,784,870 | 55,151 | 0 | 1,074,146 | 289,713 | 4,203,880 |
| Admission Taxes Receivable | 31,879 | 0 | 0 | 0 | 0 | 31,879 |
| Hotel Taxes Receivable | 30,892 | 0 | 0 | 0 | 0 | 30,892 |
| Permissive Motor Vehicle Taxes Receivable | 0 | 0 | 0 | 0 | 53,918 | 53,918 |
| Property Taxes Receivable | 10,183,889 | 0 | 0 | 0 | 2,068,559 | 12,252,448 |
| Special Assessments Receivable | 0 | 0 | 5,075,000 | 0 | 0 | 5,075,000 |
| Advances to Other Funds | 1,700,000 | 0 | 0 | 0 | 0 | 1,700,000 |
| Restricted Assets: | | | | | | |
| Equity in Pooled Cash and Cash Equivalents | 266,845 | 0 | 0 | 0 | 0 | 266,845 |
| Total Assets | \$42,707,439 | \$1,752,341 | \$5,460,368 | \$11,722,834 | \$26,058,671 | \$87,701,653 |
| Liabilities and Fund Balances | | | | | | |
| Liabilities | | | | | | |
| Accounts Payable | \$10,373,555 | \$36,767 | \$0 | \$3,955 | \$20,502 | \$10,434,779 |
| Contracts Payable | 156,087 | 0 | 0 | 56,793 | 128,246 | 341,126 |
| Accrued Wages | 636,355 | 49,896 | 0 | 0 | 95,792 | 782,043 |
| Retainage Payable | 8,584 | 0 | 0 | 477,685 | 169,479 | 655,748 |
| Interfund Payable | 0 | 0 | 0 | 0 | 340,000 | 340,000 |
| Intergovernmental Payable | 572,967 | 7,733 | 0 | 0 | 17,095 | 597,795 |
| Deferred Revenue | 11,822,383 | 13,451 | 5,075,000 | 235,976 | 2,834,495 | 19,981,305 |
| Advances From Other Funds | 0 | 0 | 0 | 0 | 1,500,000 | 1,500,000 |
| Total Liabilities | 23,569,931 | 107,847 | 5,075,000 | 774,409 | 5,105,609 | 34,632,796 |
| Fund Balances | | | | | | |
| Reserved for Encumbrances | 463,607 | 56,882 | 0 | 1,711,622 | 950,705 | 3,182,816 |
| Reserved for Advances | 1,700,000 | 0 | 0 | 0 | 0 | 1,700,000 |
| Reserved for Unclaimed Monies | 266,845 | 0 | 0 | 0 | 0 | 266,845 |
| Unreserved: | | | | | | |
| Designated for Capital Acquisitions | 6,922,553 | 0 | 0 | 0 | 0 | 6,922,553 |
| Designated for Termination Benefits | 0 | 0 | 0 | 0 | 1,705,038 | 1,705,038 |
| Undesignated, Reported in: | | | | | | |
| General Fund | 9,784,503 | 0 | 0 | 0 | 0 | 9,784,503 |
| Special Revenue Funds | 0 | 1,587,612 | 0 | 0 | 6,467,709 | 8,055,321 |
| Debt Service Funds | 0 | 0 | 385,368 | 0 | 1,745,602 | 2,130,970 |
| Capital Projects Funds | 0 | 0 | 0 | 9,236,803 | 10,084,008 | 19,320,811 |
| Total Fund Balances | 19,137,508 | 1,644,494 | 385,368 | 10,948,425 | 20,953,062 | 53,068,857 |
| Total Liabilities and Fund Balances | \$42,707,439 | \$1,752,341 | \$5,460,368 | \$11,722,834 | \$26,058,671 | \$87,701,653 |

See accompanying notes to the basic financial statements

City of Westlake, Ohio
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 December 31, 2008*

| | | |
|--|--------------|-------------------|
| Total Governmental Fund Balances | | \$53,068,857 |
| <i>Amounts reported for governmental activities in the statement of net assets are different because</i> | | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. | | 132,413,633 |
| Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds: | | |
| Charges for Services | 78,927 | |
| Property Taxes | 458,035 | |
| Municipal Income Tax | 935,780 | |
| Intergovernmental | 1,639,150 | |
| Special Assessments | 5,075,000 | |
| Total | | 8,186,892 |
| An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets. | | 835,060 |
| Bond issuance costs will be amortized over the life of the bonds on the statement of net assets. | | 495,945 |
| In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. | | (75,830) |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds: | | |
| General Obligation Bonds | (12,015,000) | |
| Capital Appreciation Bonds | (437,780) | |
| Special Assessment Bonds | (5,075,000) | |
| Deferred Amount of Refunding | 355,094 | |
| Premium on Bonds | (291,654) | |
| OPWC Loans | (747,233) | |
| Landfill Postclosure Costs | (552,657) | |
| Compensated Absences Payable | (4,972,521) | |
| Total | | (23,736,751) |
| <i>Net Assets of Governmental Activities</i> | | \$171,187,806 |

See accompanying notes to the basic financial statements

City of Westlake, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2008

| | General | Recreation | Special Assessment Bond Retirement | Issue 11 Improvements | Other Governmental Funds | Total Governmental Funds |
|---|---------------------|--------------------|---|--------------------------|--------------------------------|--------------------------------|
| Revenues | | | | | | |
| Property Taxes | \$9,558,358 | \$0 | \$0 | \$0 | \$2,766,894 | \$12,325,252 |
| Municipal Income Taxes | 12,707,112 | 250,000 | 0 | 4,855,499 | 1,306,949 | 19,119,560 |
| Admission Taxes | 197,798 | 0 | 0 | 0 | 0 | 197,798 |
| Hotel Taxes | 457,987 | 0 | 0 | 0 | 0 | 457,987 |
| Permissive Motor Vehicle Taxes | 0 | 0 | 0 | 0 | 242,258 | 242,258 |
| Charges for Services | 34,079 | 2,080,254 | 0 | 3,130 | 1,870,245 | 3,987,708 |
| Licenses, Permits and Fees | 510,121 | 0 | 0 | 0 | 74,365 | 584,486 |
| Fines and Forfeitures | 227,903 | 0 | 0 | 0 | 52,238 | 280,141 |
| Intergovernmental | 3,908,136 | 0 | 0 | 67,194 | 2,847,539 | 6,822,869 |
| Special Assessments | 0 | 0 | 340,000 | 0 | 0 | 340,000 |
| Interest | 1,136,766 | 57,049 | 237,593 | 545,142 | 873,666 | 2,850,216 |
| Rentals | 80,730 | 78,450 | 0 | 0 | 0 | 159,180 |
| Donations | 0 | 0 | 0 | 0 | 62,864 | 62,864 |
| Franchise Taxes | 438,367 | 0 | 0 | 0 | 0 | 438,367 |
| Miscellaneous | 568,447 | 10,755 | 0 | 0 | 61,149 | 640,351 |
| <i>Total Revenues</i> | <u>29,825,804</u> | <u>2,476,508</u> | <u>577,593</u> | <u>5,470,965</u> | <u>10,158,167</u> | <u>48,509,037</u> |
| Expenditures | | | | | | |
| Current: | | | | | | |
| General Government | 21,950,435 | 0 | 0 | 0 | 46,332 | 21,996,767 |
| Security of Persons and Property | 9,847,302 | 0 | 0 | 0 | 4,147,187 | 13,994,489 |
| Public Health Services | 669,519 | 0 | 0 | 0 | 262,786 | 932,305 |
| Transportation | 4,993,466 | 0 | 0 | 0 | 1,700,887 | 6,694,353 |
| Community Environment | 1,355,689 | 0 | 0 | 0 | 43,494 | 1,399,183 |
| Basic Utility Services | 681,075 | 0 | 0 | 0 | 90,179 | 771,254 |
| Leisure Time Activities | 701,057 | 2,359,843 | 0 | 0 | 214,778 | 3,275,678 |
| Capital Outlay | 1,268,232 | 0 | 0 | 4,525,876 | 2,473,148 | 8,267,256 |
| Debt Service: | | | | | | |
| Principal Retirement | 0 | 0 | 320,000 | 0 | 1,143,142 | 1,463,142 |
| Interest and Fiscal Charges | 0 | 0 | 240,937 | 0 | 464,811 | 705,748 |
| Capital Appreciation Bonds Interest | 0 | 0 | 0 | 0 | 387,618 | 387,618 |
| Bond Issuance Costs | 0 | 0 | 0 | 0 | 178,495 | 178,495 |
| <i>Total Expenditures</i> | <u>41,466,775</u> | <u>2,359,843</u> | <u>560,937</u> | <u>4,525,876</u> | <u>11,152,857</u> | <u>60,066,288</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(11,640,971)</u> | <u>116,665</u> | <u>16,656</u> | <u>945,089</u> | <u>(994,690)</u> | <u>(11,557,251)</u> |
| Other Financing Sources (Uses) | | | | | | |
| Sale of Capital Assets | 12,201 | 0 | 0 | 0 | 0 | 12,201 |
| General Obligation Refunding Bonds Issued | 0 | 0 | 0 | 0 | 9,990,000 | 9,990,000 |
| General Obligation Refunding Bonds Premium | 0 | 0 | 0 | 0 | 4,776 | 4,776 |
| Payment to Refunded Bond Escrow Agent | 0 | 0 | 0 | 0 | (9,814,657) | (9,814,657) |
| Transfers In | 0 | 0 | 0 | 0 | 1,966,471 | 1,966,471 |
| Transfers Out | (1,320,471) | 0 | 0 | (46,000) | (600,000) | (1,966,471) |
| <i>Total Other Financing Sources (Uses)</i> | <u>(1,308,270)</u> | <u>0</u> | <u>0</u> | <u>(46,000)</u> | <u>1,546,590</u> | <u>192,320</u> |
| <i>Net Change in Fund Balances</i> | <u>(12,949,241)</u> | <u>116,665</u> | <u>16,656</u> | <u>899,089</u> | <u>551,900</u> | <u>(11,364,931)</u> |
| <i>Fund Balances Beginning of Year</i> | <u>32,086,749</u> | <u>1,527,829</u> | <u>368,712</u> | <u>10,049,336</u> | <u>20,401,162</u> | <u>64,433,788</u> |
| <i>Fund Balances End of Year</i> | <u>\$19,137,508</u> | <u>\$1,644,494</u> | <u>\$385,368</u> | <u>\$10,948,425</u> | <u>\$20,953,062</u> | <u>\$53,068,857</u> |

See accompanying notes to the basic financial statements

City of Westlake, Ohio
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2008*

Net Change in Fund Balances - Total Governmental Funds (\$11,364,931)

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

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

| | | |
|---------------------------|-------------|-----------|
| Capital Asset Additions | 7,710,235 | |
| Current Year Depreciation | (6,679,529) | |
| Total | | 1,030,706 |

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

(114,194)

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

| | | |
|--------------------------------|-----------|-----------|
| Delinquent Property Taxes | (224,757) | |
| Municipal Income Taxes | (293,633) | |
| Permissive Motor Vehicle Taxes | (74,909) | |
| Intergovernmental | 258,326 | |
| Special Assessments | (340,000) | |
| Charges for Services | 78,927 | |
| Total | | (596,046) |

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

| | | |
|---------------------------------------|-----------|------------|
| Payment to Refunded Bond Escrow Agent | 9,814,657 | |
| General Obligation Bonds | 1,470,000 | |
| Special Assessment Bonds | 320,000 | |
| OPWC Loans Payable | 60,760 | |
| Total | | 11,665,417 |

Other financing sources in the governmental funds increase long-term liabilities in the statement of net assets.

| | | |
|---|-------------|-------------|
| General Obligation Refunding Bonds Issued | (9,990,000) | |
| Premium on Bonds Issued | (4,776) | |
| Total | | (9,994,776) |

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

178,495

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.

| | | |
|--|----------|-----------|
| Accrued Interest | 29,575 | |
| Annual Accretion on Capital Appreciation Bonds | (78,611) | |
| Amortization of Bond Premium | 15,101 | |
| Amortization of Bond Issuance Costs | (54,165) | |
| Amortization of Loss on Refunding | (38,906) | |
| Total | | (127,006) |

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 | (648,159) | |
| Landfill | 43,663 | |
| Total | | (604,496) |

The internal service fund used by management to charge the costs of insurance to individual funds is not reported in entity-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated.

The net revenue (expense) of the internal service fund is allocated among the governmental activities. 158,210

Change in Net Assets of Governmental Activities (\$9,768,621)

See accompanying notes to the basic financial statements

City of Westlake, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|---------------------|---------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Property Taxes | \$9,358,072 | \$9,319,276 | \$9,558,358 | \$239,082 |
| Municipal Income Taxes | 12,730,816 | 12,281,916 | 12,623,883 | 341,967 |
| Admission Taxes | 198,000 | 198,000 | 179,397 | (18,603) |
| Hotel Taxes | 412,000 | 435,000 | 456,899 | 21,899 |
| Charges for Services | 86,700 | 50,785 | 47,063 | (3,722) |
| Licenses, Permits and Fees | 586,500 | 548,900 | 510,121 | (38,779) |
| Fines and Forfeitures | 201,000 | 235,300 | 227,903 | (7,397) |
| Intergovernmental | 2,887,084 | 3,503,244 | 3,861,960 | 358,716 |
| Interest | 2,100,000 | 1,570,000 | 1,377,093 | (192,907) |
| Rentals | 69,800 | 82,450 | 80,730 | (1,720) |
| Franchise Taxes | 430,000 | 430,000 | 433,273 | 3,273 |
| Miscellaneous | 240,500 | 386,500 | 564,589 | 178,089 |
| <i>Total Revenues</i> | <u>29,300,472</u> | <u>29,041,371</u> | <u>29,921,269</u> | <u>879,898</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government | 10,854,071 | 25,070,923 | 22,105,603 | 2,965,320 |
| Security of Persons and Property | 10,695,254 | 10,356,254 | 9,856,052 | 500,202 |
| Public Health Services | 780,552 | 780,552 | 678,714 | 101,838 |
| Transportation | 6,135,102 | 5,730,199 | 5,240,484 | 489,715 |
| Community Environment | 1,725,832 | 1,600,332 | 1,395,832 | 204,500 |
| Basic Utility Services | 851,145 | 777,145 | 720,968 | 56,177 |
| Leisure Time Activities | 923,156 | 893,157 | 712,796 | 180,361 |
| Capital Outlay | 1,900,555 | 1,949,555 | 1,252,262 | 697,293 |
| <i>Total Expenditures</i> | <u>33,865,667</u> | <u>47,158,117</u> | <u>41,962,711</u> | <u>5,195,406</u> |
| <i>Excess of Revenues Under Expenditures</i> | <u>(4,565,195)</u> | <u>(18,116,746)</u> | <u>(12,041,442)</u> | <u>6,075,304</u> |
| Other Financing Sources (Uses) | | | | |
| Sale of Capital Assets | 0 | 0 | 12,201 | 12,201 |
| Advances In | 2,322,500 | 3,772,500 | 3,772,500 | 0 |
| Advances Out | (120,000) | (460,000) | (460,000) | 0 |
| Transfers In | 0 | 900 | 0 | (900) |
| Transfers Out | (4,335,800) | (1,335,800) | (1,320,471) | 15,329 |
| <i>Total Other Financing Sources (Uses)</i> | <u>(2,133,300)</u> | <u>1,977,600</u> | <u>2,004,230</u> | <u>26,630</u> |
| <i>Net Change in Fund Balance</i> | (6,698,495) | (16,139,146) | (10,037,212) | 6,101,934 |
| <i>Fund Balance Beginning of Year</i> | 20,892,957 | 20,892,957 | 20,892,957 | 0 |
| Prior Year Encumbrances Appropriated | 2,822,067 | 2,822,067 | 2,822,067 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$17,016,529</u> | <u>\$7,575,878</u> | <u>\$13,677,812</u> | <u>\$6,101,934</u> |

See accompanying notes to the basic financial statements

City of Westlake, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-------------------------|--------------------|--------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Municipal Income Taxes | \$250,000 | \$250,000 | \$250,000 | \$0 |
| Charges for Services | 2,133,500 | 2,133,500 | 2,079,154 | (54,346) |
| Interest | 60,000 | 60,000 | 59,655 | (345) |
| Rentals | 87,500 | 87,500 | 78,450 | (9,050) |
| Miscellaneous | 7,100 | 7,100 | 10,755 | 3,655 |
| <i>Total Revenues</i> | 2,538,100 | 2,538,100 | 2,478,014 | (60,086) |
| Expenditures | | | | |
| Current: | | | | |
| Leisure Time Activities | 2,854,491 | 2,854,491 | 2,441,711 | 412,780 |
| <i>Net Change in Fund Balance</i> | (316,391) | (316,391) | 36,303 | 352,694 |
| <i>Fund Balance Beginning of Year</i> | 1,410,587 | 1,410,587 | 1,410,587 | 0 |
| Prior Year Encumbrances Appropriated | 150,991 | 150,991 | 150,991 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$1,245,187</u> | <u>\$1,245,187</u> | <u>\$1,597,881</u> | <u>\$352,694</u> |

See accompanying notes to the basic financial statements

City of Westlake, Ohio
Statement of Fund Net Assets
Proprietary Funds
December 31, 2008

| | <u>Business Type Activities - Enterprise Funds</u> | | | Governmental Activities - Internal Service Fund |
|---|--|--------------------|---------------------|--|
| | <u>Sewer</u> | <u>Golf Course</u> | <u>Total</u> | |
| Assets | | | | |
| <i>Current Assets</i> | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$9,546,740 | \$44,644 | \$9,591,384 | \$1,105,958 |
| Cash and Cash Equivalents with Escrow Agents | 90,901 | 0 | 90,901 | 0 |
| Materials and Supplies Inventory | 0 | 12,863 | 12,863 | 0 |
| Accrued Interest Receivable | 202,302 | 0 | 202,302 | 0 |
| Accounts Receivable | 390,720 | 0 | 390,720 | 21,969 |
| <i>Total Current Assets</i> | <u>10,230,663</u> | <u>57,507</u> | <u>10,288,170</u> | <u>1,127,927</u> |
| <i>Noncurrent Assets</i> | | | | |
| Investment in Joint Venture | 9,629,902 | 0 | 9,629,902 | 0 |
| Nondepreciable Capital Assets | 1,430,925 | 1,499,176 | 2,930,101 | 0 |
| Depreciable Capital Assets, Net | 28,031,067 | 799,604 | 28,830,671 | 0 |
| <i>Total Noncurrent Assets</i> | <u>39,091,894</u> | <u>2,298,780</u> | <u>41,390,674</u> | <u>0</u> |
| <i>Total Assets</i> | <u>49,322,557</u> | <u>2,356,287</u> | <u>51,678,844</u> | <u>1,127,927</u> |
| Liabilities | | | | |
| <i>Current Liabilities</i> | | | | |
| Accounts Payable | 581 | 1,742 | 2,323 | 0 |
| Contracts Payable | 11,386 | 0 | 11,386 | 0 |
| Claims Payable | 0 | 0 | 0 | 292,867 |
| Accrued Wages | 17,996 | 6,228 | 24,224 | 0 |
| Retainage Payable | 90,901 | 0 | 90,901 | 0 |
| Intergovernmental Payable | 2,743 | 973 | 3,716 | 0 |
| Deferred Revenue | 175,219 | 0 | 175,219 | 0 |
| <i>Total Current Liabilities</i> | <u>298,826</u> | <u>8,943</u> | <u>307,769</u> | <u>292,867</u> |
| <i>Long-Term Liabilities</i> | | | | |
| Advances From Other Funds | 0 | 200,000 | 200,000 | 0 |
| <i>Total Liabilities</i> | <u>298,826</u> | <u>208,943</u> | <u>507,769</u> | <u>292,867</u> |
| Net Assets | | | | |
| Invested in Capital Assets | 29,461,992 | 2,298,780 | 31,760,772 | 0 |
| Unrestricted (Deficit) | 19,561,739 | (151,436) | 19,410,303 | 835,060 |
| <i>Total Net Assets</i> | <u>\$49,023,731</u> | <u>\$2,147,344</u> | <u>\$51,171,075</u> | <u>\$835,060</u> |

See accompanying notes to the basic financial statements

City of Westlake, Ohio
*Statement of Revenues, Expenses
and Changes in Fund Net Assets*
Proprietary Funds
For the Year Ended December 31, 2008

| | Business Type Activities - Enterprise Funds | | | Governmental Activities - Internal Service Fund |
|--|---|--------------------|---------------------|--|
| | Sewer | Golf Course | Total | Self Insurance |
| Operating Revenues | | | | |
| Charges for Services | \$1,991,307 | \$430,303 | \$2,421,610 | \$2,621,575 |
| Tap-In-Fees | 47,654 | 0 | 47,654 | 0 |
| Rentals | 0 | 8,170 | 8,170 | 0 |
| Miscellaneous | 0 | 9,399 | 9,399 | 2,479 |
| <i>Total Operating Revenues</i> | <u>2,038,961</u> | <u>447,872</u> | <u>2,486,833</u> | <u>2,624,054</u> |
| Operating Expenses | | | | |
| Personal Services | 305,118 | 242,985 | 548,103 | 0 |
| Fringe Benefits | 116,520 | 61,154 | 177,674 | 0 |
| Contractual Services | 1,359,534 | 58,349 | 1,417,883 | 302,340 |
| Materials and Supplies | 11,240 | 62,805 | 74,045 | 0 |
| Depreciation | 1,095,517 | 64,653 | 1,160,170 | 0 |
| Other | 77,982 | 19,477 | 97,459 | 0 |
| Claims | 0 | 0 | 0 | 2,190,430 |
| <i>Total Operating Expenses</i> | <u>2,965,911</u> | <u>509,423</u> | <u>3,475,334</u> | <u>2,492,770</u> |
| <i>Operating Income (Loss)</i> | <u>(926,950)</u> | <u>(61,551)</u> | <u>(988,501)</u> | <u>131,284</u> |
| Non Operating Revenue (Expenses) | | | | |
| Interest | 927,845 | 0 | 927,845 | 26,926 |
| Equity in Loss of Joint Venture | (240,374) | 0 | (240,374) | 0 |
| <i>Total Non Operating Revenues (Expenses)</i> | <u>687,471</u> | <u>0</u> | <u>687,471</u> | <u>26,926</u> |
| <i>Income (Loss) Before Contributions</i> | <u>(239,479)</u> | <u>(61,551)</u> | <u>(301,030)</u> | <u>158,210</u> |
| Capital Contributions | 0 | 8,308 | 8,308 | 0 |
| <i>Change in Net Assets</i> | <u>(239,479)</u> | <u>(53,243)</u> | <u>(292,722)</u> | <u>158,210</u> |
| <i>Net Assets Beginning of Year</i> | <u>49,263,210</u> | <u>2,200,587</u> | <u>51,463,797</u> | <u>676,850</u> |
| <i>Net Assets End of Year</i> | <u>\$49,023,731</u> | <u>\$2,147,344</u> | <u>\$51,171,075</u> | <u>\$835,060</u> |

See accompanying notes to the basic financial statements

City of Westlake, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2008

| | <u>Business Type Activities - Enterprise Funds</u> | | | Governmental Activities- Internal Service Fund |
|---|--|--------------------|--------------------|---|
| | <u>Sewer</u> | <u>Golf Course</u> | <u>Total</u> | <u>Fund</u> |
| <i>Increase (Decrease) In Cash and Cash Equivalents</i> | | | | |
| Cash Flows from Operating Activities | | | | |
| Cash Received from Customers | \$1,994,819 | \$438,473 | \$2,433,292 | \$0 |
| Cash Received from Interfund Services | 0 | 0 | 0 | 2,599,606 |
| Cash Received from Other Operating Sources | 0 | 9,399 | 9,399 | 2,479 |
| Cash Received from Tap-In Fees | 47,654 | 0 | 47,654 | 0 |
| Cash Payments to Suppliers for Goods and Services | (1,383,817) | (125,252) | (1,509,069) | (329,900) |
| Cash Payments for Claims | 0 | 0 | 0 | (2,236,477) |
| Cash Payments for Employee Services and Benefits | (418,628) | (303,097) | (721,725) | 0 |
| Cash Payments for Other Operating Expenses | (77,982) | (19,477) | (97,459) | 0 |
| <i>Net Cash Provided by Operating Activities</i> | <u>162,046</u> | <u>46</u> | <u>162,092</u> | <u>35,708</u> |
| Cash Flows from Noncapital Financing Activities | | | | |
| Unearned Revenue | 175,219 | 0 | 175,219 | 0 |
| Advance In | 0 | 50,000 | 50,000 | 0 |
| Advance Out | 0 | (50,000) | (50,000) | 0 |
| <i>Net Cash Provided by Noncapital Financing Activities</i> | <u>175,219</u> | <u>0</u> | <u>175,219</u> | <u>0</u> |
| Cash Flows from Capital and Related Financing Activities | | | | |
| Acquisition of Capital Assets | (664,899) | (34,346) | (699,245) | 0 |
| Cash Flows from Investing Activities | | | | |
| Interest | 839,471 | 0 | 839,471 | 26,926 |
| Capital Contributions to Joint Venture | (250,711) | 0 | (250,711) | 0 |
| <i>Net Cash Provided by Investing Activities</i> | <u>588,760</u> | <u>0</u> | <u>588,760</u> | <u>26,926</u> |
| <i>Net Increase (Decrease) In Cash and Cash Equivalents</i> | 261,126 | (34,300) | 226,826 | 62,634 |
| <i>Cash and Cash Equivalents Beginning of Year</i> | <u>9,376,515</u> | <u>78,944</u> | <u>9,455,459</u> | <u>1,043,324</u> |
| <i>Cash and Cash Equivalents End of Year</i> | <u>\$9,637,641</u> | <u>\$44,644</u> | <u>\$9,682,285</u> | <u>\$1,105,958</u> |

(continued)

City of Westlake, Ohio
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended December 31, 2008

| | <u>Business Type Activities - Enterprise Funds</u> | | | Governmental Activities- Internal Service Fund |
|---|--|--------------------|------------------|---|
| | <u>Sewer</u> | <u>Golf Course</u> | <u>Total</u> | |
| Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities | | | | |
| <i>Operating Income (Loss)</i> | (\$926,950) | (\$61,551) | (\$988,501) | \$131,284 |
| Adjustments: | | | | |
| Depreciation | 1,095,517 | 64,653 | 1,160,170 | 0 |
| (Increase)/Decrease in Assets: | | | | |
| Accounts Receivable | 3,512 | 0 | 3,512 | (21,969) |
| Materials and Supplies Inventory | 0 | (3,053) | (3,053) | 0 |
| Increase/(Decrease) in Liabilities: | | | | |
| Accounts Payable | (62,161) | (1,056) | (63,217) | (27,560) |
| Contracts Payable | 11,386 | 0 | 11,386 | 0 |
| Accrued Wages | 2,573 | 949 | 3,522 | 0 |
| Retainage Payable | 37,732 | 0 | 37,732 | 0 |
| Intergovernmental Payable | 437 | 104 | 541 | 0 |
| Claims Payable | 0 | 0 | 0 | (46,047) |
| <i>Net Cash Provided by Operating Activities</i> | <u>\$162,046</u> | <u>\$46</u> | <u>\$162,092</u> | <u>\$35,708</u> |

Non-Cash Capital Transactions

In 2008, governmental activities transferred capital assets to the Golf enterprise fund, in the amount of \$8,308.

See accompanying notes to the basic financial statements

City of Westlake, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2008

Assets

| | |
|--|---------------------------|
| Equity in Pooled Cash and Cash Equivalents | <u><u>\$1,608,512</u></u> |
|--|---------------------------|

Liabilities

| | |
|---------------------------------|---------------------------|
| Deposits Held and Due to Others | <u><u>\$1,608,512</u></u> |
|---------------------------------|---------------------------|

See accompanying notes to the basic financial statements

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Note 1 – Reporting Entity

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

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. This definition of reporting entity is found in GASB Statement No. 14, “The Financial Report Entity”.

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

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization’s governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization’s resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations which are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes. The reporting entity of the City does not include any component units.

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

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

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

Note 2 – Summary of Significant Accounting Policies

The financial statements of the City of Westlake have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds unless those pronouncements conflict with or contradict GASB pronouncements.

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

The City has elected not to apply FASB statements after November 30, 1989 to its business-type activities and its enterprise funds. The more significant of the City's accounting policies are described below.

A. Basis of Presentation

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

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

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

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

B. Fund Accounting

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

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

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

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

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

Special Assessment Bond Retirement Fund The special assessment bond retirement fund accounts for resources used for the retirement of debt issued to finance public improvements deemed to benefit the properties against which special assessments are levied.

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

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

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

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

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

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

Internal Service Fund Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service fund reports on a self-insurance program for employee hospital/medical, prescription, dental and vision insurance benefits.

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

C. Measurement Focus

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

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for the governmental funds.

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

D. Basis of Accounting

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

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

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

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

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

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Property taxes for which there is an enforceable legal claim as of December 31, 2008, but which were levied to finance year 2009 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Unearned Revenues On enterprise fund financial statements, revenue received as of December 31, 2008, but was charged for 2009 services, has been recorded as unearned revenue.

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

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

E. Budgetary Data

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

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

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as 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 that year.

F. Pooled Cash and Cash Equivalents

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

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

During 2008, investments were limited to repurchase agreements, non-negotiable certificates of deposit, federal agency securities, U.S. treasury bills, and STAROhio. Non-negotiable certificates of deposit are reported at cost. Investments are reported at fair value, which is based on quoted market price or current share.

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, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2008.

Interest earnings are allocated to City funds according to State statutes, City Charter, grant requirements, or debt related restrictions. Interest revenue credited to the General Fund during 2008 was \$1,136,766, which includes \$467,945 assigned from other City funds.

Cash held for the City by The Bank of New York, for the payment of debt principal and interest as they come due, is included on the financial statements as "Cash and Cash Equivalents with Fiscal Agents".

Cash and cash equivalents that are held separately by the City for payment of retainage to contractors upon project completion are recorded as "Cash and Cash Equivalents with Escrow Agents".

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

G. Materials and Supplies Inventory

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

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2008 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported the year in which services are consumed.

I. Restricted Assets

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the general fund represent money set aside for unclaimed monies.

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 assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

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

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

| Description | Governmental Activities Estimated Lives | Business-Type Activities Estimated Lives |
|----------------------------|---|--|
| Buildings and Improvements | 50 years | 50 years |
| Land Improvements | N/A | 20 years |
| Machinery and Equipment | 5 years | 5 years |
| Furniture and Fixtures | 10 years | 10 years |
| Vehicles | 2 - 15 years | 2 - 15 years |
| Infrastructure | 20 - 50 years | 50 years |

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

K. Interfund Balances

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

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

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 employer will compensate the employees for the benefits through paid time off or some other means. The City records a liability for all accumulated unused vacation time when earned for all employees with more than one year of service.

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

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

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

N. Fund Balance Reserves and Designations

The City reserves those portions of the fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. Fund balance reserves have been established for encumbrances, long-term advances and unclaimed monies. The reserve for unclaimed monies represents cash that, under Ohio law, must remain unclaimed for five years before it becomes available for appropriation. Fund balance designations have been established for capital acquisitions and termination benefits. Council intends for this portion of fund balance to be used for the acquisition of capital assets and for the future payment of termination benefits.

O. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Net assets restricted for other purposes include state highway maintenance and repair, security of persons and property through the police and fire departments, community development and recreational activities.

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

P. Operating Revenues and Expenses

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

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Q. Contributions of Capital

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

R. Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Interfund payments for services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for a repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are presented on the financial statements.

