

City of Westlake, Ohio

**Comprehensive  
Annual Financial Report**  
for the year ended December 31, 2015

**Prepared by the Department of Finance**  
Prashant R. Shah, Director  
Bonnie L. Freeh, Assistant Director





# Dave Yost • Auditor of State

City Council  
City of Westlake  
27700 Hilliard Blvd  
Westlake, Ohio 44145

We have reviewed the *Independent Auditor's Report* of the City of Westlake, Cuyahoga County, prepared by Ciuni & Panichi, Inc., for the audit period January 1, 2015 through December 31, 2015. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Westlake is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

August 24, 2016

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**City of Westlake, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2015*  
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**FINANCE DEPARTMENT**

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

June 30, 2016

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, 2015.

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for 2015.

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.

Ciuni and Panichi, Incorporated, has issued an unmodified (“clean”) opinion on the City of Westlake’s financial statements for the year ended December 31, 2015. 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**

Born in Connecticut, Leverett Johnson was the first to clear land in 1811 in what is now Westlake. Three years later, he built a log house at Porter and Center Ridge Roads for his bride Abigail Cahoon. 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.

## GENERAL INFORMATION

Situated in the western reach of Cuyahoga County, Westlake is a suburb of Cleveland, Ohio, thirteen miles from downtown. Per the 2010 census, the current population is estimated at 32,729. The total land area is 15.9 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 enterprises.

The current City Hall was completed in 2003. The Police Department is located behind City Hall and two fire stations serve the east and west sides of the City. The City operates and owns Meadowood Golf Course. Construction of the Recreation Center was completed in 1998. The facility which is situated in an 85-acre park setting is approximately 83,000 square feet. The Center includes five indoor swimming pools, a gymnasium, community and craft rooms, an indoor track, a fitness area, a sand volleyball court and a sun deck. The outside grounds feature tennis courts, baseball and soccer fields, sand volley ball courts, nature trails, and a picnic area with a lake. In 2004, the Westlake Center for Community Services completed an expansion and renovation project and a Service Center facility was completed in 2006.

## 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. All members of Council serve in a part-time capacity for four-year terms. 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. As administrator, he appoints all department heads with the exception of the Law Director and is ultimately responsible for the operation of all departments and divisions.

The municipal government consists of thirteen departments in addition to the Mayor's Office. 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. The department takes a community oriented policing approach that has been 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. 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 **Fire Department** provides fire protection and emergency medical services to citizens, as well as placing strong emphasis on community involvement and education. A Fire Prevention unit focuses on the reduction of potential fires and loss of property within the City. The 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 Westlake Fire Department.

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. Leaf humus and wood chips are generated from the collection of yard waste. The City outsources rubbish and recycling services in addition to grass maintenance. The City also owns and operates two cemeteries. The Service Center facility includes administrative offices, vehicle storage and maintenance areas.

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

The **Community Services Department** offers programs and activities to enrich the lives of the "Fifty Plus" population at the Westlake Center and provides a system of social services for residents of all ages. A variety of social, educational and recreational activities are offered as well as health screenings, support groups, and annual immunizations. The social service staff of the department serves as a resource for referrals, information, emergency food and assistance, discount program applications, and for older and disabled adults, a daily safety phone check and transportation.

The **Finance Department** is responsible for the accurate recording of all receipts and disbursements and for diligently investing all City funds in order to maximize interest earnings while protecting the cash assets of the City. The department issues bi-weekly payrolls and maintains a capital asset system. Other responsibilities include compilation of the Annual Budget, preparation of the Comprehensive Annual Financial Report and Popular Annual Financial Report for residents, and assisting the Mayor in all financial decisions. The department manages health care administration and insurance coverage.

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 Director of Law is the only department head elected by the residents of Westlake.

The **Purchasing Department** prepares the specifications for and obtains proposals to furnish the City with the materials, equipment, and supplies needed to maintain operations. The inspection, distribution, and storage of all inventories are the responsibility of the department. All purchase orders are generated, recorded, and approved by the department.

The **Human Resource Department** attends to all personnel matters such as hiring, terminations, work related issues, and labor negotiations. A manager oversees the department.

The **Planning & Economic Development Department** is responsible for the administration of plans and programs for the comprehensive and orderly development of the City. The department oversees the planning, zoning, economic development and promotion of the City. The department meets with prospective developers, land owners, residents, architects and applicants to discuss application procedures, proposed plans and development regulations. It reviews all development plans to determine compliance to code and measures. The department works in conjunction with the Planning Commission, Board of Zoning Appeals, and Board of Building Appeals and Architectural Standards.

The **Inspections Department** interprets and enforces all building, electrical, plumbing, and the property maintenance codes for the City. This also includes the issuance of permits, field and site inspections, citations, issuance of occupancy permits, and rental and apartment licenses. The Inspections Department is also responsible for the enforcement of the zoning code.

The **Engineering Department** is responsible for the general engineering requirements of the City. The implementation of all plans and programs relating to City infrastructure are the department's responsibility. Traffic engineering and grant applications are also coordinated by the department as well as managing plat books, easements, and deeds.

The **Technology Department** is comprised of the Information Technology and Communications divisions. The technology staff is responsible for the operation and maintenance of the City's computer hardware and software. The communications personnel keep residents and employees informed through the City's website, emergency communication networks, and television access station.

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.

## **ECONOMIC CONDITION AND OUTLOOK**

The square footage of Westlake's business space is evenly split between retail, office, and industrial and the City is still seeing gains in commercial, industrial and residential growth. The City is home to both world and national headquarters for several corporations including some Fortune 500 companies. Hyland Software, TravelCenters of America, and Koyo Corporation of USA are all headquartered in Westlake. Many of these companies are located in the several industrial parks throughout the City. The Sharon Drive Industrial Park features various businesses including the North American headquarters for Radiometer America. Sperry Drive features numerous businesses in addition to restaurants and motels. The Crocker Road Industrial area is the site of USG/American Metals and numerous industries are also located on First Street. The Clemens/Ranney Corporate Parkway is home to Scott Fetzer, Nordson Corporation, and Electronic Data Systems. In 2013, Equity Trust, a financial services firm that assists investors with retirement planning, relocated its corporate headquarters to Westlake from Texas. That same year, Hyland Software expanded its headquarters and now incorporates three buildings on a fifty-eight acre campus. With over 1,500 workers, only St. John's Medical Center has more employees.

Westlake's largest development is Crocker Park, a mixed-use community located on seventy-five acres in western Westlake. The development features high-end retailers, restaurants, office space and residential dwellings and is known as the "downtown of Westlake." In 2011, American Greetings, Incorporated announced it was moving its world headquarters to Crocker Park. The new facility will be known as American Greetings Creative Studios and will employ approximately 1,500 people. The relocation will be concurrent with the expansion of Crocker Park. The firm chose Crocker Park due to its creative energy and synergy and feels the atmosphere will allow its employees to flourish, and maximize their performance, innovation, and creativity. To facilitate this endeavor, the City created a Tax Increment Financing (TIF) district and public improvements will be funded from the TIF proceeds. The City issued \$48.3 million in special obligation/non-tax revenue bonds and received an \$8.5 million loan from the State to finance public infrastructure. Funds will construct three parking garages, new roadways and infrastructure, and new entrances to Crocker Park. The City feels the project will provide an economic boost to the City's retail and housing markets.

Construction began in 2014 and American Greetings is planning on relocating in 2016. The new 595,000 square foot facility will be supported by 59,000 additional square feet of retail on the ground level. An additional 121,050 square feet of retail and 318 apartments will be constructed. Four new parking garages with 2,993 spaces will be added. An area known as Block K, on the northeast corner of Crocker Park, will also add additional retail, restaurants, and a Hyatt hotel. When all projects are completed, Crocker Park will top out at over three million square feet.

Numerous 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 and the Gemini Office Towers are opposite Crocker Park. The Jamestown Office Building on Detroit Road and the Clemens Road West Office Building also feature office space. Westlake is also home to St. John's Medical Center, a 204-bed, nonprofit, acute care hospital that serves residents of western Cuyahoga and eastern Lorain counties.

To encourage industrial and commercial development, the City offers five financial assistance tools. The Industrial Development Revenue Bonds program is offered under State law and allows the Westlake Community Improvement Corporation 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 2005, \$24.7 million of Health Facility Revenue Bonds were issued to finance the expansion of the Lutheran Home nursing facility and this is the only current outstanding issue.

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 the County Commissioners allow abatement over ten years upon approval. Currently, no companies are receiving tax abatement under an Enterprise Zone Agreement.

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 maximum of ten years for commercial development and fifteen years for industrial. This program requires the approval of the City Council and Westlake Tax Incentive Review Council. There are currently six Community Reinvestment Agreements.

The Cuyahoga County Department of Development has also established Improved Target Areas (ITA) by which local business owners can apply for small grants to renovate commercial buildings. Three ITA areas currently exist in Westlake. Storefront renovations within the ITA's are eligible for Cuyahoga County's Storefront Renovation Program at a rate of fifty percent up to a maximum of \$20,000.

In 2007, the City established Job Creation grants to encourage economic development within the City. To be eligible for the program, the applicant must create fifty new jobs or \$2 million in new payroll. The rate and term of the grant are determined through negotiations between the applicant and the City.

A City Guide Plan was adopted in 1980. The purpose of the Westlake Guide Plan is to define the community's long range vision and goals for the physical development and redevelopment of the City and to provide a strategy to achieve them. To this end, it guides public policy and zoning decisions related to public and private development by providing relevant studies, maps, and recommendations pertaining to residential, retail, industrial, community facilities, transportation, special study areas, and future land uses. A new digital version of the City of Westlake Guide Plan will be released in 2016.

**Current Year Activities** 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. The City upheld that mission by expanding and improving services, upgrading infrastructure, and enhancing public grounds and facilities in 2015.

The Police Department continued its commitment to public safety and awareness responding to 33,751 calls and making 4,798 arrests. Numerous policing programs were offered such as the Community Police Academy and the Ride-Along Program providing residents first-hand training and experiences. Student programs such as Safety Town, Drug Awareness Resistance Education (D.A.R.E.), and the Explorer's Program for scouts continued with much success and classes in firearm safety and Rape Aggression Defense were also held. Other community programs included National Bike and Walk to School Days, "Operation Medicine Cabinet" (disposal of unused prescriptions and over-the-counter drugs), and a "Shop with a Cop" (activities for children in need at Christmas time).

The Fire Department responded to 4,957 calls relating to fires, EMS, and hazardous materials. The department also conducted 1,108 fire inspections, plan reviews and consultations and 41 events and classes were offered. A central dispatch center is shared by the cities of Westlake, Bay Village, Rocky River, Fairview Park, and North Ridgeville and is located in emergency room space at St. John's Medical Center. In 2015, the Center responded to 15,142 calls.

The Service Department is involved in the maintenance of City streets, sewers, parks, buildings, and vehicles. Rubbish and recycling collection and lawn maintenance has been outsourced to outside contractors in efforts to better utilize the time and skills of City personnel. The department received and completed 8,195 calls in 2015. 7,264 tons of recyclables were collected and 9,385 cubic yards of brush and leaves were sold as wood chips and mulch. Over 23 miles of sanitary and storm sewers were cleaned and 607 storm and sanitary tees were located and maintained. 118 trees were planted and almost 1,100 trees were trimmed. The department is also responsible for snow and leaf removal, street and sewer maintenance, and assists with community events.

The Inspections Department issued 1,385 permits during 2015, with an estimated value of \$114.4 million of which \$71.5 million related to the American Greetings/Crocker Park expansion project. Twenty-three residential units were completed at a value of \$12.6 million. Remodeling and improvements projects totaled \$12.7 million and additional commercial projects totaled \$17.6 million.

The Planning Department held 137 business meetings with 139 construction plan reviews. The department reviewed and approved 139,000 square feet of development. The staff oversees the “Westlake in Bloom” event through which 77 residents and businesses competed in fifteen categories for awards relating to City beautification. The City has 224 flower boxes within Hilliard Boulevard that are also judged. The department assists in the publication of the “Westlake Magazine”, which is mailed annually to all residents and businesses.

Over 18,000 duplicated patrons participated in programs, activities, trips, support groups, and wellness initiatives throughout the year at the Community Center. The department provided 6,524 transportation trips to residents in need. The Westlake Assistance Program dispensed 250 holiday baskets, distributed gifts to 234 Adopt-A-Family recipients and aided 271 patrons with food distributions. 155 programs and activities were offered to patrons on a regular basis and 85 volunteers gave in excess of 883 hours of their time.

The Westlake Recreation Center is the hub for all recreation activities in the City. The department offered 800 programs with 10,300 participants. There are currently 13,000 members enrolled at the Center. The Silver Sneakers program for senior residents has been met with great success and currently 2,700 members are enrolled generating \$168,000 for the Center in 2015. In addition to the numerous classes and activities held at the Center, the department organized the Fourth of July Party in the Park, the Fall Pumpkin Festival, the Junior Olympics, the Corporate Challenge and the annual Fishing Derby.

Over 16,500 visitors swam at Peterson Pool, the City’s outdoor facility at Clague Park. 680 children participated in the “Learn to Swim” program and 424 seasonal memberships were sold. 17,600 rounds of golf were played at Meadowood Golf Course. Over 230 students participated in the Junior Golf League.

Several infrastructure projects took place in 2015. With the aid of Federal grants, traffic signals were updated throughout the City. The project replaces all signals with LED lights and allows computer monitoring from the Police Department. Waterlines were replaced on Smith and Hedgewood Roads. Asphalt overlay, concrete rehabilitation, pavement crack and joint sealing and catch basin maintenance were also conducted throughout the City.

**Future Projects** The City of Westlake will initiate several infrastructure capital projects in 2016. Water line rehabilitation and resurfacing will commence on Bradley Road from Center Ridge Road to Hilliard Boulevard. The Canterbury and Detroit Roads intersection will be widened from three to five lanes. Detroit Road will be resurfaced from the Cuyahoga County line to the eastern corporation limits of Westlake. Annual concrete rehabilitation, crack and joint sealing, and catch basin replacement will also occur. Over \$1.1 million will be spent to replace the roofs at the Police and Fire Departments in addition to the Recreation Center. The City will construct a Market Square on 1.9 acres of land donated by Crocker Park. The facility will consist of green space, a hard-surfaced plaza and an enclosed glass structure. It will serve as a center for community events and parties and will house a farmer’s market. A Recreation and Parks Master Plan was completed in 2014 through community participation and surveys. Numerous recommendations were made including more walking/biking trails, a new outdoor aquatics center, development of a new community park on existing land, and the redevelopment of the City’s golf course. The plan is comprised of over \$30 million in projects and future meetings will be held to finalize the City’s objectives.

## LONG-TERM FINANCIAL PLANNING

The City has been recognized as a leader in long-term financial planning. A depreciation fund finances the maintenance and eventual replacement of sewer lines within the City. 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 funding of the depreciation accumulating the necessary resources for replacement. The City maintains 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.

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. Major capital projects include the construction and renovation of buildings, major technology projects, land purchases, and the construction and improvement of infrastructures such as roads, water lines, and sanitary and storm sewer systems. Projects are initially identified through meetings between the Mayor and department heads and the Director of Engineering acts as the primary consultant concerning timing considerations and estimated costs. The plan is updated annually to include new projects, revise projects listed and remove those completed.

In 2014, City administration decided to embrace the principles of LEAN government and implement the most efficient means to provide government services. Numerous Federal, State, and local government agencies have implemented this philosophy. LEAN methods include Kaizen events where cross-sections of employees study a specific process in efforts to streamline effective changes. Processes are studied in detail in efforts to identify “value-added” steps and eliminate waste. By identifying inefficiencies, the City hopes to improve services and lower costs. LEAN training was provided for administrative personnel and initial endeavors have already led to savings in both time and money with future projects planned for 2016.

Combining the Community and Recreation Centers has been discussed as a way to deliver services in a more efficient manner. The City will ask residents to extend and expand the one-eighth percent income tax as a way to fund proposed Recreation Department projects and possibly construct a new Community Center. The City also initiated an annual wellness screening program for all employees participating in the City’s healthcare plan to promote good health and reduce costs.