S. Bond Issuance Costs

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

T. Bond Premium

On the government-wide financial statements, bond premiums are deferred and amortized over the term of the bonds using the effective interest method. Bond premiums are presented as an increase of the face amount of the bonds payable. On the governmental fund statements, bond premiums are received in the year the bonds are issued.

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.

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.

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Note 3 – Changes in Accounting Principle and Correction of an Error

A. Change in Accounting Principle

For 2008, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 49, “Accounting and Financial Reporting for Pollution Remediation Obligations”. GASB Statement No. 49 addresses accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effect of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. The implementation of this Statement did not result in any change to the City’s financial statements.

B. Correction of an Error

In the prior fiscal year, the City incorrectly recorded accretion on capital appreciation bonds and premium on general obligation bonds for governmental activities. The restatement had the following effect on net assets of the City as they were previously reported.

| | |
|---|-----------------------------|
| | Governmental Activities |
| Net Assets at December 31, 2007 | <u>\$180,054,436</u> |
| Capital Appreciation Bonds Accretion | 917,634 |
| Premium on Bonds Issued | (15,643) |
| Restated Net Assets at December 31, 2007 | <u><u>\$180,956,427</u></u> |

Note 4 – Accountability

The deficit fund balance in the Issue 2 Improvements capital projects fund, in the amount of \$458,806, is the result of interfund loans which are used to finance activities until resources are accumulated to repay the general fund.

Note 5 – Budgetary Basis of Accounting

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

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- (b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- (c) Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP).

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

(d) Advances-In and Advances-Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP).

(e) Investments are reported at fair value (GAAP) rather than cost (budget basis).

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

| | General | Recreation |
|---|-----------------------|-----------------|
| GAAP Basis | (\$12,949,241) | \$116,665 |
| Net Adjustment for Revenue Accruals | 65,660 | 1,506 |
| Advances In | 3,772,500 | 0 |
| Beginning Fair Value Adjustment for Investments | 38,550 | 0 |
| Ending Fair Value Adjustment for Investments | (8,745) | 0 |
| Net Adjustment for Expenditure Accruals | 10,494,940 | 11,807 |
| Advances Out | (460,000) | 0 |
| Encumbrances | (10,990,876) | (93,675) |
| Budget Basis | <u>(\$10,037,212)</u> | <u>\$36,303</u> |

Note 6 – Deposits and Investment

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

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

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to payment of principal and interest by the United States;

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in (1) or (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;
7. The State Treasurer's investment pool (STAROhio); 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 25 percent of the interim monies available for investment at any one time.

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

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

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

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

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Investments

As of December 31, 2008, the City had the following investments:

| | Fair Value | Maturity |
|--|-------------|-------------------|
| Repurchase Agreement | | |
| Federal Home Loan Mortgage Corporation Notes | \$246,189 | Daily |
| Federal Home Loan Bank Bonds | 2,003,760 | 07/23/10 |
| Federal Home Loan Bank Notes | 1,305,200 | 02/02/09 |
| U.S. Treasury Bill | 1,499,985 | 01/08/09 |
| U.S. Treasury Bill | 399,512 | 08/27/09 |
| STAROhio | 613,520 | Average 54.7 Days |
| Total Portfolio | \$6,068,166 | |

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. Repurchase agreements are limited to 30 days and the market value of the securities must exceed the principal value of the agreement by at least 2 percent and be marked to market daily.

Credit Risk The Federal Home Loan Mortgage Corporation Notes underlying the repurchase agreement, Federal Home Loan Bank Bonds, and Federal Home Loan Bank Notes all carry a rating of AAA by Moody's. STAROhio carries a rating of AAA by Standard and Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The City has no investment policy that addresses credit risk.

Concentration of Credit Risk The City places no limit on the amount it may invest in any one issuer. The following is the City's allocation as of December 31, 2008:

| Investment | Percentage of Investments |
|------------------------------|---------------------------|
| Repurchase Agreement | 4.06 % |
| Federal Home Loan Bank Bonds | 33.02 |
| Federal Home Loan Bank Notes | 21.51 |
| U.S. Treasury Bills | 31.30 |
| STAROhio | 10.11 |

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Note 7 – Interfund Transfers and Balances

A. Interfund Transfers

At December 31, 2008 interfund transfers were as follows:

| <u>Transfers To</u> | <u>Transfers From</u> | | | Total |
|--------------------------------------|-----------------------|--------------------------|--------------------------------|--------------------|
| | General | Issue 11 Improvements | Other Governmental Funds | |
| Other Governmental Activities | | | | |
| Police Pension | \$375,000 | \$0 | \$0 | \$375,000 |
| Fire Pension | 375,000 | 0 | 0 | 375,000 |
| Central Dispatch | 250,000 | 0 | 0 | 250,000 |
| Cemetery Operating | 100,000 | 0 | 0 | 100,000 |
| Issue 2 Improvements | 60,800 | 46,000 | 600,000 | 706,800 |
| Sidewalks | 159,671 | 0 | 0 | 159,671 |
| Total | <u>\$1,320,471</u> | <u>\$46,000</u> | <u>\$600,000</u> | <u>\$1,966,471</u> |

The General Fund transfers to the nonmajor governmental funds were made to provide additional resources for current operations and capital improvements. The transfers from the Issue 11 Improvements capital projects fund and from other nonmajor governmental funds to the Issue 2 Improvements capital projects fund were to provide additional resources for capital improvements.

B. Interfund Balances

As of December 31, 2008, interfund balances were as follows:

| | <u>Receivable</u> | | <u>Payable</u> | |
|--------------------------------------|-------------------|---------------------------|------------------|-----------------------------|
| | Interfund | Advance to Other Funds | Interfund | Advance from Other Funds |
| Major Funds | | | | |
| General Fund | \$340,000 | \$1,700,000 | \$0 | \$0 |
| Nonmajor Funds | | | | |
| Issue 2 Improvements | 0 | 0 | 0 | 1,500,000 |
| Grants | 0 | 0 | 340,000 | 0 |
| <i>Total Governmental Activities</i> | 340,000 | 1,700,000 | 340,000 | 1,500,000 |
| Business-Type Activity | | | | |
| Golf Course | 0 | 0 | 0 | 200,000 |
| Total | <u>\$340,000</u> | <u>\$1,700,000</u> | <u>\$340,000</u> | <u>\$1,700,000</u> |

Interfund balances at December 31, 2008, consisted of a general fund advance of \$200,000 to the golf enterprise fund to pay for the construction of a new clubhouse and \$1,840,000 advanced to nonmajor governmental funds to finance capital projects. The \$340,000 advance is expected to be repaid within one year. Advances to/from other funds are not expected to be repaid within one year.

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Note 8 – Receivables

Receivables at December 31, 2008, consisted primarily of municipal income taxes, property and hotel taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, accrued interest on investments, and accounts (billings for utility service).

No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant. All receivables except for delinquent property taxes and special assessments are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Special assessments expected to be collected in more than one year amount to \$4,775,000 in the special assessment bond retirement fund. At December 31, 2008, the amount of delinquent special assessments was \$44,819.

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 2008 for real and public property taxes represents collections of 2007 taxes. Property tax payments received during 2008 for tangible personal property (other than public utility property) are for 2008 taxes.

2008 real property taxes are levied after October 1, 2008 on the assessed value as of January 1, 2008 the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2008 real property taxes are collected in and intended to finance 2009.

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

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. 2008 public utility property taxes which became a lien December 31, 2007, are levied after October 1, 2008, and are collected in 2009 with real property taxes.

2008 tangible personal property taxes are levied after October 1, 2007, on the value as of December 31, 2007. Collections are made in 2008. Tangible personal property assessments are being phased out – the assessment percentage for all property including inventory for 2008 is 6.25 percent. This will be reduced to zero for 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable at September 20.

The full tax rate for all City operations for the year ended December 31, 2008 was \$9.80 per \$1,000 of assessed value. The assessed values of real property, public utility tangible property, and tangible personal property upon which 2008 property tax receipts were based are as follows:

| | |
|----------------------------------|------------------------|
| Real Property | \$1,370,873,670 |
| Public Utility Tangible Property | 15,913,580 |
| Tangible Personal Property | 21,832,430 |
| | <u>\$1,408,619,680</u> |

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Westlake. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and tangible personal property taxes and public utility taxes which are measurable as of December 31, 2008 and for which there is an enforceable legal claim. In the general fund, police pension, fire pension, police and fire operating special revenue funds, and the general obligation bond retirement debt service fund, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2008 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while the remainder of the receivable is deferred.

B. Income Taxes

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

The Regional Income Tax Agency administers and collects income taxes for the City. Payments are remitted monthly net of collection fees of 3 percent. Taxes collected by RITA in one month are remitted to the City on the first and tenth business days of the following month. Income tax revenue is credited to the general fund, recreation special revenue fund, general obligation bond retirement fund, and the issue 11 and recreation center construction capital projects funds.

C. Intergovernmental Receivables

A summary of the principal items of intergovernmental receivables follows:

| | |
|--|-------------|
| Governmental Activities | |
| Homestead and Rollback | \$690,588 |
| Local Government | 524,725 |
| Excise Tax | 376,345 |
| Estate Tax | 266,184 |
| Gasoline Tax | 201,255 |
| OPWC Issue 2 Grant | 200,523 |
| Auto Registration | 137,867 |
| Tangible Personal Property Loss Reimbursements | 79,741 |
| City of North Ridgeville | 38,173 |
| City of Rocky River | 35,700 |
| City of Fairview Park | 30,822 |
| City of Bay Village | 28,531 |
| Westlake City School District | 22,365 |
| Total | \$2,632,819 |

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Note 9 – Capital Assets

A summary of changes in capital assets during 2008 follows:

| | Balance 12/31/2007 | Additions | Deletions | Balance 12/31/2008 |
|---|-----------------------|----------------------|----------------------|-----------------------|
| Governmental Activities | | | | |
| <i>Nondepreciable Capital Assets</i> | | | | |
| Land | \$6,041,529 | \$5,289,079 | \$0 | \$11,330,608 |
| Construction in Progress | 10,546,872 | 5,955,658 | (7,857,874) | 8,644,656 |
| <i>Total Nondepreciable Capital Assets</i> | <u>16,588,401</u> | <u>11,244,737</u> | <u>(7,857,874)</u> | <u>19,975,264</u> |
| <i>Depreciable Capital Assets</i> | | | | |
| Buildings | 42,337,665 | 77,809 | 0 | 42,415,474 |
| Improvements | 4,970,692 | 127,386 | (6,952) | 5,091,126 |
| Machinery and Equipment | 5,440,115 | 542,136 | (288,596) | 5,693,655 |
| Furniture and Fixtures | 1,259,517 | 97,868 | (3,821) | 1,353,564 |
| Vehicles | 7,328,766 | 1,108,291 | (856,231) | 7,580,826 |
| Infrastructure | | | | |
| Roads | 99,770,285 | 1,403,094 | (97,537) | 101,075,842 |
| Water Mains | 30,593,113 | 666,788 | (73,437) | 31,186,464 |
| Storm Sewers | 24,277,605 | 150,000 | 0 | 24,427,605 |
| Culverts | 3,278,631 | 0 | 0 | 3,278,631 |
| Traffic Signals | 3,187,271 | 150,000 | 0 | 3,337,271 |
| Bridges | 1,980,831 | 0 | 0 | 1,980,831 |
| <i>Total Depreciable Capital Assets</i> | <u>224,424,491</u> | <u>4,323,372</u> | <u>(1,326,574)</u> | <u>227,421,289</u> |
| <i>Less Accumulated Depreciation:</i> | | | | |
| Buildings | (6,611,331) | (844,448) | 0 | (7,455,779) |
| Improvements | (2,700,277) | (231,125) | 637 | (2,930,765) |
| Machinery and Equipment | (4,050,763) | (606,045) | 258,580 | (4,398,228) |
| Furniture and Fixtures | (517,118) | (122,654) | 3,384 | (636,388) |
| Vehicles | (4,874,172) | (575,587) | 780,982 | (4,668,777) |
| Infrastructure | | | | |
| Roads | (62,843,272) | (3,082,559) | 97,537 | (65,828,294) |
| Water Mains | (13,317,439) | (525,156) | 71,260 | (13,771,335) |
| Storm Sewers | (11,008,380) | (479,752) | 0 | (11,488,132) |
| Culverts | (2,332,449) | (95,320) | 0 | (2,427,769) |
| Traffic Signals | (509,628) | (81,950) | 0 | (591,578) |
| Bridges | (750,942) | (34,933) | 0 | (785,875) |
| <i>Total Accumulated Depreciation</i> | <u>(109,515,771)</u> | <u>(6,679,529) *</u> | <u>1,212,380</u> | <u>(114,982,920)</u> |
| <i>Total Depreciable Capital Assets, Net</i> | <u>114,908,720</u> | <u>(2,356,157)</u> | <u>(114,194)</u> | <u>112,438,369</u> |
| <i>Total Governmental Capital Assets, Net</i> | <u>\$131,497,121</u> | <u>\$8,888,580</u> | <u>(\$7,972,068)</u> | <u>\$132,413,633</u> |

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

| | Balance 12/31/2007 | Additions | Deletions | Balance 12/31/2008 |
|---|-----------------------|----------------------|-----------------|-----------------------|
| Business-Type Activities | | | | |
| <i>Nondepreciable Capital Assets</i> | | | | |
| Land | \$1,499,176 | \$0 | \$0 | \$1,499,176 |
| Construction in Progress | 787,047 | 643,878 | 0 | 1,430,925 |
| <i>Total Nondepreciable Capital Assets</i> | <u>2,286,223</u> | <u>643,878</u> | <u>0</u> | <u>2,930,101</u> |
| <i>Depreciable Capital Assets</i> | | | | |
| Land Improvements | 236,175 | 7,320 | 0 | 243,495 |
| Buildings | 1,758,202 | 0 | 0 | 1,758,202 |
| Machinery and Equipment | 369,278 | 24,130 | (8,124) | 385,284 |
| Furniture and Fixtures | 26,508 | 0 | 0 | 26,508 |
| Vehicles | 707,634 | 32,225 | (21,602) | 718,257 |
| Infrastructure | | | | |
| Sewer Lines | 49,899,351 | 0 | 0 | 49,899,351 |
| <i>Total Depreciable Capital Assets</i> | <u>52,997,148</u> | <u>63,675</u> | <u>(29,726)</u> | <u>53,031,097</u> |
| <i>Less Accumulated Depreciation:</i> | | | | |
| Land Improvements | (150,959) | (8,992) | 0 | (159,951) |
| Buildings | (291,393) | (34,912) | 0 | (326,305) |
| Machinery and Equipment | (320,200) | (20,208) | 8,124 | (332,284) |
| Furniture and Fixtures | (14,879) | (2,651) | 0 | (17,530) |
| Vehicles | (594,077) | (95,420) | 21,602 | (667,895) |
| Infrastructure | | | | |
| Sewer Lines | (21,698,474) | (997,987) | 0 | (22,696,461) |
| <i>Total Accumulated Depreciation</i> | <u>(23,069,982)</u> | <u>(1,160,170) *</u> | <u>29,726</u> | <u>(24,200,426)</u> |
| <i>Total Depreciable Capital Assets, Net</i> | <u>29,927,166</u> | <u>(1,096,495)</u> | <u>0</u> | <u>28,830,671</u> |
| <i>Total Business-Type Activities Capital Assets, Net</i> | <u>\$32,213,389</u> | <u>(\$452,617)</u> | <u>\$0</u> | <u>\$31,760,772</u> |

* Depreciation expense was charged to governmental functions as follows:

| | |
|----------------------------------|--------------------|
| General Government | \$392,898 |
| Security of Persons and Property | 562,502 |
| Public Health Services | 99,393 |
| Transportation | 3,782,632 |
| Community Environment | 8,247 |
| Basic Utility Services | 1,135,161 |
| Leisure Time Activities | 698,696 |
| Total | <u>\$6,679,529</u> |

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Note 10 – Risk Management

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

| Type of Coverage | Coverage | Deductible |
|--|---------------------|------------|
| Argonaut Insurance Company | | |
| Blanket Property and Contents, Replacement | \$67,688,002 | \$1,000 |
| Inland Marine | 6,659,623 | 500 |
| General Liability | 1,000,000/2,000,000 | 0 |
| Automobile Liability | 1,000,000 | 500/1,000 |
| Public Officials Liability | 1,000,000/2,000,000 | 25,000 |
| Police Professional Liability | 1,000,000/2,000,000 | 10,000 |
| Employment Practice Liability | 1,000,000/2,000,000 | 25,000 |
| Computer - Hardware | 2,272,749 | 1,000 |
| Computer - Software | 1,000,000 | 1,000 |
| Public Employee Dishonesty | 100,000 | 500 |
| Money and Securities | 25,000 | 500 |
| American Alternative Insurance | | |
| Umbrella Excess Liability | 10,000,000 | 0 |

Settled claims have not exceeded this commercial coverage in any of the past three years and there was no significant reduction in coverage from the prior year.

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

The program provides four medical plans with different deductible options for single and family coverage, a dental plan with a \$25 deductible and a \$1,500 limit per person per year, a \$10 co-pay on generic, a \$20 co-pay on formulary and a variable co-pay on name brand non-formulary, and a vision plan providing \$50 every 2 years for exams and up to \$150 for prescription lenses.

A third party administrator reviews and processes the claims which the City then pays. The City purchased stop loss coverage of \$80,000 per individual and \$2,158,892 aggregate per year. For each employee, the City paid monthly into the Self Insurance internal service fund \$450 for single and \$1,000 for family coverage. These rates are paid by the fund from which the employees' salary is paid.

The claims liability of \$292,867 as estimated by the third party administrator and reported in the Self Insurance internal service fund at December 31, 2008, is based on the requirements of GASB Statement No. 30 which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Changes in the fund claims liability amount in 2007 and 2008 were as follows:

| | Balance at Beginning of Year | Current Year Claims | Claim Payments | Balance at End of Year |
|------|---------------------------------|------------------------|-------------------|---------------------------|
| 2007 | \$256,034 | \$1,977,893 | \$1,895,013 | \$338,914 |
| 2008 | 338,914 | 2,190,430 | 2,236,477 | 292,867 |

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

Note 11 – Construction and Other Significant Commitments

At December 31, 2008, the City's significant contractual commitments consisted of:

| Project | Contract Amount | Amount Paid | Remaining on Contract |
|-----------------------------|--------------------|--------------------|--------------------------|
| Hilliard Road Widening | \$2,120,575 | \$1,776,527 | \$344,048 |
| Milmar and Dover Water Main | 1,581,330 | 1,295,427 | 285,903 |
| Horseshoe Water Main | 2,035,711 | 1,665,332 | 370,379 |
| Chaucer Sanitary | 1,293,308 | 1,041,023 | 252,285 |
| Total | <u>\$7,030,924</u> | <u>\$5,778,309</u> | <u>\$1,252,615</u> |

Note 12 – Defined Benefit Pension Plan

A. Ohio Public Employees Retirement System

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

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions. For the year ended December 31, 2008, the members in State and local classifications contributed 10.0 percent of covered payroll and public safety and law enforcement members contributed 10.1 percent.

The City's contribution rate for 2008 was 14.0 percent, except for those plan members in law enforcement or public safety, for whom the City's contribution was 17.40 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

The City's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2008, 2007, and 2006 were \$693,295, \$688,622, and \$803,035 respectively; 95 percent has been contributed for 2008 and 100 percent for 2007 and 2006. Contributions to the member-directed plan for 2008 were \$16,898 made by the City and \$12,070 made by the plan members.

B. Ohio Police and Fire Pension Fund

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

Funding Policy - Plan members are required to contribute 10.0 percent of their annual covered salary to fund pension obligations. The City contribution was 19.5 percent for police officers and 24.0 percent for firefighters. Contribution rates are established by State statute. For 2008, a portion of the City's contributions equal to 6.75 percent of covered payroll was allocated to fund the post-employment health care plan. The City's contributions to OP&F for police and firefighters were \$496,099 and \$534,753 for the year ended December 31, 2008, \$436,020 and \$487,225 for the year ended December 31, 2007, and \$391,518 and \$461,465 for the year ended December 31, 2006. 95 percent has been contributed for police and 96 percent for firefighters has been contributed for 2008. The full amount has been contributed for 2007 and 2006.

Note 13 - Postemployment Benefits

A. Ohio Public Employees Retirement System

Plan Description – OPERS maintains a cost-sharing multiple-employer defined benefit post-employment health care plan for qualifying members of both the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including post-employment health care. The plan includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement.

To qualify for post-employment health care coverage, age and service retirees under the traditional and combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not require, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained 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 post-employment health care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). State statute requires that public employers fund post-employment health care through contributions to OPERS. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of post-retirement health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2008, state and local government employers contributed at a rate of 14.0 percent of covered payroll (17.4 percent for public safety and law enforcement). Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding post-employment health care benefits. For 2008, the amount of the employer contributions which was allocated to fund post-employment health care was 7.0 percent of covered payroll.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits by the retirees or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2008, 2007, and 2006 were \$710,193, \$463,325, and \$400,511 respectively; 95 percent has been contributed for 2008 and 100 percent for 2007 and 2006.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

B. Ohio Police and Fire Pension Fund

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

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

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

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

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Funding Policy – OP&F’s post-employment health care plan was established and is administered as an Internal Revenue Code 401(h) account within the defined benefit plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees. The Ohio Revised Code sets the contribution rates for participating employers and for plan members to the OP&F. 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 employers, respectively.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made to the pension plan to the 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2008, the employer contribution allocated to the health care plan was 6.75 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees’ primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Section 401(h).

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

The City’s contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$262,641 and \$209,251 for the year ended December 31, 2008, \$230,834 and \$190,653 for the year ended December 31, 2007, and \$258,235 and \$220,083 for the year ended December 31, 2006. The full amount has been contributed for 2007 and 2006. 95 percent has been contributed for police and 96 percent has been contributed for firefighters for 2008.

Note 14 – Compensated Absences

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

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

Note 15 – Contingent Liabilities

A. Litigation

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

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

B. Federal and State Grants

The City receives financial assistance from federal and state agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and is 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 effect on the overall financial position of the City at December 31, 2008

Note 16 – Long-term Obligations

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

| | Original Issue Date | Maturity Date | Interest Rate | Original Issue Amount |
|---|------------------------|------------------|------------------|--------------------------|
| General Obligation Bonds | | | | |
| Issue 11 Sewers Refunding Bonds | 2004 | 2013 | 1.25-2.00 % | \$1,390,000 |
| Issue 11 D.W.A.K. Refunding Bonds | 2004 | 2008 | 1.25-2.00 | 650,000 |
| Street Improvements Refunding Bonds Recreation Center | 2004 | 2014 | 1.25-3.40 | 1,020,000 |
| Recreation Center | 1997 | 2020 | 3.85-6.90 | 12,600,000 |
| Recreational Facilities Refunding Bonds | 2008 | 2020 | 3.00-3.88 | 9,990,000 |
| Safety Facility Refunding Capital Appreciation Bonds | 1997 | 2010 | 3.85-10.90 | 354,900 |
| Safety Facility Advance Refunding Bonds | 1997 | 2008 | 3.85-6.40 | 1,105,000 |
| Safety Facility Advance Refunding Capital Appreciation Bonds | 1997 | 2008 | 3.85-10.90 | 193,297 |
| Special Assessment Bonds | | | | |
| Street Improvement Bonds | 2005 | 2025 | 3.00-5.25 | 4,620,000 |
| Marview Waterline | 1997 | 2010 | 3.85-6.40 | 88,000 |
| Various Purpose Improvements | 1999 | 2009 | 3.30-4.15 | 285,000 |
| Various Purpose Improvements | 2001 | 2021 | 2.65-5.00 | 765,000 |
| Issue 11 Sewers Refunding Bonds | 2004 | 2013 | 1.25-3.30 | 345,000 |
| Issue 11 D.W.A.K. Refunding Bonds | 2004 | 2008 | 1.25-2.00 | 115,000 |
| Sewer System Phase III Refunding Bonds | 2004 | 2014 | 1.25-3.40 | 225,000 |
| OPWC Loans | | | | |
| Issue 11 | 1994 | 2014 | 0 | 411,308 |
| Issue 2 | 2003 | 2025 | 0 | 806,235 |

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Changes in long-term obligations during the year ended December 31, 2008, consisted of the following:

| | Balance 12/31/2007 | Increase | Decrease | Balance 12/31/2008 | Amounts Due in One Year |
|--|-----------------------|------------------|-------------------|-----------------------|----------------------------|
| Governmental Activities | | | | | |
| General Obligation Bonds | | | | | |
| Issue 11 Sewers Refunding Bonds | \$890,000 | \$0 | \$140,000 | \$750,000 | \$140,000 |
| Unamortized Premium | 3,268 | 0 | 1,506 | 1,762 | 0 |
| Deferred Amount on Refunding | (36,070) | 0 | (16,619) | (19,451) | 0 |
| Total Issue 11 Sewers Refunding Bonds | 857,198 | 0 | 124,887 | 732,311 | 140,000 |
| Issue 11 D.W.A.K. Refunding Bonds | 140,000 | 0 | 140,000 | 0 | 0 |
| Unamortized Premium | 521 | 0 | 521 | 0 | 0 |
| Deferred Amount on Refunding | (5,748) | 0 | (5,748) | 0 | 0 |
| Total Issue 11 D.W.A.K. Refunding Bonds | 134,773 | 0 | 134,773 | 0 | 0 |
| Street Improvements Refunding Bonds | 575,000 | 0 | 75,000 | 500,000 | 80,000 |
| Unamortized Premium | 2,360 | 0 | 1,185 | 1,175 | 0 |
| Deferred Amount on Refunding | (26,045) | 0 | (13,077) | (12,968) | 0 |
| Total Street Improvements Refunding Bonds | 551,315 | 0 | 63,108 | 488,207 | 80,000 |
| Recreation Center | 10,685,000 | 0 | 9,910,000 | 775,000 | 495,000 |
| Recreational Facilities Refunding Bonds | 0 | 9,990,000 | 0 | 9,990,000 | 105,000 |
| Unamortized Premium | 0 | 4,776 | 0 | 4,776 | 0 |
| Deferred Amount on Refunding | 0 | (314,657) | 0 | (314,657) | 0 |
| Total Recreational Facilities Refunding Bonds | 0 | 9,680,119 | 0 | 9,680,119 | 105,000 |
| Safety Facility Refunding | | | | | |
| Capital Appreciation Bonds | 276,108 | 0 | 70,858 | 205,250 | 105,982 |
| Accretion on Capital Appreciation Bonds | 351,744 | 49,928 | 169,142 | 232,530 | 134,018 |
| Total Safety Facility Refunding | 627,852 | 49,928 | 240,000 | 437,780 | 240,000 |
| Safety Facility Advance Refunding Bonds | 135,000 | 0 | 135,000 | 0 | 0 |
| Safety Facility Advance Refunding on | | | | | |
| Capital Appreciation Bonds | 91,524 | 0 | 91,524 | 0 | 0 |
| Accretion on Capital Appreciation Bonds | 189,793 | 28,683 | 218,476 | 0 | 0 |
| Total Safety Facility Advance Refunding Bonds | 416,317 | 28,683 | 445,000 | 0 | 0 |
| Total General Obligation Bonds | 13,272,455 | 9,758,730 | 10,917,768 | 12,113,417 | 1,060,000 |
| Special Assessment Bonds | | | | | |
| (with governmental commitment) | | | | | |
| Street Improvement Bonds | 4,330,000 | 0 | 170,000 | 4,160,000 | 175,000 |
| Unamortized Premium | 295,830 | 0 | 11,889 | 283,941 | 0 |
| Deferred Amount on Refunding | (11,480) | 0 | (3,462) | (8,018) | 0 |
| Total Street Improvement Bonds | 4,614,350 | 0 | 178,427 | 4,435,923 | 175,000 |
| Marview Waterline | 30,000 | 0 | 30,000 | 0 | 0 |
| Various Purpose Improvements | 65,000 | 0 | 30,000 | 35,000 | 35,000 |
| Various Purpose Improvements | 600,000 | 0 | 30,000 | 570,000 | 35,000 |
| Issue 11 Sewers Refunding Bonds | 215,000 | 0 | 35,000 | 180,000 | 35,000 |
| Issue 11 D.W.A.K. Refunding Bonds | 25,000 | 0 | 25,000 | 0 | 0 |
| Sewer System Phase III Refunding Bonds | 150,000 | 0 | 20,000 | 130,000 | 20,000 |
| Total Special Assessment Bonds | 5,699,350 | 0 | 348,427 | 5,350,923 | 300,000 |

(continued)

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

| | Balance 12/31/2007 | Increase | Decrease | Balance 12/31/2008 | Amounts Due in One Year |
|---|-----------------------|---------------------|---------------------|-----------------------|----------------------------|
| OPWC Loans | | | | | |
| Issue 11 | \$122,694 | \$0 | \$20,449 | \$102,245 | \$20,449 |
| Issue 2 | 685,299 | 0 | 40,311 | 644,988 | 40,311 |
| <i>Total OPWC Loans</i> | <u>807,993</u> | <u>0</u> | <u>60,760</u> | <u>747,233</u> | <u>60,760</u> |
| Other Long-Term Obligations | | | | | |
| Compensated Absences Payable | 4,324,362 | 2,125,033 | 1,476,874 | 4,972,521 | 310,000 |
| Landfill Postclosure Costs | 596,320 | 0 | 43,663 | 552,657 | 26,012 |
| <i>Total Other Long-Term Obligations</i> | <u>4,920,682</u> | <u>2,125,033</u> | <u>1,520,537</u> | <u>5,525,178</u> | <u>336,012</u> |
| <i>Total Governmental Long-Term Liabilities</i> | <u>\$24,700,480</u> | <u>\$11,883,763</u> | <u>\$12,847,492</u> | <u>\$23,736,751</u> | <u>\$1,756,772</u> |

General obligation bonds General obligation bonds are direct obligations of the City for which its full faith and credit are pledged for repayment. General obligation bonds are to be repaid from both voted and unvoted general property taxes levied on all taxable property located within the City as well as municipal income taxes. Tax monies will be received in and the debt will be retired from the General Obligation Bond Retirement and issue 11 Bond Retirement debt service funds.

The 1997 safety facility refunding and advance refunding bonds include serial bonds and capital appreciation bonds. This year the addition on these bonds was \$78,611 which represents the annual accretion of discounted interest. The final amount of these bonds will be \$480,000, with a maturity date of December 2010.

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

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

Proceeds were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded 1993 and 1994 water and sewer construction bonds. As a result, \$6,540,000 of these bonds were considered defeased and the liability for the refunded bonds has been removed from the City's financial statements. The amount still outstanding at December 31, 2008 is \$1,740,000.

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

On September 3, 2008, the City issued general obligation bonds, in the amount of \$9,990,000, to partially refund bonds previously issued in fiscal year 1997 for the Recreation Center and Marview Waterline. The bonds were issued with interest rates varying from 3 percent to 3.88 percent. The bonds were issued for a twelve year period with final maturity during fiscal year 2020. The bonds will be retired through the General Obligation Bond Retirement debt service fund.

| | 1997 Recreation Center | 1997 Marview Waterline |
|--|---------------------------|---------------------------|
| Outstanding at December 31, 2007 | \$10,685,000 | \$30,000 |
| Amount Refunded | (9,480,000) | (20,000) |
| Principal Payment on Non-Refunded Portion | (430,000) | (10,000) |
| Outstanding at December 31, 2007 | \$775,000 | \$0 |

Proceeds were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded 1997 Recreation Center bonds. As a result, \$9,500,000 of these bonds were considered defeased and the liability for the refunded bonds has been removed from the City's financial statements. The amount still outstanding at December 31, 2008 is \$9,070,000.

Although the refunding will result in the recognition of an accounting loss of \$314,657, the City in effect decreased its aggregated debt service payments by \$998,376 over the next twelve years and obtained an economic gain (difference between the present values of the old and new debt service payments) of \$788,943.

Other long-term obligations Compensated absences will be paid from the reserve for compensated absences special revenue fund, in accordance with section 5705.13(B), Ohio Revised Code. The Issue 2 and Issue 11 loan liabilities are payable semiannually from the General Obligation Bond Retirement debt service fund and the Issue 2 Improvements capital projects fund. The loans are interest free.

The City's overall legal debt margin was \$136,683,185 at December 31, 2008. Principal and interest requirements to retire the long-term obligations outstanding at December 31, 2008, are as follows:

| General Obligation Bonds | | | | |
|--------------------------|--------------|-------------|----------------------------|-----------|
| Year | Serial Bonds | | Capital Appreciation Bonds | |
| | Principal | Interest | Principal | Interest |
| 2009 | \$820,000 | \$418,767 | \$105,982 | \$134,018 |
| 2010 | 880,000 | 384,570 | 99,268 | 140,732 |
| 2011 | 975,000 | 352,490 | 0 | 0 |
| 2012 | 1,030,000 | 323,480 | 0 | 0 |
| 2013 | 1,085,000 | 292,335 | 0 | 0 |
| 2014-2018 | 4,965,000 | 967,931 | 0 | 0 |
| 2019-2020 | 2,260,000 | 130,950 | 0 | 0 |
| Total | \$12,015,000 | \$2,870,523 | \$205,250 | \$274,750 |

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

| Year | Special Assessment Bonds | | OPWC |
|-----------|--------------------------|--------------------|------------------|
| | Principal | Interest | Loans |
| 2009 | \$300,000 | \$223,148 | \$60,760 |
| 2010 | 285,000 | 213,606 | 60,761 |
| 2011 | 290,000 | 204,410 | 60,761 |
| 2012 | 290,000 | 194,655 | 60,761 |
| 2013 | 305,000 | 184,420 | 60,761 |
| 2014-2018 | 1,370,000 | 759,425 | 201,560 |
| 2019-2023 | 1,560,000 | 417,262 | 201,558 |
| 2024-2025 | 675,000 | 53,550 | 40,311 |
| Total | <u>\$5,075,000</u> | <u>\$2,250,476</u> | <u>\$747,233</u> |

Note 17 – Industrial Development Revenue Bonds

The City has issued two series of industrial development revenue bonds in the aggregate outstanding principal amount of \$25,750,000 at December 31, 2008 for facilities used by private corporations or other entities. The City is not obligated in any way to pay debt related charges on the bonds from any of its funds, and therefore, they have been excluded entirely from the City’s debt presentation. There has not been and there is not currently any condition of default under the bonds or the related financing documents.

Note 18 – Landfill Closure and Postclosure Care Cost

State and Federal laws and regulations require the City to perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. The City’s landfill placed its final cover in 1989. The \$552,657 reported as landfill postclosure costs in the long-term liabilities due in more than one year line of the governmental activities column of the statement of net assets at December 31, 2008, represents the estimated cost of maintenance and monitoring through 2023. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The City is required by State and Federal laws and regulations to provide assurances that financial resources will be available to provide for postclosure care and remediation or containment of environmental hazards at the landfill. Financial assurance may take the form of a financial test and corporate guarantee. The financial test was performed on the 2008 audited financial statements and the City was in compliance.

Note 19 – Joint Venture – Rocky River Wastewater Treatment Plant

The Rocky River Wastewater Treatment Plant (the “Plant”) is a joint venture among the cities of Fairview Park, Bay Village, Rocky River and Westlake. The plant is governed by a Management Committee consisting of the elected mayors of the four member cities and a fifth person nominated and elected by the mayors. The Management Committee has authority over all aspects of the Plant’s operation, however, all employees are employees of the City of Rocky River. The Plant supplies all participating residents of the member cities with sewer services. Each city owns the sewage lines located in its city and bills its residents for usage.

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

Continued existence of the Plant is dependent on the City's continued participation, and the City has an equity interest in the Plant. The City's equity interest is \$9,629,902 which represents 39.35 percent of the total equity in the Plant. The Plant is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit to or burden on the City. Complete financial statements can be obtained from the City of Rocky River, 21012 Hilliard Boulevard, Rocky River, Ohio 44116.

Note 20 – Jointly Governed Organizations

A. West Shore Council of Governments

The West Shore Council of Governments helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions and regional development. The board is comprised of one member from each of the six participating entities. The board exercises total control over the operation of the Council including budgeting, appropriating, contracting and designating management. Budgets are adopted by the board. Each City's degree of control is limited to its representation on the board. In 2008, the City contributed \$75,416 which represented 18.78 percent of total contributions. Complete financial information statements can be obtained from the City of Bay Village, 350 Dover Center Road, Bay Village, Ohio 44140.

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

B. Tri-City Park

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

Budgets are adopted by the Board. Each City's degree of control is limited to its representation on the Board. The City of Westlake did not make any contributions to Tri-City Park in 2008.

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

The S.A.F.E. Council of Governments was formed between municipalities to oppose changes to Cleveland Hopkins International Airport air traffic pattern. The Cities of Rocky River, Bay Village, Fairview Park and Westlake govern by a board consisting of the elected mayors. The board exercises total control over the operation of the Council including budgeting, appropriating, contracting, and designating management.

Budgets are adopted by the board. Each City's degree of control is limited to its representation on the board. The City of Westlake did not make any contributions to the S.A.F.E. in 2008.

City of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2008

D. West Shore Area Rescue Association

The West Shore Area Rescue Association (Weshare) helps foster cooperation between municipalities and hospitals to provide optimum emergency medical services. The Board is comprised of one member from each of the nine participating entities. The Board exercises total control over the operation of Weshare including budgeting, appropriating, contracting, and designating management.

Budgets are adopted by the Board. Each City's degree of control is limited to its representation on the Board. In 2008, the City contributed \$300 which represented 10 percent of total contributions.

Combining Statements and Individual Fund Schedules

Fund Descriptions - Nonmajor Funds

Nonmajor Special Revenue Funds

To account for revenues from specific sources (other than amounts relating to major capital projects) which legally, or otherwise, are restricted to expenditures for specific purposes.

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

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

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

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

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

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

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

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

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

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

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

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

Swimming Pool Operation Fund - To account for membership fee monies used for the operation of the public swimming pool.

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

Central Dispatch Fund - To account for monies received for police and fire dispatching services.

Emergency Medical Service Fund - To account for monies received for emergency medical services billing to be used for equipment and training within the fire department.

(continued)

Fund Descriptions - Nonmajor Funds (continued)

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

Cemetery Investment Fund - To account for proceeds from the sale of cemetery lots used for inscriptions on the columbarium.

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

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

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

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

Nonmajor Debt Service Funds

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

Issue 11 Bond Retirement Fund - To account for resources from a 3/8 percent increase in the income tax levy to be used for the retirement of debt issued to finance capital projects within the City. During 2008, the fund had a small cash balance and no budgetary activity. Therefore, budgetary information is not provided for this fund.

Nonmajor Capital Projects Funds

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

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

Crocker Road Improvements Fund - To account for note proceeds to be used for the Crocker Road improvement project.

Issue 2 Improvements Fund - To account for the contractor's costs and reimbursements on the Issue 2 infrastructure project.

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

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

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

Service Center Construction Fund - To account for monies to be used to construct a new service center.

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

City of Westlake, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2008

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Funds | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|---|---|--------------------------------------|--|--|
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$7,789,207 | \$1,543,902 | \$12,359,794 | \$21,692,903 |
| Cash and Cash Equivalents: | | | | |
| with Fiscal Agents | 0 | 35,000 | 0 | 35,000 |
| with Escrow Agents | 0 | 0 | 169,479 | 169,479 |
| Accrued Interest Receivable | 27,143 | 0 | 285,938 | 313,081 |
| Accounts Receivable | 212,250 | 0 | 0 | 212,250 |
| Intergovernmental Receivable | 968,854 | 53,481 | 200,523 | 1,222,858 |
| Prepaid Items | 910 | 0 | 0 | 910 |
| Municipal Income Taxes Receivable | 0 | 220,603 | 69,110 | 289,713 |
| Permissive Motor Vehicle Taxes Receivable | 53,918 | 0 | 0 | 53,918 |
| Property Taxes Receivable | 1,912,983 | 155,576 | 0 | 2,068,559 |
| <i>Total Assets</i> | <u>\$10,965,265</u> | <u>\$2,008,562</u> | <u>\$13,084,844</u> | <u>\$26,058,671</u> |
| Liabilities and Fund Balances | | | | |
| Liabilities | | | | |
| Accounts Payable | \$18,869 | \$0 | \$1,633 | \$20,502 |
| Contracts Payable | 21,743 | 0 | 106,503 | 128,246 |
| Accrued Wages | 90,883 | 0 | 4,909 | 95,792 |
| Retainage Payable | 0 | 0 | 169,479 | 169,479 |
| Interfund Payable | 0 | 0 | 340,000 | 340,000 |
| Intergovernmental Payable | 16,357 | 0 | 738 | 17,095 |
| Deferred Revenue | 2,541,570 | 262,960 | 29,965 | 2,834,495 |
| Advances From Other Funds | 0 | 0 | 1,500,000 | 1,500,000 |
| <i>Total Liabilities</i> | <u>2,689,422</u> | <u>262,960</u> | <u>2,153,227</u> | <u>5,105,609</u> |
| Fund Balances | | | | |
| Reserved for Encumbrances | 103,096 | 0 | 847,609 | 950,705 |
| Unreserved: | | | | |
| Designated for Termination Benefits | 1,705,038 | 0 | 0 | 1,705,038 |
| Undesignated, Reported in: | | | | |
| Special Revenue Funds | 6,467,709 | 0 | 0 | 6,467,709 |
| Debt Service Funds | 0 | 1,745,602 | 0 | 1,745,602 |
| Capital Projects Funds | 0 | 0 | 10,084,008 | 10,084,008 |
| <i>Total Fund Balances</i> | <u>8,275,843</u> | <u>1,745,602</u> | <u>10,931,617</u> | <u>20,953,062</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$10,965,265</u> | <u>\$2,008,562</u> | <u>\$13,084,844</u> | <u>\$26,058,671</u> |

City of Westlake, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2008

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Funds | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|--|---|--------------------------------------|--|--|
| Revenues | | | | |
| Property Taxes | \$1,886,519 | \$880,375 | \$0 | \$2,766,894 |
| Municipal Income Taxes | 0 | 1,000,000 | 306,949 | 1,306,949 |
| Permissive Motor Vehicle Taxes | 242,258 | 0 | 0 | 242,258 |
| Charges for Services | 1,870,245 | 0 | 0 | 1,870,245 |
| Licenses, Permits and Fees | 0 | 0 | 74,365 | 74,365 |
| Fines and Forfeitures | 52,238 | 0 | 0 | 52,238 |
| Intergovernmental | 1,840,916 | 134,892 | 871,731 | 2,847,539 |
| Interest | 143,914 | 0 | 729,752 | 873,666 |
| Donations | 62,864 | 0 | 0 | 62,864 |
| Miscellaneous | 38,852 | 0 | 22,297 | 61,149 |
| <i>Total Revenues</i> | <u>6,137,806</u> | <u>2,015,267</u> | <u>2,005,094</u> | <u>10,158,167</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government | 46,332 | 0 | 0 | 46,332 |
| Security of Persons and Property | 4,147,187 | 0 | 0 | 4,147,187 |
| Public Health Services | 262,786 | 0 | 0 | 262,786 |
| Transportation | 1,700,887 | 0 | 0 | 1,700,887 |
| Community Environment | 43,494 | 0 | 0 | 43,494 |
| Basic Utility Services | 90,179 | 0 | 0 | 90,179 |
| Leisure Time Activities | 214,778 | 0 | 0 | 214,778 |
| Capital Outlay | 0 | 0 | 2,473,148 | 2,473,148 |
| Debt Service: | | | | |
| Principal Retirement | 0 | 1,082,382 | 60,760 | 1,143,142 |
| Interest and Fiscal Charges | 0 | 464,811 | 0 | 464,811 |
| Capital Appreciation Bonds Interest | 0 | 387,618 | 0 | 387,618 |
| Bond Issuance Costs | 0 | 178,495 | 0 | 178,495 |
| <i>Total Expenditures</i> | <u>6,505,643</u> | <u>2,113,306</u> | <u>2,533,908</u> | <u>11,152,857</u> |
| <i>Excess of Revenues Under Expenditures</i> | <u>(367,837)</u> | <u>(98,039)</u> | <u>(528,814)</u> | <u>(994,690)</u> |
| Other Financing Sources (Uses) | | | | |
| General Obligation Refunding Bonds Issued | 0 | 9,990,000 | 0 | 9,990,000 |
| General Obligation Refunding Bonds Premium | 0 | 4,776 | 0 | 4,776 |
| Payments to Refunded Bond Escrow Agent | 0 | (9,814,657) | 0 | (9,814,657) |
| Transfers In | 1,100,000 | 0 | 866,471 | 1,966,471 |
| Transfers Out | (600,000) | 0 | 0 | (600,000) |
| <i>Total Other Financing Sources (Uses)</i> | <u>500,000</u> | <u>180,119</u> | <u>866,471</u> | <u>1,546,590</u> |
| <i>Net Change in Fund Balances</i> | 132,163 | 82,080 | 337,657 | 551,900 |
| <i>Fund Balances Beginning of Year</i> | <u>8,143,680</u> | <u>1,663,522</u> | <u>10,593,960</u> | <u>20,401,162</u> |
| <i>Fund Balances End of Year</i> | <u><u>\$8,275,843</u></u> | <u><u>\$1,745,602</u></u> | <u><u>\$10,931,617</u></u> | <u><u>\$20,953,062</u></u> |

City of Westlake, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2008

| | Street Maintenance | State Highway | Permissive Motor Vehicle License | Police Pension | Fire Pension |
|---|-----------------------|------------------|---|-------------------|------------------|
| Assets | | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$856,429 | \$271,851 | \$950,587 | \$415,377 | \$325,209 |
| Accrued Interest Receivable | 0 | 366 | 0 | 0 | 0 |
| Accounts Receivable | 0 | 0 | 0 | 0 | 0 |
| Intergovernmental Receivable | 663,806 | 53,661 | 0 | 23,632 | 23,632 |
| Prepaid Items | 0 | 0 | 0 | 0 | 0 |
| Permissive Motor Vehicle Taxes Receivable | 0 | 0 | 53,918 | 0 | 0 |
| Property Taxes Receivable | 0 | 0 | 0 | 382,597 | 382,597 |
| <i>Total Assets</i> | <u>\$1,520,235</u> | <u>\$325,878</u> | <u>\$1,004,505</u> | <u>\$821,606</u> | <u>\$731,438</u> |
| Liabilities and Fund Balances | | | | | |
| Liabilities | | | | | |
| Accounts Payable | \$778 | \$0 | \$0 | \$0 | \$0 |
| Contracts Payable | 19,470 | 2,273 | 0 | 0 | 0 |
| Accrued Wages | 0 | 235 | 0 | 0 | 0 |
| Intergovernmental Payable | 1,266 | 35 | 0 | 0 | 0 |
| Deferred Revenue | 399,136 | 32,363 | 0 | 406,229 | 406,229 |
| <i>Total Liabilities</i> | <u>420,650</u> | <u>34,906</u> | <u>0</u> | <u>406,229</u> | <u>406,229</u> |
| Fund Balances | | | | | |
| Reserved for Encumbrances | 68,551 | 2,819 | 0 | 0 | 0 |
| Unreserved: | | | | | |
| Designated for Termination Benefits | 0 | 0 | 0 | 0 | 0 |
| Unreserved, Undesignated | 1,031,034 | 288,153 | 1,004,505 | 415,377 | 325,209 |
| <i>Total Fund Balances</i> | <u>1,099,585</u> | <u>290,972</u> | <u>1,004,505</u> | <u>415,377</u> | <u>325,209</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$1,520,235</u> | <u>\$325,878</u> | <u>\$1,004,505</u> | <u>\$821,606</u> | <u>\$731,438</u> |

| Police and Fire Operating | Law Enforcement | Mandatory Drug Fines | Alcohol Education | Juvenile Diversion | Federal Equitable | Swimming Pool Operation |
|------------------------------|--------------------|-------------------------|----------------------|-----------------------|----------------------|-------------------------------|
| \$768,208 | \$308,943 | \$15,432 | \$60,090 | \$3,535 | \$235,951 | \$52,662 |
| 0 | 0 | 0 | 0 | 0 | 14,409 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 70,897 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 910 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1,147,789 | 0 | 0 | 0 | 0 | 0 | 0 |
| <u>\$1,986,894</u> | <u>\$309,853</u> | <u>\$15,432</u> | <u>\$60,090</u> | <u>\$3,535</u> | <u>\$250,360</u> | <u>\$52,662</u> |
| \$0 | \$0 | \$0 | \$5,989 | \$0 | \$0 | \$32 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 62,705 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9,684 | 0 | 0 | 0 | 0 | 0 | 1,083 |
| 1,218,686 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1,291,075 | 0 | 0 | 5,989 | 0 | 0 | 1,115 |
| 0 | 0 | 0 | 2,482 | 0 | 9,405 | 202 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 695,819 | 309,853 | 15,432 | 51,619 | 3,535 | 240,955 | 51,345 |
| 695,819 | 309,853 | 15,432 | 54,101 | 3,535 | 250,360 | 51,547 |
| <u>\$1,986,894</u> | <u>\$309,853</u> | <u>\$15,432</u> | <u>\$60,090</u> | <u>\$3,535</u> | <u>\$250,360</u> | <u>\$52,662</u> |

(continued)

City of Westlake, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2008

| | Senior/ Community Service | Central Dispatch | Emergency Medical Service | Cemetery Operating | Cemetery Investment |
|---|---------------------------------|---------------------|---------------------------------|-----------------------|------------------------|
| Assets | | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$55,106 | \$138,909 | \$488,093 | \$299,068 | \$507,791 |
| Accrued Interest Receivable | 0 | 0 | 0 | 12,368 | 0 |
| Accounts Receivable | 0 | 0 | 212,250 | 0 | 0 |
| Intergovernmental Receivable | 0 | 0 | 133,226 | 0 | 0 |
| Prepaid Items | 0 | 0 | 0 | 0 | 0 |
| Permissive Motor Vehicle Taxes Receivable | 0 | 0 | 0 | 0 | 0 |
| Property Taxes Receivable | 0 | 0 | 0 | 0 | 0 |
| <i>Total Assets</i> | <u>\$55,106</u> | <u>\$138,909</u> | <u>\$833,569</u> | <u>\$311,436</u> | <u>\$507,791</u> |
| Liabilities and Fund Balances | | | | | |
| Liabilities | | | | | |
| Accounts Payable | \$1,627 | \$747 | \$4,997 | \$1,127 | \$0 |
| Contracts Payable | 0 | 0 | 0 | 0 | 0 |
| Accrued Wages | 0 | 25,804 | 0 | 2,139 | 0 |
| Intergovernmental Payable | 0 | 3,986 | 0 | 303 | 0 |
| Deferred Revenue | 0 | 0 | 78,927 | 0 | 0 |
| <i>Total Liabilities</i> | <u>1,627</u> | <u>30,537</u> | <u>83,924</u> | <u>3,569</u> | <u>0</u> |
| Fund Balances | | | | | |
| Reserved for Encumbrances | 4,168 | 451 | 11,962 | 1,905 | 0 |
| Unreserved: | | | | | |
| Designated for Termination Benefits | 0 | 0 | 0 | 0 | 0 |
| Unreserved, Undesignated | 49,311 | 107,921 | 737,683 | 305,962 | 507,791 |
| <i>Total Fund Balances</i> | <u>53,479</u> | <u>108,372</u> | <u>749,645</u> | <u>307,867</u> | <u>507,791</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$55,106</u> | <u>\$138,909</u> | <u>\$833,569</u> | <u>\$311,436</u> | <u>\$507,791</u> |

| <u>Westlake/ Bay Ecological</u> | <u>Newsletter</u> | <u>Reserve for Compensated Absences</u> | <u>City Donations</u> | <u>Total Nonmajor Special Revenue Funds</u> |
|---|-------------------|---|---------------------------|---|
| \$149,921 | \$4,172 | \$1,705,038 | \$176,835 | \$7,789,207 |
| 0 | 0 | 0 | 0 | 27,143 |
| 0 | 0 | 0 | 0 | 212,250 |
| 0 | 0 | 0 | 0 | 968,854 |
| 0 | 0 | 0 | 0 | 910 |
| 0 | 0 | 0 | 0 | 53,918 |
| 0 | 0 | 0 | 0 | 1,912,983 |
| <u>\$149,921</u> | <u>\$4,172</u> | <u>\$1,705,038</u> | <u>\$176,835</u> | <u>\$10,965,265</u> |
| \$155 | \$0 | \$0 | \$3,417 | \$18,869 |
| 0 | 0 | 0 | 0 | 21,743 |
| 0 | 0 | 0 | 0 | 90,883 |
| 0 | 0 | 0 | 0 | 16,357 |
| 0 | 0 | 0 | 0 | 2,541,570 |
| <u>155</u> | <u>0</u> | <u>0</u> | <u>3,417</u> | <u>2,689,422</u> |
| 320 | 0 | 0 | 831 | 103,096 |
| 0 | 0 | 1,705,038 | 0 | 1,705,038 |
| 149,446 | 4,172 | 0 | 172,587 | 6,467,709 |
| <u>149,766</u> | <u>4,172</u> | <u>1,705,038</u> | <u>173,418</u> | <u>8,275,843</u> |
| <u>\$149,921</u> | <u>\$4,172</u> | <u>\$1,705,038</u> | <u>\$176,835</u> | <u>\$10,965,265</u> |

City of Westlake, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2008

| | Street Maintenance | State Highway | Permissive Motor Vehicle License | Police Pension | Fire Pension |
|---|-----------------------|------------------|---|-------------------|------------------|
| Revenues | | | | | |
| Property Taxes | \$0 | \$0 | \$0 | \$377,304 | \$377,304 |
| Permissive Motor Vehicle Taxes | 0 | 0 | 242,258 | 0 | 0 |
| Charges for Services | 0 | 0 | 0 | 0 | 0 |
| Fines and Forfeitures | 0 | 0 | 0 | 0 | 0 |
| Intergovernmental | 1,435,624 | 116,240 | 0 | 57,810 | 57,810 |
| Interest | 24,911 | 32,875 | 24,194 | 0 | 0 |
| Donations | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0 | 1,050 | 0 | 0 | 0 |
| <i>Total Revenues</i> | <u>1,460,535</u> | <u>150,165</u> | <u>266,452</u> | <u>435,114</u> | <u>435,114</u> |
| Expenditures | | | | | |
| Current: | | | | | |
| General Government | 0 | 0 | 0 | 0 | 0 |
| Security of Persons and Property | 0 | 0 | 0 | 755,080 | 742,058 |
| Public Health Services | 0 | 0 | 0 | 0 | 0 |
| Transportation | 1,595,746 | 105,119 | 22 | 0 | 0 |
| Community Environment | 0 | 0 | 0 | 0 | 0 |
| Basic Utility Services | 0 | 0 | 0 | 0 | 0 |
| Leisure Time Activities | 0 | 0 | 0 | 0 | 0 |
| <i>Total Expenditures</i> | <u>1,595,746</u> | <u>105,119</u> | <u>22</u> | <u>755,080</u> | <u>742,058</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(135,211)</u> | <u>45,046</u> | <u>266,430</u> | <u>(319,966)</u> | <u>(306,944)</u> |
| Other Financing Sources (Uses) | | | | | |
| Transfers In | 0 | 0 | 0 | 375,000 | 375,000 |
| Transfers Out | 0 | (600,000) | 0 | 0 | 0 |
| <i>Total Other Financing Sources (Uses)</i> | <u>0</u> | <u>(600,000)</u> | <u>0</u> | <u>375,000</u> | <u>375,000</u> |
| <i>Net Change in Fund Balances</i> | (135,211) | (554,954) | 266,430 | 55,034 | 68,056 |
| <i>Fund Balances Beginning of Year</i> | <u>1,234,796</u> | <u>845,926</u> | <u>738,075</u> | <u>360,343</u> | <u>257,153</u> |
| <i>Fund Balances End of Year</i> | <u>\$1,099,585</u> | <u>\$290,972</u> | <u>\$1,004,505</u> | <u>\$415,377</u> | <u>\$325,209</u> |

| Police and Fire Operating | Law Enforcement | Mandatory Drug Fines | Alcohol Education | Juvenile Diversion | Federal Equitable | Swimming Pool Operation |
|------------------------------|--------------------|-------------------------|----------------------|-----------------------|----------------------|-------------------------------|
| \$1,131,911 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 203,871 |
| 0 | 27,302 | 0 | 19,536 | 5,400 | 0 | 0 |
| 173,432 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 34,097 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 32,329 | 0 | 0 | 0 | 0 | 1,567 |
| <u>1,305,343</u> | <u>59,631</u> | <u>0</u> | <u>19,536</u> | <u>5,400</u> | <u>34,097</u> | <u>205,438</u> |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1,613,048 | 48,099 | 18,174 | 7,738 | 3,455 | 80,939 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 214,778 |
| <u>1,613,048</u> | <u>48,099</u> | <u>18,174</u> | <u>7,738</u> | <u>3,455</u> | <u>80,939</u> | <u>214,778</u> |
| <u>(307,705)</u> | <u>11,532</u> | <u>(18,174)</u> | <u>11,798</u> | <u>1,945</u> | <u>(46,842)</u> | <u>(9,340)</u> |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (307,705) | 11,532 | (18,174) | 11,798 | 1,945 | (46,842) | (9,340) |
| <u>1,003,524</u> | <u>298,321</u> | <u>33,606</u> | <u>42,303</u> | <u>1,590</u> | <u>297,202</u> | <u>60,887</u> |
| <u>\$695,819</u> | <u>\$309,853</u> | <u>\$15,432</u> | <u>\$54,101</u> | <u>\$3,535</u> | <u>\$250,360</u> | <u>\$51,547</u> |

(continued)

City of Westlake, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2008

| | Senior/ Community Service | Central Dispatch | Emergency Medical Service | Cemetery Operating | Cemetery Investment |
|---|---------------------------------|---------------------|---------------------------------|-----------------------|------------------------|
| Revenues | | | | | |
| Property Taxes | \$0 | \$0 | \$0 | \$0 | \$0 |
| Permissive Motor Vehicle Taxes | 0 | 0 | 0 | 0 | 0 |
| Charges for Services | 160,339 | 593,096 | 780,392 | 22,945 | 28,385 |
| Fines and Forfeitures | 0 | 0 | 0 | 0 | 0 |
| Intergovernmental | 0 | 0 | 0 | 0 | 0 |
| Interest | 0 | 0 | 0 | 27,837 | 0 |
| Donations | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 60 | 0 | 0 | 0 | 0 |
| <i>Total Revenues</i> | <u>160,399</u> | <u>593,096</u> | <u>780,392</u> | <u>50,782</u> | <u>28,385</u> |
| Expenditures | | | | | |
| Current: | | | | | |
| General Government | 0 | 0 | 0 | 0 | 0 |
| Security of Persons and Property | 0 | 847,849 | 30,747 | 0 | 0 |
| Public Health Services | 153,949 | 0 | 0 | 105,837 | 3,000 |
| Transportation | 0 | 0 | 0 | 0 | 0 |
| Community Environment | 0 | 0 | 0 | 0 | 0 |
| Basic Utility Services | 0 | 0 | 0 | 0 | 0 |
| Leisure Time Activities | 0 | 0 | 0 | 0 | 0 |
| <i>Total Expenditures</i> | <u>153,949</u> | <u>847,849</u> | <u>30,747</u> | <u>105,837</u> | <u>3,000</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>6,450</u> | <u>(254,753)</u> | <u>749,645</u> | <u>(55,055)</u> | <u>25,385</u> |
| Other Financing Sources (Uses) | | | | | |
| Transfers In | 0 | 250,000 | 0 | 100,000 | 0 |
| Transfers Out | 0 | 0 | 0 | 0 | 0 |
| <i>Total Other Financing Sources (Uses)</i> | <u>0</u> | <u>250,000</u> | <u>0</u> | <u>100,000</u> | <u>0</u> |
| <i>Net Change in Fund Balances</i> | 6,450 | (4,753) | 749,645 | 44,945 | 25,385 |
| <i>Fund Balances Beginning of Year</i> | <u>47,029</u> | <u>113,125</u> | <u>0</u> | <u>262,922</u> | <u>482,406</u> |
| <i>Fund Balances End of Year</i> | <u>\$53,479</u> | <u>\$108,372</u> | <u>\$749,645</u> | <u>\$307,867</u> | <u>\$507,791</u> |

| Westlake/ Bay Ecological | Newsletter | Reserve for Compensated Absences | City Donations | Total Nonmajor Special Revenue Funds |
|--------------------------------|----------------|--|-------------------|---|
| \$0 | \$0 | \$0 | \$0 | \$1,886,519 |
| 0 | 0 | 0 | 0 | 242,258 |
| 81,217 | 0 | 0 | 0 | 1,870,245 |
| 0 | 0 | 0 | 0 | 52,238 |
| 0 | 0 | 0 | 0 | 1,840,916 |
| 0 | 0 | 0 | 0 | 143,914 |
| 0 | 330 | 0 | 62,534 | 62,864 |
| 3,846 | 0 | 0 | 0 | 38,852 |
| <u>85,063</u> | <u>330</u> | <u>0</u> | <u>62,534</u> | <u>6,137,806</u> |
| 0 | 0 | 46,332 | 0 | 46,332 |
| 0 | 0 | 0 | 0 | 4,147,187 |
| 0 | 0 | 0 | 0 | 262,786 |
| 0 | 0 | 0 | 0 | 1,700,887 |
| 0 | 0 | 0 | 43,494 | 43,494 |
| 90,179 | 0 | 0 | 0 | 90,179 |
| 0 | 0 | 0 | 0 | 214,778 |
| <u>90,179</u> | <u>0</u> | <u>46,332</u> | <u>43,494</u> | <u>6,505,643</u> |
| <u>(5,116)</u> | <u>330</u> | <u>(46,332)</u> | <u>19,040</u> | <u>(367,837)</u> |
| 0 | 0 | 0 | 0 | 1,100,000 |
| 0 | 0 | 0 | 0 | (600,000) |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>500,000</u> |
| (5,116) | 330 | (46,332) | 19,040 | 132,163 |
| <u>154,882</u> | <u>3,842</u> | <u>1,751,370</u> | <u>154,378</u> | <u>8,143,680</u> |
| <u>\$149,766</u> | <u>\$4,172</u> | <u>\$1,705,038</u> | <u>\$173,418</u> | <u>\$8,275,843</u> |

City of Westlake, Ohio
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2008

| | General Obligation Bond Retirement | Issue 11 Bond Retirement | Total Nonmajor Debt Service Funds |
|---|---|--------------------------------|--|
| Assets | | | |
| Equity in Pooled Cash and Cash Equivalents | \$1,543,902 | \$0 | \$1,543,902 |
| Cash and Cash Equivalents with Fiscal Agents | 0 | 35,000 | 35,000 |
| Intergovernmental Receivable | 53,481 | 0 | 53,481 |
| Municipal Income Taxes Receivable | 220,603 | 0 | 220,603 |
| Property Taxes Receivable | 155,576 | 0 | 155,576 |
| <i>Total Assets</i> | <u>\$1,973,562</u> | <u>\$35,000</u> | <u>\$2,008,562</u> |
| Liabilities and Fund Balances | | | |
| Liabilities | | | |
| Deferred Revenue | \$262,960 | \$0 | \$262,960 |
| Fund Balances | | | |
| Unreserved, Undesignated | 1,710,602 | 35,000 | 1,745,602 |
| <i>Total Liabilities and Fund Balances</i> | <u>\$1,973,562</u> | <u>\$35,000</u> | <u>\$2,008,562</u> |