## OTHER INFORMATION

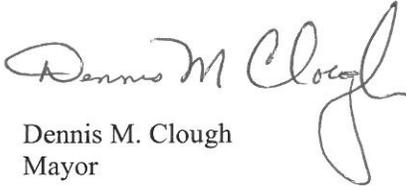
**Certificate of Achievement** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Westlake, Ohio, for its comprehensive annual financial report (CAFR) for the year ended December 31, 2014. 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 (GAAP) 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 thirty-two consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

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

Respectfully submitted,



Dennis M. Clough  
Mayor

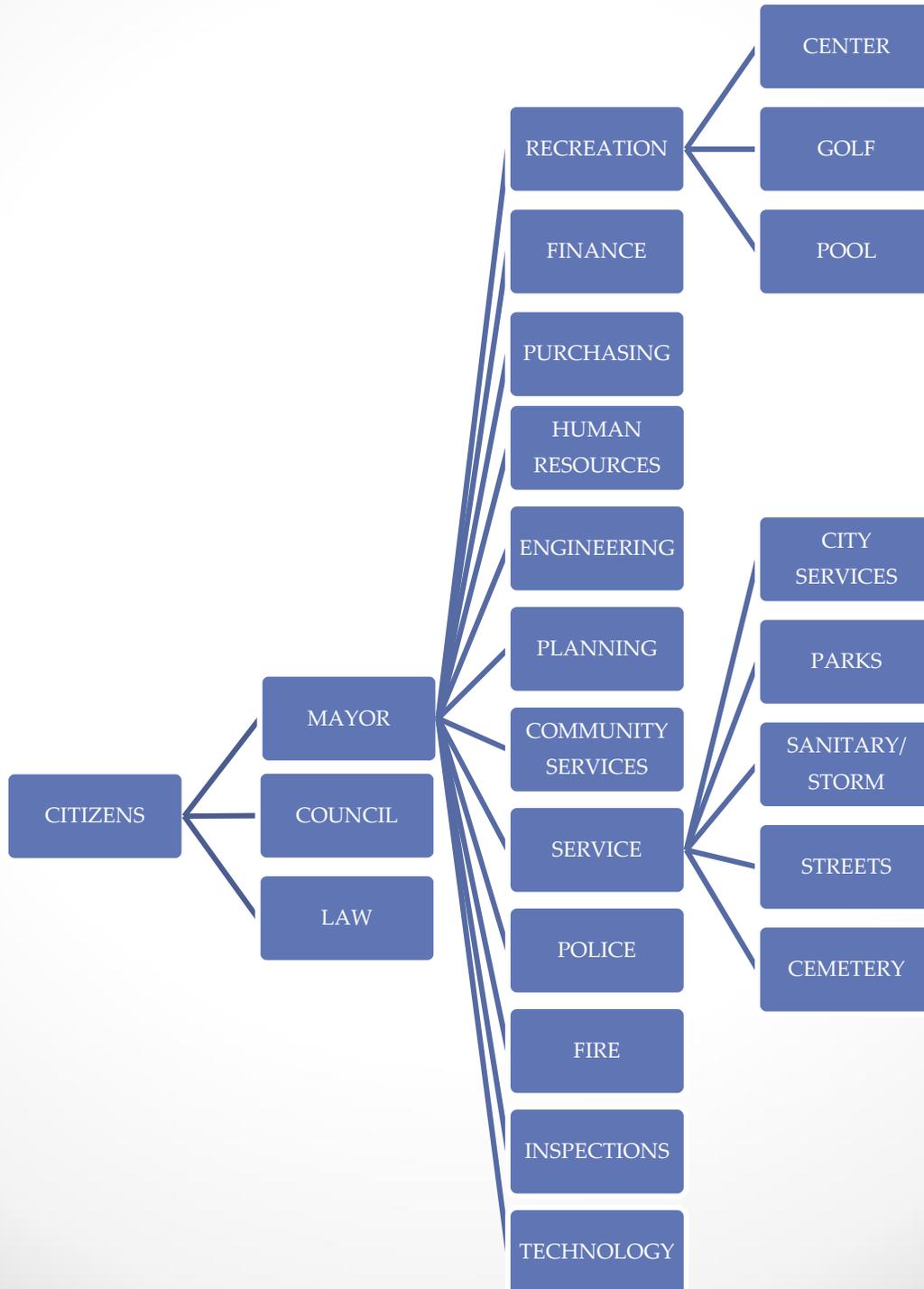


Prashant R. Shah, CPA  
Director of Finance

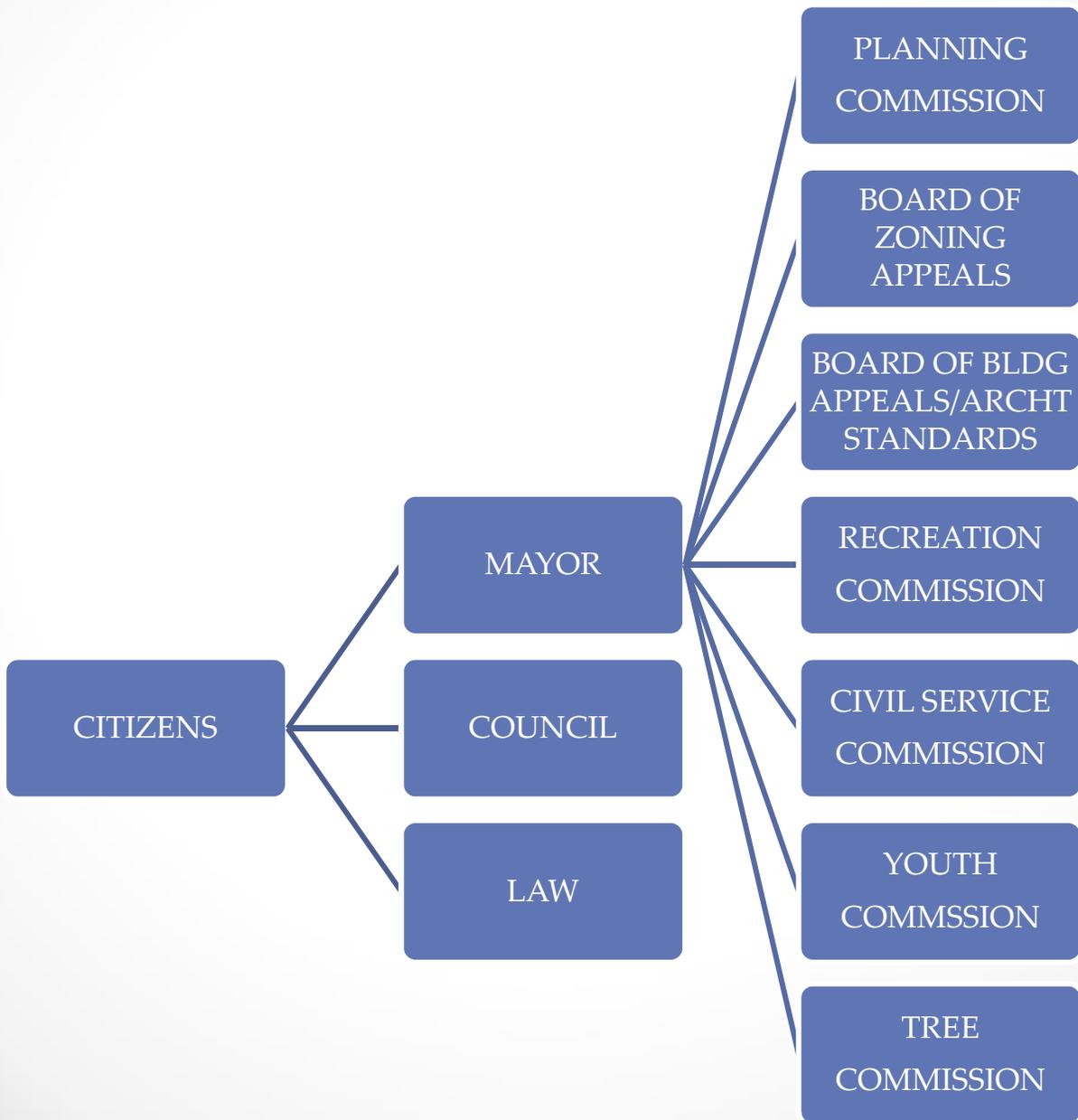


Bonnie L. Freeh  
Assistant Director of Finance

# CITY OF WESTLAKE ORGANIZATIONAL CHART DEPARTMENTS



# CITY OF WESTLAKE COMMISSIONS



**CITY OF WESTLAKE, OHIO**

**PRINCIPAL OFFICIALS  
DECEMBER 31, 2015**

*ELECTED OFFICIALS*

---

Mayor ..... Dennis M. Clough, CPA  
President of Council..... Michael F. Killeen  
Council Members  
    Ward 1.....Lynda Appel  
    Ward 2.....Nick Nunnari  
    Ward 3.....Dennis Sullivan  
    Ward 4..... Michael O’Donnell  
    Ward 5..... Kenneth Brady  
    Ward 6.....Mark Getsay

*APPOINTED OFFICIALS*

---

Director of Engineering ..... Robert Kelly  
Director of Finance ..... Prashant R. Shah, CPA  
Director of Inspections..... Donald Grayem  
Director of Law..... John Wheeler  
Director of Planning..... James Bedell  
Director of Purchasing ..... Larry Surber  
Director of Recreation..... Robert Deminico  
Director of Community Services ..... Lydia Gadd  
Director of Service ..... Paul Quinn III  
Chief of Police ..... Kevin Bielozer  
Chief of Fire.....James Hughes



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Reporting**

Presented to

**City of Westlake  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2014**

Executive Director/CEO

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## Independent Auditor's Report

Members of the City Council  
Westlake, Ohio

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Westlake, Ohio (the "City") as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

### *Auditor's Responsibility*

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

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

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

### ***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, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Recreation Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As described in Note 3 to the basic financial statements, during 2015, the City adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, and as a result restated their December 31, 2014 net position. Our opinions are not modified with respect to this matter.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 to 19 and the schedules of the City's proportionate share of the net pension liability and schedules of the City's contributions on pages 80 through 85 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

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

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the

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basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2016, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Ciuni + Panichi, Inc.*

Cleveland, Ohio  
June 30, 2016

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**City of Westlake, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

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The discussion and analysis of the City of Westlake's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2015. 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 2015 are as follows:

- Overall, governmental activities revenues of \$60.2 million exceeded the expenses which came in at \$52 million, consequently increasing the net position by \$8.2 million for 2015. The increase was primarily due to increases in property and incomes tax revenues and decreases to most program expenses.
- During 2015, the City's revenues and expenditures continued to trend positively and on a cash basis the general fund ended with an unassigned cash balance of \$20 million, which exceeded the City's informal policy of maintaining a reserve equal to 3 or 4 months of expenditures.
- During 2014, the City issued non-tax revenue bonds in the amount of \$48.3 million in addition to acquiring a loan in the amount of \$8.5 million from Ohio Department of Transportation and a grant of \$1.0 million to facilitate the development of a TIF district and provide required public infrastructure to enable American Greetings to relocate its world headquarters to the City of Westlake along with some major additions within Crocker Park including additional retail stores, restaurants, and apartments. As of December 31, 2015, none of the ODOT proceeds were drawn down.
- Total fund balances for all funds decreased from \$103.7 million at the end of 2014 to \$93.7 million at the end of 2015.
- The City implemented GASB 68 and GASB 71, which establish standards for measuring and recognizing pension liabilities, deferred outflows/inflows of resources, and expense/expenditure. The implementation of these GASB statements resulted in a significant change to the financial statements for the City.

### **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 position and statement of activities provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other funds presented in total in one column.

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

The statement of activities presents information showing how the City's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future 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, interest and fiscal charges, and leisure time activities. The business-type activities include sewer and golf course.

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

**Fund financial statements** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City 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 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.

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, and the American Greetings, the Issue II Improvement, the infrastructure tax and grants capital projects funds, all of which are considered to be major funds. Data from the other 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.

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

**Proprietary Funds** The City of Westlake maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its sewer operations and golf course activity. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains such funds for its self-insurance of health related employee benefits. Because this fund 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 30 through 33 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 35 through 78 of this report.

**Other Information** In addition to the basic financial statements and accompanying notes, this report also presents certain other information that the City believes readers will find useful. After the notes to the 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.

### **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 2015?" The statement of net position and the statement of activities answer this question. These statements include all assets and deferred outflows of resources and all liabilities and deferred inflows of resources 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 position and the changes in net position. The change in net position 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 position and the statement of activities are divided into the following categories:

- Assets
- Deferred Outflows of Resources
- Liabilities
- Deferred Inflows of Resources
- Net Position (Assets and Deferred Outflows of Resources minus Liabilities and Deferred Inflows of Resources)

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- Program Expenses and Revenues
- General Revenues
- Net Position Beginning and End of Year

**The City of Westlake as a Whole**

Recall that the statement of net position looks at the City as a whole. The following table 1 provides a summary of the City's net position for 2015 compared to 2014.

**NET POSITION**  
TABLE 1

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and Other Assets	\$131,308,656	\$138,584,670	\$13,725,801	\$13,470,635	\$145,034,457	\$152,055,305
Capital Assets, Net	196,755,477	171,109,210	25,995,165	26,983,590	222,750,642	198,092,800
<i>Total Assets</i>	<u>328,064,133</u>	<u>309,693,880</u>	<u>39,720,966</u>	<u>40,454,225</u>	<u>367,785,099</u>	<u>350,148,105</u>
Deferred Outflows of Resources						
Deferred Charge on Refunding	166,305	196,700	0	0	166,305	196,700
Pension	4,233,004	2,839,689	86,417	60,363	4,319,421	2,900,052
<i>Total Deferred Outflows of Resources</i>	<u>4,399,309</u>	<u>3,036,389</u>	<u>86,417</u>	<u>60,363</u>	<u>4,485,726</u>	<u>3,096,752</u>
Current and Other Liabilities	13,616,684	11,108,482	235,902	224,328	13,852,586	11,332,810
Long-Term Liabilities:						
Due within One Year	2,949,791	2,901,627	0	0	2,949,791	2,901,627
Due in More than One Year:						
Net Pension Liability	30,357,081	28,890,349	494,863	483,685	30,851,944	29,374,034
Other Amounts	77,122,666	70,232,819	0	0	77,122,666	70,232,819
<i>Total Liabilities</i>	<u>124,046,222</u>	<u>113,133,277</u>	<u>730,765</u>	<u>708,013</u>	<u>124,776,987</u>	<u>113,841,290</u>
Deferred Inflows of Resources						
Property Taxes	11,871,983	11,408,069	0	0	11,871,983	11,408,069
Pension	165,181	0	8,694	0	173,875	0
<i>Total Deferred Inflows of Resources</i>	<u>12,037,164</u>	<u>11,408,069</u>	<u>8,694</u>	<u>0</u>	<u>12,045,858</u>	<u>11,408,069</u>
Net Investment in Capital Assets	139,414,217	126,984,208	25,995,165	26,983,590	165,409,382	153,967,798
Restricted for:						
Capital Projects	22,372,654	32,628,184	0	0	22,372,654	32,628,184
Debt Service	2,782,386	3,085,040	0	0	2,782,386	3,085,040
Other Purposes	6,248,798	5,910,804	0	0	6,248,798	5,910,804
Unclaimed Funds	268,371	472,297	0	0	268,371	472,297
Unrestricted	25,293,630	19,108,390	13,072,759	12,822,985	38,366,389	31,931,375
<i>Total Net Position</i>	<u>\$196,380,056</u>	<u>\$188,188,923</u>	<u>\$39,067,924</u>	<u>\$39,806,575</u>	<u>\$235,447,980</u>	<u>\$227,995,498</u>

During 2015, the City adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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

Under the new standards required by GASB 68, the net pension liability equals the City's proportionate share of each plan's collective:

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

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

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

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

As a result of implementing GASB 68, the City is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at December 31, 2014, from \$214,239,583 to \$188,188,923 for governmental activities and from \$40,537,367 to \$39,806,575 for business-type activities.

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As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The largest portion of the City's net position reflects investments in capital assets (e.g. land, construction in progress, buildings, improvements, machinery and equipment, furniture and fixtures, 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 in governmental activities increased by \$18,370,253 from the year 2014 to 2015. This is primarily due to an increase in the net value of the City's capital assets. Construction in Progress went from \$39.1 million to \$62.1 million primarily due to the American Greetings project. The City's total liabilities in governmental activities increased by \$10,912,945.