City of Westlake, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended December 31, 2008

| | General Obligation Bond Retirement | Issue 11 Bond Retirement | Total Nonmajor Debt Service Funds |
|--|---|--------------------------------|--|
| Revenues | | | |
| Property Taxes | \$880,375 | \$0 | \$880,375 |
| Municipal Income Taxes | 1,000,000 | 0 | 1,000,000 |
| Intergovernmental | 134,892 | 0 | 134,892 |
| <i>Total Revenues</i> | <u>2,015,267</u> | <u>0</u> | <u>2,015,267</u> |
| Expenditures | | | |
| Debt Service: | | | |
| Principal Retirement | 1,082,382 | 0 | 1,082,382 |
| Interest and Fiscal Charges | 464,811 | 0 | 464,811 |
| Capital Appreciation Bonds Interest | 387,618 | 0 | 387,618 |
| Bond Issuance Costs | 178,495 | 0 | 178,495 |
| <i>Total Expenditures</i> | <u>2,113,306</u> | <u>0</u> | <u>2,113,306</u> |
| <i>Excess of Revenues Under Expenditures</i> | <u>(98,039)</u> | <u>0</u> | <u>(98,039)</u> |
| Other Financing Sources (Uses) | | | |
| General Obligation Refunding Bonds Issued | 9,990,000 | 0 | 9,990,000 |
| General Obligation Refunding Bonds Premium | 4,776 | 0 | 4,776 |
| Payments to Refunded Bond Escrow Agent | (9,814,657) | 0 | (9,814,657) |
| <i>Total Other Financing Sources (Uses)</i> | <u>180,119</u> | <u>0</u> | <u>180,119</u> |
| <i>Net Change in Fund Balances</i> | 82,080 | 0 | 82,080 |
| <i>Fund Balances Beginning of Year</i> | <u>1,628,522</u> | <u>35,000</u> | <u>1,663,522</u> |
| <i>Fund Balances End of Year</i> | <u><u>\$1,710,602</u></u> | <u><u>\$35,000</u></u> | <u><u>\$1,745,602</u></u> |

City of Westlake, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2008

| | Sanitary Sewer Improvement | Storm Drainage | Crocker Road Improvements | Issue 2 Improvements | Grants |
|---|----------------------------------|--------------------|---------------------------------|-------------------------|------------------|
| Assets | | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$3,000 | \$5,764,887 | \$247,932 | \$940,989 | \$455,678 |
| Cash and Cash Equivalents with Escrow Agents | 0 | 0 | 0 | 142,122 | 0 |
| Accrued Interest Receivable | 0 | 252,480 | 0 | 0 | 0 |
| Intergovernmental Receivable | 0 | 0 | 0 | 200,523 | 0 |
| Municipal Income Taxes Receivable | 0 | 0 | 0 | 0 | 0 |
| <i>Total Assets</i> | <u>\$3,000</u> | <u>\$6,017,367</u> | <u>\$247,932</u> | <u>\$1,283,634</u> | <u>\$455,678</u> |
| Liabilities and Fund Balances | | | | | |
| Liabilities | | | | | |
| Accounts Payable | \$0 | \$0 | \$0 | \$1,633 | \$0 |
| Contracts Payable | 0 | 5,546 | 0 | 86,182 | 14,775 |
| Accrued Wages | 0 | 4,909 | 0 | 0 | 0 |
| Retainage Payable | 0 | 0 | 0 | 142,122 | 0 |
| Interfund Payable | 0 | 0 | 0 | 0 | 340,000 |
| Intergovernmental Payable | 0 | 738 | 0 | 0 | 0 |
| Deferred Revenue | 0 | 0 | 0 | 12,503 | 0 |
| Advances From Other Funds | 0 | 0 | 0 | 1,500,000 | 0 |
| <i>Total Liabilities</i> | <u>0</u> | <u>11,193</u> | <u>0</u> | <u>1,742,440</u> | <u>354,775</u> |
| Fund Balances | | | | | |
| Reserved for Encumbrances | 3,000 | 0 | 0 | 490,541 | 144,568 |
| Unreserved, Undesignated (Deficit) | 0 | 6,006,174 | 247,932 | (949,347) | (43,665) |
| <i>Total Fund Balances (Deficit)</i> | <u>3,000</u> | <u>6,006,174</u> | <u>247,932</u> | <u>(458,806)</u> | <u>100,903</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$3,000</u> | <u>\$6,017,367</u> | <u>\$247,932</u> | <u>\$1,283,634</u> | <u>\$455,678</u> |

| <u>Impact Fees</u> | <u>Sidewalks</u> | <u>Service Center Construction</u> | <u>Recreation Center Construction</u> | <u>Total Nonmajor Capital Projects Funds</u> |
|--------------------|------------------|--|---|--|
| \$1,922,003 | \$123,163 | \$114,828 | \$2,787,314 | \$12,359,794 |
| 5,357 | 0 | 22,000 | 0 | 169,479 |
| 33,458 | 0 | 0 | 0 | 285,938 |
| 0 | 0 | 0 | 0 | 200,523 |
| 0 | 0 | 0 | 69,110 | 69,110 |
| <u>\$1,960,818</u> | <u>\$123,163</u> | <u>\$136,828</u> | <u>\$2,856,424</u> | <u>\$13,084,844</u> |
| \$0 | \$0 | \$0 | \$0 | \$1,633 |
| 0 | 0 | 0 | 0 | 106,503 |
| 0 | 0 | 0 | 0 | 4,909 |
| 5,357 | 0 | 22,000 | 0 | 169,479 |
| 0 | 0 | 0 | 0 | 340,000 |
| 0 | 0 | 0 | 0 | 738 |
| 0 | 0 | 0 | 17,462 | 29,965 |
| 0 | 0 | 0 | 0 | 1,500,000 |
| <u>5,357</u> | <u>0</u> | <u>22,000</u> | <u>17,462</u> | <u>2,153,227</u> |
| 70,375 | 0 | 109,981 | 29,144 | 847,609 |
| 1,885,086 | 123,163 | 4,847 | 2,809,818 | 10,084,008 |
| <u>1,955,461</u> | <u>123,163</u> | <u>114,828</u> | <u>2,838,962</u> | <u>10,931,617</u> |
| <u>\$1,960,818</u> | <u>\$123,163</u> | <u>\$136,828</u> | <u>\$2,856,424</u> | <u>\$13,084,844</u> |

City of Westlake, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2008

| | Sanitary Sewer Improvement | Storm Drainage | Crocker Road Improvements | Issue 2 Improvements | Grants |
|---|----------------------------------|--------------------|---------------------------------|-------------------------|------------------|
| Revenues | | | | | |
| Municipal Income Taxes | \$0 | \$0 | \$0 | \$0 | \$0 |
| Licenses, Permits and Fees | 0 | 32,976 | 0 | 0 | 0 |
| Intergovernmental | 0 | 0 | 0 | 849,334 | 0 |
| Interest | 0 | 435,958 | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | 22,087 | 0 | 0 |
| <i>Total Revenues</i> | <u>0</u> | <u>468,934</u> | <u>22,087</u> | <u>849,334</u> | <u>0</u> |
| Expenditures | | | | | |
| Capital Outlay | 16,468 | 109,422 | 0 | 1,793,322 | 195,016 |
| Debt Service: | | | | | |
| Principal Retirement | 0 | 0 | 0 | 60,760 | 0 |
| <i>Total Expenditures</i> | <u>16,468</u> | <u>109,422</u> | <u>0</u> | <u>1,854,082</u> | <u>195,016</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (16,468) | 359,512 | 22,087 | (1,004,748) | (195,016) |
| Other Financing Sources | | | | | |
| Transfers In | 0 | 0 | 0 | 706,800 | 0 |
| <i>Net Change in Fund Balances</i> | (16,468) | 359,512 | 22,087 | (297,948) | (195,016) |
| <i>Fund Balances (Deficit) Beginning of Year</i> | <u>19,468</u> | <u>5,646,662</u> | <u>225,845</u> | <u>(160,858)</u> | <u>295,919</u> |
| <i>Fund Balances (Deficit) End of Year</i> | <u>\$3,000</u> | <u>\$6,006,174</u> | <u>\$247,932</u> | <u>(\$458,806)</u> | <u>\$100,903</u> |

| Impact Fees | Sidewalks | Service Center Construction | Recreation Center Construction | Total Nonmajor Capital Projects Funds |
|--------------------|------------------|-----------------------------|--------------------------------|---------------------------------------|
| \$0 | \$0 | \$0 | \$306,949 | \$306,949 |
| 41,389 | 0 | 0 | 0 | 74,365 |
| 0 | 0 | 0 | 22,397 | 871,731 |
| 233,206 | 60,588 | 0 | 0 | 729,752 |
| 0 | 0 | 0 | 210 | 22,297 |
| 274,595 | 60,588 | 0 | 329,556 | 2,005,094 |
| 189,021 | 2,760 | 2,274 | 164,865 | 2,473,148 |
| 0 | 0 | 0 | 0 | 60,760 |
| 189,021 | 2,760 | 2,274 | 164,865 | 2,533,908 |
| 85,574 | 57,828 | (2,274) | 164,691 | (528,814) |
| 0 | 159,671 | 0 | 0 | 866,471 |
| 85,574 | 217,499 | (2,274) | 164,691 | 337,657 |
| 1,869,887 | (94,336) | 117,102 | 2,674,271 | 10,593,960 |
| <u>\$1,955,461</u> | <u>\$123,163</u> | <u>\$114,828</u> | <u>\$2,838,962</u> | <u>\$10,931,617</u> |

Fund Descriptions - Fiduciary Fund

Fiduciary Fund

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

Agency Funds

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

Toledo/Lucas County Port Authority Fund - to account for the pass-through of the annual payment of the special assessment from Crocker Park LLC to the Toledo/Lucas County Port Authority for bond payments for the public parking and other improvements made per a cooperative agreement among the City of Westlake, Crocker Park, LLC, and the Toledo/Lucas County Port Authority.

City of Westlake, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2008

| | Balance 12/31/07 | Additions | Reductions | Balance 12/31/08 |
|---|---------------------|-------------|-------------|---------------------|
| Deposits | | | | |
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$1,645,621 | \$851,963 | \$889,072 | \$1,608,512 |
| Liabilities | | | | |
| Deposits Held and Due to Others | \$1,645,621 | \$851,963 | \$889,072 | \$1,608,512 |
| Toledo/Lucas County Port Authority | | | | |
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$0 | \$4,863,097 | \$4,863,097 | \$0 |
| Liabilities | | | | |
| Deposits Held and Due to Others | \$0 | \$4,863,097 | \$4,863,097 | \$0 |
| Total - All Agency Funds | | | | |
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$1,645,621 | \$5,715,060 | \$5,752,169 | \$1,608,512 |
| Liabilities | | | | |
| Deposits Held and Due to Others | \$1,645,621 | \$5,715,060 | \$5,752,169 | \$1,608,512 |

**Individual Fund Schedules of Revenues,
Expenditures/Expenses and Changes in
Fund Balances/Fund Equity**

Budget (Non-GAAP Basis) and Actual

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2008

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---------------------------------|--------------------|--------------------|--------------------|---|
| | Original | Final | Actual | |
| Revenues | | | | |
| Property Taxes | \$9,358,072 | \$9,319,276 | \$9,558,358 | \$239,082 |
| Municipal Income Taxes | 12,730,816 | 12,281,916 | 12,623,883 | 341,967 |
| Admission Taxes | 198,000 | 198,000 | 179,397 | (18,603) |
| Hotel Taxes | 412,000 | 435,000 | 456,899 | 21,899 |
| Charges for Services | 86,700 | 50,785 | 47,063 | (3,722) |
| Licenses, Permits and Fees | 586,500 | 548,900 | 510,121 | (38,779) |
| Fines and Forfeitures | 201,000 | 235,300 | 227,903 | (7,397) |
| Intergovernmental | 2,887,084 | 3,503,244 | 3,861,960 | 358,716 |
| Interest | 2,100,000 | 1,570,000 | 1,377,093 | (192,907) |
| Rentals | 69,800 | 82,450 | 80,730 | (1,720) |
| Franchise Taxes | 430,000 | 430,000 | 433,273 | 3,273 |
| Miscellaneous | 240,500 | 386,500 | 564,589 | 178,089 |
| <i>Total Revenues</i> | <u>29,300,472</u> | <u>29,041,371</u> | <u>29,921,269</u> | <u>879,898</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government | | | | |
| Council | | | | |
| Salaries | 178,000 | 160,500 | 156,801 | 3,699 |
| Fringe Benefits | 45,000 | 33,000 | 30,136 | 2,864 |
| Contractual Services | 21,277 | 22,277 | 16,404 | 5,873 |
| Materials and Supplies | 3,500 | 2,500 | 1,206 | 1,294 |
| Other | 6,980 | 6,980 | 4,189 | 2,791 |
| Total Council | <u>254,757</u> | <u>225,257</u> | <u>208,736</u> | <u>16,521</u> |
| Mayor | | | | |
| Salaries | 207,500 | 207,500 | 205,845 | 1,655 |
| Fringe Benefits | 53,100 | 53,100 | 52,363 | 737 |
| Contractual Services | 30,320 | 31,820 | 15,101 | 16,719 |
| Materials and Supplies | 8,474 | 8,674 | 5,371 | 3,303 |
| Other | 8,752 | 7,252 | 5,200 | 2,052 |
| Total Mayor | <u>308,146</u> | <u>308,346</u> | <u>283,880</u> | <u>24,466</u> |
| Finance Department | | | | |
| Salaries | 570,800 | 570,800 | 533,227 | 37,573 |
| Fringe Benefits | 165,350 | 151,450 | 144,644 | 6,806 |
| Contractual Services | 759,444 | 864,744 | 807,207 | 57,537 |
| Materials and Supplies | 23,544 | 27,144 | 19,361 | 7,783 |
| Capital Outlay | 180,075 | 178,175 | 144,222 | 33,953 |
| Other | 6,517 | 6,417 | 3,489 | 2,928 |
| Total Finance Department | <u>\$1,705,730</u> | <u>\$1,798,730</u> | <u>\$1,652,150</u> | <u>\$146,580</u> |

(continued)

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2008

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|------------------------|------------------|-----------|-----------|---|
| | Original | Final | Actual | |
| Communications | | | | |
| Salaries | \$103,700 | \$67,700 | \$65,655 | \$2,045 |
| Fringe Benefits | 33,300 | 23,700 | 17,128 | 6,572 |
| Contractual Services | 35,700 | 38,000 | 33,805 | 4,195 |
| Materials and Supplies | 16,000 | 16,000 | 15,921 | 79 |
| Capital Outlay | 4,000 | 11,600 | 9,544 | 2,056 |
| Other | 32,000 | 31,700 | 22,170 | 9,530 |
| Total Communications | 224,700 | 188,700 | 164,223 | 24,477 |
| Law Department | | | | |
| Salaries | 363,500 | 413,500 | 324,432 | 89,068 |
| Fringe Benefits | 128,200 | 127,200 | 103,773 | 23,427 |
| Contractual Services | 273,015 | 523,015 | 445,887 | 77,128 |
| Materials and Supplies | 3,017 | 4,017 | 2,432 | 1,585 |
| Other | 3,500 | 3,500 | 1,418 | 2,082 |
| Total Law Department | 771,232 | 1,071,232 | 877,942 | 193,290 |
| Purchasing | | | | |
| Salaries | 236,000 | 236,000 | 117,873 | 118,127 |
| Fringe Benefits | 71,750 | 71,750 | 42,584 | 29,166 |
| Contractual Services | 9,119 | 8,419 | 3,286 | 5,133 |
| Materials and Supplies | 9,539 | 10,139 | 8,260 | 1,879 |
| Capital Outlay | 2,500 | 10,000 | 2,770 | 7,230 |
| Other | 1,250 | 1,950 | 574 | 1,376 |
| Total Purchasing | 330,158 | 338,258 | 175,347 | 162,911 |
| Civil Service | | | | |
| Salaries | 95,500 | 95,500 | 92,760 | 2,740 |
| Fringe Benefits | 26,800 | 20,200 | 18,269 | 1,931 |
| Contractual Services | 128,476 | 122,476 | 27,522 | 94,954 |
| Material and Supplies | 3,000 | 2,000 | 57 | 1,943 |
| Other | 4,000 | 1,600 | 315 | 1,285 |
| Total Civil Service | 257,776 | 241,776 | 138,923 | 102,853 |
| Engineering | | | | |
| Salaries | 502,900 | 502,900 | 489,986 | 12,914 |
| Fringe Benefits | 199,800 | 199,800 | 189,788 | 10,012 |
| Contractual Services | 93,913 | 91,013 | 64,063 | 26,950 |
| Material and Supplies | 38,586 | 40,286 | 27,105 | 13,181 |
| Capital Outlay | 15,000 | 19,300 | 13,028 | 6,272 |
| Other | 6,349 | 6,249 | 4,602 | 1,647 |
| Total Engineering | \$856,548 | \$859,548 | \$788,572 | \$70,976 |

(continued)

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2008

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|--------------------|--------------------|--------------------|---|
| | Original | Final | Actual | |
| Building Maintenance | | | | |
| Salaries | \$41,000 | \$41,000 | \$20,844 | \$20,156 |
| Fringe Benefits | 11,800 | 11,800 | 8,570 | 3,230 |
| Contractual Services | 592,391 | 534,691 | 374,930 | 159,761 |
| Material and Supplies | 29,294 | 29,294 | 19,602 | 9,692 |
| Capital Outlay | 70,842 | 78,542 | 75,769 | 2,773 |
| Other | 6,797 | 6,798 | 3,736 | 3,062 |
| Total Building Maintenance | \$752,124 | \$702,125 | \$503,451 | \$198,674 |
| Miscellaneous | | | | |
| Salaries | 121,700 | 121,700 | 83,074 | 38,626 |
| Fringe Benefits | 391,177 | 257,177 | 238,390 | 18,787 |
| Contractual Services | 853,283 | 783,333 | 700,896 | 82,437 |
| Material and Supplies | 134,497 | 134,497 | 85,307 | 49,190 |
| Capital Outlay | 122,495 | 168,095 | 26,557 | 141,538 |
| Other | 667,730 | 15,105,131 | 15,072,787 | 32,344 |
| Total Miscellaneous | 2,290,882 | 16,569,933 | 16,207,011 | 362,922 |
| Cable TV | | | | |
| Salaries | 17,500 | 17,500 | 794 | 16,706 |
| Fringe Benefits | 2,500 | 2,500 | 123 | 2,377 |
| Capital Outlay | 1,904,087 | 1,894,087 | 344,297 | 1,549,790 |
| Other | 0 | 10,000 | 6,098 | 3,902 |
| Total Cable TV | 1,924,087 | 1,924,087 | 351,312 | 1,572,775 |
| Contracts | | | | |
| Contractual Services | 889,631 | 839,631 | 754,056 | 85,575 |
| Capital Outlay | 288,300 | 3,300 | 0 | 3,300 |
| Total Contracts | 1,177,931 | 842,931 | 754,056 | 88,875 |
| Total General Government | 10,854,071 | 25,070,923 | 22,105,603 | 2,965,320 |
| Security of Persons and Property | | | | |
| Police Department | | | | |
| Salaries | 4,679,600 | 4,629,600 | 4,563,981 | 65,619 |
| Fringe Benefits | 1,033,100 | 902,100 | 891,125 | 10,975 |
| Contractual Services | 510,058 | 535,058 | 459,377 | 75,681 |
| Materials and Supplies | 198,751 | 240,051 | 218,839 | 21,212 |
| Capital Outlay | 53,000 | 56,900 | 55,768 | 1,132 |
| Other | 82,497 | 34,297 | 27,295 | 7,002 |
| Total Police Department | \$6,557,006 | \$6,398,006 | \$6,216,385 | \$181,621 |

(continued)

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2008

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|--------------------|--------------------|--------------------|---|
| | Original | Final | Actual | |
| Fire Department | | | | |
| Salaries | \$2,834,000 | \$2,834,000 | \$2,694,976 | \$139,024 |
| Fringe Benefits | 673,300 | 523,800 | 504,562 | 19,238 |
| Contractual Services | 316,727 | 330,927 | 276,714 | 54,213 |
| Materials and Supplies | 110,288 | 123,088 | 98,215 | 24,873 |
| Capital Outlay | 114,500 | 108,000 | 39,977 | 68,023 |
| Other | 68,516 | 17,516 | 11,699 | 5,817 |
| Total Fire Department | \$4,117,331 | \$3,937,331 | \$3,626,143 | \$311,188 |
| Safety Town | | | | |
| Salaries | 7,500 | 7,500 | 7,500 | 0 |
| Fringe Benefits | 1,300 | 1,300 | 1,177 | 123 |
| Capital Outlay | 4,000 | 4,000 | 0 | 4,000 |
| Other | 8,117 | 8,117 | 4,847 | 3,270 |
| Total Safety Town | 20,917 | 20,917 | 13,524 | 7,393 |
| <i>Total Security of Persons and Property</i> | <i>10,695,254</i> | <i>10,356,254</i> | <i>9,856,052</i> | <i>500,202</i> |
| Public Health Services | | | | |
| Senior/Community | | | | |
| Salaries | 457,400 | 457,400 | 421,705 | 35,695 |
| Fringe Benefits | 118,550 | 118,550 | 105,195 | 13,355 |
| Contractual Services | 149,957 | 150,857 | 107,638 | 43,219 |
| Materials and Supplies | 34,319 | 34,644 | 26,362 | 8,282 |
| Capital Outlay | 16,000 | 14,600 | 14,000 | 600 |
| Other | 4,326 | 4,501 | 3,814 | 687 |
| Total Public Health Services | 780,552 | 780,552 | 678,714 | 101,838 |
| Transportation | | | | |
| Service Director | | | | |
| Salaries | 160,700 | 160,700 | 151,807 | 8,893 |
| Fringe Benefits | 30,300 | 30,300 | 28,585 | 1,715 |
| Contractual Services | 56,300 | 6,100 | 701 | 5,399 |
| Materials and Supplies | 6,457 | 8,257 | 5,952 | 2,305 |
| Other | 2,315 | 2,315 | 1,417 | 898 |
| Total Service Director | 256,072 | 207,672 | 188,462 | 19,210 |
| City Service | | | | |
| Salaries | 1,568,800 | 1,468,800 | 1,393,665 | 75,135 |
| Fringe Benefits | 620,050 | 620,049 | 564,279 | 55,770 |
| Contractual Services | 2,688,480 | 2,388,280 | 2,346,915 | 41,365 |
| Materials and Supplies | 430,990 | 404,989 | 382,573 | 22,416 |
| Capital Outlay | 217,790 | 179,490 | 75,758 | 103,732 |
| Other | 132,420 | 131,919 | 15,932 | 115,987 |
| Total City Service | \$5,658,530 | \$5,193,527 | \$4,779,122 | \$414,405 |

(continued)

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2008

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|--|------------------|------------------|------------------|---|
| | Original | Final | Actual | |
| Snow Removal | | | | |
| Salaries | \$165,400 | \$265,400 | \$215,320 | \$50,080 |
| Fringe Benefits | 24,600 | 38,000 | 32,746 | 5,254 |
| Contractual Services | 29,000 | 24,400 | 24,285 | 115 |
| Other | 1,500 | 1,200 | 549 | 651 |
| Total Snow Removal | 220,500 | 329,000 | 272,900 | 56,100 |
| <i>Total Transportation</i> | <i>6,135,102</i> | <i>5,730,199</i> | <i>5,240,484</i> | <i>489,715</i> |
| Community Environment | | | | |
| Planning | | | | |
| Salaries | 408,700 | 353,700 | 341,560 | 12,140 |
| Fringe Benefits | 123,550 | 108,950 | 98,192 | 10,758 |
| Contractual Services | 83,471 | 78,071 | 61,478 | 16,593 |
| Materials and Supplies | 11,640 | 7,940 | 6,031 | 1,909 |
| Capital Outlay | 4,500 | 5,700 | 5,691 | 9 |
| Other | 6,210 | 3,210 | 1,416 | 1,794 |
| Total Planning | 638,071 | 557,571 | 514,368 | 43,203 |
| Zoning | | | | |
| Salaries | 500 | 500 | 0 | 500 |
| Fringe Benefits | 200 | 200 | 0 | 200 |
| Contractual Services | 4,000 | 4,000 | 1,785 | 2,215 |
| Materials and Supplies | 1,450 | 1,450 | 888 | 562 |
| Other | 100 | 100 | 0 | 100 |
| Total Zoning | 6,250 | 6,250 | 2,673 | 3,577 |
| Board of Building Standards | | | | |
| Salaries | 200 | 200 | 0 | 200 |
| Fringe Benefits | 100 | 100 | 0 | 100 |
| Contractual Services | 300 | 300 | 0 | 300 |
| Materials and Supplies | 300 | 300 | 0 | 300 |
| Other | 100 | 100 | 0 | 100 |
| Total Board of Building Standards | 1,000 | 1,000 | 0 | 1,000 |
| Inspection | | | | |
| Salaries | 615,300 | 615,300 | 541,949 | 73,351 |
| Fringe Benefits | 181,500 | 181,500 | 169,305 | 12,195 |
| Contractual Services | 62,300 | 60,800 | 22,966 | 37,834 |
| Materials and Supplies | 32,729 | 34,229 | 25,919 | 8,310 |
| Capital Outlay | 15,000 | 15,000 | 0 | 15,000 |
| Other | 4,143 | 4,143 | 2,678 | 1,465 |
| Total Inspection | \$910,972 | \$910,972 | \$762,817 | \$148,155 |

(continued)

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2008

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|-------------------------------------|------------------|-----------|-----------|---|
| | Original | Final | Actual | |
| Architect | | | | |
| Contractual Services | \$136,039 | \$91,039 | \$91,039 | \$0 |
| Unclaimed Monies | | | | |
| Salaries | 5,000 | 5,000 | 0 | 5,000 |
| Other | 28,500 | 28,500 | 24,935 | 3,565 |
| Total Unclaimed Monies | 33,500 | 33,500 | 24,935 | 8,565 |
| <i>Total Community Environment</i> | 1,725,832 | 1,600,332 | 1,395,832 | 204,500 |
| Basic Utility Services | | | | |
| Forester | | | | |
| Salaries | 213,300 | 213,300 | 201,972 | 11,328 |
| Fringe Benefits | 87,000 | 87,000 | 81,927 | 5,073 |
| Contractual Services | 29,122 | 29,122 | 28,721 | 401 |
| Materials and Supplies | 1,500 | 1,500 | 633 | 867 |
| Other | 9,048 | 9,048 | 6,710 | 2,338 |
| Total Forester | 339,970 | 339,970 | 319,963 | 20,007 |
| Storm Drainage | | | | |
| Salaries | 70,100 | 26,100 | 25,193 | 907 |
| Fringe Benefits | 10,900 | 10,900 | 3,821 | 7,079 |
| Contractual Services | 80,625 | 73,625 | 69,682 | 3,943 |
| Materials and Supplies | 26,900 | 56,900 | 54,226 | 2,674 |
| Capital Outlay | 60,274 | 7,274 | 67 | 7,207 |
| Other | 11,047 | 11,047 | 10,520 | 527 |
| Total Storm Drainage | 259,846 | 185,846 | 163,509 | 22,337 |
| Leaf Pick-Up | | | | |
| Salaries | 174,000 | 174,000 | 160,292 | 13,708 |
| Fringe Benefits | 23,300 | 24,570 | 24,545 | 25 |
| Contractual Services | 52,629 | 52,139 | 52,045 | 94 |
| Other | 1,400 | 620 | 614 | 6 |
| Total Leaf Pick-Up | 251,329 | 251,329 | 237,496 | 13,833 |
| <i>Total Basic Utility Services</i> | 851,145 | 777,145 | 720,968 | 56,177 |
| Leisure Time Activities | | | | |
| Recreation | | | | |
| Salaries | 195,500 | 195,500 | 172,316 | 23,184 |
| Fringe Benefits | 60,050 | 60,050 | 54,489 | 5,561 |
| Contractual Services | 111,858 | 81,358 | 74,074 | 7,284 |
| Materials and Supplies | 23,000 | 23,000 | 20,308 | 2,692 |
| Capital Outlay | 14,000 | 14,000 | 10,922 | 3,078 |
| Other | 500 | 1,000 | 787 | 213 |
| Total Recreation | \$404,908 | \$374,908 | \$332,896 | \$42,012 |

(continued)