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

**CHANGES IN NET POSITION**

TABLE 2

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
<b>Revenues</b>						
Program Revenues:						
Charges for Services	\$5,939,813	\$5,700,691	\$3,066,122	\$2,994,213	\$9,005,935	\$8,694,904
Operating Grants and Contributions	1,634,552	1,785,738	0	0	1,634,552	1,785,738
Capital Grants and Contributions	8,820,731	8,243,682	127,383	0	8,948,114	8,243,682
<b>Total Program Revenues</b>	<b>16,395,096</b>	<b>15,730,111</b>	<b>3,193,505</b>	<b>2,994,213</b>	<b>19,588,601</b>	<b>18,724,324</b>
General Revenues:						
Property Taxes	11,558,910	10,936,504	0	0	11,558,910	10,936,504
Income Taxes	25,783,606	23,877,733	0	0	25,783,606	23,877,733
Admission Tax	124,078	134,986	0	0	124,078	134,986
Hotel Tax	522,645	489,850	0	0	522,645	489,850
Grants and Entitlements	1,563,433	2,253,953	0	0	1,563,433	2,253,953
Franchise Taxes	644,240	649,254	0	0	644,240	649,254
Investment Income	539,348	289,616	34,398	17,152	573,746	306,768
Contributions and Donations	11,870	13,736	0	0	11,870	13,736
Payment in Lieu of Taxes	539,499	0	0	0	539,499	0
Gain on Sale of Capital Assets	0	41,425	1,800	6,901	1,800	48,326
Miscellaneous	2,480,501	2,228,479	4,434	7,697	2,484,935	2,236,176
<b>Total General Revenues</b>	<b>43,768,130</b>	<b>40,915,536</b>	<b>40,632</b>	<b>31,750</b>	<b>43,808,762</b>	<b>40,947,286</b>
<b>Total Revenues</b>	<b>\$60,163,226</b>	<b>\$56,645,647</b>	<b>\$3,234,137</b>	<b>\$3,025,963</b>	<b>\$63,397,363</b>	<b>\$59,671,610</b>

(continued)

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**CHANGES IN NET POSITION**

TABLE 2 (continued)

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
<b>Program Expenses</b>						
General Government	\$7,678,275	\$8,418,520	\$0	\$0	\$7,678,275	\$8,418,520
Security of Persons and Property	17,282,475	17,487,121	0	0	17,282,475	17,487,121
Public Health Services	1,224,487	1,174,508	0	0	1,224,487	1,174,508
Transportation	13,864,015	11,442,820	0	0	13,864,015	11,442,820
Community Environment	2,101,651	3,388,227	0	0	2,101,651	3,388,227
Basic Utility Services	2,908,847	2,180,366	0	0	2,908,847	2,180,366
Leisure Time Activities	4,089,416	4,064,325	0	0	4,089,416	4,064,325
Interest and Fiscal Charges	2,822,396	2,117,493	0	0	2,822,396	2,117,493
Sewer	0	0	3,519,865	3,324,980	3,519,865	3,324,980
Golf Course	0	0	453,454	450,130	453,454	450,130
<i>Total Program Expenses</i>	<u>51,971,562</u>	<u>50,273,380</u>	<u>3,973,319</u>	<u>3,775,110</u>	<u>55,944,881</u>	<u>54,048,490</u>
<i>Increase (Decrease) in Net Position Before Transfers</i>	8,191,664	6,372,267	(739,182)	(749,147)	7,452,482	5,623,120
Transfers	(531)	0	531	0	0	0
<i>Change in Net Position</i>	8,191,133	6,372,267	(738,651)	(749,147)	7,452,482	5,623,120
<i>Net Position Beginning of Year</i>	188,188,923	N/A	39,806,575	N/A	227,995,498	N/A
<i>Net Position End of Year</i>	<u>\$196,380,056</u>	<u>\$188,188,923</u>	<u>\$39,067,924</u>	<u>\$39,806,575</u>	<u>\$235,447,980</u>	<u>\$227,995,498</u>

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$2,900,052 computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$3,120,622. Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

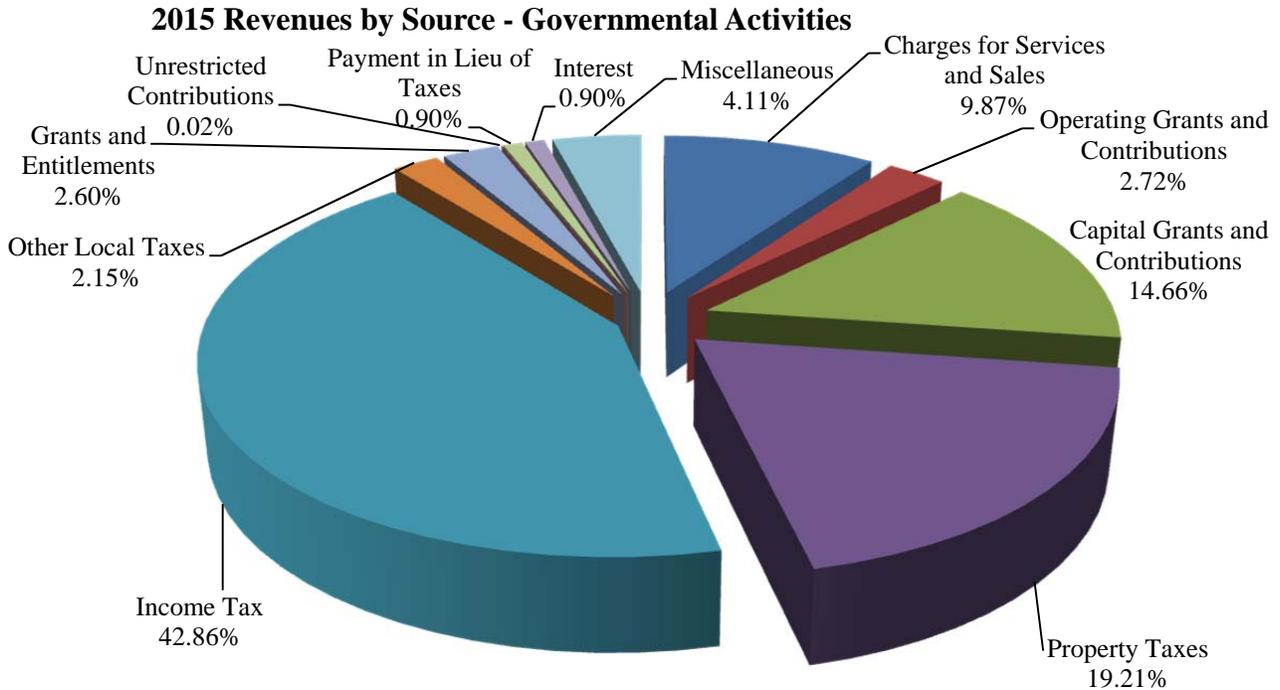
	Governmental Activities	Business-Type Activities	Total
Total 2015 program expenses under GASB 68	\$51,971,562	\$3,973,319	\$55,944,881
Pension expense under GASB 68	(3,066,792)	(53,830)	(3,120,622)
2015 contractually required contribution	2,828,194	60,012	2,888,206
Adjusted 2015 program expenses	51,732,964	3,979,501	55,712,465
Total 2014 program expenses under GASB 27	50,273,380	3,775,110	54,048,490
Decrease in program expenses not related to pension	<u>\$1,459,584</u>	<u>\$204,391</u>	<u>\$1,663,975</u>

***Governmental Activities***

Governmental activities increased the City's net position by \$8,191,133 during 2015, as compared to \$6,372,267 during 2014. Total revenues in governmental activities increased by \$3,517,579, which was mainly due to an increase in income taxes. Program expenses increased compared to 2014 due to an increase in transportation expenses.

**City of Westlake, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

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 2015, 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.



The income tax revenue for 2015 was \$25,783,606, an increase of \$1,905,873 or 7.98 percent from 2014. The increase was due to a turnaround in the overall economy and development within the local economy, which has sustained and even increased employment levels. Of the \$60,163,226 in total revenues, income tax accounted for 42.86 percent, as compared to 42.15 percent of the total during 2014. Property taxes for 2015 were \$11,558,910, a \$622,406 increase from 2014.

Operating grants and contributions decreased by \$151,186 compared to 2014 due to no longer receiving FEMA funding. Capital grants and contributions increased by \$577,049 during 2015 due to receiving contributions related to the Block K project. Furthermore, charges for services increased by \$239,122 during 2015 as compared to 2014, primarily due to increased law enforcement fines and forfeitures and recreation charges for services.

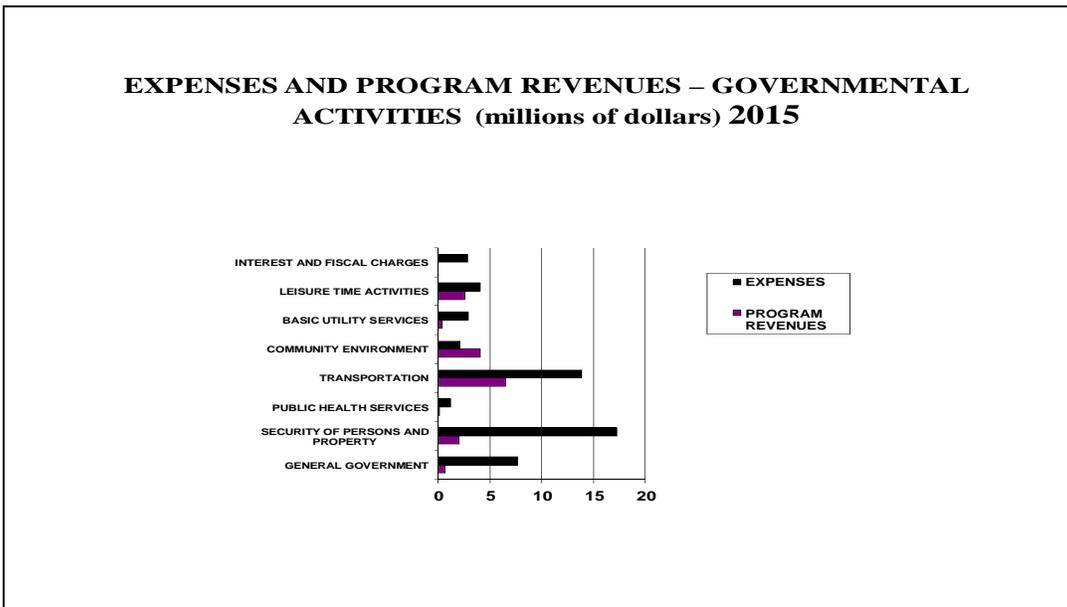
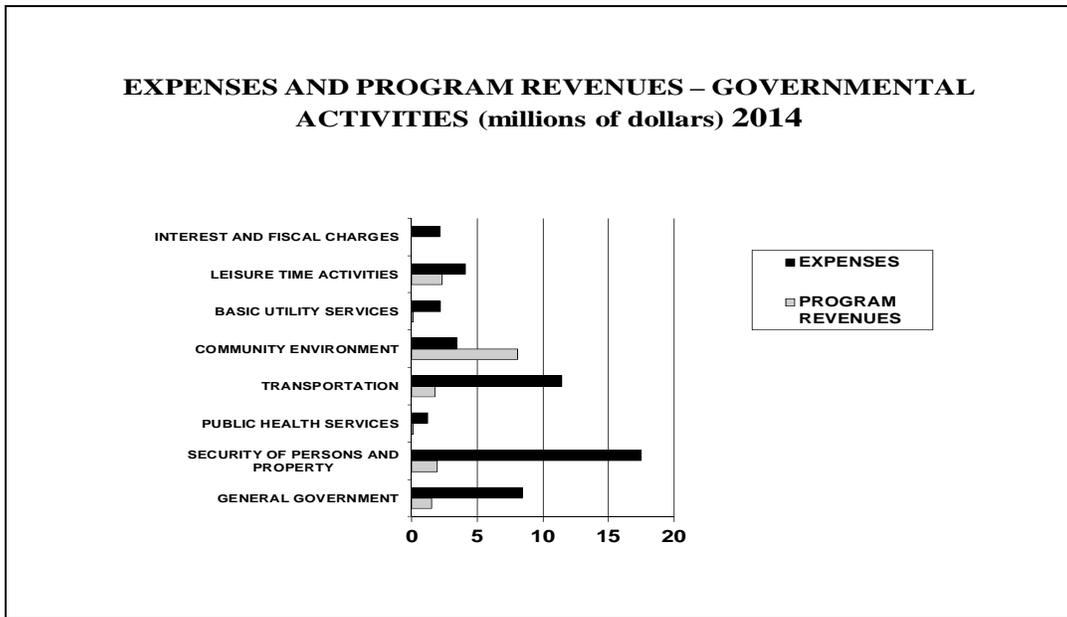
General revenues from grants and entitlements, such as local government funds, are also revenue generators. The City monitors its source of revenues very closely for fluctuations. During 2015, the City received \$1,563,433 in grant and entitlement monies, compared to \$2,253,953 in 2014. The decrease is due to a substantial decrease in inheritance tax collections. Miscellaneous revenues increased by \$252,022 during 2015.

The largest program function for the City for 2015 is security of persons and property, with program expenses of \$17,282,475 as compared to \$17,487,121 in 2014, a decrease of 1.17 percent. Transportation is the next largest program for 2015, with program expenses of \$13,864,015, as compared to \$11,442,820 in 2014, an increase of 21.16 percent as a result of having fewer capitalized expenses during 2015.

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The next largest program 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. General government expenses for 2015 were \$7,678,275 as compared to \$8,418,520 for 2014, a decrease of 8.79 percent, due to decreased expenses for civil service, miscellaneous contractual services and cable TV capital outlay.

Leisure time activities expense increased 0.62 percent during 2015 and community environment expense decreased 37.97 percent due to issuance costs related to the issuance of the \$48.3 non-tax revenue bonds in the prior year. Expenses for basic utility services increased from 2014 to 2015 by 33.41 percent due to fewer capitalized expenses.



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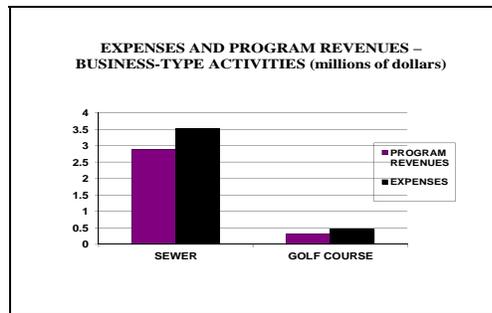
The charts above reflect how the City funds its programs, either through program or general revenues. As can be seen above, all programs have a heavy reliance on general revenues, with 72.75 percent of total 2015 revenues coming from general revenues. Leisure time activities received the most charges for services program revenue, primarily from the City's recreation center which is a membership-only facility. This was due to an increase in memberships and other recreation revenues such as the Silver Sneakers program.

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 partially funded with the EMS fee reimbursement which was initiated during mid-2008 and generates approximately \$800,000 per year.

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.

***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 position by \$738,651 during 2015, as compared to a decrease of net position of \$749,147 during 2014.



Program expenses exceeded program revenues in the amount of \$638,626 for the sewer operations in 2015. This is due to increased contributions required for 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.

Program expenses exceeded program revenues in the golf course activity in the amount of \$141,188 for the current year due to the charges for services not being sufficient to cover the cost of operations of the golf course due to poor weather conditions. This is comparable to the previous year and resulted in a decrease in net position at year-end.

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## **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. Resources that are not restricted, committed, or assigned are accounted for in the general fund.

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund 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 24. These funds are accounted for by using the modified accrual basis of accounting.

As of the end of the current year, the City of Westlake's governmental funds reported combined ending fund balances of \$93,660,827. Nonspendable fund balance of \$2,378,820 includes interfund loans, prepaids, inventory, unclaimed funds and cemetery investments. Fund balance in the amount of \$43,458,975 is restricted for road improvements, police and fire department operations and capital improvements. Fund balance in the amount of \$2,586,755 is committed to recreation and donations. Assigned fund balance includes \$27,122,910 for future severance payments, equipment replacement, cable television, swimming pool operations, community services, safety town, service center construction, 2016 operations, and purchases on order. Unassigned fund balances of \$18,113,367 represents all balances not previously classified.

All governmental funds had total revenues of \$60,491,496 and expenditures of \$79,576,549, with expenditures exceeding revenues by \$19,085,053, although revenues increased over the prior year.