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2008

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|--|---------------------|---------------------|---------------------|---|
| | Original | Final | Actual | |
| Park | | | | |
| Salaries | \$192,100 | \$192,100 | \$153,709 | \$38,391 |
| Fringe Benefits | 77,700 | 77,700 | 66,275 | 11,425 |
| Contractual Services | 182,207 | 182,207 | 116,080 | 66,127 |
| Materials and Supplies | 16,510 | 16,510 | 11,049 | 5,461 |
| Capital Outlay | 38,731 | 38,732 | 22,809 | 15,923 |
| Other | 11,000 | 11,000 | 9,978 | 1,022 |
| Total Park | <u>518,248</u> | <u>518,249</u> | <u>379,900</u> | <u>138,349</u> |
| <i>Total Leisure Time Activities</i> | <u>923,156</u> | <u>893,157</u> | <u>712,796</u> | <u>180,361</u> |
| Capital Outlay | | | | |
| Equipment Replacement | | | | |
| Capital Outlay | <u>1,900,555</u> | <u>1,949,555</u> | <u>1,252,262</u> | <u>697,293</u> |
| Total Expenditures | <u>33,865,667</u> | <u>47,158,117</u> | <u>41,962,711</u> | <u>5,195,406</u> |
| Excess of Revenues Under Expenditures | <u>(4,565,195)</u> | <u>(18,116,746)</u> | <u>(12,041,442)</u> | <u>6,075,304</u> |
| Other Financing Sources (Uses) | | | | |
| Sale of Capital Assets | 0 | 0 | 12,201 | 12,201 |
| Advances In | 2,322,500 | 3,772,500 | 3,772,500 | 0 |
| Advances Out | (120,000) | (460,000) | (460,000) | 0 |
| Transfers In | 0 | 900 | 0 | (900) |
| Transfers Out | (4,335,800) | (1,335,800) | (1,320,471) | 15,329 |
| Total Other Financing Sources (Uses) | <u>(2,133,300)</u> | <u>1,977,600</u> | <u>2,004,230</u> | <u>26,630</u> |
| Net Change in Fund Balance | <u>(6,698,495)</u> | <u>(16,139,146)</u> | <u>(10,037,212)</u> | <u>6,101,934</u> |
| Fund Balance Beginning of Year | <u>20,892,957</u> | <u>20,892,957</u> | <u>20,892,957</u> | <u>0</u> |
| Prior Year Encumbrances Appropriated | <u>2,822,067</u> | <u>2,822,067</u> | <u>2,822,067</u> | <u>0</u> |
| Fund Balance End of Year | <u>\$17,016,529</u> | <u>\$7,575,878</u> | <u>\$13,677,812</u> | <u>\$6,101,934</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-------------------------|--------------------|--------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Municipal Income Taxes | \$250,000 | \$250,000 | \$250,000 | \$0 |
| Charges for Services | 2,133,500 | 2,133,500 | 2,079,154 | (54,346) |
| Interest | 60,000 | 60,000 | 59,655 | (345) |
| Rentals | 87,500 | 87,500 | 78,450 | (9,050) |
| Miscellaneous | 7,100 | 7,100 | 10,755 | 3,655 |
| <i>Total Revenues</i> | <u>2,538,100</u> | <u>2,538,100</u> | <u>2,478,014</u> | <u>(60,086)</u> |
| Expenditures | | | | |
| Current: | | | | |
| Leisure Time Activities: | | | | |
| Recreation: | | | | |
| Salaries | 1,210,100 | 1,210,100 | 1,100,319 | 109,781 |
| Fringe Benefits | 355,800 | 355,800 | 314,668 | 41,132 |
| Contractual Services | 936,354 | 936,354 | 752,176 | 184,178 |
| Materials and Supplies | 167,009 | 167,009 | 143,653 | 23,356 |
| Capital Outlay | 50,400 | 50,400 | 7,390 | 43,010 |
| Other | 134,828 | 134,828 | 123,505 | 11,323 |
| <i>Total Expenditures</i> | <u>2,854,491</u> | <u>2,854,491</u> | <u>2,441,711</u> | <u>412,780</u> |
| <i>Net Change in Fund Balance</i> | (316,391) | (316,391) | 36,303 | 352,694 |
| <i>Fund Balance Beginning of Year</i> | 1,410,587 | 1,410,587 | 1,410,587 | 0 |
| Prior Year Encumbrances Appropriated | 150,991 | 150,991 | 150,991 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$1,245,187</u> | <u>\$1,245,187</u> | <u>\$1,597,881</u> | <u>\$352,694</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Assessment Bond Retirement Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-------------------------|-------------------------|-------------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Special Assessments | \$320,000 | \$320,000 | \$320,000 | \$0 |
| Interest | 280,300 | 280,300 | 257,593 | (22,707) |
| <i>Total Revenues</i> | <u>600,300</u> | <u>600,300</u> | <u>577,593</u> | <u>(22,707)</u> |
| Expenditures | | | | |
| Debt Service: | | | | |
| Principal Retirement | 320,000 | 320,000 | 320,000 | 0 |
| Interest and Fiscal Charges | 245,000 | 245,000 | 240,937 | 4,063 |
| <i>Total Expenditures</i> | <u>565,000</u> | <u>565,000</u> | <u>560,937</u> | <u>4,063</u> |
| <i>Net Change in Fund Balance</i> | 35,300 | 35,300 | 16,656 | (18,644) |
| <i>Fund Balance Beginning of Year</i> | <u>368,712</u> | <u>368,712</u> | <u>368,712</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$404,012</u></u> | <u><u>\$404,012</u></u> | <u><u>\$385,368</u></u> | <u><u>(\$18,644)</u></u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Issue 11 Improvements Fund
For the Year Ended December 31, 2008

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|--|------------------|-------------|-------------|---|
| | Original | Final | Actual | |
| Revenues | | | | |
| Municipal Income Taxes | \$4,887,806 | \$4,887,806 | \$4,869,130 | (\$18,676) |
| Charges for Services | 0 | 0 | 3,130 | 3,130 |
| Intergovernmental | 67,194 | 67,194 | 67,194 | 0 |
| Interest | 250,000 | 250,000 | 520,490 | 270,490 |
| <i>Total Revenues</i> | 5,205,000 | 5,205,000 | 5,459,944 | 254,944 |
| Expenditures | | | | |
| Capital Outlay: | | | | |
| Issue 11 Improvements: | | | | |
| Salaries | 120,000 | 120,000 | 64,361 | 55,639 |
| Fringe Benefits | 18,500 | 18,500 | 9,571 | 8,929 |
| Contractual Services | 150,000 | 150,000 | 145,468 | 4,532 |
| Capital Outlay | 13,315,851 | 13,315,851 | 6,125,875 | 7,189,976 |
| Other | 355,425 | 355,425 | 34,116 | 321,309 |
| <i>Total Expenditures</i> | 13,959,776 | 13,959,776 | 6,379,391 | 7,580,385 |
| <i>Excess of Revenues Under Expenditures</i> | (8,754,776) | (8,754,776) | (919,447) | 7,835,329 |
| Other Financing Uses | | | | |
| Transfers Out | 0 | (46,000) | (46,000) | 0 |
| <i>Net Change in Fund Balance</i> | (8,754,776) | (8,800,776) | (965,447) | 7,835,329 |
| <i>Fund Balance Beginning of Year</i> | 7,395,793 | 7,395,793 | 7,395,793 | 0 |
| Prior Year Encumbrances Appropriated | 2,219,776 | 2,219,776 | 2,219,776 | 0 |
| <i>Fund Balance End of Year</i> | \$860,793 | \$814,793 | \$8,650,122 | \$7,835,329 |

City of Westlake, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Sewer Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--------------------------------------|-------------------------|--------------------|--------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Charges for Services | \$1,770,000 | \$1,770,000 | \$2,170,038 | \$400,038 |
| Tap-In Fees | 65,000 | 65,000 | 47,654 | (17,346) |
| Interest | 463,500 | 463,500 | 777,231 | 313,731 |
| <i>Total Revenues</i> | <u>2,298,500</u> | <u>2,298,500</u> | <u>2,994,923</u> | <u>696,423</u> |
| Expenses | | | | |
| Personal Services | 381,600 | 411,600 | 393,611 | 17,989 |
| Fringe Benefits | 137,000 | 141,000 | 116,520 | 24,480 |
| Contractual Services | 1,734,931 | 1,753,731 | 1,662,945 | 90,786 |
| Materials and Supplies | 19,100 | 15,150 | 11,240 | 3,910 |
| Capital Outlay | 1,951,868 | 1,909,868 | 909,896 | 999,972 |
| Other | 54,728 | 97,878 | 81,026 | 16,852 |
| <i>Total Expenses</i> | <u>4,279,227</u> | <u>4,329,227</u> | <u>3,175,238</u> | <u>1,153,989</u> |
| <i>Net Change in Fund Equity</i> | (1,980,727) | (2,030,727) | (180,315) | 1,850,412 |
| <i>Fund Equity Beginning of Year</i> | 8,328,228 | 8,328,228 | 8,328,228 | 0 |
| Prior Year Encumbrances Appropriated | <u>1,105,327</u> | <u>1,105,327</u> | <u>1,105,327</u> | <u>0</u> |
| <i>Fund Equity End of Year</i> | <u>\$7,452,828</u> | <u>\$7,402,828</u> | <u>\$9,253,240</u> | <u>\$1,850,412</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Maintenance Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Intergovernmental | \$1,350,000 | \$1,350,000 | \$1,421,067 | \$71,067 |
| Interest | 45,000 | 45,000 | 65,332 | 20,332 |
| <i>Total Revenues</i> | <u>1,395,000</u> | <u>1,395,000</u> | <u>1,486,399</u> | <u>91,399</u> |
| Expenditures | | | | |
| Current: | | | | |
| Transportation: | | | | |
| Street Maintenance and Repair: | | | | |
| Salaries | 321,300 | 321,300 | 247,219 | 74,081 |
| Fringe Benefits | 109,700 | 109,700 | 84,294 | 25,406 |
| Contractual Services | 74,406 | 74,406 | 70,472 | 3,934 |
| Materials and Supplies | 666,464 | 666,464 | 615,854 | 50,610 |
| Capital Outlay | 700,000 | 700,000 | 700,000 | 0 |
| Other | 87,206 | 87,206 | 51,643 | 35,563 |
| <i>Total Expenditures</i> | <u>1,959,076</u> | <u>1,959,076</u> | <u>1,769,482</u> | <u>189,594</u> |
| <i>Net Change in Fund Balance</i> | (564,076) | (564,076) | (283,083) | 280,993 |
| <i>Fund Balance Beginning of Year</i> | 981,937 | 981,937 | 981,937 | 0 |
| Prior Year Encumbrances Appropriated | 68,776 | 68,776 | 68,776 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$486,637</u> | <u>\$486,637</u> | <u>\$767,630</u> | <u>\$280,993</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Intergovernmental | \$140,000 | \$140,000 | \$115,221 | (\$24,779) |
| Interest | 0 | 0 | 35,915 | 35,915 |
| Other | 0 | 0 | 1,050 | 1,050 |
| <i>Total Revenues</i> | <u>140,000</u> | <u>140,000</u> | <u>152,186</u> | <u>12,186</u> |
| Expenditures | | | | |
| Current: | | | | |
| Transportation: | | | | |
| State Highway | | | | |
| Salaries | 40,000 | 40,000 | 39,508 | 492 |
| Fringe Benefits | 6,200 | 6,200 | 6,069 | 131 |
| Materials and Supplies | 42,194 | 42,194 | 41,763 | 431 |
| Capital Outlay | 100,000 | 100,000 | 0 | 100,000 |
| Other | 33,800 | 33,800 | 30,817 | 2,983 |
| <i>Total Expenditures</i> | <u>222,194</u> | <u>222,194</u> | <u>118,157</u> | <u>104,037</u> |
| <i>Excess of Revenues Over (Under)Expenditures</i> | (82,194) | (82,194) | 34,029 | 116,223 |
| Other Financing Uses | | | | |
| Transfers Out | (600,000) | (600,000) | (600,000) | 0 |
| <i>Net Change in Fund Balance</i> | (682,194) | (682,194) | (565,971) | 116,223 |
| <i>Fund Balance Beginning of Year</i> | 820,536 | 820,536 | 820,536 | 0 |
| Prior Year Encumbrances Appropriated | 12,194 | 12,194 | 12,194 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$150,536</u> | <u>\$150,536</u> | <u>\$266,759</u> | <u>\$116,223</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Permissive Motor Vehicle License Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-------------------------|--------------|---------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Permissive Motor Vehicle Taxes | \$260,000 | \$260,000 | \$261,958 | \$1,958 |
| Interest | 16,000 | 16,000 | 25,955 | 9,955 |
| <i>Total Revenues</i> | 276,000 | 276,000 | 287,913 | 11,913 |
| Expenditures | | | | |
| Current: | | | | |
| Transportation: | | | | |
| Permissive Motor Vehicle License: | | | | |
| Other | 3,000 | 3,000 | 22 | 2,978 |
| <i>Net Change in Fund Balance</i> | 273,000 | 273,000 | 287,891 | 14,891 |
| <i>Fund Balance Beginning of Year</i> | 662,696 | 662,696 | 662,696 | 0 |
| <i>Fund Balance End of Year</i> | \$935,696 | \$935,696 | \$950,587 | \$14,891 |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Pension Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Property Taxes | \$363,879 | \$363,879 | \$377,304 | \$13,425 |
| Intergovernmental | 43,874 | 43,874 | 57,810 | 13,936 |
| <i>Total Revenues</i> | 407,753 | 407,753 | 435,114 | 27,361 |
| Expenditures | | | | |
| Current: | | | | |
| Security of Persons and Property: | | | | |
| Police Pension: | | | | |
| Fringe Benefits | 800,000 | 800,000 | 755,080 | 44,920 |
| <i>Excess of Revenues Under Expenditures</i> | (392,247) | (392,247) | (319,966) | 72,281 |
| Other Financing Sources | | | | |
| Transfers In | 375,000 | 375,000 | 375,000 | 0 |
| <i>Net Change in Fund Balance</i> | (17,247) | (17,247) | 55,034 | 72,281 |
| <i>Fund Balance Beginning of Year</i> | 360,343 | 360,343 | 360,343 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$343,096</u> | <u>\$343,096</u> | <u>\$415,377</u> | <u>\$72,281</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Pension Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Property Taxes | \$363,879 | \$363,879 | \$377,304 | \$13,425 |
| Intergovernmental | 43,874 | 43,874 | 57,810 | 13,936 |
| <i>Total Revenues</i> | 407,753 | 407,753 | 435,114 | 27,361 |
| Expenditures | | | | |
| Current: | | | | |
| Security of Persons and Property: | | | | |
| Fire Pension: | | | | |
| Fringe Benefits | 820,000 | 820,000 | 742,058 | 77,942 |
| <i>Excess of Revenues Under Expenditures</i> | (412,247) | (412,247) | (306,944) | 105,303 |
| Other Financing Sources | | | | |
| Transfers In | 375,000 | 375,000 | 375,000 | 0 |
| <i>Net Change in Fund Balance</i> | (37,247) | (37,247) | 68,056 | 105,303 |
| <i>Fund Balance Beginning of Year</i> | 257,153 | 257,153 | 257,153 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$219,906</u> | <u>\$219,906</u> | <u>\$325,209</u> | <u>\$105,303</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police and Fire Operating Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Property Taxes | \$1,089,539 | \$1,089,539 | \$1,131,911 | \$42,372 |
| Intergovernmental | 133,721 | 133,721 | 173,432 | 39,711 |
| <i>Total Revenues</i> | <u>1,223,260</u> | <u>1,223,260</u> | <u>1,305,343</u> | <u>82,083</u> |
| Expenditures | | | | |
| Current: | | | | |
| Security of Persons and Property: | | | | |
| Police and Fire Operating: | | | | |
| Salaries | 1,546,500 | 1,546,500 | 1,370,436 | 176,064 |
| Fringe Benefits | 262,400 | 262,400 | 230,457 | 31,943 |
| <i>Total Expenditures</i> | <u>1,808,900</u> | <u>1,808,900</u> | <u>1,600,893</u> | <u>208,007</u> |
| <i>Net Change in Fund Balance</i> | (585,640) | (585,640) | (295,550) | 290,090 |
| <i>Fund Balance Beginning of Year</i> | <u>1,063,758</u> | <u>1,063,758</u> | <u>1,063,758</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$478,118</u> | <u>\$478,118</u> | <u>\$768,208</u> | <u>\$290,090</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Fund
For the Year Ended December 31, 2008

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|------------------|-----------|-----------|---|
| | Original | Final | | |
| Revenues | | | | |
| Fines and Forfeitures | \$15,000 | \$15,000 | \$27,302 | \$12,302 |
| Miscellaneous | 0 | 0 | 32,329 | 32,329 |
| <i>Total Revenues</i> | 15,000 | 15,000 | 59,631 | 44,631 |
| Expenditures | | | | |
| Current: | | | | |
| Security of Persons and Property: | | | | |
| Police Department: | | | | |
| Capital Outlay | 20,000 | 20,000 | 15,057 | 4,943 |
| Other | 30,000 | 45,000 | 33,952 | 11,048 |
| <i>Total Expenditures</i> | 50,000 | 65,000 | 49,009 | 15,991 |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (35,000) | (50,000) | 10,622 | 60,622 |
| Other Financing Sources | | | | |
| Transfers In | 15,000 | 15,000 | 0 | (15,000) |
| <i>Net Change in Fund Balance</i> | (20,000) | (35,000) | 10,622 | 45,622 |
| <i>Fund Balance Beginning of Year</i> | 298,321 | 298,321 | 298,321 | 0 |
| <i>Fund Balance End of Year</i> | \$278,321 | \$263,321 | \$308,943 | \$45,622 |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Mandatory Drug Fines Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-------------------------|-----------------|-----------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Fines and Forfeitures | \$15,000 | \$15,000 | \$0 | (\$15,000) |
| Expenditures | | | | |
| Current: | | | | |
| Security of Persons and Property: | | | | |
| Police Department: | | | | |
| Other | 20,000 | 20,000 | 18,174 | 1,826 |
| <i>Net Change in Fund Balance</i> | (5,000) | (5,000) | (18,174) | (13,174) |
| <i>Fund Balance Beginning of Year</i> | 33,606 | 33,606 | 33,606 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$28,606</u> | <u>\$28,606</u> | <u>\$15,432</u> | <u>(\$13,174)</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Alcohol Education Fund
For the Year Ended December 31, 2008

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------|----------|----------|---|
| | Original | Final | | |
| Revenues | | | | |
| Fines and Forfeitures | \$15,000 | \$15,000 | \$19,536 | \$4,536 |
| Expenditures | | | | |
| Current: | | | | |
| Security of Persons and Property: | | | | |
| Police Department: | | | | |
| Capital Outlay | 10,000 | 10,000 | 8,471 | 1,529 |
| Other | 4,000 | 4,000 | 1,749 | 2,251 |
| <i>Total Expenditures</i> | 14,000 | 14,000 | 10,220 | 3,780 |
| <i>Net Change in Fund Balance</i> | 1,000 | 1,000 | 9,316 | 8,316 |
| <i>Fund Balance Beginning of Year</i> | 42,303 | 42,303 | 42,303 | 0 |
| <i>Fund Balance End of Year</i> | \$43,303 | \$43,303 | \$51,619 | \$8,316 |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Juvenile Diversion Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-------------------------|---------------------|-----------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Fines and Forfeitures | \$3,900 | \$3,900 | \$5,400 | \$1,500 |
| Expenditures | | | | |
| Current: | | | | |
| Security of Persons and Property: | | | | |
| Police Department: | | | | |
| Salaries | 3,200 | 4,400 | 3,323 | 1,077 |
| Fringe Benefits | 450 | 650 | 235 | 415 |
| Other | 350 | 350 | 120 | 230 |
| <i>Total Expenditures</i> | <u>4,000</u> | <u>5,400</u> | <u>3,678</u> | <u>1,722</u> |
| <i>Net Change in Fund Balance</i> | (100) | (1,500) | 1,722 | 3,222 |
| <i>Fund Balance Beginning of Year</i> | <u>1,813</u> | <u>1,813</u> | <u>1,813</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$1,713</u></u> | <u><u>\$313</u></u> | <u><u>\$3,535</u></u> | <u><u>\$3,222</u></u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Federal Equitable Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-------------------------|-------------------------|-------------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Fines and Forfeitures | \$12,000 | \$12,000 | \$0 | (\$12,000) |
| Interest | 0 | 0 | 19,688 | 19,688 |
| <i>Total Revenues</i> | <u>12,000</u> | <u>12,000</u> | <u>19,688</u> | <u>7,688</u> |
| Expenditures | | | | |
| Current: | | | | |
| Security of Persons and Property: | | | | |
| Police Department: | | | | |
| Capital Outlay | 50,300 | 50,300 | 41,997 | 8,303 |
| Other | 50,385 | 65,385 | 48,882 | 16,503 |
| <i>Total Expenditures</i> | <u>100,685</u> | <u>115,685</u> | <u>90,879</u> | <u>24,806</u> |
| <i>Net Change in Fund Balance</i> | (88,685) | (103,685) | (71,191) | 32,494 |
| <i>Fund Balance Beginning of Year</i> | 297,052 | 297,052 | 297,052 | 0 |
| Prior Year Encumbrances Appropriated | <u>685</u> | <u>685</u> | <u>685</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$209,052</u></u> | <u><u>\$194,052</u></u> | <u><u>\$226,546</u></u> | <u><u>\$32,494</u></u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
FEMA Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---|-------------------------|-----------------------|-------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Intergovernmental | \$2,500 | \$2,500 | \$0 | (\$2,500) |
| Expenditures | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| <i>Excess of Revenues Over Expenditures</i> | 2,500 | 2,500 | 0 | (2,500) |
| Other Financing Uses | | | | |
| Advances Out | <u>(2,500)</u> | <u>(2,500)</u> | <u>(2,500)</u> | <u>0</u> |
| <i>Net Change in Fund Balance</i> | 0 | 0 | (2,500) | (2,500) |
| <i>Fund Balance Beginning of Year</i> | <u>2,500</u> | <u>2,500</u> | <u>2,500</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$2,500</u></u> | <u><u>\$2,500</u></u> | <u><u>\$0</u></u> | <u><u>(\$2,500)</u></u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Swimming Pool Operation Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---------------------------------------|-------------------------|------------------------|------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Charges for Services | \$230,000 | \$230,000 | \$203,871 | (\$26,129) |
| Miscellaneous | 0 | 0 | 1,567 | 1,567 |
| <i>Total Revenues</i> | <u>230,000</u> | <u>230,000</u> | <u>205,438</u> | <u>(24,562)</u> |
| Expenditures | | | | |
| Current: | | | | |
| Leisure Time Activities: | | | | |
| Recreation: | | | | |
| Salaries | 127,100 | 127,100 | 117,240 | 9,860 |
| Fringe Benefits | 19,600 | 19,600 | 18,054 | 1,546 |
| Contractual Services | 56,373 | 56,373 | 44,334 | 12,039 |
| Materials and Supplies | 41,500 | 41,500 | 32,161 | 9,339 |
| Other | 7,903 | 7,903 | 4,303 | 3,600 |
| <i>Total Expenditures</i> | <u>252,476</u> | <u>252,476</u> | <u>216,092</u> | <u>36,384</u> |
| <i>Net Change in Fund Balance</i> | (22,476) | (22,476) | (10,654) | 11,822 |
| <i>Fund Balance Beginning of Year</i> | 58,123 | 58,123 | 58,123 | 0 |
| Prior Year Encumbrances Appropriated | <u>3,876</u> | <u>3,876</u> | <u>3,876</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$39,523</u></u> | <u><u>\$39,523</u></u> | <u><u>\$51,345</u></u> | <u><u>\$11,822</u></u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Senior/Community Service Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---|-------------------------|-----------------|-----------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Charges for Services | \$182,000 | \$182,000 | \$160,339 | (\$21,661) |
| Miscellaneous | 0 | 0 | 60 | 60 |
| <i>Total Revenues</i> | 182,000 | 182,000 | 160,399 | (21,601) |
| Expenditures | | | | |
| Current: | | | | |
| Public Health Services: | | | | |
| Senior/Community Services: | | | | |
| Other | 195,790 | 195,790 | 159,846 | 35,944 |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (13,790) | (13,790) | 553 | 14,343 |
| Other Financing Sources (Uses) | | | | |
| Advances In | 70,000 | 70,000 | 70,000 | 0 |
| Advances Out | (70,000) | (70,000) | (70,000) | 0 |
| <i>Total Other Financing Sources (Uses)</i> | 0 | 0 | 0 | 0 |
| <i>Net Change in Fund Balance</i> | (13,790) | (13,790) | 553 | 14,343 |
| <i>Fund Balance Beginning of Year</i> | 42,368 | 42,368 | 42,368 | 0 |
| Prior Year Encumbrances Appropriated | 6,390 | 6,390 | 6,390 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$34,968</u> | <u>\$34,968</u> | <u>\$49,311</u> | <u>\$14,343</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Central Dispatch Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Charges for Services | \$672,600 | \$672,600 | \$593,096 | (\$79,504) |
| Expenditures | | | | |
| Current: | | | | |
| Security of Persons and Property: | | | | |
| Fire Department: | | | | |
| Salaries | 582,400 | 582,400 | 574,281 | 8,119 |
| Fringe Benefits | 209,349 | 209,349 | 194,392 | 14,957 |
| Contractual Services | 93,038 | 93,038 | 70,978 | 22,060 |
| Materials and Supplies | 8,836 | 8,836 | 5,317 | 3,519 |
| Capital Outlay | 58,000 | 58,000 | 0 | 58,000 |
| Other | 6,326 | 6,326 | 4,723 | 1,603 |
| <i>Total Expenditures</i> | <u>957,949</u> | <u>957,949</u> | <u>849,691</u> | <u>108,258</u> |
| <i>Excess of Revenues Under Expenditures</i> | (285,349) | (285,349) | (256,595) | 28,754 |
| Other Financing Sources | | | | |
| Transfers In | 250,000 | 250,000 | 250,000 | 0 |
| <i>Net Change in Fund Balance</i> | (35,349) | (35,349) | (6,595) | 28,754 |
| <i>Fund Balance Beginning of Year</i> | 140,048 | 140,048 | 140,048 | 0 |
| Prior Year Encumbrances Appropriated | 4,449 | 4,449 | 4,449 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$109,148</u> | <u>\$109,148</u> | <u>\$137,902</u> | <u>\$28,754</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Emergency Medical Service Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---------------------------------------|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Charges for Services | \$400,000 | \$400,000 | \$513,843 | \$113,843 |
| Expenditures | | | | |
| Current: | | | | |
| Security of Persons and Property: | | | | |
| Fire Department: | | | | |
| Contractual Services | 0 | 50,000 | 40,001 | 9,999 |
| Other | 0 | 10,000 | 2,708 | 7,292 |
| <i>Total Expenditures</i> | <u>0</u> | <u>60,000</u> | <u>42,709</u> | <u>17,291</u> |
| <i>Net Change in Fund Balance</i> | 400,000 | 340,000 | 471,134 | 131,134 |
| <i>Fund Balance Beginning of Year</i> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$400,000</u> | <u>\$340,000</u> | <u>\$471,134</u> | <u>\$131,134</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Cemetery Operating Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Charges for Services | \$15,000 | \$15,000 | \$22,945 | \$7,945 |
| Interest | 30,000 | 30,000 | 15,557 | (14,443) |
| <i>Total Revenues</i> | <u>45,000</u> | <u>45,000</u> | <u>38,502</u> | <u>(6,498)</u> |
| Expenditures | | | | |
| Current: | | | | |
| Public Health Services: | | | | |
| Cemetery Operations: | | | | |
| Salaries | 50,500 | 50,500 | 37,459 | 13,041 |
| Fringe Benefits | 19,800 | 19,800 | 17,292 | 2,508 |
| Contractual Services | 22,545 | 22,545 | 14,983 | 7,562 |
| Materials and Supplies | 14,554 | 16,054 | 10,195 | 5,859 |
| Capital Outlay | 37,900 | 37,300 | 5,559 | 31,741 |
| Other | 27,055 | 27,655 | 22,839 | 4,816 |
| <i>Total Expenditures</i> | <u>172,354</u> | <u>173,854</u> | <u>108,327</u> | <u>65,527</u> |
| <i>Excess of Revenues Under Expenditures</i> | (127,354) | (128,854) | (69,825) | 59,029 |
| Other Financing Sources | | | | |
| Transfers In | 100,000 | 100,000 | 100,000 | 0 |
| <i>Net Change in Fund Balance</i> | (27,354) | (28,854) | 30,175 | 59,029 |
| <i>Fund Balance Beginning of Year</i> | 258,907 | 258,907 | 258,907 | 0 |
| Prior Year Encumbrances Appropriated | 6,954 | 6,954 | 6,954 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$238,507</u> | <u>\$237,007</u> | <u>\$296,036</u> | <u>\$59,029</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Cemetery Investment Fund
For the Year Ended December 31, 2008

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------|------------------|------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Charges for Services | \$15,000 | \$15,000 | \$28,385 | \$13,385 |
| Expenditures | | | | |
| Current: | | | | |
| Public Health Services: | | | | |
| Cemetery Operations: | | | | |
| Other | 8,000 | 8,000 | 3,000 | 5,000 |
| <i>Net Change in Fund Balance</i> | 7,000 | 7,000 | 25,385 | 18,385 |
| <i>Fund Balance Beginning of Year</i> | 482,406 | 482,406 | 482,406 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$489,406</u> | <u>\$489,406</u> | <u>\$507,791</u> | <u>\$18,385</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Westlake/Bay Ecological Fund
For the Year Ended December 31, 2008

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------|----------|-----------|---|
| | Original | Final | | |
| Revenues | | | | |
| Charges for Services | \$50,000 | \$50,000 | \$81,217 | \$31,217 |
| Miscellaneous | 0 | 0 | 3,846 | 3,846 |
| <i>Total Revenues</i> | 50,000 | 50,000 | 85,063 | 35,063 |
| Expenditures | | | | |
| Current: | | | | |
| Basic Utility Services: | | | | |
| Litter Prevention: | | | | |
| Salaries | 27,000 | 27,000 | 26,909 | 91 |
| Fringe Benefits | 4,100 | 4,100 | 4,012 | 88 |
| Contractual Services | 28,500 | 28,500 | 28,308 | 192 |
| Capital Outlay | 40,000 | 65,000 | 22,850 | 42,150 |
| Other | 11,655 | 11,655 | 8,768 | 2,887 |
| <i>Total Expenditures</i> | 111,255 | 136,255 | 90,847 | 45,408 |
| <i>Net Change in Fund Balance</i> | (61,255) | (86,255) | (5,784) | 80,471 |
| <i>Fund Balance Beginning of Year</i> | 154,775 | 154,775 | 154,775 | 0 |
| Prior Year Encumbrances Appropriated | 455 | 455 | 455 | 0 |
| <i>Fund Balance End of Year</i> | \$93,975 | \$68,975 | \$149,446 | \$80,471 |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Newsletter Fund
For the Year Ended December 31, 2008

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------|----------------|----------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Donations | \$700 | \$700 | \$330 | (\$370) |
| Expenditures | | | | |
| Current: | | | | |
| General Government: | | | | |
| Newsletter: | | | | |
| Other | 2,000 | 2,000 | 0 | 2,000 |
| <i>Net Change in Fund Balance</i> | (1,300) | (1,300) | 330 | 1,630 |
| <i>Fund Balance Beginning of Year</i> | 3,842 | 3,842 | 3,842 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$2,542</u> | <u>\$2,542</u> | <u>\$4,172</u> | <u>\$1,630</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Reserve for Compensated Absences Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---------------------------------------|---------------------------|---------------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government: | | | | |
| Compensated Absences: | | | | |
| Personal Services | 300,000 | 300,000 | 64,011 | 235,989 |
| Fringe Benefits | <u>10,000</u> | <u>10,000</u> | <u>31</u> | <u>9,969</u> |
| <i>Total Expenditures</i> | <u>310,000</u> | <u>310,000</u> | <u>64,042</u> | <u>245,958</u> |
| <i>Net Change in Fund Balance</i> | (310,000) | (310,000) | (64,042) | 245,958 |
| <i>Fund Balance Beginning of Year</i> | <u>1,769,080</u> | <u>1,769,080</u> | <u>1,769,080</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$1,459,080</u></u> | <u><u>\$1,459,080</u></u> | <u><u>\$1,705,038</u></u> | <u><u>\$245,958</u></u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
City Donations Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---------------------------------------|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Donations | \$38,300 | \$39,080 | \$62,534 | \$23,454 |
| Expenditures | | | | |
| Current: | | | | |
| Community Environment: | | | | |
| Donations: | | | | |
| Capital Outlay | 6,500 | 6,500 | 889 | 5,611 |
| Other | 65,173 | 67,753 | 44,024 | 23,729 |
| <i>Total Expenditures</i> | <u>71,673</u> | <u>74,253</u> | <u>44,913</u> | <u>29,340</u> |
| <i>Net Change in Fund Balance</i> | (33,373) | (35,173) | 17,621 | 52,794 |
| <i>Fund Balance Beginning of Year</i> | 152,793 | 152,793 | 152,793 | 0 |
| Prior Year Encumbrances Appropriated | <u>2,173</u> | <u>2,173</u> | <u>2,173</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$121,593</u> | <u>\$119,793</u> | <u>\$172,587</u> | <u>\$52,794</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Obligation Bond Retirement Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|---------------------------|---------------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Property Taxes | \$843,951 | \$843,951 | \$880,375 | \$36,424 |
| Municipal Income Taxes | 1,000,000 | 1,000,000 | 1,000,000 | 0 |
| Intergovernmental | 107,472 | 107,472 | 134,892 | 27,420 |
| <i>Total Revenues</i> | <u>1,951,423</u> | <u>1,951,423</u> | <u>2,015,267</u> | <u>63,844</u> |
| Expenditures | | | | |
| Debt Service: | | | | |
| Principal Retirement | 1,228,000 | 1,228,000 | 1,082,382 | 145,618 |
| Interest and Fiscal Charges | 499,382 | 499,382 | 464,811 | 34,571 |
| Capital Appreciation Bonds Interest | 387,618 | 387,618 | 387,618 | 0 |
| Bond Issuance Costs | 0 | 180,119 | 178,495 | 1,624 |
| <i>Total Expenditures</i> | <u>2,115,000</u> | <u>2,295,119</u> | <u>2,113,306</u> | <u>181,813</u> |
| <i>Excess of Revenues Under Expenditures</i> | <u>(163,577)</u> | <u>(343,696)</u> | <u>(98,039)</u> | <u>245,657</u> |
| Other Financing Sources (Uses) | | | | |
| General Obligation Refunding Bonds Issued | 0 | 9,990,000 | 9,990,000 | 0 |
| General Obligation Refunding Bonds Premium | 0 | 4,776 | 4,776 | 0 |
| Payments to Refunded Bond Escrow Agent | 0 | (9,814,657) | (9,814,657) | 0 |
| <i>Total Other Financing Sources (Uses)</i> | <u>0</u> | <u>180,119</u> | <u>180,119</u> | <u>0</u> |
| <i>Net Change in Fund Balance</i> | <u>(163,577)</u> | <u>(163,577)</u> | <u>82,080</u> | <u>245,657</u> |
| <i>Fund Balance Beginning of Year</i> | <u>1,461,822</u> | <u>1,461,822</u> | <u>1,461,822</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$1,298,245</u></u> | <u><u>\$1,298,245</u></u> | <u><u>\$1,543,902</u></u> | <u><u>\$245,657</u></u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Sanitary Sewer Improvement Fund
For the Year Ended December 31, 2008

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------|------------|------------|---|
| | Original | Final | Actual | |
| Revenues | \$0 | \$0 | \$0 | \$0 |
| Expenditures | | | | |
| Capital Outlay: | | | | |
| Sanitary Sewer Improvement: | | | | |
| Other | 19,468 | 19,468 | 19,468 | 0 |
| <i>Net Change in Fund Balance</i> | (19,468) | (19,468) | (19,468) | 0 |
| <i>Fund Balance Beginning of Year</i> | 19,468 | 19,468 | 19,468 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Storm Drainage Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---------------------------------------|---------------------------|---------------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Licenses, Permits and Fees | \$120,000 | \$120,000 | \$32,976 | (\$87,024) |
| Interest | 155,000 | 155,000 | 341,581 | 186,581 |
| <i>Total Revenues</i> | <u>275,000</u> | <u>275,000</u> | <u>374,557</u> | <u>99,557</u> |
| Expenditures | | | | |
| Capital Outlay: | | | | |
| Storm Drainage: | | | | |
| Salaries | 10,000 | 30,000 | 5,621 | 24,379 |
| Fringe Benefits | 1,500 | 1,500 | 867 | 633 |
| Capital Outlay | 2,070,400 | 2,070,400 | 87,235 | 1,983,165 |
| Other | 16,283 | 16,283 | 4,588 | 11,695 |
| <i>Total Expenditures</i> | <u>2,098,183</u> | <u>2,118,183</u> | <u>98,311</u> | <u>2,019,872</u> |
| <i>Net Change in Fund Balance</i> | (1,823,183) | (1,843,183) | 276,246 | 2,119,429 |
| <i>Fund Balance Beginning of Year</i> | 5,480,858 | 5,480,858 | 5,480,858 | 0 |
| Prior Year Encumbrances Appropriated | <u>7,783</u> | <u>7,783</u> | <u>7,783</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$3,665,458</u></u> | <u><u>\$3,645,458</u></u> | <u><u>\$5,764,887</u></u> | <u><u>\$2,119,429</u></u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Crocker Road Improvements Fund
For the Year Ended December 31, 2008

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|--------------------|--------------------|------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Miscellaneous | \$0 | \$0 | \$22,087 | 22,087 |
| Expenditures | | | | |
| Capital Outlay: | | | | |
| Crocker Road: | | | | |
| Capital Outlay | 35,000 | 35,000 | 0 | 35,000 |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (35,000) | (35,000) | 22,087 | 57,087 |
| Other Financing Sources | | | | |
| Transfers In | 2,000,000 | 2,000,000 | 0 | (2,000,000) |
| <i>Net Change in Fund Balance</i> | 1,965,000 | 1,965,000 | 22,087 | (1,942,913) |
| <i>Fund Balance Beginning of Year</i> | 225,845 | 225,845 | 225,845 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$2,190,845</u> | <u>\$2,190,845</u> | <u>\$247,932</u> | <u>(\$1,942,913)</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Issue 2 Improvements Fund
For the Year Ended December 31, 2008

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|--|------------------|-------------|-------------|---|
| | Original | Final | Actual | |
| Revenues | | | | |
| Intergovernmental | \$735,000 | \$735,000 | \$661,314 | (\$73,686) |
| Expenditures | | | | |
| Capital Outlay: | | | | |
| Issue 2 Improvements: | | | | |
| Capital Outlay | 2,509,838 | 2,279,838 | 2,136,682 | 143,156 |
| Other | 0 | 30,000 | 8,464 | 21,536 |
| Total Capital Outlay | 2,509,838 | 2,309,838 | 2,145,146 | 164,692 |
| Debt Service: | | | | |
| Principal Retirement | 61,000 | 61,000 | 60,760 | 240 |
| <i>Total Expenditures</i> | 2,570,838 | 2,370,838 | 2,205,906 | 164,932 |
| <i>Excess of Revenues Under Expenditures</i> | (1,835,838) | (1,635,838) | (1,544,592) | 91,246 |
| Other Financing Sources (Uses) | | | | |
| Advances Out | 0 | (1,500,000) | (1,500,000) | 0 |
| Transfers In | 60,800 | 660,800 | 706,800 | 46,000 |
| <i>Total Other Financing Sources (Uses)</i> | 60,800 | (839,200) | (793,200) | 46,000 |
| <i>Net Change in Fund Balance</i> | (1,775,038) | (2,475,038) | (2,337,792) | 137,246 |
| <i>Fund Balance Beginning of Year</i> | 2,718,422 | 2,718,422 | 2,718,422 | 0 |
| Prior Year Encumbrances Appropriated | 124,837 | 124,837 | 124,837 | 0 |
| <i>Fund Balance End of Year</i> | \$1,068,221 | \$368,221 | \$505,467 | \$137,246 |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Grants Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|-------------------------|-------------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Intergovernmental | \$0 | \$340,000 | \$0 | (\$340,000) |
| Expenditures | | | | |
| Capital Outlay: | | | | |
| Grants: | | | | |
| Fringe Benefits | 0 | 1,000 | 0 | 1,000 |
| Capital Outlay | 0 | 326,025 | 325,724 | 301 |
| Other | 1,025 | 14,000 | 13,860 | 140 |
| <i>Total Expenditures</i> | <u>1,025</u> | <u>341,025</u> | <u>339,584</u> | <u>1,441</u> |
| <i>Excess of Revenues Under Expenditures</i> | (1,025) | (1,025) | (339,584) | (338,559) |
| Other Financing Sources | | | | |
| Advances In | 0 | 0 | 340,000 | 340,000 |
| <i>Net Change in Fund Balance</i> | (1,025) | (1,025) | 416 | 1,441 |
| <i>Fund Balance Beginning of Year</i> | <u>295,919</u> | <u>295,919</u> | <u>295,919</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$294,894</u></u> | <u><u>\$294,894</u></u> | <u><u>\$296,335</u></u> | <u><u>\$1,441</u></u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Impact Fees Fund
For the Year Ended December 31, 2008

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------|------------------|--------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Licenses, Permits and Fees | \$75,000 | \$75,000 | \$41,389 | (\$33,611) |
| Interest | 172,000 | 172,000 | 199,748 | 27,748 |
| <i>Total Revenues</i> | <u>247,000</u> | <u>247,000</u> | <u>241,137</u> | <u>(5,863)</u> |
| Expenditures | | | | |
| Capital Outlay: | | | | |
| Impact Fee: | | | | |
| Capital Outlay | 1,904,087 | 1,894,087 | 252,016 | 1,642,071 |
| Other | 0 | 10,000 | 3,852 | 6,148 |
| <i>Total Expenditures</i> | <u>1,904,087</u> | <u>1,904,087</u> | <u>255,868</u> | <u>1,648,219</u> |
| <i>Net Change in Fund Balance</i> | (1,657,087) | (1,657,087) | (14,731) | 1,642,356 |
| <i>Fund Balance Beginning of Year</i> | 1,866,629 | 1,866,629 | 1,866,629 | 0 |
| Prior Year Encumbrances Appropriated | 5,087 | 5,087 | 5,087 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$214,629</u> | <u>\$214,629</u> | <u>\$1,856,985</u> | <u>\$1,642,356</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Sidewalks Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Interest | \$125,000 | \$125,000 | \$60,588 | (\$64,412) |
| Expenditures | | | | |
| Capital Outlay: | | | | |
| Sidewalk Improvement: | | | | |
| Salaries | 7,500 | 7,500 | 32 | 7,468 |
| Fringe Benefits | 1,300 | 1,300 | 4 | 1,296 |
| Capital Outlay | 59,381 | 59,381 | 7,243 | 52,138 |
| Other | 7,200 | 7,200 | 2,760 | 4,440 |
| <i>Total Expenditures</i> | <u>75,381</u> | <u>75,381</u> | <u>10,039</u> | <u>65,342</u> |
| <i>Excess of Revenues Over Expenditures</i> | <u>49,619</u> | <u>49,619</u> | <u>50,549</u> | <u>930</u> |
| Other Financing Sources (Uses) | | | | |
| Advances Out | (250,000) | (250,000) | (250,000) | 0 |
| Transfers In | 145,000 | 145,000 | 159,671 | 14,671 |
| <i>Total Other Financing Sources (Uses)</i> | <u>(105,000)</u> | <u>(105,000)</u> | <u>(90,329)</u> | <u>14,671</u> |
| <i>Net Change in Fund Balance</i> | (55,381) | (55,381) | (39,780) | 15,601 |
| <i>Fund Balance Beginning of Year</i> | 118,561 | 118,561 | 118,561 | 0 |
| Prior Year Encumbrances Appropriated | 44,382 | 44,382 | 44,382 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$107,562</u> | <u>\$107,562</u> | <u>\$123,163</u> | <u>\$15,601</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Service Center Construction Fund
For the Year Ended December 31, 2008

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|--|------------------|-------------|-------------|---|
| | Original | Final | Actual | |
| Revenues | \$0 | \$0 | \$0 | \$0 |
| Expenditures | | | | |
| Capital Outlay: | | | | |
| Service Center Construction: | | | | |
| Salaries | 4,500 | 4,500 | 2,148 | 2,352 |
| Fringe Benefits | 800 | 800 | 331 | 469 |
| Capital Outlay | 340,428 | 340,428 | 340,428 | 0 |
| Other | 15,000 | 15,000 | 0 | 15,000 |
| <i>Total Expenditures</i> | 360,728 | 360,728 | 342,907 | 17,821 |
| <i>Excess of Revenues Under Expenditures</i> | (360,728) | (360,728) | (342,907) | 17,821 |
| Other Financing Uses | | | | |
| Advances Out | (1,900,000) | (1,900,000) | (1,900,000) | 0 |
| <i>Net Change in Fund Balance</i> | (2,260,728) | (2,260,728) | (2,242,907) | 17,821 |
| <i>Fund Balance Beginning of Year</i> | 1,929,326 | 1,929,326 | 1,929,326 | 0 |
| Prior Year Encumbrances Appropriated | 340,428 | 340,428 | 340,428 | 0 |
| <i>Fund Balance End of Year</i> | \$9,026 | \$9,026 | \$26,847 | \$17,821 |

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation Center Construction Fund
For the Year Ended December 31, 2008

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|--------------------|--------------------|--------------------|---|
| | Original | Final | Actual | |
| Revenues | | | | |
| Municipal Income Taxes | \$350,603 | \$350,603 | \$313,278 | (\$37,325) |
| Intergovernmental | 22,397 | 22,397 | 22,397 | 0 |
| Miscellaneous | 0 | 0 | 210 | 210 |
| <i>Total Revenues</i> | <u>373,000</u> | <u>373,000</u> | <u>335,885</u> | <u>(37,115)</u> |
| Expenditures | | | | |
| Capital Outlay: | | | | |
| Recreation Center Construction: | | | | |
| Salaries | 30,000 | 30,000 | 54 | 29,946 |
| Fringe Benefits | 4,600 | 4,600 | 8 | 4,592 |
| Contractual Services | 50,000 | 50,000 | 46,696 | 3,304 |
| Capital Outlay | 2,236,096 | 2,236,096 | 140,392 | 2,095,704 |
| Other | 25,400 | 25,400 | 6,859 | 18,541 |
| <i>Total Expenditures</i> | <u>2,346,096</u> | <u>2,346,096</u> | <u>194,009</u> | <u>2,152,087</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (1,973,096) | (1,973,096) | 141,876 | 2,114,972 |
| Other Financing Sources | | | | |
| Transfers In | 1,000,000 | 1,000,000 | 0 | (1,000,000) |
| <i>Net Change in Fund Balance</i> | (973,096) | (973,096) | 141,876 | 1,114,972 |
| <i>Fund Balance Beginning of Year</i> | 2,525,198 | 2,525,198 | 2,525,198 | 0 |
| Prior Year Encumbrances Appropriated | 91,096 | 91,096 | 91,096 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$1,643,198</u> | <u>\$1,643,198</u> | <u>\$2,758,170</u> | <u>\$1,114,972</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Golf Course Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---|-------------------------|-----------------|-----------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Charges for Services | \$585,000 | \$585,000 | \$430,303 | (\$154,697) |
| Rentals | 5,000 | 5,000 | 8,170 | 3,170 |
| Other | 10,000 | 10,000 | 9,399 | (601) |
| <i>Total Revenues</i> | <u>600,000</u> | <u>600,000</u> | <u>447,872</u> | <u>(152,128)</u> |
| Expenses | | | | |
| Personal Services | 240,700 | 243,700 | 241,943 | 1,757 |
| Fringe Benefits | 61,200 | 61,200 | 61,154 | 46 |
| Contractual Services | 117,139 | 115,889 | 88,144 | 27,745 |
| Materials and Supplies | 79,079 | 82,580 | 65,858 | 16,722 |
| Capital Outlay | 29,000 | 27,850 | 10,429 | 17,421 |
| Other | 27,176 | 29,076 | 19,589 | 9,487 |
| <i>Total Expenses</i> | <u>554,294</u> | <u>560,295</u> | <u>487,117</u> | <u>73,178</u> |
| <i>Excess of Revenues Over (Under) Expenses</i> | | | | |
| <i>Before Advances</i> | 45,706 | 39,705 | (39,245) | (78,950) |
| Advances In | 50,000 | 50,000 | 50,000 | 0 |
| Advances Out | (100,000) | (100,000) | (50,000) | 50,000 |
| <i>Excess of Revenues and Advances</i> | | | | |
| <i>Under Expenses</i> | (4,294) | (10,295) | (39,245) | (28,950) |
| <i>Fund Equity Beginning of Year</i> | 64,750 | 64,750 | 64,750 | 0 |
| Prior Year Encumbrances Appropriated | 14,194 | 14,194 | 14,194 | 0 |
| <i>Fund Equity End of Year</i> | <u>\$74,650</u> | <u>\$68,649</u> | <u>\$39,699</u> | <u>(\$28,950)</u> |

City of Westlake, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Self Insurance Fund
For the Year Ended December 31, 2008

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--------------------------------------|---------------------------|-------------------------|---------------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| Charges for Services | \$2,539,500 | \$2,539,500 | \$2,599,606 | \$60,106 |
| Interest | 36,000 | 36,000 | 26,926 | (9,074) |
| Miscellaneous | 0 | 0 | 2,479 | 2,479 |
| <i>Total Revenues</i> | <u>2,575,500</u> | <u>2,575,500</u> | <u>2,629,011</u> | <u>53,511</u> |
| Expenses | | | | |
| Contractual Services | 377,511 | 377,511 | 329,900 | 47,611 |
| Claims | 2,224,391 | 2,474,391 | 2,303,999 | 170,392 |
| <i>Total Expenses</i> | <u>2,601,902</u> | <u>2,851,902</u> | <u>2,633,899</u> | <u>218,003</u> |
| <i>Net Change in Fund Equity</i> | (26,402) | (276,402) | (4,888) | 271,514 |
| <i>Fund Equity Beginning of Year</i> | 871,422 | 871,422 | 871,422 | 0 |
| Prior Year Encumbrances Appropriated | <u>171,902</u> | <u>171,902</u> | <u>171,902</u> | <u>0</u> |
| <i>Fund Equity End of Year</i> | <u><u>\$1,016,922</u></u> | <u><u>\$766,922</u></u> | <u><u>\$1,038,436</u></u> | <u><u>\$271,514</u></u> |

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Statistical Section

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

| <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, the property tax and the municipal income tax. | S12-S19 |
| 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. | S20-S25 |
| 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. | S26-S29 |
| Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. | S30-S35 |

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The City implemented GASB Statement 34 in 2001; schedules presenting government-wide information include information beginning in that year.

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

| | <u>2008</u> | <u>2007</u> | <u>2006</u> | <u>2005</u> |
|--|----------------------|----------------------|----------------------|----------------------|
| Governmental Activities | | | | |
| Invested in Capital Assets, Net of Related Debt | \$116,235,290 | \$113,923,769 | \$111,215,683 | \$107,532,355 |
| Restricted | 38,496,737 | 36,851,590 | 29,743,519 | 31,289,085 |
| Unrestricted | <u>16,455,779</u> | <u>30,181,068</u> | <u>30,016,958</u> | <u>24,115,948</u> |
| <i>Total Governmental Activities Net Assets</i> | <u>171,187,806</u> | <u>180,956,427</u> | <u>170,976,160</u> | <u>162,937,388</u> |
| Business-Type Activities | | | | |
| Invested in Capital Assets, Net of Related Debt | 31,760,772 | 32,213,389 | 32,600,713 | 33,192,749 |
| Unrestricted | <u>19,410,303</u> | <u>19,250,408</u> | <u>20,501,409</u> | <u>20,526,997</u> |
| <i>Total Business-Type Activities Net Assets</i> | <u>51,171,075</u> | <u>51,463,797</u> | <u>53,102,122</u> | <u>53,719,746</u> |
| Primary government | | | | |
| Invested in Capital Assets, Net of Related Debt | 147,996,062 | 146,137,158 | 143,816,396 | 140,725,104 |
| Restricted | 38,496,737 | 36,851,590 | 29,743,519 | 31,289,085 |
| Unrestricted | <u>35,866,082</u> | <u>49,431,476</u> | <u>50,518,367</u> | <u>44,642,945</u> |
| <i>Total Primary Government Net Assets</i> | <u>\$222,358,881</u> | <u>\$232,420,224</u> | <u>\$224,078,282</u> | <u>\$216,657,134</u> |

| 2004 | 2003 | 2002 | 2001 |
|---------------|---------------|---------------|---------------|
| \$95,408,072 | \$90,918,473 | \$87,726,914 | \$76,571,036 |
| 37,559,907 | 35,710,547 | 34,748,143 | 37,694,765 |
| 23,388,288 | 24,879,263 | 23,396,704 | 30,332,036 |
| 156,356,267 | 151,508,283 | 145,871,761 | 144,597,837 |
| 32,689,796 | 32,564,585 | 32,600,462 | 32,240,318 |
| 20,898,424 | 21,257,934 | 22,046,837 | 22,848,345 |
| 53,588,220 | 53,822,519 | 54,647,299 | 55,088,663 |
| 128,097,868 | 123,483,058 | 120,327,376 | 108,811,354 |
| 37,559,907 | 35,710,547 | 34,748,143 | 37,694,765 |
| 44,286,712 | 46,137,197 | 45,443,541 | 53,180,381 |
| \$209,944,487 | \$205,330,802 | \$200,519,060 | \$199,686,500 |

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

| | 2008 | 2007 | 2006 | 2005 |
|--|---------------------|---------------------|---------------------|---------------------|
| Program Revenues | | | | |
| Governmental Activities: | | | | |
| Charges for Services: | | | | |
| General Government | \$62,982 | \$204,883 | \$173,083 | \$127,184 |
| Security of Persons and Property | 1,792,383 | 1,137,311 | 1,035,418 | 982,712 |
| Public Health Services | 219,131 | 179,762 | 164,790 | 245,703 |
| Transportation | 170,479 | 2,050 | 18,095 | 800 |
| Community Environment | 473,546 | 258,685 | 330,801 | 2,464 |
| Basic Utility Services | 117,076 | 580,438 | 699,054 | 591,125 |
| Leisure Time Activities | 2,422,194 | 2,392,074 | 2,457,714 | 2,153,198 |
| Operating Grants and Contributions | 1,999,419 | 2,247,881 | 2,326,833 | 1,991,525 |
| Capital Grants and Contributions | 861,837 | 86,159 | 779,936 | 6,508,012 |
| <i>Total Governmental Activities Program Revenues</i> | <u>8,119,047</u> | <u>7,089,243</u> | <u>7,985,724</u> | <u>12,602,723</u> |
| Business-Type Activities: | | | | |
| Charges for Services: | | | | |
| Sewer | 2,038,961 | 1,782,896 | 1,849,077 | 1,817,584 |
| Golf Course | 438,473 | 497,736 | 460,439 | 504,641 |
| <i>Total Business-Type Activities Program Revenues</i> | <u>2,477,434</u> | <u>2,280,632</u> | <u>2,309,516</u> | <u>2,322,225</u> |
| <i>Total Primary Government Program Revenues</i> | <u>10,596,481</u> | <u>9,369,875</u> | <u>10,295,240</u> | <u>14,924,948</u> |
| Expenses | | | | |
| Governmental Activities: | | | | |
| General Government | 22,355,014 | 7,364,070 | 7,343,276 | 7,374,119 |
| Security of Persons and Property | 15,023,844 | 13,159,961 | 12,689,539 | 12,050,809 |
| Public Health Services | 1,040,137 | 962,658 | 904,177 | 874,171 |
| Transportation | 11,143,476 | 10,093,953 | 8,837,612 | 12,801,841 |
| Community Environment | 1,436,256 | 1,305,482 | 1,403,325 | 1,635,242 |
| Basic Utility Services | 1,925,985 | 2,184,182 | 1,770,100 | 1,688,932 |
| Leisure Time Activities | 3,990,032 | 4,312,925 | 3,679,917 | 3,436,612 |
| Interest and Fiscal Charges | 832,754 | 633,706 | 1,372,783 | 1,176,075 |
| <i>Total Governmental Activities Expenses</i> | <u>57,747,498</u> | <u>40,016,937</u> | <u>38,000,729</u> | <u>41,037,801</u> |
| Business-Type Activities: | | | | |
| Sewer | 3,206,285 | 3,396,803 | 2,619,020 | 3,076,178 |
| Golf | 509,423 | 475,205 | 498,429 | 510,441 |
| <i>Total Business-Type Activities Expenses</i> | <u>3,715,708</u> | <u>3,872,008</u> | <u>3,117,449</u> | <u>3,586,619</u> |
| <i>Total Primary Government Expenses</i> | <u>\$61,463,206</u> | <u>\$43,888,945</u> | <u>\$41,118,178</u> | <u>\$44,624,420</u> |

| 2004 | 2003 | 2002 | 2001 |
|---------------------|---------------------|---------------------|---------------------|
| \$479,604 | \$439,045 | \$557,528 | \$328,544 |
| 697,379 | 358,014 | 301,778 | 315,400 |
| 217,676 | 109,774 | 112,691 | 102,326 |
| 0 | 0 | 23,335 | 0 |
| 395,233 | 422,031 | 367,209 | 413,710 |
| 375,328 | 271,828 | 283,095 | 420,401 |
| 2,159,425 | 1,954,280 | 2,009,919 | 1,808,310 |
| 1,494,552 | 1,561,028 | 1,607,321 | 1,252,164 |
| 615,617 | 416,865 | 866,330 | 4,290,615 |
| <u>6,434,814</u> | <u>5,532,865</u> | <u>6,129,206</u> | <u>8,931,470</u> |
| 1,847,391 | 1,578,261 | 1,648,297 | 1,718,173 |
| 475,011 | 456,882 | 479,338 | 477,505 |
| <u>2,322,402</u> | <u>2,035,143</u> | <u>2,127,635</u> | <u>2,195,678</u> |
| <u>8,757,216</u> | <u>7,568,008</u> | <u>8,256,841</u> | <u>11,127,148</u> |
| 6,143,020 | 5,579,719 | 8,288,139 | 8,405,770 |
| 11,750,100 | 10,545,048 | 10,701,215 | 10,338,153 |
| 789,438 | 681,078 | 755,224 | 653,421 |
| 9,106,958 | 6,468,674 | 7,435,759 | 5,967,956 |
| 1,628,983 | 1,004,252 | 1,253,995 | 1,141,786 |
| 1,714,687 | 2,274,064 | 2,682,560 | 2,919,802 |
| 3,308,446 | 3,187,993 | 3,321,751 | 3,183,996 |
| 1,439,879 | 1,524,599 | 1,746,348 | 1,784,341 |
| <u>35,881,511</u> | <u>31,265,427</u> | <u>36,184,991</u> | <u>34,395,225</u> |
| 3,021,810 | 3,011,609 | 3,255,674 | 2,606,026 |
| 483,123 | 520,339 | 510,649 | 427,768 |
| <u>3,504,933</u> | <u>3,531,948</u> | <u>3,766,323</u> | <u>3,033,794</u> |
| <u>\$39,386,444</u> | <u>\$34,797,375</u> | <u>\$39,951,314</u> | <u>\$37,429,019</u> |

(continued)

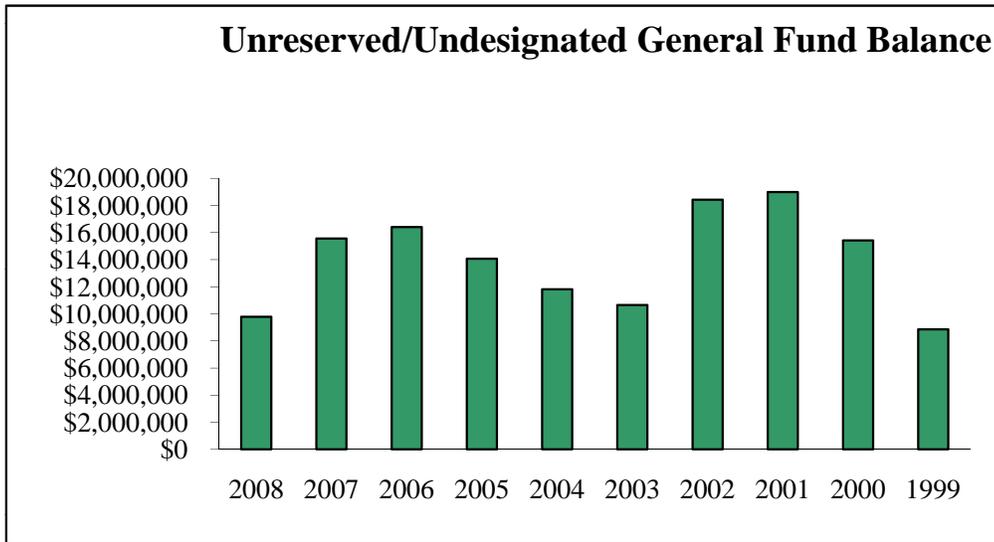
City of Westlake, Ohio
Changes in Net Assets (continued)
Last Eight Years
(accrual basis of accounting)

| | 2008 | 2007 | 2006 | 2005 |
|--|-----------------------|---------------------|---------------------|---------------------|
| Net (Expense)/Revenue | | | | |
| Governmental Activities | (\$49,628,451) | (\$32,927,694) | (\$30,015,005) | (\$28,435,078) |
| Business-Type Activities | (1,238,274) | (1,591,376) | (807,933) | (1,264,394) |
| <i>Total Primary Government Net Expense</i> | <u>(50,866,725)</u> | <u>(34,519,070)</u> | <u>(30,822,938)</u> | <u>(29,699,472)</u> |
| General Revenues and Other Changes in Net Assets | | | | |
| Governmental Activities: | | | | |
| Taxes: | | | | |
| Property Taxes Levied For: | | | | |
| General Purposes | 9,389,659 | 9,943,421 | 8,505,234 | 9,003,584 |
| Other Purposes | 1,853,221 | 1,963,131 | 1,809,629 | 1,769,604 |
| Debt Service | 857,615 | 1,043,024 | 1,082,470 | 1,173,742 |
| Municipal Income Taxes Levied For: | | | | |
| General Purposes | 12,462,547 | 13,895,909 | 11,550,068 | 11,995,713 |
| Other Purposes | 250,588 | 252,860 | 239,682 | 252,404 |
| Debt Service | 1,002,399 | 2,178,908 | 2,396,061 | 2,477,782 |
| Capital Outlay | 5,110,393 | 4,539,069 | 3,298,704 | 3,093,288 |
| Admission Taxes | 197,798 | 211,079 | 173,992 | 0 |
| Hotel Taxes | 457,987 | 492,516 | 405,983 | 0 |
| Grants and Entitlements not Restricted to Specific Programs | 4,282,803 | 3,569,675 | 5,127,705 | 3,805,291 |
| Franchise Taxes | 438,367 | 0 | 0 | 0 |
| Investment Earnings | 2,877,142 | 4,362,251 | 2,958,506 | 2,203,618 |
| Gain (Loss) on Sale of Capital Assets | 0 | 0 | 0 | 0 |
| Miscellaneous | 687,619 | 322,680 | 365,149 | 256,046 |
| Transfers | (8,308) | 133,438 | 140,594 | (1,054,873) |
| <i>Total Governmental Activities</i> | <u>39,859,830</u> | <u>42,907,961</u> | <u>38,053,777</u> | <u>34,976,199</u> |
| Business-Type Activities: | | | | |
| Investment Earnings | 927,845 | 77,528 | 320,903 | 329,882 |
| Miscellaneous | 9,399 | 8,961 | 10,000 | 11,165 |
| Transfers | 8,308 | (133,438) | (140,594) | 1,054,873 |
| <i>Total Business-Type Activities</i> | <u>945,552</u> | <u>(46,949)</u> | <u>190,309</u> | <u>1,395,920</u> |
| <i>Total Primary Government</i> | <u>40,805,382</u> | <u>42,861,012</u> | <u>38,244,086</u> | <u>36,372,119</u> |
| Change in Net Assets | | | | |
| Governmental Activities | (9,768,621) | 9,980,267 | 8,038,772 | 6,541,121 |
| Business-Type Activities | (292,722) | (1,638,325) | (617,624) | 131,526 |
| <i>Total Primary Government Change in Net Assets</i> | <u>(\$10,061,343)</u> | <u>\$8,341,942</u> | <u>\$7,421,148</u> | <u>\$6,672,647</u> |

| 2004 | 2003 | 2002 | 2001 |
|----------------|----------------|----------------|----------------|
| (\$29,446,697) | (\$25,732,562) | (\$30,055,785) | (\$25,463,755) |
| (1,182,531) | (1,496,805) | (1,638,688) | (838,116) |
| (30,629,228) | (27,229,367) | (31,694,473) | (26,301,871) |
| 9,010,253 | 8,577,934 | 8,188,115 | 7,779,723 |
| 1,700,673 | 1,628,652 | 1,541,622 | 1,465,913 |
| 1,236,724 | 1,408,516 | 1,333,378 | 1,270,462 |
| 10,255,307 | 9,560,032 | 10,009,473 | 10,021,195 |
| 255,214 | 241,261 | 244,093 | 254,744 |
| 2,760,486 | 2,541,856 | 2,543,848 | 2,623,865 |
| 2,311,569 | 2,102,777 | 2,317,580 | 2,110,910 |
| 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| 4,380,362 | 4,316,817 | 2,956,228 | 3,378,432 |
| 0 | 0 | 0 | 0 |
| 1,503,231 | 1,286,215 | 2,725,652 | 3,216,845 |
| 117,337 | 763,927 | 0 | 0 |
| 1,361,340 | 239,166 | 353,604 | 561,441 |
| (597,815) | (824,450) | (883,884) | 187,834 |
| 34,294,681 | 31,842,703 | 31,329,709 | 32,871,364 |
| 331,106 | 85,088 | 197,583 | 518,911 |
| 19,311 | 91,348 | 115,857 | 175 |
| 597,815 | 824,450 | 883,884 | (187,834) |
| 948,232 | 1,000,886 | 1,197,324 | 331,252 |
| 35,242,913 | 32,843,589 | 32,527,033 | 33,202,616 |
| 4,847,984 | 6,110,141 | 1,273,924 | 7,407,609 |
| (234,299) | (495,919) | (441,364) | (506,864) |
| \$4,613,685 | \$5,614,222 | \$832,560 | \$6,900,745 |