### **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 \$48,909,468, of which \$1,777,482 was nonspendable because of advances, prepaids, inventory and unclaimed funds; \$27,107,303 was assigned to future severance payments, equipment replacement, cable television, swimming pool operations, community services, safety town, 2016 operations, and purchases on order; and \$20,024,683 was unassigned for financial reporting purposes. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to annual fund expenditures. Unassigned general fund balance represents 65.04 percent of total general fund expenditures, while total fund balance represents 158.85 percent of that same amount. Total fund balance of the City's general fund increased by \$2,383,602. General fund revenues increased due to gains in income taxes. Expenditures increased primarily due to increases in capital outlay and contractual services for transportation projects.

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**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 \$2,390,818, which was an increase from the prior year. Operations were once again funded with income tax revenues and user fees, while salary and contractual services costs increased slightly.

**American Greetings Fund**

The American Greetings capital projects fund accounts for resources used to finance the American Greetings move to the City and the Crocker Park expansion. At the end of the current year, total fund balance was \$13,445,841.

**Issue II Improvements Fund**

The Issue II improvements capital projects fund accounts for resources used for the Issue II infrastructure project. At the end of the current year, total fund balance was (\$291,621), which was an increase from the prior year.

**Infrastructure Tax Fund**

The infrastructure tax capital projects fund accounts for the infrastructure-related capital improvements which are funded through a 3/8 of one percent of dedicated income tax. During the current year, the fund balance of the City's infrastructure tax fund decreased by \$877,834 resulting from projects costs including water line rehabilitation and road construction. 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 15 years beginning January 1, 2008.

**Grants Fund**

The grants capital projects fund accounts for various State and Federal revenues which are used for historical site preservation and the construction of recreational facilities. At the end of the current year, total fund balance was (\$1,292,997), which was an increase from the prior year due to the large increase in intergovernmental revenues from grants.

***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 2015, 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.

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For the general fund, original budgeted revenues and other financing sources and final budgeted revenues and other financing sources were \$31,729,503. Original general fund budgeted expenditures and other financing uses were \$42,877,089, and the final budgeted expenditures and other financing uses were \$43,667,981. Actual general fund expenditures and other financing uses were \$33,371,107, or \$10,296,874 less than budgeted, due to all operating expenditures, especially capital outlay, being less than originally estimated.

The primary reasons for the variance between the general fund's amended or final budget and the actual expenditures were as follows:

- Budgeted but unfilled vacant full-time and part-time positions accounted for \$2.9 million.
- Capital projects that were budgeted but postponed or that came in under budget accounted for \$5.1 million and included Market Square project (\$2.0 million), Salt Barn (\$0.2 million), Community Center improvements (\$0.4 million), parks and recreation improvements (\$0.5 million), Driving Range/Peterson Pool improvements and miscellaneous equipment (\$0.7 million).
- Capital outlay budgeted for cable television but not spent in 2015 accounted for about \$3.3 million.
- Vehicles and equipment budgeted but postponed amounted to \$0.7 million including a Lifeline Ambulance, seven police cars and a dump truck.

**Capital Assets and Debt Administration**

*Capital Assets*

Table 3 shows 2015 balances of capital assets as compared to 2014.

**CAPITAL ASSETS  
(NET OF DEPRECIATION)  
TABLE 3**

	Governmental Activities		Business-Type Activities	
	2015	2014	2015	2014
Land	\$14,162,808	\$14,162,808	\$1,499,176	\$1,499,176
Construction in Progress	62,070,665	39,064,250	0	0
Buildings and Improvements	29,168,072	30,100,405	1,187,513	1,222,425
Improvements	1,680,379	1,595,885	57,941	63,787
Machinery and Equipment	1,625,583	1,860,417	30,360	23,445
Furniture and Fixtures	409,326	465,625	40,384	15,382
Vehicles	3,174,136	2,411,291	137,506	196,151
Infrastructure:				
Roads	40,685,198	38,483,184	0	0
Water Mains	24,835,635	24,682,191	0	0
Storm Sewers	14,767,635	14,424,800	0	0
Sewer Lines	0	0	23,042,285	23,963,224
Culverts	353,027	428,497	0	0
Traffic Signals	2,872,588	2,444,499	0	0
Bridges	950,425	985,358	0	0
<b>Total</b>	<b>\$196,755,477</b>	<b>\$171,109,210</b>	<b>\$25,995,165</b>	<b>\$26,983,590</b>

**City of Westlake, Ohio**  
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Total capital assets for governmental activities increased largely due to construction in progress related to the American Greetings/Crocker Park garages, while capital assets for business-type activities decreased due to current year depreciation and deletions 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 10 to the basic financial statements.

***Debt***

As of December 31, 2015, the City of Westlake had \$73,859,071 in bonds and loans outstanding.

**OUTSTANDING DEBT**

TABLE 4

	Governmental Activities	
	2015	2014
General Obligation Bonds	\$9,788,444	\$11,453,100
Special Obligation Bonds	48,921,582	48,921,582
Special Assessment Bonds	3,264,943	3,534,580
OPWC Loans	3,118,802	2,959,049
State Infrastructure Bank Loan	8,765,300	0
Total	\$73,859,071	\$66,868,311

The general obligation bonds are composed of (1) 2008 Recreational Facilities 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 (2) Infrastructure Various Purpose Bonds issued in 2011 for street improvements.

The non-tax revenue bonds will be repaid from payments in lieu of taxes from the newly declared TIF district within Crocker Park. The project includes the relocation of the world headquarters of American Greetings and further development of Crocker Park by adding new parking structure, apartments, restaurants, and retail stores.

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 Fiscal Officer from the specific property owners who primarily benefited from the projects.

The OPWC loans are being paid semi-annually from the Issue II improvement capital project 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 \$134,091,329 at December 31, 2015.

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

**City of Westlake, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2015*  
*Unaudited*

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**Current Financial Related Activities**

The City of Westlake maintained throughout 2015 a Moody's Investors Service and Fitch's Aaa rating, and Standard and Poor's AAA rating, and all ratings were affirmed in 2008. The City of Westlake remains the first 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 2015 year is no different as the City completed the street, water line, sewer line, and other infrastructure improvements.

The Phase III construction of Crocker Park was fully underway in 2015 and will be completed in 2016 with the relocation of the world headquarters of American Greetings and other mixed use development.

**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 Prashant Shah, CPA, City of Westlake, 27700 Hilliard Blvd., Westlake, Ohio 44145, telephone 440-617-4252, or web site at [www.cityofwestlake.org](http://www.cityofwestlake.org).

## **Basic Financial Statements**

**City of Westlake, Ohio**  
*Statement of Net Position*  
*December 31, 2015*

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$80,068,436	\$6,068,849	\$86,137,285
Cash and Cash Equivalents with Escrow Agents	21,640,063	0	21,640,063
Materials and Supplies Inventory	392,226	6,419	398,645
Accrued Interest Receivable	325,601	19,885	345,486
Accounts Receivable	1,012,381	678,624	1,691,005
Internal Balances	855,000	(855,000)	0
Intergovernmental Receivable	4,144,210	0	4,144,210
Prepaid Items	264,466	553	265,019
Municipal Income Taxes Receivable	7,180,609	0	7,180,609
Admission Taxes Receivable	19,724	0	19,724
Hotel Taxes Receivable	38,779	0	38,779
Permissive Motor Vehicle Taxes Receivable	42,169	0	42,169
Property Taxes Receivable	12,249,992	0	12,249,992
Special Assessments Receivable	3,075,000	0	3,075,000
Investment in Joint Venture	0	7,806,471	7,806,471
Nondepreciable Capital Assets	76,233,473	1,499,176	77,732,649
Depreciable Capital Assets, Net	120,522,004	24,495,989	145,017,993
<i>Total Assets</i>	<u>328,064,133</u>	<u>39,720,966</u>	<u>367,785,099</u>
<b>Deferred Outflows of Resources</b>			
Deferred Charge on Refunding	166,305	0	166,305
Pension	4,233,004	86,417	4,319,421
<i>Total Deferred Outflows of Resources</i>	<u>4,399,309</u>	<u>86,417</u>	<u>4,485,726</u>
<b>Liabilities</b>			
Accounts Payable	573,400	11,733	585,133
Contracts Payable	6,690,881	0	6,690,881
Accrued Wages	551,067	21,756	572,823
Retainage Payable	5,053,203	0	5,053,203
Accrued Interest Payable	233,001	0	233,001
Intergovernmental Payable	306,276	3,420	309,696
Unearned Revenue	0	198,993	198,993
Claims Payable	208,856	0	208,856
Long-Term Liabilities:			
Due within One Year	2,949,791	0	2,949,791
Due in More than One Year:			
Net Pension Liability (See Note 13)	30,357,081	494,863	30,851,944
Other Amounts Due in More than One Year	77,122,666	0	77,122,666
<i>Total Liabilities</i>	<u>124,046,222</u>	<u>730,765</u>	<u>124,776,987</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes	11,871,983	0	11,871,983
Pension	165,181	8,694	173,875
<i>Total Deferred Inflows of Resources</i>	<u>12,037,164</u>	<u>8,694</u>	<u>12,045,858</u>
<b>Net Position</b>			
Net Investment in Capital Assets	139,414,217	25,995,165	165,409,382
Restricted for:			
Capital Projects	22,372,654	0	22,372,654
Debt Service	2,782,386	0	2,782,386
Streets and Highways	2,759,113	0	2,759,113
Police and Fire	1,492,445	0	1,492,445
Emergency Medical Service	1,300,743	0	1,300,743
Cemetery - Nonexpendable	598,757	0	598,757
Recycling	97,740	0	97,740
Unclaimed Funds	268,371	0	268,371
Unrestricted	25,293,630	13,072,759	38,366,389
<i>Total Net Position</i>	<u>\$196,380,056</u>	<u>\$39,067,924</u>	<u>\$235,447,980</u>

See accompanying notes to the basic financial statements

**City of Westlake, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2015

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities</b>				
General Government	\$7,678,275	\$648,223	\$0	\$0
Security of Persons and Property	17,282,475	1,790,833	244,443	13,975
Public Health Services	1,224,487	97,200	0	0
Transportation	13,864,015	556,556	1,372,570	4,614,441
Community Environment	2,101,651	116,909	17,539	3,905,338
Basic Utility Services	2,908,847	129,890	0	286,977
Leisure Time Activities	4,089,416	2,600,202	0	0
Interest and Fiscal Charges	2,822,396	0	0	0
<i>Total Governmental Activities</i>	<u>51,971,562</u>	<u>5,939,813</u>	<u>1,634,552</u>	<u>8,820,731</u>
<b>Business-Type Activities</b>				
Sewer	3,519,865	2,753,856	0	127,383
Golf Course	453,454	312,266	0	0
<i>Total Business-Type Activities</i>	<u>3,973,319</u>	<u>3,066,122</u>	<u>0</u>	<u>127,383</u>
<i>Total</i>	<u>\$55,944,881</u>	<u>\$9,005,935</u>	<u>\$1,634,552</u>	<u>\$8,948,114</u>

**General Revenues**

- Property Taxes Levied for:
  - General Purposes
  - Police Pension
  - Fire Pension
  - Police and Fire Operating
- Municipal Income Taxes Levied for:
  - General Purposes
  - Recreation
  - Debt Service
  - Capital Outlay
- Admissions Tax
- Hotel Tax
- Grants and Entitlements not Restricted to Specific Programs
- Franchise Taxes
- Interest
- Unrestricted Contributions
- Payment in Lieu of Taxes
- Gain on Sale of Capital Assets
- Miscellaneous

*Total General Revenues*

Transfers

*Total General Revenues and Transfers*

*Change in Net Position*

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

*Net Position End of Year*

See accompanying notes to the basic financial statements

Net (Expense) Revenue and  
Changes in Net Position

Governmental Activities	Business-Type Activities	Total
(\$7,030,052)	\$0	(\$7,030,052)
(15,233,224)	0	(15,233,224)
(1,127,287)	0	(1,127,287)
(7,320,448)	0	(7,320,448)
1,938,135	0	1,938,135
(2,491,980)	0	(2,491,980)
(1,489,214)	0	(1,489,214)
(2,822,396)	0	(2,822,396)
(35,576,466)	0	(35,576,466)
0	(638,626)	(638,626)
0	(141,188)	(141,188)
0	(779,814)	(779,814)
(35,576,466)	(779,814)	(36,356,280)
9,733,889	0	9,733,889
366,341	0	366,341
366,341	0	366,341
1,092,339	0	1,092,339
17,052,217	0	17,052,217
244,579	0	244,579
2,000,167	0	2,000,167
6,486,643	0	6,486,643
124,078	0	124,078
522,645	0	522,645
1,563,433	0	1,563,433
644,240	0	644,240
539,348	34,398	573,746
11,870	0	11,870
539,499	0	539,499
0	1,800	1,800
2,480,501	4,434	2,484,935
43,768,130	40,632	43,808,762
(531)	531	0
43,767,599	41,163	43,808,762
8,191,133	(738,651)	7,452,482
188,188,923	39,806,575	227,995,498
\$196,380,056	\$39,067,924	\$235,447,980

**City of Westlake, Ohio**  
*Balance Sheet*  
*Governmental Funds*  
*December 31, 2015*

	General	Recreation	American Greetings	Issue II Improvement	Infrastructure Tax	Grants
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$44,875,387	\$2,434,677	\$0	\$3,649,386	\$8,138,707	\$3,652,411
Cash and Cash Equivalents: with Escrow Agents	0	0	21,640,063	0	0	0
Materials and Supplies Inventory	391,603	623	0	0	0	0
Accrued Interest Receivable	275,392	0	0	0	31,973	0
Accounts Receivable	227,907	1,019	0	0	0	0
Interfund Receivable	18,000	0	0	0	3,828,900	0
Intergovernmental Receivable	795,050	0	0	0	0	1,061,648
Prepaid Items	262,508	36	0	0	0	0
Municipal Income Taxes Receivable	4,750,745	69,620	0	0	1,590,530	0
Admission Taxes Receivable	19,724	0	0	0	0	0
Hotel Taxes Receivable	38,779	0	0	0	0	0
Permissive Motor Vehicle Taxes Receivable	0	0	0	0	0	0
Property Taxes Receivable	10,319,847	0	0	0	0	0
Special Assessments Receivable	0	0	0	0	0	0
Advances to Other Funds	855,000	0	0	0	4,974,500	0
Restricted Assets: Equity in Pooled Cash and Cash Equivalents	268,371	0	0	0	0	0
<b>Total Assets</b>	<b>\$63,098,313</b>	<b>\$2,505,975</b>	<b>\$21,640,063</b>	<b>\$3,649,386</b>	<b>\$18,564,610</b>	<b>\$4,714,059</b>
<b>Liabilities</b>						
Accounts Payable	\$513,472	\$45,418	\$0	\$0	\$0	\$495
Contracts Payable	109,740	0	4,177,195	0	188,823	484,307
Accrued Wages	446,491	36,234	0	0	2,732	907
Retainage Payable	33,594	0	4,017,027	112,107	237,769	177,156
Interfund Payable	0	0	0	3,828,900	0	0
Intergovernmental Payable	285,591	5,551	0	0	420	140
Advances From Other Funds	0	0	0	0	0	4,974,500
<b>Total Liabilities</b>	<b>1,388,888</b>	<b>87,203</b>	<b>8,194,222</b>	<b>3,941,007</b>	<b>429,744</b>	<b>5,637,505</b>
<b>Deferred Inflows of Resources</b>						
Property Taxes	10,001,398	0	0	0	0	0
Unavailable Revenue	2,798,559	27,954	0	0	604,878	369,551
<b>Total Deferred Inflows of Resources</b>	<b>12,799,957</b>	<b>27,954</b>	<b>0</b>	<b>0</b>	<b>604,878</b>	<b>369,551</b>
<b>Fund Balances</b>						
Nonspendable	1,777,482	659	0	0	0	0
Restricted	0	0	13,445,841	0	17,529,988	0
Committed	0	2,390,159	0	0	0	0
Assigned	27,107,303	0	0	0	0	0
Unassigned (Deficit)	20,024,683	0	0	(291,621)	0	(1,292,997)
<b>Total Fund Balances (Deficit)</b>	<b>48,909,468</b>	<b>2,390,818</b>	<b>13,445,841</b>	<b>(291,621)</b>	<b>17,529,988</b>	<b>(1,292,997)</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$63,098,313</b>	<b>\$2,505,975</b>	<b>\$21,640,063</b>	<b>\$3,649,386</b>	<b>\$18,564,610</b>	<b>\$4,714,059</b>