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

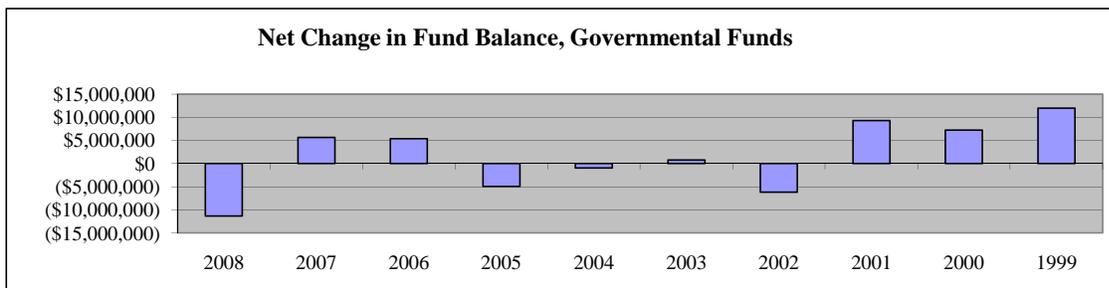
| | 2008 | 2007 | 2006 | 2005 | 2004 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| General Fund | | | | | |
| Reserved | \$2,430,452 | \$7,796,807 | \$9,697,876 | \$7,806,445 | \$6,815,484 |
| Unreserved: | | | | | |
| Designated for Capital Acquisitions | 6,922,553 | 8,730,585 | 7,975,965 | 7,591,251 | 7,969,632 |
| Unreserved, Undesignated | 9,784,503 | 15,559,357 | 16,408,054 | 14,071,956 | 11,812,699 |
| Total General Fund | 19,137,508 | 32,086,749 | 34,081,895 | 29,469,652 | 26,597,815 |
| All Other Governmental Funds | | | | | |
| Reserved | 2,719,209 | 2,797,164 | 3,034,449 | 7,606,938 | 3,305,126 |
| Unreserved: | | | | | |
| Designated for Termination Benefits | 1,705,038 | 0 | 0 | 0 | 0 |
| Undesignated, Reported in: | | | | | |
| Special Revenue funds | 8,055,321 | 9,530,790 | 8,632,231 | 7,702,689 | 7,193,443 |
| Debt Service funds | 2,130,970 | 2,032,234 | 2,337,907 | 2,279,073 | 2,029,627 |
| Capital Projects funds | 19,320,811 | 17,986,851 | 10,707,187 | 6,336,540 | 19,218,232 |
| Total All Other Governmental Funds | 33,931,349 | 32,347,039 | 24,711,774 | 23,925,240 | 31,746,428 |
| Total Governmental Funds | \$53,068,857 | \$64,433,788 | \$58,793,669 | \$53,394,892 | \$58,344,243 |



| 2003 | 2002 | 2001 | 2000 | 1999 |
|--------------|--------------|--------------|--------------|--------------|
| \$10,021,597 | \$7,935,585 | \$8,836,531 | \$7,885,805 | \$12,269,450 |
| 7,796,347 | 0 | 0 | 7,342,068 | 6,129,196 |
| 10,653,195 | 18,420,711 | 18,986,782 | 15,422,886 | 8,857,270 |
| 28,471,139 | 26,356,296 | 27,823,313 | 30,650,759 | 27,255,916 |
| 12,157,135 | 2,429,131 | 7,937,222 | 3,755,925 | 6,022,584 |
| 0 | 0 | 0 | 0 | 0 |
| 6,876,787 | 6,549,206 | 7,616,917 | 4,515,270 | 4,203,606 |
| 1,918,125 | 1,668,871 | 1,435,707 | 0 | 1,330,876 |
| 9,725,106 | 21,400,641 | 19,807,379 | 15,961,874 | 8,786,877 |
| 30,677,153 | 32,047,849 | 36,797,225 | 24,233,069 | 20,343,943 |
| \$59,148,292 | \$58,404,145 | \$64,620,538 | \$54,883,828 | \$47,599,859 |

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

| | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
|---|-----------------------|--------------------|--------------------|----------------------|--------------------|-------------------|
| Revenues | | | | | | |
| Property Taxes | \$12,325,252 | \$12,665,021 | \$11,396,836 | \$12,155,219 | \$11,879,372 | \$11,228,925 |
| Municipal Income Taxes | 19,119,560 | 20,164,744 | 18,293,898 | 17,578,476 | 15,470,140 | 14,784,860 |
| Admission Taxes | 197,798 | 211,079 | 173,992 | 0 | 0 | 0 |
| Hotel Taxes | 457,987 | 492,516 | 405,983 | 0 | 0 | 0 |
| Permissive Motor Vehicle Taxes | 242,258 | 0 | 0 | 0 | 0 | 0 |
| Charges for Services | 3,987,708 | 3,608,149 | 3,480,554 | 2,825,684 | 2,483,146 | 2,105,237 |
| Licenses, Permits and Fees | 584,486 | 761,571 | 929,730 | 924,303 | 1,318,527 | 1,053,268 |
| Fines and Forfeitures | 280,141 | 227,919 | 243,059 | 295,531 | 367,721 | 290,852 |
| Intergovernmental | 6,822,869 | 5,876,873 | 8,009,743 | 7,562,035 | 6,495,291 | 6,296,343 |
| Special Assessments | 340,000 | 320,000 | 357,592 | 221,910 | 236,764 | 218,000 |
| Franchise Taxes | 438,367 | 0 | 0 | 0 | 0 | 0 |
| Interest | 2,850,216 | 4,330,669 | 2,958,506 | 2,188,708 | 1,503,231 | 1,243,422 |
| Miscellaneous | 862,395 | 520,207 | 572,051 | 370,566 | 1,545,841 | 353,887 |
| Total Revenues | 48,509,037 | 49,178,748 | 46,821,944 | 44,122,432 | 41,300,033 | 37,574,794 |
| Expenditures | | | | | | |
| Current: | | | | | | |
| General Government | 21,996,767 | 5,983,975 | 5,910,695 | 5,849,475 | 5,734,643 | 5,466,351 |
| Security of Persons and Property | 13,994,489 | 12,507,272 | 11,991,168 | 11,079,604 | 10,848,006 | 10,225,414 |
| Public Health Services | 932,305 | 832,274 | 782,869 | 734,291 | 705,667 | 611,694 |
| Transportation | 6,694,353 | 6,112,980 | 4,742,667 | 4,484,762 | 5,274,082 | 3,591,594 |
| Community Environment | 1,399,183 | 1,282,164 | 1,373,099 | 1,366,438 | 1,559,187 | 970,432 |
| Basic Utility Services | 771,254 | 753,497 | 707,566 | 603,055 | 673,328 | 1,349,688 |
| Leisure Time Activities | 3,275,678 | 3,488,479 | 3,022,567 | 2,802,362 | 2,722,184 | 2,705,819 |
| Capital Outlay | 8,267,256 | 8,264,879 | 8,567,823 | 22,774,913 | 11,202,721 | 8,584,014 |
| Debt service: | | | | | | |
| Principal Retirement | 1,463,142 | 3,101,326 | 3,297,761 | 3,117,762 | 3,142,450 | 2,968,450 |
| Interest and Fiscal Charges | 705,748 | 1,355,219 | 1,186,462 | 1,048,657 | 1,348,307 | 1,537,386 |
| Capital Appreciation Bonds Interest | 387,618 | 0 | 0 | 0 | 0 | 0 |
| Bond Issuance Costs | 178,495 | 0 | 0 | 317,417 | 138,718 | 0 |
| Total Expenditures | 60,066,288 | 43,682,065 | 41,582,677 | 54,178,736 | 43,349,293 | 38,010,842 |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <i>(11,557,251)</i> | <i>5,496,683</i> | <i>5,239,267</i> | <i>(10,056,304)</i> | <i>(2,049,260)</i> | <i>(436,048)</i> |
| Other Financing Sources (Uses) | | | | | | |
| Sale of Capital Assets | 12,201 | 9,998 | 17,635 | 38,985 | 162,092 | 810,651 |
| Notes and Bonds Issued | 9,990,000 | 0 | 0 | 4,620,000 | 6,840,000 | 0 |
| Bond Premium | 4,776 | 0 | 0 | 314,530 | 16,067 | 0 |
| Loan Issued | 0 | 0 | 0 | 0 | 603,879 | 202,356 |
| Special Assessment Bonds Issued | 0 | 0 | 0 | 0 | 0 | 0 |
| Proceeds of Bonds | 0 | 0 | 0 | 0 | 0 | 0 |
| Payment to Refunded Bond Escrow Agent | (9,814,657) | 0 | 0 | 0 | (6,717,348) | 0 |
| Transfers In | 1,966,471 | 11,961,714 | 3,846,676 | 4,217,078 | 10,766,761 | 2,369,281 |
| Transfers Out | (1,966,471) | (11,828,276) | (3,704,801) | (4,083,640) | (10,608,011) | (2,202,093) |
| Total Other Financing Sources (Uses) | 192,320 | 143,436 | 159,510 | 5,106,953 | 1,063,440 | 1,180,195 |
| Net Change in Fund Balances | (\$11,364,931) | \$5,640,119 | \$5,398,777 | (\$4,949,351) | (\$985,820) | \$744,147 |
| Debt Service as a Percentage of Noncapital Expenditures | 4.5% | 12.0% | 13.2% | 10.2% | 13.4% | 16.9% |



| 2002 | 2001 | 2000 | 1999 |
|----------------------|--------------------|--------------------|---------------------|
| \$11,043,798 | \$10,544,876 | \$9,877,335 | \$9,588,629 |
| 15,188,139 | 15,615,349 | 14,503,879 | 13,932,820 |
| 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| 2,186,143 | 1,954,858 | 2,576,524 | 2,091,093 |
| 1,000,703 | 1,080,632 | 336,383 | 596,256 |
| 244,578 | 263,909 | 1,058,014 | 243,781 |
| 5,033,425 | 8,867,603 | 8,335,592 | 7,148,069 |
| 254,419 | 325,453 | 774,745 | 1,217,900 |
| 0 | 0 | 0 | 0 |
| 2,725,652 | 3,216,845 | 3,687,324 | 2,588,958 |
| 940,834 | 724,365 | 528,143 | 557,025 |
| <u>38,617,691</u> | <u>42,593,890</u> | <u>41,677,939</u> | <u>37,964,531</u> |
| 8,797,996 | 8,353,695 | 4,084,882 | 4,418,553 |
| 9,591,265 | 9,328,629 | 9,915,392 | 7,985,868 |
| 679,044 | 552,394 | 545,759 | 521,648 |
| 3,866,492 | 2,331,272 | 2,504,899 | 1,791,762 |
| 1,292,093 | 1,088,805 | 1,084,387 | 1,050,538 |
| 1,969,874 | 1,714,022 | 2,101,426 | 1,830,218 |
| 2,759,712 | 2,542,274 | 2,288,584 | 2,401,645 |
| 11,509,834 | 3,726,438 | 7,272,143 | 6,570,376 |
| 2,814,449 | 2,814,453 | 2,829,449 | 2,659,449 |
| 1,728,950 | 1,794,213 | 1,948,661 | 2,127,057 |
| 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| <u>45,009,709</u> | <u>34,246,195</u> | <u>34,575,582</u> | <u>31,357,114</u> |
| <u>(6,392,018)</u> | <u>8,347,695</u> | <u>7,102,357</u> | <u>6,607,417</u> |
| 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 |
| 0 | 765,000 | 0 | 0 |
| 0 | 0 | 0 | 5,185,000 |
| 0 | 0 | 0 | 0 |
| 4,225,625 | 6,987,834 | 4,537,877 | 3,902,424 |
| (4,050,000) | (6,800,000) | (4,388,299) | (3,752,857) |
| <u>175,625</u> | <u>952,834</u> | <u>149,578</u> | <u>5,334,567</u> |
| <u>(\$6,216,393)</u> | <u>\$9,300,529</u> | <u>\$7,251,935</u> | <u>\$11,941,984</u> |
| 13.2% | 14.2% | 14.5% | 55.4% |

City of Westlake, Ohio

Property Tax Rates - Direct and Overlapping Governments

(Per \$1,000 of Assessed Valuation)

Last Ten Collection Years

| | 2008 | 2007 | 2006 | 2005 |
|--|-------------------------|-------------------------|--------------------------|--------------------------|
| Unvoted Millage | | | | |
| Operating | \$1.00000 | \$1.00000 | \$1.00000 | \$1.60000 |
| Debt | 0.50000 | 0.50000 | 0.50000 | 0.50000 |
| Fire Pension | 0.30000 | 0.30000 | 0.30000 | 0.30000 |
| Police Pension | 0.30000 | 0.30000 | 0.30000 | 0.30000 |
| <i>Total Unvoted Millage</i> | <u>2.10000</u> | <u>2.10000</u> | <u>2.10000</u> | <u>2.70000</u> |
| Voted Millage by Levy | | | | |
| 1976 Charter/Current Expense | 6.60000 | 6.60000 | 6.60000 | 6.00000 |
| 1982 Bond (\$3,200,000) | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 1987 Charter Police and Fire Operating | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 1988 Bond (\$6,000,000) | 0.20000 | 0.30000 | 0.40000 | 0.50000 |
| 2001 Charter Police and Fire Operating | 0.90000 | 0.90000 | 0.90000 | 0.90000 |
| <i>Total Voted Millage by Type of Property</i> | <u>7.70000</u> | <u>7.80000</u> | <u>7.90000</u> | <u>7.40000</u> |
| <i>Total Millage</i> | <u><u>\$9.80000</u></u> | <u><u>\$9.90000</u></u> | <u><u>\$10.00000</u></u> | <u><u>\$10.10000</u></u> |
| Overlapping Rates by Taxing District | | | | |
| <i>Westlake School District</i> | | | | |
| General Business and Public Utility Personal | \$66.50000 | \$66.50000 | \$60.80000 | \$60.70000 |
| Residential/Agricultural Real | 31.72675 | 31.72802 | 27.95490 | 27.86250 |
| Commercial/Industrial and Public Utility Real | 35.20358 | 34.98604 | 31.29490 | 30.80390 |
| <i>Westlake Porter Library</i> | | | | |
| Operating - continuing | | | | |
| General Business and Public Utility Personal | 2.50000 | 2.50000 | 2.50000 | 2.50000 |
| Residential/Agricultural Real | 2.12764 | 2.12775 | 2.29980 | 2.30070 |
| Commercial/Industrial and Public Utility Real | 2.23154 | 2.21376 | 2.37790 | 2.33610 |
| <i>Cuyahoga County</i> | | | | |
| General Business and Public Utility Personal | 13.42000 | 13.42000 | 13.52000 | 13.52000 |
| Residential/Agricultural Real | 11.86887 | 11.86549 | 11.72270 | 10.97540 |
| Commercial/Industrial and Public Utility Real | 12.45356 | 12.49410 | 12.57620 | 11.98460 |
| <i>Special Taxing Districts (1)</i> | | | | |
| General Business and Public Utility Personal | 4.78000 | 4.78000 | 4.78000 | 4.78000 |
| Residential/Agricultural Real | 4.15898 | 4.15762 | 4.29650 | 4.29490 |
| Commercial/Industrial and Public Utility Real | 4.37987 | 4.39621 | 4.55520 | 4.51750 |

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.

Real property tax rates for voted levies are reduced so that inflationary increases in values do not generate additional revenue.

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

(1) Metro Parks, Port Authority, Community College

| 2004 | 2003 | 2002 | 2001 | 2000 | 1999 |
|------------|------------|------------|------------|------------|------------|
| \$1.50000 | \$1.50000 | \$1.50000 | \$1.50000 | \$1.38000 | \$1.38000 |
| 0.60000 | 0.60000 | 0.60000 | 0.60000 | 0.72000 | 0.72000 |
| 0.30000 | 0.30000 | 0.30000 | 0.30000 | 0.30000 | 0.30000 |
| 0.30000 | 0.30000 | 0.30000 | 0.30000 | 0.30000 | 0.30000 |
| 2.70000 | 2.70000 | 2.70000 | 2.70000 | 2.70000 | 2.70000 |
| 6.00000 | 6.00000 | 6.00000 | 6.00000 | 6.00000 | 6.00000 |
| 0.00000 | 0.20000 | 0.20000 | 0.20000 | 0.30000 | 0.39000 |
| 0.00000 | 0.00000 | 0.90000 | 0.90000 | 0.90000 | 0.90000 |
| 0.50000 | 0.50000 | 0.50000 | 0.50000 | 0.60000 | 0.51000 |
| 0.90000 | 0.90000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |
| 7.40000 | 7.60000 | 7.60000 | 7.60000 | 7.80000 | 7.80000 |
| \$10.10000 | \$10.30000 | \$10.30000 | \$10.30000 | \$10.50000 | \$10.50000 |
| \$61.00000 | \$61.20000 | \$60.60000 | \$60.70000 | \$61.10000 | \$61.10000 |
| 28.14620 | 29.99600 | 29.50250 | 29.71760 | 27.62280 | 27.74000 |
| 31.52690 | 32.83400 | 32.06810 | 32.32340 | 33.26410 | 33.62870 |
| 2.50000 | 2.00000 | 2.00000 | 2.00000 | 2.00000 | 2.00000 |
| 2.29880 | 1.79720 | 1.80650 | 1.81660 | 1.96900 | 1.98170 |
| 2.38140 | 1.66750 | 1.65560 | 1.66670 | 1.96030 | 1.99030 |
| 13.52000 | 11.72000 | 11.72000 | 11.72000 | 10.82000 | 10.82000 |
| 10.98990 | 9.76420 | 9.77190 | 9.78450 | 9.60610 | 9.61550 |
| 12.04330 | 10.12350 | 10.05050 | 9.99190 | 10.16310 | 10.18920 |
| 4.48000 | 4.48000 | 4.48000 | 4.48000 | 4.48000 | 4.48000 |
| 3.61900 | 3.97250 | 2.88670 | 2.89340 | 3.23200 | 3.23700 |
| 4.00960 | 4.09760 | 3.28530 | 3.26260 | 3.71440 | 5.19680 |

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

| Collection Year | Real Property Assessed Values | | | | Tangible Personal Property | |
|-----------------|-------------------------------|--------------------------|-------------------|------------------------------|----------------------------|------------------------------|
| | Residential/ Agricultural | Commercial Industrial | Public Utility | Estimated Actual Value | Public Utility | |
| | | | | | Assessed Values | Estimated Actual Value |
| 2008 | \$1,006,382,880 | \$364,490,790 | \$0 | \$3,916,781,914 | \$15,913,580 | \$18,083,614 |
| 2007 | 991,271,440 | 375,405,920 | 0 | 3,904,792,457 | 20,385,360 | 23,165,182 |
| 2006 | 902,278,520 | 328,319,530 | 21,120 | 3,516,054,771 | 20,367,010 | 23,144,330 |
| 2005 | 886,479,740 | 323,008,610 | 21,120 | 3,455,741,343 | 22,225,550 | 25,256,307 |
| 2004 | 872,094,890 | 309,650,930 | 21,100 | 3,376,476,914 | 22,652,240 | 25,741,182 |
| 2003 | 790,183,380 | 302,350,550 | 21,100 | 3,121,585,800 | 22,213,040 | 25,242,091 |
| 2002 | 782,899,333 | 289,565,507 | 21,100 | 3,064,245,543 | 23,522,370 | 26,729,966 |
| 2001 | 750,906,222 | 277,732,438 | 21,100 | 2,939,027,886 | 30,491,100 | 34,648,977 |
| 2000 | 652,167,196 | 241,212,524 | 16,670 | 2,552,561,114 | 30,889,430 | 35,101,625 |
| 1999 | 621,880,372 | 230,010,548 | 503,290 | 2,435,412,029 | 33,579,300 | 38,158,295 |

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 is being phased out beginning in 2006. For collection year 2008 both types of general business tangible personal property were assessed at 6.25 percent. The percentage will be zero for 2009.

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

Source: Cuyahoga County, Ohio; County Auditor

Tangible Personal Property

| General Business | | Total | | | Direct Tax Rate |
|--------------------|------------------------------|--------------------|------------------------------|---------|--------------------|
| Assessed Values | Estimated Actual Value | Assessed Values | Estimated Actual Value | Ratio | |
| \$21,832,430 | \$349,318,880 | \$1,408,619,680 | \$4,284,184,408 | 32.88 % | \$9.80 |
| 57,142,606 | 457,140,848 | 1,444,205,326 | 4,385,098,487 | 32.93 | 9.90 |
| 58,827,680 | 313,747,627 | 1,309,813,860 | 3,852,946,728 | 34.00 | 10.00 |
| 64,928,167 | 346,283,557 | 1,296,663,187 | 3,827,281,207 | 33.88 | 10.10 |
| 67,303,512 | 292,623,965 | 1,271,722,672 | 3,694,842,061 | 34.42 | 10.10 |
| 74,078,302 | 322,079,574 | 1,188,846,372 | 3,468,907,465 | 34.27 | 10.30 |
| 77,021,986 | 334,878,200 | 1,173,030,296 | 3,425,853,709 | 34.24 | 10.30 |
| 74,494,491 | 323,889,091 | 1,133,645,351 | 3,297,565,954 | 34.38 | 10.30 |
| 69,493,252 | 302,144,574 | 993,779,072 | 2,889,807,313 | 34.39 | 10.50 |
| 63,939,231 | 277,996,657 | 949,912,741 | 2,751,566,981 | 34.52 | 10.50 |

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

| <u>Year</u> | <u>Total Tax Levy</u> | <u>Current Tax Collections</u> | <u>Percent of Current Tax Collections To Tax Levy</u> | <u>Delinquent Tax Collections</u> | <u>Total Tax Collections (1)</u> | <u>Percent of Total Tax Collections To Tax Levy</u> |
|-------------|-----------------------|--------------------------------|---|-----------------------------------|----------------------------------|---|
| 2008 | \$13,598,676 | \$13,035,174 | 95.86 % | \$402,478 | \$13,437,652 | 98.82 % |
| 2007 | 13,661,441 | 13,187,116 | 96.53 | 254,017 | 13,441,133 | 98.39 |
| 2006 | 12,722,123 | 12,555,099 | 98.69 | 397,741 | 12,952,840 | 101.81 |
| 2005 | 13,949,573 | 14,317,638 | 102.64 | 822,863 | 15,140,501 | 108.54 |
| 2004 | 13,961,856 | 12,644,208 | 90.56 | 458,047 | 13,102,255 | 93.84 |
| 2003 | 11,434,306 | 10,960,238 | 95.85 | 270,303 | 11,230,541 | 98.22 |
| 2002 | 11,225,940 | 10,695,012 | 95.27 | 307,667 | 11,002,679 | 98.01 |
| 2001 | 11,310,839 | 10,922,571 | 96.57 | 250,109 | 11,172,680 | 98.78 |
| 2000 | 9,908,961 | 9,338,060 | 94.24 | 174,345 | 9,512,405 | 96.00 |
| 1999 | 9,543,649 | 9,142,265 | 95.79 | 195,253 | 9,337,518 | 97.84 |

Source: Cuyahoga County, Ohio; County Auditor

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

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

City of Westlake, Ohio

Principal Taxpayers

2008 and 1999

| Taxpayer | 2008 | |
|---|----------------------------------|--|
| | Real Property Assessed Valuation | Percentage of Total Assessed Valuation |
| Toledo-Lucas County Port Authority (Crocker Park) | \$37,855,580 | 2.69% |
| Cleveland Electric Illuminating Company | 13,702,050 | 0.97 |
| Westlake Center Associates LTD | 11,229,580 | 0.80 |
| Energizer Battery Manufacturing, Inc. | 7,417,280 | 0.53 |
| University Hospital Health Systems | 7,215,120 | 0.51 |
| Remington-OP & F, Incorporated | 6,755,010 | 0.48 |
| Crossings Village Westlake LLC | 5,659,650 | 0.40 |
| Sturbridge Square Apartments | 5,630,070 | 0.40 |
| Cleveland Retirement | 5,600,040 | 0.40 |
| Ozre Lodging II LLC | 5,224,140 | 0.37 |
| Total | \$106,288,520 | 7.55% |
| Total Assessed Valuation | \$1,408,619,680 | |
| Taxpayer | 1999 | |
| | Real Property Assessed Valuation | Percentage of Total Assessed Valuation |
| Cleveland Electric Illuminating Company | \$18,795,890 | 1.98% |
| University Hospital Health Systems | 13,372,940 | 1.41 |
| King James Park Ltd. | 10,183,820 | 1.07 |
| Westlake Center Associates | 8,469,930 | 0.89 |
| Ohio Bell Telephone Company | 8,361,190 | 0.88 |
| Eveready Battery Company | 6,571,180 | 0.69 |
| Columbia Gas of Ohio Inc. | 5,957,760 | 0.63 |
| Fort Austin Ltd. Partnership | 5,536,440 | 0.58 |
| Oakwood Garden Apartments, LP | 5,181,330 | 0.55 |
| Kopf-Newton Venture I | 5,096,350 | 0.53 |
| Total | \$87,526,830 | 9.21% |
| Total Assessed Valuation | \$949,912,741 | |

Source: Cuyahoga County Auditor

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

| Year | Tax Rate | Total Tax Collected (1) | Taxes From Withholding | Percentage of Taxes From Withholding | Taxes From Net Profits | Percentage of Taxes From Net Profits | Taxes From Individuals | Percentage of Taxes From Individuals |
|------|----------|-------------------------|------------------------|--------------------------------------|------------------------|--------------------------------------|------------------------|--------------------------------------|
| 2008 | 1.50 % | \$18,825,927 | \$14,684,223 | 78 % | \$1,506,074 | 8 % | \$2,635,630 | 14 % |
| 2007 | 1.50 | 20,866,746 | 16,719,401 | 80 | 1,693,789 | 8 | 2,453,556 | 12 |
| 2006 | 1.50 | 17,484,515 | 13,400,903 | 77 | 1,818,991 | 10 | 2,264,621 | 13 |
| 2005 | 1.50 | 17,819,187 | 12,981,410 | 73 | 1,316,119 | 7 | 2,213,605 | 12 |
| 2004 | 1.50 | 15,582,576 | 12,012,167 | 77 | 1,108,912 | 7 | 1,971,426 | 13 |
| 2003 | 1.50 | 14,445,926 | 11,696,293 | 81 | 1,190,241 | 8 | 1,992,143 | 14 |
| 2002 | 1.50 | 15,114,994 | 11,719,909 | 78 | 1,270,182 | 8 | 2,111,946 | 14 |
| 2001 | 1.50 | 15,010,714 | 11,202,349 | 75 | 1,511,533 | 10 | 1,997,900 | 13 |
| 2000 | 1.50 | 14,503,879 | 10,861,632 | 75 | 1,172,511 | 8 | 1,862,411 | 13 |
| 1999 | 1.50 | 13,932,820 | 10,186,585 | 73 | 1,504,171 | 11 | 1,697,320 | 12 |

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

(1) 2001 through 2008 are on an Accrual Basis and 1999 through 2000 are on a Modified Accrual Basis.

City of Westlake, Ohio
Income Tax Statistics
Current Year and Seven Years Ago

2007 (1)

| Income Range | Number of Filers | Percent of Filers | Taxable Income | Percent of Taxable Income |
|---------------|------------------|-------------------|------------------------|---------------------------|
| 0-24,999 | 3,839 | 32.05 % | \$34,663,275 | 3.10 % |
| 25,000-49,999 | 2,208 | 18.43 | 82,192,646 | 7.34 |
| 50,000-74,999 | 1,618 | 13.51 | 99,758,992 | 8.91 |
| 75,000-99,999 | 1,143 | 9.54 | 99,192,624 | 8.86 |
| Over 100,000 | <u>3,172</u> | 26.48 | <u>803,932,139</u> | 71.80 |
| Total | <u>11,980</u> | | <u>\$1,119,739,676</u> | |

2000 (2)

| Income Range | Number of Filers | Percent of Filers | Taxable Income | Percent of Taxable Income |
|---------------|------------------|-------------------|----------------------|---------------------------|
| 0-19,999 | 3,436 | 27.64 % | 26,804,405 | 3.06 % |
| 20,000-49,999 | 3,363 | 27.06 | 116,720,464 | 13.34 |
| 50,000-74,999 | 1,865 | 15.00 | 114,720,584 | 13.11 |
| 75,000-99,999 | 1,244 | 10.01 | 107,808,814 | 12.32 |
| Over 100,000 | <u>2,522</u> | 20.29 | <u>509,075,322</u> | 58.17 |
| Total | <u>12,430</u> | | <u>\$875,129,589</u> | |

Sources: Regional Income Tax data - certain amounts may be estimates

(1) As of December 31, 2007, year 2008 information has not been compiled.

(2) Information prior to 2000 is not available.

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

| Governmental Activities | | | | | |
|-------------------------|--------------------------------|--------------------------------|-------------------------------|---------------|---------------|
| Year | General Obligation Bonds | Special Assessment Bonds | Bond Anticipation Notes | OPWC Loans | Total Debt |
| 2008 | \$12,113,417 | \$5,350,923 | \$0 | \$747,233 | \$18,211,573 |
| 2007 | 13,272,455 | 5,699,350 | 0 | 807,993 | 19,779,798 |
| 2006 | 16,737,726 | 6,017,943 | 0 | 868,754 | 23,624,423 |
| 2005 | 19,564,505 | 6,309,179 | 0 | 929,515 | 26,803,199 |
| 2004 | 19,808,197 | 1,584,090 | 4,367,000 | 990,277 | 26,749,564 |
| 2003 | 24,399,174 | 1,781,000 | 7,200,000 | 406,848 | 33,787,022 |
| 2002 | 27,129,174 | 1,999,000 | 229,000 | 224,942 | 29,582,116 |
| 2001 | 29,714,174 | 2,208,000 | 4,025,000 | 245,391 | 36,192,565 |
| 2000 | 32,182,724 | 1,768,453 | 1,480,000 | 265,841 | 35,697,018 |
| 1999 | 34,652,302 | 2,107,874 | 1,430,000 | 286,290 | 38,476,466 |

(1) Computation of percentage of personal income divided by total debt over total personal income.
See page S28 for total personal income data.