See accompanying notes to the basic financial statements

**City of Westlake, Ohio**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Position of Governmental Activities  
 December 31, 2015*

Other Governmental Funds	Total Governmental Funds		
		<b>Total Governmental Fund Balances</b>	<b>\$93,660,827</b>
		<i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
\$12,850,625	\$75,601,193	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	196,755,477
0	21,640,063	Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds:	
0	392,226	Charges for Services	647,457
18,236	325,601	Delinquent Property Taxes	378,009
783,455	1,012,381	Municipal Income Taxes	2,643,836
0	3,846,900	Intergovernmental	1,618,889
2,287,512	4,144,210	Special Assessments	3,075,000
1,922	264,466	Miscellaneous	38,956
769,714	7,180,609	Total	8,402,147
0	19,724	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 position.	3,990,016
0	38,779	Deferred Outflows of Resources that represent deferred charges on refunding are not reported in the funds.	166,305
42,169	42,169	In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(233,001)
1,930,145	12,249,992	Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
3,075,000	3,075,000	General Obligation Bonds	(9,788,444)
0	5,829,500	Special Obligation Bonds	(48,921,582)
0	268,371	Special Assessment Bonds	(3,264,943)
<u>\$21,758,778</u>	<u>\$135,931,184</u>	OPWC Loans	(3,118,802)
		State Infrastructure Bank Loan	(8,765,300)
\$14,015	\$573,400	Compensated Absences Payable	(5,785,647)
1,730,816	6,690,881	Capital Lease Obligation Payable	(11,790)
64,703	551,067	Landfill Postclosure Costs	(415,949)
475,550	5,053,203	Total	(80,072,457)
18,000	3,846,900	The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in the funds:	
14,574	306,276	Deferred Outflows - Pension	4,233,004
0	4,974,500	Net Pension Liability	(30,357,081)
<u>2,317,658</u>	<u>21,996,227</u>	Deferred Inflows - Pension	(165,181)
1,870,585	11,871,983	Total	(26,289,258)
4,601,205	8,402,147	<i>Net Position of Governmental Activities</i>	<b>\$196,380,056</b>
<u>6,471,790</u>	<u>20,274,130</u>		
600,679	2,378,820		
12,483,146	43,458,975		
196,596	2,586,755		
15,607	27,122,910		
(326,698)	18,113,367		
<u>12,969,330</u>	<u>93,660,827</u>		
<u>\$21,758,778</u>	<u>\$135,931,184</u>		

**City of Westlake, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2015*

	General	Recreation	American Greetings	Issue II Improvement	Infrastructure Tax	Grants
<b>Revenues</b>						
Property Taxes	\$9,723,976	\$0	\$0	\$0	\$0	\$0
Municipal Income Taxes	17,045,375	251,044	0	0	5,697,312	0
Admissions Tax	124,078	0	0	0	0	0
Hotel Tax	522,645	0	0	0	0	0
Permissive Motor Vehicle Taxes	0	0	0	0	0	0
Charges for Services	314,890	2,301,930	30,000	0	0	0
Licenses, Permits and Fees	973,967	0	0	0	0	0
Fines and Forfeitures	169,949	0	0	0	0	0
Intergovernmental	1,553,831	0	1,000,000	0	0	3,988,109
Special Assessments	0	0	0	0	0	0
Payments in Lieu of Taxes	0	0	539,499	0	0	0
Interest	452,807	0	9,756	0	49,493	0
Rentals	136,723	85,163	0	0	0	0
Contributions and Donations	11,870	0	751,413	0	0	0
Franchise Taxes	644,240	0	0	0	0	0
Miscellaneous	2,467,769	15,850	0	0	0	0
<i>Total Revenues</i>	<u>34,142,120</u>	<u>2,653,987</u>	<u>2,330,668</u>	<u>0</u>	<u>5,746,805</u>	<u>3,988,109</u>
<b>Expenditures</b>						
Current:						
General Government	7,381,581	0	0	0	0	0
Security of Persons and Property	12,207,929	0	0	0	0	0
Public Health Services	1,115,825	0	0	0	0	0
Transportation	6,182,286	0	0	0	0	0
Community Environment	2,088,576	0	0	0	0	0
Basic Utility Services	827,131	0	0	0	0	0
Leisure Time Activities	952,142	2,420,853	0	0	0	0
Capital Outlay	33,594	0	22,591,724	14,034	6,875,886	2,282,410
Debt Service:						
Principal Retirement	0	3,439	0	40,312	0	0
Interest and Fiscal Charges	0	425	2,245,869	0	0	0
<i>Total Expenditures</i>	<u>30,789,064</u>	<u>2,424,717</u>	<u>24,837,593</u>	<u>54,346</u>	<u>6,875,886</u>	<u>2,282,410</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>3,353,056</u>	<u>229,270</u>	<u>(22,506,925)</u>	<u>(54,346)</u>	<u>(1,129,081)</u>	<u>1,705,699</u>
<b>Other Financing Sources (Uses)</b>						
OPWC Loan Issued	0	0	0	200,065	0	0
State Infrastructure Bank Loan Issued	0	0	8,765,300	0	0	0
Inception of Capital Lease	0	13,612	0	0	0	0
Sale of Capital Assets	74,546	874	0	0	915	0
Transfers In	0	0	0	44,000	250,332	0
Transfers Out	(1,044,000)	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(969,454)</u>	<u>14,486</u>	<u>8,765,300</u>	<u>244,065</u>	<u>251,247</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>2,383,602</u>	<u>243,756</u>	<u>(13,741,625)</u>	<u>189,719</u>	<u>(877,834)</u>	<u>1,705,699</u>
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>46,525,866</u>	<u>2,147,062</u>	<u>27,187,466</u>	<u>(481,340)</u>	<u>18,407,822</u>	<u>(2,998,696)</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$48,909,468</u>	<u>\$2,390,818</u>	<u>\$13,445,841</u>	<u>(\$291,621)</u>	<u>\$17,529,988</u>	<u>(\$1,292,997)</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, 2015*

Other Governmental Funds	Total Governmental Funds
\$1,823,167	\$11,547,143
2,764,027	25,757,758
0	124,078
0	522,645
238,712	238,712
1,182,015	3,828,835
208,085	1,182,052
177,180	347,129
4,768,851	11,310,791
393,347	393,347
0	539,499
27,292	539,348
0	221,886
19,539	782,822
0	644,240
27,592	2,511,211
<u>11,629,807</u>	<u>60,491,496</u>
0	7,381,581
3,839,132	16,047,061
13,871	1,129,696
1,788,507	7,970,793
17,686	2,106,262
91,257	918,388
0	3,372,995
4,103,873	35,901,521
1,895,000	1,938,751
563,207	2,809,501
<u>12,312,533</u>	<u>79,576,549</u>
<u>(682,726)</u>	<u>(19,085,053)</u>
0	200,065
0	8,765,300
0	13,612
1,456	77,791
1,000,000	1,294,332
<u>(250,332)</u>	<u>(1,294,332)</u>
<u>751,124</u>	<u>9,056,768</u>
68,398	(10,028,285)
<u>12,900,932</u>	<u>103,689,112</u>
<u>\$12,969,330</u>	<u>\$93,660,827</u>

**Net Change in Fund Balances - Total Governmental Funds** (\$10,028,285)

*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:		
Capital Outlays	32,509,328	
Capital Contributions	557,733	
Current Year Depreciation	<u>(7,309,401)</u>	
Total		25,757,660

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. (111,393)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues within the governmental funds:

Delinquent Property Taxes	11,767	
Municipal Income Taxes	25,848	
Intergovernmental	(620,760)	
Special Assessments	(255,000)	
Charges for Services	(14,658)	
Miscellaneous	<u>(33,200)</u>	
Total		(886,003)

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

General Obligation Bonds	1,640,000	
Special Assessment Bonds	255,000	
OPWC Loans Payable	40,312	
Capital Lease	<u>3,439</u>	
Total		1,938,751

Other financing sources and uses in the governmental funds increased long-term liabilities in the statement of net position:

OPWC Loan Issued	(200,065)	
State Infrastructure Bank Loan Issued	(8,765,300)	
Inception of Capital Lease	<u>(13,612)</u>	
Total		(8,978,977)

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	(21,793)	
Amortization of Bond Premium	39,293	
Amortization of Loss on Refunding	<u>(30,395)</u>	
Total		(12,895)

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	(60,509)	
Claims and Judgments	83,598	
Landfill	<u>39,833</u>	
Total		62,922

The internal service fund used by management to charge the costs of insurance to individual fund 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. 687,951

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. 2,828,194

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities. (3,066,792)

*Change in Net Position of Governmental Activities* \$8,191,133

**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, 2015*

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$9,453,608	\$9,453,608	\$9,723,976	\$270,368
Municipal Income Taxes	15,784,300	15,784,300	17,059,473	1,275,173
Admissions Tax	200,000	200,000	124,793	(75,207)
Hotel Tax	480,000	480,000	517,604	37,604
Charges for Services	84,000	84,000	88,263	4,263
Licenses, Permits and Fees	497,200	497,200	973,967	476,767
Fines and Forfeitures	220,200	220,200	168,343	(51,857)
Intergovernmental	1,534,865	1,534,865	1,599,512	64,647
Interest	280,000	280,000	76,606	(203,394)
Rentals	164,030	164,030	136,723	(27,307)
Contributions and Donations	0	0	150	150
Franchise Taxes	560,000	560,000	632,353	72,353
Miscellaneous	2,376,300	2,376,300	2,470,630	94,330
<i>Total Revenues</i>	<u>31,634,503</u>	<u>31,634,503</u>	<u>33,572,393</u>	<u>1,937,890</u>
<b>Expenditures</b>				
Current:				
General Government	11,758,173	12,484,463	7,758,824	4,725,639
Security of Persons and Property	15,210,046	15,222,435	12,760,876	2,461,559
Public Health Services	1,345,292	1,345,291	906,830	438,461
Transportation	7,991,279	7,991,279	6,750,325	1,240,954
Community Environment	2,376,381	2,375,382	2,110,345	265,037
Basic Utility Services	1,175,040	1,175,042	880,816	294,226
Leisure Time Activities	973,778	973,989	856,091	117,898
<i>Total Expenditures</i>	<u>40,829,989</u>	<u>41,567,881</u>	<u>32,024,107</u>	<u>9,543,774</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(9,195,486)</u>	<u>(9,933,378)</u>	<u>1,548,286</u>	<u>11,481,664</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	45,000	45,000	74,546	29,546
Advances In	50,000	50,000	0	(50,000)
Advances Out	0	(293,000)	(168,000)	125,000
Transfers Out	(2,047,100)	(1,807,100)	(1,179,000)	628,100
<i>Total Other Financing Sources (Uses)</i>	<u>(1,952,100)</u>	<u>(2,005,100)</u>	<u>(1,272,454)</u>	<u>732,646</u>
<i>Net Change in Fund Balance</i>	(11,147,586)	(11,938,478)	275,832	12,214,310
<i>Fund Balance Beginning of Year</i>	39,246,456	39,246,456	39,246,456	0
Prior Year Encumbrances Appropriated	2,351,322	2,351,322	2,351,322	0
<i>Fund Balance End of Year</i>	<u>\$30,450,192</u>	<u>\$29,659,300</u>	<u>\$41,873,610</u>	<u>\$12,214,310</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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Municipal Income Taxes	\$250,000	\$250,000	\$250,000	\$0
Charges for Services	2,176,500	2,176,500	2,301,709	125,209
Rentals	76,000	76,000	85,163	9,163
Miscellaneous	12,050	12,050	15,850	3,800
<i>Total Revenues</i>	<u>2,514,550</u>	<u>2,514,550</u>	<u>2,652,722</u>	<u>138,172</u>
<b>Expenditures</b>				
Current:				
Leisure Time Activities	2,948,954	2,948,954	2,504,801	444,153
Debt Service:				
Principal Retirement	3,439	3,439	3,439	0
Interest and Fiscal Charges	425	425	425	0
<i>Total Expenditures</i>	<u>2,952,818</u>	<u>2,952,818</u>	<u>2,508,665</u>	<u>444,153</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(438,268)	(438,268)	144,057	582,325
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	1,500	1,500	874	(626)
<i>Net Change in Fund Balance</i>	(436,768)	(436,768)	144,931	581,699
<i>Fund Balance Beginning of Year</i>	2,105,785	2,105,785	2,105,785	0
Prior Year Encumbrances Appropriated	65,266	65,266	65,266	0
<i>Fund Balance End of Year</i>	<u>\$1,734,283</u>	<u>\$1,734,283</u>	<u>\$2,315,982</u>	<u>\$581,699</u>

See accompanying notes to the basic financial statements

**City of Westlake, Ohio**  
*Statement of Fund Net Position*  
*Proprietary Funds*  
*December 31, 2015*

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Sewer	Nonmajor - Golf Course	Total	
<b>Assets</b>				
<i>Current Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$5,973,889	\$94,960	\$6,068,849	\$4,198,872
Materials and Supplies Inventory	0	6,419	6,419	0
Accrued Interest Receivable	19,885	0	19,885	0
Accounts Receivable	678,624	0	678,624	0
Prepaid Items	178	375	553	0
<i>Total Current Assets</i>	<u>6,672,576</u>	<u>101,754</u>	<u>6,774,330</u>	<u>4,198,872</u>
<i>Noncurrent Assets</i>				
Investment in Joint Venture	7,806,471	0	7,806,471	0
Nondepreciable Capital Assets	0	1,499,176	1,499,176	0
Depreciable Capital Assets, Net	23,853,270	642,719	24,495,989	0
<i>Total Noncurrent Assets</i>	<u>31,659,741</u>	<u>2,141,895</u>	<u>33,801,636</u>	<u>0</u>
<i>Total Assets</i>	<u>38,332,317</u>	<u>2,243,649</u>	<u>40,575,966</u>	<u>4,198,872</u>
<b>Deferred Outflows of Resources</b>				
Pension	51,850	34,567	86,417	0
<b>Liabilities</b>				
<i>Current Liabilities</i>				
Accounts Payable	10,106	1,627	11,733	0
Claims Payable	0	0	0	208,856
Accrued Wages	15,026	6,730	21,756	0
Intergovernmental Payable	2,279	1,141	3,420	0
Unearned Revenue	198,993	0	198,993	0
<i>Total Current Liabilities</i>	<u>226,404</u>	<u>9,498</u>	<u>235,902</u>	<u>208,856</u>
<i>Long-Term Liabilities</i>				
Advances from Other Funds	0	855,000	855,000	0
Net Pension Liability	296,918	197,945	494,863	0
<i>Total Long-Term Liabilities</i>	<u>296,918</u>	<u>1,052,945</u>	<u>1,349,863</u>	<u>0</u>
<i>Total Liabilities</i>	<u>523,322</u>	<u>1,062,443</u>	<u>1,585,765</u>	<u>208,856</u>
<b>Deferred Inflows of Resources</b>				
Pension	5,216	3,478	8,694	0
<b>Net Position</b>				
Investment in Capital Assets	23,853,270	2,141,895	25,995,165	0
Unrestricted (Deficit)	14,002,359	(929,600)	13,072,759	3,990,016
<i>Total Net Position</i>	<u>\$37,855,629</u>	<u>\$1,212,295</u>	<u>\$39,067,924</u>	<u>\$3,990,016</u>

See accompanying notes to the basic financial statements

**City of Westlake, Ohio**  
*Statement of Revenues, Expenses  
and Changes in Fund Net Position  
Proprietary Funds  
For the Year Ended December 31, 2015*

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Sewer	Nonmajor - Golf Course	Total	
<b>Operating Revenues</b>				
Charges for Services	\$2,578,907	\$271,916	\$2,850,823	\$3,259,568
Tap-In-Fees	174,949	0	174,949	0
Rentals	0	40,350	40,350	0
Miscellaneous	0	4,434	4,434	0
<i>Total Operating Revenues</i>	<u>2,753,856</u>	<u>316,700</u>	<u>3,070,556</u>	<u>3,259,568</u>
<b>Operating Expenses</b>				
Personal Services	286,137	243,854	529,991	0
Fringe Benefits	128,085	46,176	174,261	0
Contractual Services	1,698,077	72,044	1,770,121	481,813
Materials and Supplies	26,864	49,488	76,352	0
Depreciation	1,130,822	29,484	1,160,306	0
Other	41,630	12,408	54,038	0
Claims	0	0	0	2,089,804
<i>Total Operating Expenses</i>	<u>3,311,615</u>	<u>453,454</u>	<u>3,765,069</u>	<u>2,571,617</u>
<i>Operating Income (Loss)</i>	<u>(557,759)</u>	<u>(136,754)</u>	<u>(694,513)</u>	<u>687,951</u>
<b>Nonoperating Revenues (Expenses)</b>				
Interest	34,398	0	34,398	0
Gain on Disposal of Capital Assets	0	1,800	1,800	0
Loss on Disposal of Capital Assets	(130)	0	(130)	0
Loss in Joint Venture	(208,120)	0	(208,120)	0
<i>Total Nonoperating Revenues (Expenses)</i>	<u>(173,852)</u>	<u>1,800</u>	<u>(172,052)</u>	<u>0</u>
<i>Income (Loss) Before Capital Contributions</i>	<u>(731,611)</u>	<u>(134,954)</u>	<u>(866,565)</u>	<u>687,951</u>
Capital Contributions	127,383	531	127,914	0
<i>Change in Net Position</i>	<u>(604,228)</u>	<u>(134,423)</u>	<u>(738,651)</u>	<u>687,951</u>
<i>Net Position Beginning of Year - Restated (See Note 3)</i>	<u>38,459,857</u>	<u>1,346,718</u>	<u>39,806,575</u>	<u>3,302,065</u>
<i>Net Position End of Year</i>	<u>\$37,855,629</u>	<u>\$1,212,295</u>	<u>\$39,067,924</u>	<u>\$3,990,016</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, 2015

	Business-Type Activities - Enterprise Funds			Governmental
	Sewer	Nonmajor - Golf Course	Total	Activities - Internal Service Fund
<b><i>Increase (Decrease) in Cash and Cash Equivalents</i></b>				
<b>Cash Flows from Operating Activities</b>				
Cash Received from Customers	\$2,612,212	\$312,266	\$2,924,478	\$3,259,568
Cash Received from Other Operating Sources	0	4,434	4,434	0
Cash Received from Tap-In Fees	174,949	0	174,949	0
Cash Payments to Suppliers for Goods and Services	(1,721,841)	(115,746)	(1,837,587)	(486,045)
Cash Payments for Claims	0	0	0	(2,029,319)
Cash Payments for Employee Services and Benefits	(410,145)	(290,529)	(700,674)	0
Cash Payments for Other Operating Expenses	(41,630)	(12,408)	(54,038)	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>613,545</u>	<u>(101,983)</u>	<u>511,562</u>	<u>744,204</u>
<b>Cash Flows from Noncapital Financing Activities</b>				
Advance In	0	150,000	150,000	0
<b>Cash Flows from Capital and Related Financing Activities</b>				
Acquisition of Capital Assets	(38,602)	(6,500)	(45,102)	0
Sale of Capital Assets	1,005	1,800	2,805	0
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(37,597)</u>	<u>(4,700)</u>	<u>(42,297)</u>	<u>0</u>
<b>Cash Flows from Investing Activities</b>				
Interest	25,686	0	25,686	0
<i>Net Increase in Cash and Cash Equivalents</i>	601,634	43,317	644,951	744,204
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>5,372,255</u>	<u>51,643</u>	<u>5,423,898</u>	<u>3,454,668</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$5,973,889</u>	<u>\$94,960</u>	<u>\$6,068,849</u>	<u>\$4,198,872</u>

(continued)

**City of Westlake, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds (continued)*  
*For the Year Ended December 31, 2015*

	Business-Type Activities - Enterprise Funds			Governmental
	Sewer	Nonmajor - Golf Course	Total	Activities - Internal Service Fund
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>				
<i>Operating Income (Loss)</i>	(\$557,759)	(\$136,754)	(\$694,513)	\$687,951
Adjustments:				
Depreciation	1,130,822	29,484	1,160,306	0
(Increase)/Decrease in Assets:				
Materials and Supplies Inventory	0	4,149	4,149	0
Accounts Receivable	36,245	0	36,245	0
Prepaid Items	(178)	161	(17)	0
Decrease in Deferred Outflows of Resources - Pension	4,171	2,780	6,951	0
Increase/(Decrease) in Liabilities:				
Accounts Payable	3,278	1,387	4,665	(4,232)
Claims Payable	0	0	0	60,485
Accrued Wages	6,759	1,710	8,469	0
Intergovernmental Payable	1,027	353	1,380	0
Unearned Revenue	(2,940)	0	(2,940)	0
Net Pension Liability	(5,473)	(3,649)	(9,122)	0
Decrease in Deferred Inflows of Resources - Pension	(2,407)	(1,604)	(4,011)	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$613,545</u>	<u>(\$101,983)</u>	<u>\$511,562</u>	<u>\$744,204</u>

**Noncash Capital Financing Activities**

During 2015, the sewer enterprise fund received sewer lines from developers valued at \$127,383

During 2015, the golf course enterprise fund received assets from governmental funds with a net book value of \$531

See accompanying notes to the basic financial statements

**City of Westlake, Ohio**  
*Statement of Fiduciary Assets and Liabilities*  
*Agency Funds*  
*December 31, 2015*

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<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$1,971,097
Accounts Receivable	<u>203,391</u>
<i>Total Assets</i>	<u><u>\$2,174,488</u></u>
 <b>Liabilities</b>	
Deposits Held and Due to Others	<u><u>\$2,174,488</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, 2015*

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**Note 1 – Reporting Entity**

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

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. This definition of reporting entity is found in GASB Statement No. 14, “The Financial Report Entity” and GASB Statement No. 61, “The Financial Reporting Entity Omnibus – an Amendment of GASB Statement No. 14 and No. 34.”

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, parks and a 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, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burden on, the primary government. 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 21).

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 22 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, WCIC has been excluded from the reporting entity.

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

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

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

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***Basis of Presentation***

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

***Government-wide Financial Statements*** The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activities of the internal service funds are 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 position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient 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.

***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 deferred outflows of resources, and liabilities and deferred inflows of resources is reported as fund balance.

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

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The following are the City's major governmental funds:

**General Fund** The general fund accounts for and reports all financial resources not accounted for and reported 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 and reports membership and program fees and 1/8 of one percent voted income tax committed for the operation and maintenance of recreation programs and the recreation center.

**American Greetings Fund** The American Greetings fund accounts for and reports bond proceeds and payments in lieu of taxes restricted for the costs of all capital projects for the American Greetings construction project.

**Issue II Improvement Fund** The Issue II improvements fund accounts for and reports the receipt of State grants restricted to pay contractor's costs on the Issue II infrastructure project.

**Infrastructure Tax Fund** The infrastructure tax fund accounts for and reports the receipt of a 3/8 of one percent voted increase in the municipal income tax restricted for general municipal infrastructure costs.

**Grants Fund** This fund accounts for and reports various State and Federal monies which are restricted for historical site preservation and the construction of recreation facilities.

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

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

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

**Sewer Fund** The sewer fund accounts for and reports 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 and reports the operations of the City owned golf course.

**Internal Service Funds** Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's only 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 position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

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support the City's own programs. The City has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency funds account for central dispatching services for the West Shore Council of Governments, deposits held for contractors and developers and assessments due to other governments.

***Measurement Focus***

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

***Fund Financial Statements*** All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include 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 deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fund net position. The statement of revenues, expenses and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

***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 and the statements presented for proprietary and fiduciary funds are prepared using 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, in the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

***Revenues – Exchange and Nonexchange Transactions*** Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within 60 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 9). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

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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 taxes, state-levied locally shared taxes (including gasoline tax and motor vehicle license fees), fines and forfeitures, interest, grants and entitlements and rentals.

***Unearned Revenue*** Unearned revenue represents amounts under the accrual and modified accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not yet been met because such amounts have not yet been earned.

On enterprise fund financial statements, revenue received as of December 31, 2015, for 2016 services, has been recorded as unearned revenue.

***Deferred Outflows/Inflows of Resources*** In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for a deferred charge on refunding and for pension. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension are explained in Note 13.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, pension, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2015, but which were levied to finance year 2016 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City unavailable revenue includes charges for services, delinquent property taxes, municipal income taxes, intergovernmental grants, special assessments and miscellaneous revenue. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities found on page 25. Deferred inflows of resources related to pension are reported on the government-wide statement of net position (See Note 13).

***Expenditures/Expenses*** 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.

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

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***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 (salaries and other expenses) 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.

***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."

During 2015, investments were limited to municipal bonds, federal farm credit bank bonds, federal home loan bank bonds, and STAR Ohio. Investments are reported at fair value, which is based on quoted market price or current price.

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 net asset value per share which is the price for which the investment could be sold at December 31, 2015.

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 2015 was \$452,807, which includes \$216,803 assigned from other City funds.

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." The City also utilizes a financial institute to service various American Greetings construction and debt payments. The balances in these accounts are presented on the statement of net position as "cash and cash equivalents with escrow agents."

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

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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.

***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 materials and supplies held for consumption, using the consumption method.

***Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2015 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.

***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.

***Capital Assets***

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. 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 \$1,000 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:

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings and Improvements	50 years	50 years
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.

***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 classified as nonspendable fund balance. Interfund balance amounts are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

On fund financial statements, long-term interfund loans, reported as "advances to/from other funds", are classified as nonspendable fund balance, which indicate that they are not in spendable form even though it is a component of net current assets. Repayment is expected to be made within a reasonable period of time.

***Compensated Absences***

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

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future (those employees who will be eligible to receive termination payments in the next 20 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.

***Pensions***

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

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

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***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 net pension liability 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, capital lease, and long-term loans are recognized as a liability on the governmental fund financial statements when due.

***Fund Balance***

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

***Nonspendable*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

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

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

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

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

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**Assigned** Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by council. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance, or by State statute. State statute authorizes the finance director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. Council assigned fund balance to cover a gap between estimated revenue and appropriations in 2016's appropriated budget. All remaining assigned amounts in the general fund were established by City Council.

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

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

***Net Position***

Net Position represents the difference between all other elements in a statement of financial position. Net investment in capital assets 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 position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

***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.

***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.

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

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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.

***Contributions of Capital***

Contributions of capital in the governmental activities and proprietary fund financial statements arise from outside contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction. Contributions of capital in proprietary fund financial statements also arise from contributions of capital assets from governmental funds.

***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 receipted in the year the bonds are issued.

***Deferred Charges on Refunding***

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

***Estimates***

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

**Note 3 – Change in Accounting Principle and Restatement of Net Position**

For 2015, the City implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, “Accounting and Financial Reporting for Pensions” and GASB Statement No. 71, “Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68.” GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditure.

Also, during 2015, the City’s investment in joint venture needed to be restated due to its implementation of GASB Statement No. 68.

The implementation of this pronouncement had the following effect on net position as reported December 31, 2014:

**City of Westlake, Ohio**  
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	<u>Governmental Activities</u>	<u>Business -Type Activities</u>	<u>Total</u>
Net Position December 31, 2014	\$214,239,583	\$40,537,367	\$254,776,950
Adjustments:			
Net Pension Liability	(28,890,349)	(483,685)	(29,374,034)
Deferred Outflow - Payments			
Subsequent to Measurement Date	2,839,689	60,363	2,900,052
Investment in Joint Venture	<u>0</u>	<u>(307,470)</u>	<u>(307,470)</u>
Restated Net Position December 31, 2014	<u>\$188,188,923</u>	<u>\$39,806,575</u>	<u>\$227,995,498</u>

	<u>Sewer Fund</u>	<u>Nonmajor - Golf Course Fund</u>	<u>Total Enterprise</u>
Net Position December 31, 2014	\$39,021,320	\$1,516,047	\$40,537,367
Adjustments:			
Net Pension Liability	(290,211)	(193,474)	(483,685)
Deferred Outflow - Payments			
Subsequent to Measurement Date	36,218	24,145	60,363
Investment in Joint Venture	<u>(307,470)</u>	<u>0</u>	<u>(307,470)</u>
Restated Net Position December 31, 2014	<u>\$38,459,857</u>	<u>\$1,346,718</u>	<u>\$39,806,575</u>

Other than employer contributions subsequent to the measurement date, the City made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

**Note 4 – Accountability**

The Crocker Park Block K, Issue II improvements, and grants capital projects funds had deficit fund balances at December 31, 2015, in the amounts of \$326,698, \$291,621, and \$1,292,997, respectively. The deficit in the Crocker Park Block K capital projects fund is the result of the recognition of expenditures on the modified basis of accounting. The general fund provides transfers to cover deficit balances in other funds; however, this is done when cash is needed rather than when accruals occur. The deficits in the Issue II improvements and grants capital projects funds are the result of interfund loans.

**City of Westlake, Ohio**  
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**Note 5 – Budgetary Basis of Accounting**

While the City is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The statements of revenues, expenditures and changes in fund 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:

- 1 Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- 2 Investments are reported at fair value (GAAP) rather than cost (budget basis).
- 3 Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- 4 Budgetary revenues and expenditures of the swimming pool operation fund, senior/community service fund, cemetery operating fund and reserve for compensated absences fund are reclassified to the general fund for GAAP Reporting.
- 5 Advances Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP).
- 6 Encumbrances are treated as expenditures (budget basis) rather than as restricted, committed or assigned fund balance (GAAP).

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 major special revenue fund.

	General	Recreation
GAAP Basis	\$2,383,602	\$243,756
Net Adjustment for Revenue Accruals	(61,033)	(14,877)
Beginning Fair Value Adjustment for Investments	151,092	0
Ending Fair Value Adjustment for Investments	(418,191)	0
Net Adjustment for Expenditure Accruals	(305,802)	34,747
Perspective Difference:		
Swimming Pool Operation	20,010	0
Senior/Community Service	(2,884)	0
Cemetery Operating	(6,732)	0
Reserve for Compensated Absences	520,270	0
Advances Out	(168,000)	0
Encumbrances	(1,836,500)	(118,695)
Budget Basis	\$275,832	\$144,931

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
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**Note 6 – Deposits and Investments**

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

Active deposits are public deposits determined to be necessary to meet current demands upon the City treasury. Active monies must be maintained either as cash in the City treasury, in commercial accounts payable 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;
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, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. 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;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and with certain limitations bonds and other obligations of political subdivisions of the State of Ohio;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed 180 days in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
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8. Written repurchase agreements in securities described in (1) or (2) 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 30 days.

The City has passed an ordinance allowing the City to 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.

### **Deposits**

***Custodial credit risk*** is the risk that in the event of bank failure, the City's deposits may not be returned to it. Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution, by surety company bonds or by a single collateral pool established by the financial institution. In accordance with Chapter 135 of the Ohio Revised Code, any public depository receiving deposits pursuant to an award of City funds shall be required to pledge security for repayment of all public moneys. The City has no investment policy dealing with deposit custodial risk beyond the requirement in State statute that requires securities purchased pursuant to this division shall be delivered into the custody of the Finance Director or an agent designated by the Finance Director.

At year-end, \$33,305,278 of the City's bank balance of \$34,305,278 was uninsured. The uninsured bank balance was collateralized with securities held by the pledging institution's trust department, not in the City's name.