(2) Computation of per capita divided by total debt over population.
See page S28 for population data.

| <u>Percentage of Personal Income (1)</u> | <u>Per Capita (2)</u> |
|--|---------------------------|
| 1.54% | \$570 |
| 1.67 | 619 |
| 1.99 | 739 |
| 2.26 | 838 |
| 2.26 | 837 |
| 2.85 | 1,057 |
| 2.50 | 925 |
| 3.06 | 1,132 |
| 3.01 | 1,117 |
| 3.84 | 1,424 |

City of Westlake, Ohio
*Ratio of General Obligation Bonded Debt to Estimated Actual
Value and Bonded Debt Per Capita
Last Ten Years*

| Year | Population (1) | Estimated Actual Value of Taxable Property (2) | Gross Bonded Debt | Ratio of Bonded Debt to Estimated Actual Value of Taxable Property | Bonded Debt Per Capita |
|------|----------------|---|-------------------------|--|------------------------------|
| 2008 | 31,972 | \$4,284,184,408 | \$12,113,417 | 0.28% | \$379 |
| 2007 | 31,972 | 4,385,098,487 | 13,272,455 | 0.30 | 415 |
| 2006 | 31,972 | 3,852,946,728 | 16,737,726 | 0.43 | 524 |
| 2005 | 31,972 | 3,827,281,207 | 19,564,505 | 0.47 | 561 |
| 2004 | 31,972 | 3,694,842,061 | 19,808,197 | 0.50 | 575 |
| 2003 | 31,972 | 3,468,907,465 | 24,399,174 | 0.67 | 727 |
| 2002 | 31,972 | 3,425,853,709 | 27,129,174 | 0.76 | 818 |
| 2001 | 31,972 | 3,297,565,954 | 29,714,174 | 0.88 | 903 |
| 2000 | 31,972 | 2,889,807,313 | 32,182,724 | 1.09 | 983 |
| 1999 | 27,018 | 2,751,566,981 | 34,652,302 | 1.23 | 1,249 |

Source:

- (1) See S28 for population data.
- (2) See S14-15 for taxable property value data.

City of Westlake, Ohio
Computation of Direct and Overlapping Governmental Activities Debt
December 31, 2008

| Jurisdiction | Total Debt Outstanding | Percentage Applicable to City (1) | Amount Applicable to City of Westlake |
|--|------------------------------|---|--|
| Direct Debt | | | |
| City of Westlake | | | |
| General Obligation Bonds | \$12,113,417 | 100.00% | \$12,113,417 |
| Special Assessment Bonds | 5,350,923 | 100.00 | 5,350,923 |
| OPWC Loan | 747,233 | 100.00 | 747,233 |
| Total Direct Debt | 18,211,573 | | 18,211,573 |
| Overlapping Debt: | | | |
| Payable from Property Taxes | | | |
| Cuyahoga County Bonds | 173,500,000 | 4.46 | 7,738,100 |
| Regional Transit Authority Bonds | 140,763,731 | 4.46 | 6,278,062 |
| Westlake City School District | 24,745,683 | 100.00 | 24,745,683 |
| Payable from Other Sources: | | | |
| Cuyahoga County Capital Leases | 2,269,000 | 4.46 | 101,197 |
| Cuyahoga County Loans | 6,551,000 | 4.46 | 292,175 |
| Regional Transit Authority Loans | 3,575,318 | 4.46 | 159,459 |
| Regional Transit Authority Capital Lease | 23,684,005 | 4.46 | 1,056,307 |
| Westlake City School District Capital Leases | 11,167 | 100.00 | 11,167 |
| Total Overlapping Debt | 375,099,904 | | 40,382,150 |
| Total | \$393,311,477 | | \$58,593,723 |

Source: Cuyahoga County, Ohio; County Auditor

(1) Percentages were determined by dividing each overlapping government located within the boundaries of the City by the total assessed valuation of the government. The valuations used were for the 2008 collection year.

City of Westlake, Ohio

Legal Debt Margin

Last Ten Years

| | 2008 | 2007 | 2006 | 2005 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| General Bonded Debt Outstanding: | | | | |
| General Obligation Bonds | \$12,220,250 | \$12,425,000 | \$14,965,000 | \$17,925,000 |
| Special Assessment Bonds | 5,075,000 | 5,415,000 | 5,735,000 | 6,012,000 |
| Bond Anticipation Notes | 0 | 0 | 0 | 0 |
| OPWC Loans | 747,233 | 807,993 | 868,754 | 929,515 |
| Total | <u>18,042,483</u> | <u>18,647,993</u> | <u>21,568,754</u> | <u>24,866,515</u> |
| Assessed Property Value | <u>1,408,619,680</u> | <u>1,444,205,326</u> | <u>1,309,813,860</u> | <u>1,296,663,187</u> |
| Less: | | | | |
| Special Assessment Bonds | (5,075,000) | (5,415,000) | (5,735,000) | (6,012,000) |
| General Obligation Bond Retirement Fund Balance | (1,710,602) | (1,628,522) | (1,647,158) | (1,619,632) |
| Issue 11 Bond Retirement Fund Balance | <u>(35,000)</u> | <u>(35,000)</u> | <u>(333,073)</u> | <u>(320,851)</u> |
| Total Net Debt Applicable to Debt Limit | <u>11,221,881</u> | <u>11,569,471</u> | <u>13,853,523</u> | <u>16,914,032</u> |
| Overall Legal Debt Limit | | | | |
| 10 1/2% of Assessed Valuation | 147,905,066 | 151,641,559 | 137,530,455 | 136,149,635 |
| Legal Debt Margin Within 10 1/2% Limitations | <u>\$136,683,185</u> | <u>\$140,072,088</u> | <u>\$123,676,932</u> | <u>\$119,235,603</u> |
| Legal Debt Margin as a Percentage of the Debt Limit | 92.41% | 92.37% | 89.93% | 87.58% |
| Unvoted Debt Limitation | | | | |
| 5 1/2% of Assessed Valuation | \$77,474,082 | \$79,431,293 | \$72,039,762 | \$71,316,475 |
| Net Unvoted Indebtedness Authorized by Council | 7,983,151 | 9,043,912 | 10,041,673 | 13,461,515 |
| Less: | | | | |
| Special Assessment Bonds | (5,075,000) | (5,415,000) | (5,735,000) | (6,012,000) |
| General Obligation Bond Retirement Fund Balance | (1,710,602) | (1,628,522) | (1,647,158) | (1,619,632) |
| Issue 11 Bond Retirement Fund Balance | <u>(35,000)</u> | <u>(35,000)</u> | <u>(333,073)</u> | <u>(320,851)</u> |
| Net Debt Within 5 1/2% Limitations | <u>1,162,549</u> | <u>1,965,390</u> | <u>2,326,442</u> | <u>5,509,032</u> |
| Unvoted Legal Debt Margin Within 5 1/2% Limitations | <u>\$76,311,533</u> | <u>\$77,465,903</u> | <u>\$69,713,320</u> | <u>\$65,807,443</u> |
| Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation | 98.50% | 97.53% | 96.77% | 92.28% |

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

| 2004 | 2003 | 2002 | 2001 | 2000 | 1999 |
|---------------|---------------|---------------|---------------|--------------|--------------|
| \$19,808,197 | \$24,399,174 | \$27,129,174 | \$29,714,174 | \$32,182,724 | \$34,652,302 |
| 1,584,090 | 1,781,000 | 1,999,000 | 2,208,000 | 1,768,453 | 2,107,874 |
| 4,367,000 | 7,200,000 | 229,000 | 4,025,000 | 1,480,000 | 1,430,000 |
| 990,277 | 406,848 | 224,942 | 245,391 | 265,841 | 286,290 |
| 26,749,564 | 33,787,022 | 29,582,116 | 36,192,565 | 35,697,018 | 38,476,466 |
| 1,271,722,672 | 1,188,846,372 | 1,173,030,296 | 1,133,645,351 | 993,779,072 | 949,912,741 |
| (1,584,090) | (1,781,000) | (1,999,000) | (2,208,000) | (1,768,453) | (2,107,874) |
| (1,434,979) | (1,164,701) | (979,231) | (837,256) | (741,894) | (912,382) |
| (264,921) | (424,437) | (431,065) | (424,678) | (351,371) | (368,725) |
| 23,465,574 | 30,416,884 | 26,172,820 | 32,722,631 | 32,835,300 | 35,087,485 |
| 133,530,881 | 124,828,869 | 123,168,181 | 119,032,762 | 104,346,803 | 99,740,838 |
| \$110,065,307 | \$94,411,985 | \$96,995,361 | \$86,310,131 | \$71,511,503 | \$64,653,353 |
| 82.43% | 75.63% | 78.75% | 72.51% | 68.53% | 64.82% |
| \$69,944,747 | \$65,386,550 | \$64,516,666 | \$62,350,494 | \$54,657,849 | \$52,245,201 |
| 15,049,564 | 21,852,022 | 17,287,116 | 21,364,565 | 21,013,565 | 23,068,592 |
| (1,584,090) | (1,781,000) | (1,999,000) | (2,208,000) | (1,768,453) | (2,107,874) |
| (1,434,979) | (1,164,701) | (979,231) | (837,256) | (741,894) | (912,382) |
| (264,921) | (424,437) | (431,065) | (424,678) | (351,371) | (368,725) |
| 11,765,574 | 18,481,884 | 13,877,820 | 17,894,631 | 18,151,847 | 19,679,611 |
| \$58,179,173 | \$46,904,666 | \$50,638,846 | \$44,455,863 | \$36,506,002 | \$32,565,590 |
| 83.18% | 71.73% | 78.49% | 71.30% | 66.79% | 62.33% |

City of Westlake, Ohio

Principal Employers

2008 and 1999

| 2008 | | |
|-------------------------------|--------------|-------------------------------------|
| Employer | Employees | Percentage of Total City Employment |
| St. John West Shore Hospital | 1,197 | 4.85 % |
| Hyland Software | 710 | 2.89 |
| Westlake City Schools | 628 | 2.55 |
| Energizer | 450 | 1.82 |
| City of Westlake | 432 | 1.75 |
| Lutheran Home | 300 | 1.21 |
| USG Interiors/American Metals | 300 | 1.21 |
| Harborside Healthcare | 300 | 1.21 |
| Travel Centers of America | 300 | 1.21 |
| Lake Erie Electric, Inc. | 275 | 1.11 |
| Total | 4,892 | 19.81 % |
| Total City Employment | 24,692 | |

| 1999 (1) | | |
|-------------------------------|--------------|-------------------------------------|
| Employer | Employees | Percentage of Total City Employment |
| St. John West Shore Hospital | 921 | n/a |
| Electronic Data Systems, Inc. | 876 | n/a |
| Westlake City Schools | 520 | n/a |
| City of Westlake | 410 | n/a |
| Scott & Fetzer Corporation | 400 | n/a |
| Bonne Bell | 367 | n/a |
| USG Interiors, Inc. | 325 | n/a |
| Giant Eagle | 285 | n/a |
| Jacobs, Visconsi & Jacobs | 280 | n/a |
| True Service Corporation | 206 | n/a |
| Total | 4,590 | n/a |
| Total City Employment | n/a | |

Source: City of Westlake, Ohio, Department of Planning of Economic Development - amounts are estimates. Total City employment based upon estimate from the Regional Regional Income Tax Authority 2008 withholding information.

n/a: Information not available

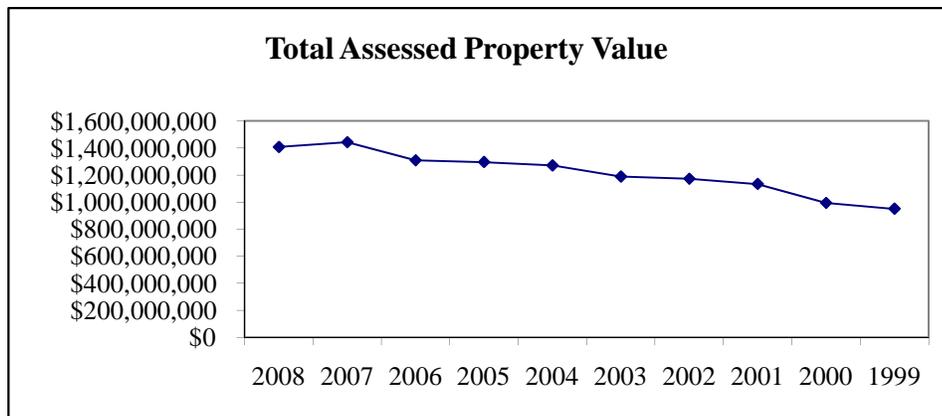
(1) Information prior to 1999 is not available.

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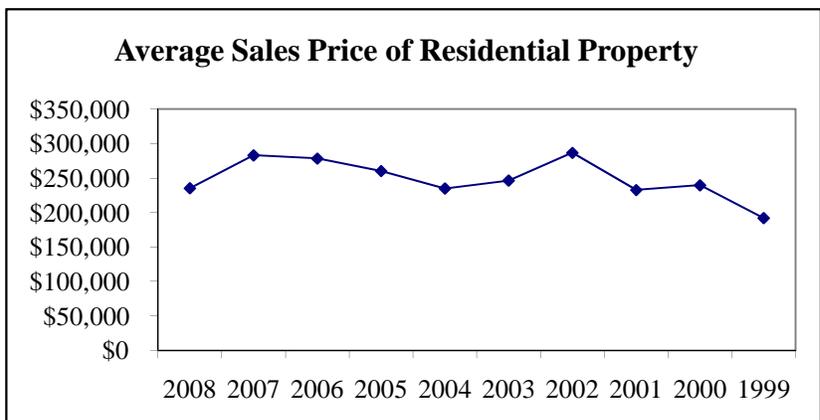
City of Westlake, Ohio
Demographic and Economic Statistics
Last Ten Years

| Year | Population (1) | Total Personal Income | Per Capita Personal Income (6) (1c) | Median Household Income (1c) | Median Age (1) | Educational Attainment: Bachelor's Degree or higher (1) |
|------|----------------|-----------------------|-------------------------------------|------------------------------|----------------|---|
| 2008 | 31,972 | \$1,184,370,768 | \$37,044 | \$65,106 | 42.0 | 45.2 % |
| 2007 | 31,972 | 1,184,370,768 | 37,044 | 65,106 | 42.0 | 45.2 |
| 2006 | 31,972 | 1,184,370,768 | 37,044 | 65,106 | 42.0 | 45.2 |
| 2005 | 31,972 | 1,184,370,768 | 37,044 | 65,106 | 42.0 | 45.2 |
| 2004 | 31,972 | 1,184,370,768 | 37,044 | 65,106 | 42.0 | 45.2 |
| 2003 | 31,972 | 1,184,370,768 | 37,044 | 65,106 | 42.0 | 45.2 |
| 2002 | 31,972 | 1,184,370,768 | 37,044 | 65,106 | 42.0 | 45.2 |
| 2001 | 31,972 | 1,184,370,768 | 37,044 | 65,106 | 42.0 | 45.2 |
| 2000 | 31,972 | 1,184,370,768 | 37,044 | 65,106 | 42.0 | 45.2 |
| 1999 | 27,018 | 1,000,854,792 | 37,044 | 65,106 | 37.4 | 37.7 |

- (1) Source: U. S. Census, Census of population
 - (a) Years 2000 through 2005 - 2000 Federal Census
 - (b) Years 1998 through 1999 - 1990 Federal Census
 - (c) 1999 Census Report
- (2) Source: Westlake Board of Education
- (3) Source: City of Westlake Official Statement
 - (d) March 9, 2004
- (4) Source: Ohio Dept. of Jobs and Family Services Civilian Labor Force Estimate
 - (e) Press Release dated Jan. 20, 2006
 - (f) Ohio Labor Market Information
- (5) Source: Cuyahoga County Auditor
- (6) Computation of per capita personal income divided by population



| School Enrollment (2) | City Unemployment Rate (3) (4) | Average Sales Price of Residential Property (4) | Total Assessed Property Value (5) |
|-----------------------|--------------------------------|---|-----------------------------------|
| 4,019 | 5.2 % f | \$235,186 | \$1,408,619,680 |
| 4,079 | 5.7 e | 282,950 | 1,444,205,326 |
| 4,110 | 5.7 e | 278,319 | 1,309,813,860 |
| 4,020 | 5.7 e | 260,137 | 1,296,663,187 |
| 3,921 | 6.2 e | 234,884 | 1,271,722,672 |
| 3,885 | 6.4 e | 246,325 | 1,188,846,372 |
| 3,743 | 6.7 d | 286,759 | 1,173,030,296 |
| 3,734 | 4.6 d | 232,741 | 1,133,645,351 |
| 3,698 | 4.5 d | 239,600 | 993,779,072 |
| 3,760 | 4.6 d | 191,800 | 949,912,741 |



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

| <u>Function/program</u> | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| General Government: | | | | | | |
| Council | 4.5 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| Mayor | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Finance | 6.5 | 6.5 | 8.0 | 7.0 | 7.0 | 6.5 |
| Information Technology | 3.0 | 2.5 | 0.0 | 0.0 | 0.0 | 0.0 |
| Law | 6.5 | 6.5 | 6.5 | 7.0 | 7.0 | 7.5 |
| Purchasing/Adm. Services | 3.0 | 3.0 | 3.5 | 3.0 | 3.5 | 3.0 |
| Communication | 2.0 | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Human Resources | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Planning | 6.0 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 |
| Safety Town | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 |
| Central Dispatch | 12.5 | 12.5 | 12.5 | 14.0 | 0.0 | 0.0 |
| Police/Fire Operating Levy | 20.0 | 20.0 | 28.0 | 16.0 | 16.0 | 16.0 |
| Engineering | 12.5 | 12.5 | 11.5 | 12.5 | 12.5 | 13.0 |
| Inspection | 9.5 | 9.5 | 10.5 | 11.5 | 11.5 | 10.5 |
| Security of Persons and Property: | | | | | | |
| Police | 87.0 | 85.5 | 75.5 | 87.0 | 82.0 | 83.5 |
| Fire | 40.0 | 39.0 | 36.0 | 40.5 | 40.0 | 40.5 |
| Recreation: | | | | | | |
| Administration | 4.5 | 4.0 | 4.0 | 5.0 | 4.0 | 5.0 |
| Swimming Pool | 50.0 | 51.5 | 51.5 | 44.5 | 58.0 | 45.0 |
| Recreation Center | 62.5 | 62.5 | 65.0 | 64.0 | 56.0 | 70.5 |
| Golf Course | 12.0 | 13.0 | 12.5 | 16.5 | 15.5 | 17.0 |
| Senior/Community Services | 13.5 | 11.5 | 11.5 | 12.0 | 11.5 | 11.0 |
| Service: | | | | | | |
| Administration | 2.0 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Building Maintenance | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.5 |
| City Services | 40.5 | 36.5 | 34.5 | 37.5 | 36.5 | 33.5 |
| Sanitary/Storm Drainage | 8.0 | 7.0 | 7.5 | 6.5 | 7.5 | 7.0 |
| Rubbish/Recycling | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Parks | 6.0 | 6.0 | 6.0 | 6.5 | 7.0 | 4.0 |
| Forester | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| Street Maintenance | 5.5 | 7.5 | 7.5 | 6.0 | 7.0 | 7.5 |
| Cemetery | 2.5 | 2.5 | 2.5 | 1.0 | 1.5 | 2.5 |
| Miscellaneous | 1.0 | 3.0 | 2.5 | 4.0 | 3.5 | 3.5 |
| Totals: | <u>431.5</u> | <u>425.0</u> | <u>418.5</u> | <u>423.5</u> | <u>409.0</u> | <u>409.0</u> |

Source: City of Westlake, Ohio 1999-2008 Annual Budgets

Method: Using 1.0 for each full-time employee, and 0.50 for each part-time and seasonal employee.

Count taken at December 31.

| 2002 | 2001 | 2000 | 1999 |
|--------------|--------------|--------------|--------------|
| 5.0 | 5.0 | 5.0 | 5.0 |
| 3.0 | 3.0 | 3.0 | 3.0 |
| 6.5 | 6.5 | 6.0 | 6.0 |
| 0.0 | 0.0 | 0.0 | 0.0 |
| 7.0 | 7.0 | 6.0 | 5.5 |
| 3.0 | 3.0 | 2.5 | 2.5 |
| 0.0 | 0.0 | 0.0 | 0.0 |
| 0.0 | 0.0 | 0.0 | 0.0 |
| 4.5 | 4.0 | 4.0 | 4.0 |
| 1.0 | 1.5 | 1.5 | 1.5 |
| 0.0 | 0.0 | 0.0 | 0.0 |
| 16.0 | 16.0 | 16.0 | 16.0 |
| 15.5 | 15.5 | 16.0 | 16.0 |
| 11.0 | 11.0 | 10.5 | 10.0 |
| 81.0 | 78.5 | 74.0 | 71.5 |
| 40.5 | 40.5 | 38.5 | 35.5 |
| 4.5 | 4.5 | 4.5 | 0.0 |
| 45.0 | 45.0 | 38.0 | 34.0 |
| 101.5 | 98.0 | 86.0 | 92.0 |
| 17.5 | 15.5 | 16.0 | 17.0 |
| 9.0 | 9.0 | 9.5 | 8.0 |
| 3.0 | 3.0 | 3.5 | 3.5 |
| 1.5 | 1.5 | 3.0 | 3.0 |
| 26.0 | 21.5 | 14.5 | 21.0 |
| 9.0 | 12.0 | 8.0 | 7.5 |
| 22.0 | 23.5 | 23.0 | 21.5 |
| 4.0 | 4.0 | 4.0 | 7.5 |
| 2.0 | 3.0 | 3.0 | 3.0 |
| 6.0 | 7.0 | 10.0 | 10.0 |
| 1.5 | 1.5 | 2.0 | 2.0 |
| 3.0 | 2.0 | 2.0 | 3.5 |
| <u>449.5</u> | <u>442.5</u> | <u>410.0</u> | <u>410.0</u> |

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

| Function/program | 2008 | 2007 | 2006 | 2005 |
|---|--------------|--------------|---------------|--------------|
| General Government | | | | |
| Construction Permits Issued (2) | 1,262 | 1,452 | 1,369 | 1,449 |
| Estimated Value of Construction (2) | \$51,180,020 | \$70,874,423 | \$105,706,757 | \$91,821,553 |
| Economic Development Projects approved (square feet) (3) | 108,103 | 118,321 | 347,398 | 413,432 |
| Number of Planning Commission docket items (3) | 117 | 113 | 127 | 115 |
| Sewer Bills mailed (1) | 38,687 | 43,236 | 42,880 | 44,100 |
| Purchase Orders Issued (4) | 3,391 | 3,327 | 4,129 | 3,903 |
| Number of new litigations filed (5) | 7 | 4 | 0 | 11 |
| Number of pending litigations (5) | 11 | 2 | 9 | 7 |
| Police (6) | | | | |
| Total Arrests | 6,253 | 6,163 | 5,580 | 6,206 |
| Part 1 Offenses (major offenses such as murder and theft) | 486 | 614 | 605 | 679 |
| DUI Arrests | 246 | 301 | 231 | 353 |
| Prisoners | 1,259 | 1,296 | 1,220 | 1,363 |
| Motor Vehicle Accidents | 761 | 810 | 741 | 815 |
| Calls for Service | 33,040 | 32,042 | 30,706 | 32,233 |
| Fire (7) | | | | |
| Emergency responses | 4,320 | 4,250 | 4,155 | 4,258 |
| Fire Safety Inspections/Re-Inspections | 1,627 | 1,304 | 1,485 | 994 |
| Fire Protection Systems Inspected | 521 | 963 | 891 | 534 |
| Building/Fire Protection Plan Review | 412 | 375 | 466 | 500 |
| Number of Community Programs | 84 | 79 | 100 | 100 |
| Public Service (8) | | | | |
| Road Maintenance (man hours)* | 8,947 | 9,679 | 9,296 | 8,432 |
| Asphalt (hot/cold) used in road maintenance (tons) | 770 | 380 | 413 | 1,341 |
| Concrete used in road maintenance (yards) | 344 | 386 | 564 | 486 |
| Number of Trees Removed | 305 | 209 | 260 | 262 |
| Number of Trees Planted | 245 | 273 | 151 | 170 |
| Truckloads of leaves picked-up | 1,229 | 1,303 | 1,664 | 1,643 |
| Cubic Yards of leaf humus delivered/sold | 7,180 | 8,472 | 7,188 | 7,546 |
| Cubic Yards of wood chips delivered/sold | 4,404 | 4,152 | 3,725 | 4,400 |
| Tons of snow melting salt purchased | 6,842 | 7,665 | 2,418 | 9,377 |
| Cemetery Internments | 46 | 55 | 46 | 41 |
| Grave purchases/Internment payments | \$51,330 | \$56,505 | \$38,885 | \$33,445 |
| Recreation (9) | | | | |
| Recreation Center attendance** | 517,171 | 378,003 | 402,253 | 395,495 |
| No. of Peterson Pool Memberships | 828 | 831 | 275 | 346 |
| Learn to Swim enrollment (Peterson Pool only) | 943 | 1,061 | 1,001 | 1,112 |
| Average daily golf revenue (June, July, & August) | \$2,968 | \$3,108 | \$3,100 | \$3,429 |
| Senior/Community Services (10) | | | | |
| Number of Activities/Programs | 102 | 96 | 80 | 77 |
| Social Services | 2,017 | 2,751 | 2,380 | 2,278 |
| Activity Trips | 47 | 47 | 59 | 66 |
| Number of Volunteers | 145 | 177 | 174 | 152 |
| Newsletters | 10,400 | 9,600 | 13,000 | n/a |
| Transports | 6,194 | 7,884 | 8,573 | 8,386 |
| Miles Transported | 54,319 | 58,860 | 60,972 | 62,892 |
| Donations, Center/Assistance/Prescriptions | \$51,298 | \$33,282 | \$54,984 | \$50,083 |

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

*Amounts are estimated

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

n/a: Information not available

| 2004 | 2003 | 2002 | 2001 | 2000 | 1999 |
|---------------|--------------|--------------|--------------|--------------|---------------|
| 1,481 | 1,272 | 1,189 | 1,265 | 1,308 | 1,368 |
| \$153,837,378 | \$88,110,510 | \$86,785,759 | \$93,999,520 | \$83,579,795 | \$112,324,145 |
| 538,835 | 626,268 | 452,304 | 377,450 | 496,376 | 350,486 |
| 140 | 105 | 111 | 107 | 114 | 134 |
| 43,508 | 42,257 | 42,959 | 41,840 | 40,482 | 39,354 |
| 3,960 | 4,228 | 4,255 | 4,358 | 4,494 | 4,274 |
| 4 | 17 | 4 | 2 | 6 | 8 |
| 15 | 21 | 5 | 10 | 15 | 17 |
| 6,219 | 7,220 | 6,305 | 8,400 | 9,445 | 8,539 |
| 592 | 495 | 491 | 548 | 414 | 495 |
| 266 | 264 | 254 | 298 | 275 | 213 |
| 1,340 | 1,188 | 1,041 | 1,115 | 1,206 | 1,089 |
| 810 | 780 | 859 | 759 | 781 | 761 |
| 33,342 | 33,349 | 33,284 | 33,402 | 33,419 | 34,349 |
| 3,987 | 3,980 | 3,874 | 3,639 | 3,423 | 3,270 |
| 291 | 132 | 200 | 659 | 676 | 478 |
| 330 | 437 | 541 | 928 | 282 | 1,175 |
| 457 | 353 | 360 | 375 | 308 | 249 |
| 80 | 75 | 53 | 51 | 48 | 45 |
| 10,760 | 8,480 | n/a | 9,437 | 7,025 | 9,646 |
| 755 | 808 | 552 | 441 | 632 | 964 |
| 866 | 421 | 579 | 731 | 550 | 1,024 |
| 193 | 291 | 253 | 115 | 234 | 228 |
| 260 | 208 | 110 | 91 | 130 | 222 |
| 1,621 | 1,726 | 1,846 | 1,640 | 1,350 | 1,649 |
| 5,817 | 5,977 | 813 | 2,092 | 2,055 | 1,772 |
| 6,605 | 1,106 | 1,604 | 1,676 | 1,952 | 1,391 |
| 7,972 | 7,686 | 4,478 | 2,485 | 9,697 | 6,077 |
| 54 | 49 | 49 | 51 | 63 | 52 |
| \$42,365 | \$27,875 | \$25,325 | \$28,925 | \$35,885 | \$25,690 |
| 386,937 | 388,020 | 399,671 | 387,458 | 357,730 | 341,797 |
| 873 | 1,000 | 1,300 | 1,550 | 1,525 | 1,148 |
| 1,015 | 1,300 | 1,350 | 1,200 | 1,150 | 1,114 |
| \$3,209 | \$3,127 | \$3,400 | \$3,000 | \$2,707 | \$2,578 |
| 68 | n/a | n/a | n/a | n/a | n/a |
| 2,071 | 1,890 | 1,522 | 1,015 | 1,111 | 1,083 |
| 52 | 47 | 53 | 49 | 35 | 22 |
| 134 | 194 | 92 | 111 | 129 | 148 |
| 13,995 | 13,995 | 13,685 | 13,365 | 13,025 | 11,550 |
| 8,807 | 8,595 | 8,405 | 7,981 | 6,661 | 6,838 |
| 53,979 | 56,376 | 55,332 | 51,392 | 41,747 | 40,467 |
| \$39,431 | \$17,932 | \$30,573 | \$30,707 | \$19,454 | \$26,659 |

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

| Function/program | 2008 | 2007 | 2006 | 2005 |
|---|---------|---------|---------|--------|
| General Government | | | | |
| Square Footage Occupied (1) | 40,000 | 40,000 | 40,000 | 40,000 |
| Engineering Vehicles (2) | 12 | 14 | 10 | 9 |
| Inspection Vehicles (2) | 8 | 8 | 8 | 9 |
| Other Departmental Vehicles (2) | 4 | 4 | 4 | 4 |
| Police | | | | |
| Stations | 1 | 1 | 1 | 1 |
| Square Footage of Building (3) | 25,000 | 25,000 | 25,000 | 25,000 |
| Vehicles (2) | 43 | 39 | 39 | 35 |
| Fire | | | | |
| Stations | 2 | 2 | 2 | 2 |
| Vehicles (2) | 19 | 18 | 18 | 18 |
| Other public works | | | | |
| Streets (miles) | 136 | 136 | 136 | 135 |
| Number of Streetlights (per light bill) | 15,068 | 15,057 | 14,918 | 14,888 |
| Public Service Vehicles (5) | 65 | 64 | 60 | 57 |
| Recreation | | | | |
| Number of Parks | 5 | 5 | 5 | 5 |
| Recreation Centers | 1 | 1 | 1 | 1 |
| Recreation Center Square Footage | 102,000 | 102,000 | 102,000 | 84,000 |
| Vehicles (2) | 6 | 7 | 7 | 7 |
| Senior/Community Services | | | | |
| Vehicles (4) | 6 | 6 | 6 | 6 |
| Wastewater | | | | |
| Sanitary sewers (miles) | 122 | 122 | 122 | 121 |

Sources:

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

| 2004 | 2003 | 2002 | 2001 | 2000 | 1999 |
|--------|--------|--------|--------|--------|--------|
| 40,000 | 40,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| 9 | 12 | 10 | 8 | 9 | 9 |
| 9 | 8 | 8 | 8 | 8 | 9 |
| 4 | 4 | 4 | 4 | 4 | 4 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| 35 | 38 | 35 | 33 | 33 | 34 |
| 2 | 2 | 2 | 2 | 2 | 2 |
| 20 | 20 | 19 | 17 | 17 | 14 |
| 135 | 135 | 135 | 135 | 134 | 132 |
| 14,622 | 14,407 | 14,407 | 14,288 | 14,288 | 13,814 |
| 57 | 67 | 68 | 64 | 73 | 70 |
| 5 | 5 | 5 | 5 | 5 | 4 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 84,000 | 84,000 | 84,000 | 84,000 | 84,000 | 84,000 |
| 7 | 7 | 6 | 7 | 5 | 4 |
| 5 | 5 | 5 | 5 | 4 | 4 |
| 121 | 121 | 121 | 121 | 120 | 117 |

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Mary Taylor, CPA
Auditor of State

CITY OF WESTLAKE

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
SEPTEMBER 24, 2009**