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

**Investments**

As of December 31, 2015, the City had the following investments:

	Fair Value	Maturity	Percentage of Total Investments
<b>Municipal Bonds:</b>			
Bexley City School District	\$506,360	Less than one year	0.66%
Butler County	613,110	Less than one year	0.80
City of Avon	4,531,251	Less than one year	5.91
City of Berea	100,823	Less than one year	0.13
City of Canton	1,706,443	Less than one year	2.23
City of Columbus	250,100	Less than one year	0.33
City of Cuyahoga Heights	1,502,850	Less than one year	1.96
City of Elyria	2,003,340	Less than one year	2.61
City of Forest Park	446,660	Less than one year	0.58
City of Hilliard	3,004,950	Less than one year	3.92
City of Huber Heights	1,002,450	Less than one year	1.31
City of Huron	501,190	Less than one year	0.65
City of Independence	236,934	Less than one year	0.31
City of Marysville	501,555	Less than one year	0.65
City of North Royalton	626,337	Less than one year	0.82
City of Shaker Heights	525,935	Less than one year	0.69
City of South Euclid	656,663	Less than one year	0.86
City of Strongsville	1,810,872	Less than one year	2.36
City of Waterville	5,394,389	Less than one year	7.03
Clark County	900,945	Less than one year	1.17
Columbus City School District	249,820	Less than one year	0.33
Cuyahoga County	513,790	Less than one year	0.67
Franklin County	2,001,520	Less than one year	2.61
Gahanna-Jefferson City School District	507,420	Less than one year	0.66
Greater Cleveland Regional Transit Authority	300,786	Less than one year	0.39
Mansfield City School District	502,285	Less than one year	0.66

*(continued)*

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
For the Year Ended December 31, 2015

	Fair Value	Maturity	Percentage of Total Investments
<i>Municipal Bonds (continued):</i>			
Springsboro City School District	\$500,340	Less than one year	0.65%
State of Ohio	2,515,871	Less than one year	3.28
Trumbull County	4,433,807	Less than one year	5.78
Union Township	2,125,638	Less than one year	2.77
Warren County	501,315	Less than one year	0.65
Wayne Local School District	132,061	Less than one year	0.17
West Chester Township	2,357,567	Less than one year	3.07
Brecksville-Broadview Heights	751,301	Less than two years	0.98
City of Avon	25,109	Less than two years	0.03
City of Columbus	1,007,429	Less than two years	1.31
City of Lebanon	763,823	Less than two years	1.00
City of North Royalton	234,894	Less than two years	0.31
Columbus City School District	1,893,998	Less than two years	2.47
Gahanna-Jefferson City School District	995,573	Less than two years	1.30
Montgomery County	863,031	Less than two years	1.13
State of Ohio	864,164	Less than two years	1.13
City of Avon	25,360	Less than five years	0.03
City of Cincinnati	135,196	Less than five years	0.18
City of Cleveland	915,680	Less than five years	1.19
City of Columbus	1,395,185	Less than five years	1.82
City of Dublin	764,093	Less than five years	1.00
City of North Olmsted	761,156	Less than five years	0.99
Montgomery County	252,525	Less than five years	0.33
Olentangy Local School District	548,455	Less than five years	0.72
Federal Farm Credit Bank Bonds	3,789,960	Less than one year	4.94
Federal Farm Credit Bank Bonds	5,244,017	Less than two years	6.84
Federal Farm Credit Bank Bonds	4,970,443	Less than five years	6.48
Federal Home Loan Bank Bonds	4,023,677	Less than one year	5.25
Federal Home Loan Bank Bonds	2,000,535	Less than two years	2.61
Federal Home Loan Bank Bonds	991,650	Less than five years	1.29
STAROhio	14,716	Average 49.4 Days	N/A
Total Portfolio	<u>\$76,697,347</u>		

**Interest Rate Risk** As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and that the City's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

**Credit Risk** The Municipal Bonds are unrated. The Federal Farm Credit Bank Bonds and the Federal Home Loan Bank Bonds carry a rating of AA+ by Standard and Poor's. Ohio law requires that STAR Ohio 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.

**City of Westlake, Ohio**  
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For the Year Ended December 31, 2015

**Note 7 – Fund Balances**

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

Fund Balances	General	Recreation	American Greetings	Issue II Improvements	Infrastructure Tax	Grants	Other Governmental Funds	Total Governmental Activities
<u>Nonspendable:</u>								
Interfund loans	\$855,000	\$0	\$0	\$0	\$0	\$0	\$0	\$855,000
Prepays	262,508	36	0	0	0	0	1,922	264,466
Inventory	391,603	623	0	0	0	0	0	392,226
Unclaimed Monies	268,371	0	0	0	0	0	0	268,371
Cemetery Investment	0	0	0	0	0	0	598,757	598,757
<b>Total Nonspendable</b>	<b>1,777,482</b>	<b>659</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>600,679</b>	<b>2,378,820</b>
<u>Restricted for:</u>								
Road Improvements	0	0	0	0	0	0	2,283,128	2,283,128
Police and Fire Departments	0	0	0	0	0	0	637,331	637,331
Law Enforcement	0	0	0	0	0	0	574,442	574,442
Drug and Alcohol Enforcement	0	0	0	0	0	0	105,033	105,033
Juvenile Diversion	0	0	0	0	0	0	6,828	6,828
West/Bay Ecological	0	0	0	0	0	0	97,710	97,710
Emergency Medical Services	0	0	0	0	0	0	651,376	651,376
Storm Drainage	0	0	0	0	0	0	1,875,035	1,875,035
Construction and Improvement of City Facilities	0	0	0	0	0	0	5,575,277	5,575,277
Debt Service Payments	0	0	0	0	0	0	676,986	676,986
American Greetings Construction	0	0	13,445,841	0	0	0	0	13,445,841
Issue II Improvements	0	0	0	0	17,529,988	0	0	17,529,988
<b>Total Restricted</b>	<b>0</b>	<b>0</b>	<b>13,445,841</b>	<b>0</b>	<b>17,529,988</b>	<b>0</b>	<b>12,483,146</b>	<b>43,458,975</b>
<u>Committed to:</u>								
Recreation	0	2,390,159	0	0	0	0	0	2,390,159
City Donations	0	0	0	0	0	0	196,596	196,596
<b>Total Committed</b>	<b>0</b>	<b>2,390,159</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>196,596</b>	<b>2,586,755</b>
<u>Assigned to:</u>								
Compensated Absences	847,932	0	0	0	0	0	0	847,932
Equipment Replacement	9,007,772	0	0	0	0	0	0	9,007,772
Cable Television	4,732,036	0	0	0	0	0	0	4,732,036
Cemetery Operations	98,737	0	0	0	0	0	0	98,737
Swimming Pool Operations	21,127	0	0	0	0	0	0	21,127
Community Services	43,783	0	0	0	0	0	0	43,783
Safety Town	10,817	0	0	0	0	0	0	10,817
Service Center Construction	0	0	0	0	0	0	15,607	15,607
2016 Operations	11,572,463	0	0	0	0	0	0	11,572,463
<u>Purchases on Order:</u>								
City Administration	52,606	0	0	0	0	0	0	52,606
Building Maintenance	118,800	0	0	0	0	0	0	118,800
Street Department	193,919	0	0	0	0	0	0	193,919
Basic Utilities	53,934	0	0	0	0	0	0	53,934
Police Department	149,875	0	0	0	0	0	0	149,875
Fire Department	20,786	0	0	0	0	0	0	20,786
Recreation Department	23,035	0	0	0	0	0	0	23,035
Other	159,681	0	0	0	0	0	0	159,681
<b>Total Assigned</b>	<b>27,107,303</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,607</b>	<b>27,122,910</b>
Unassigned (Deficit):	20,024,683	0	0	(291,621)	0	(1,292,997)	(326,698)	18,113,367
<b>Total Fund Balances (Deficit)</b>	<b>\$48,909,468</b>	<b>\$2,390,818</b>	<b>\$13,445,841</b>	<b>(\$291,621)</b>	<b>\$17,529,988</b>	<b>(\$1,292,997)</b>	<b>\$12,969,330</b>	<b>\$93,660,827</b>

**City of Westlake, Ohio**  
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For the Year Ended December 31, 2015

**Note 8 – Interfund Transfers and Balances**

***Interfund Balances***

As of December 31, 2015, interfund balances were as follows:

	<b>Receivable</b>		<b>Payable</b>	
	Interfund	Advance to Other Funds	Interfund	Advance from Other Funds
<b>Major Governmental Funds:</b>				
General Fund	\$18,000	\$855,000	\$0	\$0
Issue II Improvement	0	0	3,828,900	0
Infrastructure Tax	3,828,900	4,974,500	0	0
Grants	0	0	0	4,974,500
<b>Other Governmental Fund:</b>				
City Donations	0	0	18,000	0
<i>Total Governmental Activities</i>	<u>3,846,900</u>	<u>5,829,500</u>	<u>3,846,900</u>	<u>4,974,500</u>
<b>Business-Type Activity:</b>				
Golf Course	0	0	0	855,000
<b>Total</b>	<u><u>\$3,846,900</u></u>	<u><u>\$5,829,500</u></u>	<u><u>\$3,846,900</u></u>	<u><u>\$5,829,500</u></u>

Advances to other funds at December 31, 2015, consisted of a general fund advance of \$855,000 to the golf course enterprise fund due to the timing of the operating revenues, and an advance from the infrastructure tax capital projects fund of \$4,974,500 to the grants fund. The interfund balances at December 31, 2015, result from a difference in timing of when expenses are recognized in accordance with generally accepted accounting principles and when the related interfund subsidies are budgeted for payment on a cash basis. Interfund balances are expected to be repaid within one year. Advances to other funds are not expected to be repaid within one year.

***Interfund Transfers***

At December 31, 2015, interfund transfers were as follows:

<b>Transfers To</b>	<b>Transfers From</b>		
	General	Other Governmental Funds	Total
<b>Major Governmental Funds:</b>			
Issue II Improvement	\$44,000	\$0	\$44,000
Infrastructure Tax	0	250,332	250,332
<b>Other Governmental Funds:</b>			
Police Pension	500,000	0	500,000
Fire Pension	500,000	0	500,000
Total Other Governmental Funds	<u>1,000,000</u>	<u>0</u>	<u>1,000,000</u>
Total Governmental Funds	<u><u>\$1,044,000</u></u>	<u><u>\$250,332</u></u>	<u><u>\$1,294,332</u></u>

**City of Westlake, Ohio**  
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The general fund transfers to the other governmental funds were made to provide additional resources for capital improvements and current operations. The transfer of \$250,332 from other governmental funds to the infrastructure tax capital projects fund was to transfer the remaining balance of the Crocker Road improvements fund to the infrastructure tax improvements fund.

**Note 9 – Receivables**

Receivables at December 31, 2015, 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 \$2,810,000 in the special assessment bond retirement fund. At December 31, 2015, the amount of delinquent special assessments was \$94,180.

***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 2015 for real and public utility property taxes represents collections of 2014 taxes.

2015 real property taxes are levied after October 1, 2015, on the assessed value as of January 1, 2015, the lien date. Assessed values are established by state law at 35 percent of appraised market value. 2015 real property taxes are collected in and intended to finance 2016.

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. 2015 public utility property taxes which became a lien December 31, 2014, are levied after October 1, 2015, and are collected in 2016 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2015, was \$9.52 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2015 property tax receipts were based are as follows:

Category	Amount
Real Estate:	
Residential/Agricultural	\$961,244,180
Other Real Estate	378,786,240
Public Utility Tangible Property	25,237,460
Total Assessed Valuation	\$1,365,267,880

**City of Westlake, Ohio**  
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The County Fiscal Officer collects property taxes on behalf of all taxing districts in the county, including the City of Westlake and periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility taxes and outstanding delinquencies which are measurable as of December 31, 2015, and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2015 operations is offset to deferred inflows of resources – property taxes. On an accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

***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 and Issue II bond retirement funds, and the infrastructure tax and recreation center construction capital projects funds.

***Intergovernmental Receivables***

A summary of the principal items of intergovernmental receivables follows:

	Amount
<b>Governmental Activities:</b>	
Cleveland-Cuyahoga County Port Authority	\$1,525,790
Traffic Signal Program Grant	1,061,648
Homestead and Rollback	657,182
Gas Excise Tax	358,595
Local Government	217,394
Highway Distribution	179,637
Auto Registration	106,395
Estate Tax	13,930
Other	10,095
City of Cleveland	5,606
Commercial Activity Tax	4,438
Ohio Department of Public Safety Fire Grant	3,500
<b>Total Intergovernmental Receivables</b>	<b>\$4,144,210</b>

***Payments in Lieu of Taxes***

According to State law, the City has established several tax incremental financing districts within the City under which the City has granted property tax exemptions and agreed to construct certain infrastructure improvements. The property owners have agreed to make payments to the City to help pay the costs of the infrastructure improvements. The amount of those payments generally reflects all or a portion of the property taxes which the property owners would have paid if the property had not been declared exempt.

**City of Westlake, Ohio**  
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The property owners' contractual promise to make these payments in lieu of taxes generally continues until the costs of the improvement have been paid or the agreement expires, whichever occurs first. Future development by these owners or others may result in subsequent agreements to make payments in lieu of taxes and may therefore spread the costs of the improvements to a larger number of property owners.

**Note 10 – Capital Assets**

A summary of changes in capital assets during 2015 follows:

	Balance 12/31/2014	Additions	Deletions	Transfers	Balance 12/31/2015
<b>Governmental Activities:</b>					
<i>Nondepreciable Capital Assets</i>					
Land	\$14,162,808	\$0	\$0	\$0	\$14,162,808
Construction in Progress	39,064,250	30,989,010	(7,982,595)	0	62,070,665
<i>Total Nondepreciable Capital Assets</i>	<u>53,227,058</u>	<u>30,989,010</u>	<u>(7,982,595)</u>	<u>0</u>	<u>76,233,473</u>
<i>Depreciable Capital Assets</i>					
Buildings and Improvements	42,653,819	4,625	(152,062)	0	42,506,382
Improvements	5,788,279	268,666	(13,997)	0	6,042,948
Machinery and Equipment	7,044,525	398,187	(459,195)	(12,724)	6,970,793
Furniture and Fixtures	1,853,834	31,154	(22,823)	0	1,862,165
Vehicles	9,091,653	1,629,463	(862,019)	(8,193)	9,850,904
Infrastructure					
Roads	123,325,283	5,402,021	0	0	128,727,304
Water Mains	42,134,623	890,249	0	0	43,024,872
Storm Sewers	29,007,710	911,186	0	0	29,918,896
Culverts	3,320,916	0	0	0	3,320,916
Traffic Signals	3,573,273	525,095	0	0	4,098,368
Bridges	1,980,831	0	0	0	1,980,831
<i>Total Depreciable Capital Assets</i>	<u>269,774,746</u>	<u>10,060,646</u>	<u>(1,510,096)</u>	<u>(20,917)</u>	<u>278,304,379</u>
<i>Less Accumulated Depreciation</i>					
Buildings and Improvements	(12,553,414)	(852,057)	67,161	0	(13,338,310)
Improvements	(4,192,394)	(179,179)	9,004	0	(4,362,569)
Machinery and Equipment	(5,184,108)	(613,447)	440,152	12,193	(5,345,210)
Furniture and Fixtures	(1,388,209)	(86,742)	22,112	0	(1,452,839)
Vehicles	(6,680,362)	(865,404)	860,805	8,193	(6,676,768)
Infrastructure					
Roads	(84,842,099)	(3,200,007)	0	0	(88,042,106)
Water Mains	(17,452,432)	(736,805)	0	0	(18,189,237)
Storm Sewers	(14,582,910)	(568,351)	0	0	(15,151,261)
Culverts	(2,892,419)	(75,470)	0	0	(2,967,889)
Traffic Signals	(1,128,774)	(97,006)	0	0	(1,225,780)
Bridges	(995,473)	(34,933)	0	0	(1,030,406)
<i>Total Accumulated Depreciation</i>	<u>(151,892,594)</u>	<u>(7,309,401)*</u>	<u>1,399,234</u>	<u>20,386</u>	<u>(157,782,375)</u>
<i>Total Depreciable Capital Assets, Net</i>	<u>117,882,152</u>	<u>2,751,245</u>	<u>(110,862)</u>	<u>(531)</u>	<u>120,522,004</u>
<i>Total Governmental Capital Assets, Net</i>	<u>\$171,109,210</u>	<u>\$33,740,255</u>	<u>(\$8,093,457)</u>	<u>(\$531)</u>	<u>\$196,755,477</u>

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

General Government	\$331,198
Security of Persons and Property	918,685
Public Health Services	103,895
Transportation	3,902,791
Community Environment	17,182
Basic Utility Services	1,380,626
Leisure Time Activities	655,024
<b>Total</b>	<b>\$7,309,401</b>

	Balance 12/31/2014	Additions	Deletions	Transfers	Balance 12/31/2015
<b>Business-Type Activities:</b>					
<i>Nondepreciable Capital Assets</i>					
Land	\$1,499,176	\$0	\$0	\$0	\$1,499,176
<i>Depreciable Capital Assets</i>					
Buildings and Improvements	1,758,202	0	0	0	1,758,202
Improvements	264,339	0	0	0	264,339
Machinery and Equipment	341,625	17,944	(72,000)	12,724	300,293
Furniture and Fixtures	43,533	27,158	0	0	70,691
Vehicles	835,575	0	0	8,193	843,768
Infrastructure					
Sewer Lines	52,105,979	127,383	0	0	52,233,362
<i>Total Depreciable Capital Assets</i>	<b>55,349,253</b>	<b>172,485</b>	<b>(72,000)</b>	<b>20,917</b>	<b>55,470,655</b>
<i>Less Accumulated Depreciation</i>					
Buildings and Improvements	(535,777)	(34,912)	0	0	(570,689)
Improvements	(200,552)	(5,846)	0	0	(206,398)
Machinery and Equipment	(318,180)	(10,425)	70,865	(12,193)	(269,933)
Furniture and Fixtures	(28,151)	(2,156)	0	0	(30,307)
Vehicles	(639,424)	(58,645)	0	(8,193)	(706,262)
Infrastructure					
Sewer Lines	(28,142,755)	(1,048,322)	0	0	(29,191,077)
<i>Total Accumulated Depreciation</i>	<b>(29,864,839)</b>	<b>(1,160,306)</b>	<b>70,865</b>	<b>(20,386)</b>	<b>(30,974,666)</b>
<i>Total Depreciable Capital Assets, Net</i>	<b>25,484,414</b>	<b>(987,821)</b>	<b>(1,135)</b>	<b>531</b>	<b>24,495,989</b>
<i>Total Business-Type Activities Capital Assets, Net</i>	<b>\$26,983,590</b>	<b>(\$987,821)</b>	<b>(\$1,135)</b>	<b>\$531</b>	<b>\$25,995,165</b>

During 2015, the sewer enterprise fund received sewer lines from developers valued at \$127,383 and the golf course enterprise fund received machinery and equipment from governmental funds with a net book value of \$531.

**Note 11 – 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 various companies for all its commercial insurance.

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The types of coverage and deductibles are as follows:

Type of Coverage	Coverage	Deductible
U.S. Specialty Insurance Company		
Blanket Property and Contents, Replacement	\$69,441,348	\$2,500
Inland Marine	5,044,614	1,000
General Liability	1,000,000/3,000,000	0
Automobile Liability	1,000,000	0
Public Officials Liability	1,000,000/1,000,000	10,000
Police Professional Liability	1,000,000/1,000,000	5,000
Employment Practices Liability	1,000,000/1,000,000	10,000
Computer - Hardware	2,823,758	1,000
Computer - Software	25,000	1,000
Umbrella Excess Liability	10,000,000	10,000
Travelers Property & Casualty Insurance Company		
Forgery or Alteration	1,000,000	5,000
Employee Theft - Per Loss	1,000,000	5,000
On Premises	1,000,000	5,000
In Transit	1,000,000	5,000
Money Orders & Counterfeit Money	1,000,000	5,000
Computer Fraud	1,000,000	5,000
Funds Transfer Fraud	1,000,000	5,000

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 hospitalization internal service fund to account for and finance the cost of this program.

The City utilizes the services of America's Choice Healthplans, the third party administrator, to review, process, and pay employee claims. The City purchased stop-loss coverage for claims in excess of \$80,000 per individual and \$3,039,521 aggregate per year. For each employee, the City paid monthly into the hospitalization internal service fund \$569 for single, \$955 for single-plus-one and \$1,350 for family coverage. These rates are paid by the fund from which the employees' salary is paid.

The claims liability of \$208,856 as estimated by the third-party administrator and reported in the hospitalization internal service fund at December 31, 2015, 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. The estimate does not include other allocated or unallocated claim adjustment expenses.

Changes in the fund claims liability amount in 2014 and 2015 were as follows:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2014	\$207,051	\$2,727,256	\$2,785,936	\$148,371
2015	148,371	2,089,804	2,029,319	208,856

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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 12 – Significant Commitments**

***Contractual Commitments***

At December 31, 2015, the City's significant contractual commitments consisted of:

Project	Contract Amount	Amount Paid	Remaining on Contract
2015 Street Maintenance	\$3,168,873	\$2,535,188	\$633,685
Waterline Improvements	1,943,147	1,778,830	164,317
Traffic Signalization	4,087,156	2,037,296	2,049,860
American Greetings/Crocker Park Garages	72,477,485	51,683,898	20,793,587
<b>Total</b>	<b>\$81,676,661</b>	<b>\$58,035,212</b>	<b>\$23,641,449</b>

\$3,591,189 of the remaining commitments were encumbered at year-end. The amounts of \$6,690,881 and \$5,053,203 in contracts and retainage payable, respectively, have been capitalized.

***Encumbrances***

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year-end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

<b>Governmental Funds:</b>		<b>Proprietary Funds:</b>	
General	\$1,836,500	Enterprise:	
Recreation	118,695	Sewer	\$40,170
American Greetings	87,804	Nonmajor - Golf Course	10,884
Issue II Improvements	112,107		
Infrastructure Tax	1,531,765	Total Enterprise Funds	51,054
Grants	2,724,364		
Other Governmental Funds	614,444	Internal Service Fund	1,416,166
<b>Total Governmental Funds</b>	<b>\$7,025,679</b>	<b>Total Proprietary Funds</b>	<b>\$1,467,220</b>

**Note 13 – Defined Benefit Pension Plan**

***Net Pension Liability***

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions – between an employer and its employees – of salaries and benefits for employee services. Pensions are provided to an employee – on a deferred-payment

**City of Westlake, Ohio**  
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basis – as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

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

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

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

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

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

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

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

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

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
Eligible to retire prior to January 7, 2013, or 5 years after January 7, 2013	20 years of service credit prior to January 7, 2013, or eligible to retire 10 years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b>	<b>Age and Service Requirements:</b>	<b>Age and Service Requirements:</b>
Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Formula:</b>	<b>Formula:</b>	<b>Formula:</b>
2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final average salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

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

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

	<u>State and Local</u>
<b>2015 Statutory Maximum Contribution Rates</b>	
Employer	14.0 %
Employee	10.0 %
<b>2015 Actual Contribution Rates</b>	
Employer:	
Pension	12.0 %
Post-employment Health Care Benefits	2.0
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

**City of Westlake, Ohio**  
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Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution for pension was \$1,200,239 for 2015. Of this amount, \$33,039 is reported as an intergovernmental payable.

***Plan Description – Ohio Police & Fire Pension Fund (OPF)***

Plan Description – City full-time police and firefighters participate in the Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF provides retirement and disability pension benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report may be obtained by visiting the OPF website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, a member of OPF may retire and receive a lifetime monthly pension. OPF offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next 5 years of service credit, and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit.

Under normal service retirement, retired members who are at least 55 years old and have been receiving OPF benefits for at least 1 year may be eligible for a cost of living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors.

Members retiring under normal service retirement with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3 percent or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013, is equal to 3 percent of their base pension or disability benefit.

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

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	<u>Police</u>	<u>Firefighters</u>
<b>2015 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2015, through July 1, 2015	11.50 %	11.50 %
July 2, 2015, through December 31, 2015	12.25 %	12.25 %
<b>2015 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee:		
January 1, 2015, through July 1, 2015	11.50 %	11.50 %
July 2, 2015, through December 31, 2015	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OPF for pension was \$1,687,967 for 2015. Of this amount, \$61,888 is reported as an intergovernmental payable.

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

The net pension liability for OPERS was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF's total pension liability was measured as of December 31, 2014, and was determined by rolling forward the total pension liability as of January 1, 2014, to December 31, 2014. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS</u>	<u>OPF</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$9,897,235	\$20,954,709	\$30,851,944
Proportion of the Net Pension Liability	0.08205900%	0.40449850%	
Pension Expense	\$1,076,587	\$2,044,035	\$3,120,622

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At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS	OPF	Total
<b>Deferred Outflows of Resources</b>			
Net difference between projected and actual earnings on pension plan investments	\$528,087	\$903,128	\$1,431,215
City contributions subsequent to the measurement date	1,200,239	1,687,967	2,888,206
Total Deferred Outflows of Resources	\$1,728,326	\$2,591,095	\$4,319,421
 <b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$173,875	\$0	\$173,875

\$2,888,206 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS	OPF	Total
Year Ending December 31:			
2016	\$51,795	\$225,782	\$277,577
2017	51,795	225,782	277,577
2018	118,601	225,782	344,383
2019	132,021	225,782	357,803
Total	\$354,212	\$903,128	\$1,257,340

***Actuarial Assumptions – OPERS***

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.75 percent
Future Salary Increases, including inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA	3 percent, simple
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

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Mortality rates were based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males, 120 percent of the disabled female mortality rates were used, set forward two years. For females, 100 percent of the disabled female mortality rates were used.

The most recent experience study was completed for the five-year period ended December 31, 2010.

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

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 6.95 percent for 2014.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table that follows displays the Board-approved asset allocation policy for 2014 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	23.00 %	2.31 %
Domestic Equities	19.90	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	19.10	7.40
Other investments	18.00	4.59
Total	100.00 %	5.28 %

**Discount Rate** The discount rate used to measure the total pension liability was 8 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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***Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate***

The following table presents the City's proportionate share of the net pension liability calculated using the current period discount rate assumption of 8 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7 percent) or one percentage point higher (9 percent) than the current rate:

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$18,208,072	\$9,897,235	\$2,897,503

***Actuarial Assumptions – OPF***

OPF's total pension liability as of December 31, 2014, is based on the results of an actuarial valuation date of January 1, 2014, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2014, are presented as follows:

Valuation Date	January 1, 2014
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent

Rates of death are based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study was completed January 1, 2012.

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The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF's target asset allocation as of December 31, 2014, are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash and Cash Equivalents	0.00 %	(0.25) %
Domestic Equity	16.00	4.47
Non-US Equity	16.00	4.47
Core Fixed Income *	20.00	1.62
Global Inflation Protected *	20.00	1.33
High Yield	15.00	3.39
Real Estate	12.00	3.93
Private Markets	8.00	6.98
Timber	5.00	4.92
Master Limited Partnerships	8.00	7.03
Total	<u>120.00 %</u>	

\* levered 2x

OPF's Board of Trustees has incorporated the "risk parity" concept into OPF's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate** The total pension liability was calculated using the discount rate of 8.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return of 8.25 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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***Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate***

Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact, the following table presents the net pension liability calculated using the discount rate of 8.25 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.25 percent) or one percentage point higher (9.25 percent) than the current rate:

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$28,983,533	\$20,954,709	\$14,156,736

**Note 14 – Post-Employment Benefits**

***Ohio Public Employees Retirement System***

Plan Description – The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the Traditional Pension Plan, a cost-sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan, a defined contribution plan; and the Combined Plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains two cost-sharing, multiple-employer defined benefit post-employment health care trusts, which fund multiple health care plans including medical coverage, prescription drug coverage, deposits to a health reimbursement arrangement, and Medicare Part B premium reimbursements, for qualifying benefit recipients of both the Traditional Pension and Combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.

In order to qualify for post-employment health care coverage, age and service retirees under the Traditional Pension and Combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. See OPERS' CAFR referenced as follows for additional information.

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

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

Funding Policy – The Ohio Revised Code provides the statutory authority requiring public employers to fund post-employment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-employment health care.

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Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2015, state and local employers contributed at a rate of 14.0 percent of earnable salary. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active member contributions do not fund health care.

OPERS maintains three health care trusts. The two cost-sharing, multiple-employer trusts, the 401(h) Health Care Trust and the 115 Health Care Trust, work together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) that provides funding for a Retiree Medical Account for Member-Directed Plan members. Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members in the Traditional Pension Plan and the Combined Plan was 2.0 percent during calendar year 2015. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2016, remained at 2.0 percent for both plans. The OPERS Board of Trustees is also authorized to establish rules for the retiree or the retiree's surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA for participants in the Member-Directed Plan for 2015 was 4.5 percent.

Substantially all of the City's contribution allocated to fund post-employment health care benefits relates to the cost-sharing, multiple employer trusts. The corresponding contribution for the years ended December 31, 2015, 2014, and 2013 was \$200,040, \$201,209, and \$100,647, respectively. For 2015, 97.25 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2014 and 2013.

***Ohio Police and Fire Pension Fund***

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

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

The Ohio Revised Code allows, but does not mandate OPF to provide OPEB benefits. Authority for the OPF 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.

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

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

OPF maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B premium reimbursements administrated as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OPF Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2015, the employer contribution allocated to the health care plan was .5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contribution to OPF for the years ended December 31, 2015, 2014, and 2013 were \$1,728,106, \$1,733,160, and \$1,621,134, respectively, of which \$40,139, \$40,360, and \$272,767, respectively, was allocated to the healthcare plan. For 2015, 96.29 percent has been contributed for both police and firefighters with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2014 and 2013.

#### **Note 15 – 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 80 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 10 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.

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**Note 16 – Long-Term Obligations**

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

	<u>Original Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>
<b>General Obligation Bonds:</b>				
Recreational Facilities Refunding Bonds	2008	2020	3.00-3.88 %	\$9,990,000
Infrastructure Various Purpose Bonds	2011	2021	1.50-4.00	7,350,000
<b>Special Obligation Bond:</b>				
American Greetings/Crocker Park Improvements	2014	2044	1.17-4.29	48,330,000
<b>Special Assessment Bonds:</b>				
Various Purpose Improvements	2001	2021	2.65-5.00	765,000
Street Improvement Bonds	2005	2025	3.00-5.25	4,620,000
<b>OPWC Loans:</b>				
Hilliard Boulevard Watermain Replacement	2003	2025	0	806,235
Detroit/Bradley Road Intersection	2014	2041	0	Not Finalized
<b>State Infrastructure Bank Loan:</b>				
State Route 254/Crocker Road Improvements	2015	2034	3.00	8,765,300

Changes in long-term obligations during the year ended December 31, 2015, consisted of the following:

	<u>Balance 12/31/2014</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance 12/31/2015</u>	<u>Amounts Due in One Year</u>
<b>Governmental Activities:</b>					
<b>General Obligation Bonds:</b>					
Recreational Facilities Refunding Bonds	\$6,245,000	\$0	\$965,000	\$5,280,000	\$985,000
Unamortized Premium	2,985	0	461	2,524	0
Infrastructure Various Purpose Bonds	5,025,000	0	675,000	4,350,000	675,000
Unamortized Premium	180,115	0	24,195	155,920	0
<i>Total General Obligation Bonds</i>	<u>11,453,100</u>	<u>0</u>	<u>1,664,656</u>	<u>9,788,444</u>	<u>1,660,000</u>
<b>Special Obligation Bond:</b>					
American Greetings/Crocker Park Improvements:					
Serial Portion	18,190,000	0	0	18,190,000	0
Term Portion	30,140,000	0	0	30,140,000	0
Unamortized Premium	591,582	0	0	591,582	0
<i>Total Special Obligation Bonds</i>	<u>48,921,582</u>	<u>0</u>	<u>0</u>	<u>48,921,582</u>	<u>0</u>
<b>Special Assessment Bonds:</b>					
Various Purpose Improvements	325,000	0	40,000	285,000	40,000
Street Improvement Bonds	3,005,000	0	215,000	2,790,000	225,000
Unamortized Premium	204,580	0	14,637	189,943	0
<i>Total Special Assessment Bonds</i>	<u>\$3,534,580</u>	<u>\$0</u>	<u>\$269,637</u>	<u>\$3,264,943</u>	<u>\$265,000</u>

(continued)

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	Balance 12/31/2014	Increase	Decrease	Balance 12/31/2015	Amounts Due in One Year
<b><u>Governmental Activities (continued):</u></b>					
<b>OPWC Loans:</b>					
Hilliard Boulevard Watermain Replacement	\$403,116	\$0	\$40,312	\$362,804	\$40,312
Detroit/Bradley Road Intersection	2,555,933	200,065	0	2,755,998	114,724
<i>Total OPWC Loans</i>	<u>2,959,049</u>	<u>200,065</u>	<u>40,312</u>	<u>3,118,802</u>	<u>155,036</u>
<b>State Infrastructure Bank Loan:</b>					
State Route 254/Crocker Road Improvements	0	8,765,300	0	8,765,300	185,407
<b>Other Long-Term Obligations:</b>					
Compensated Absences Payable	5,725,138	580,779	520,270	5,785,647	600,000
Capital Lease	1,617	13,612	3,439	11,790	3,248
Claims and Judgments Payable	83,598	0	83,598	0	0
Landfill Postclosure Costs	455,782	6,384	46,217	415,949	81,100
<i>Total Other Long-Term Obligations</i>	<u>6,266,135</u>	<u>600,775</u>	<u>653,524</u>	<u>6,213,386</u>	<u>684,348</u>
<b>Net Pension Liability:</b>					
OPERS	9,190,003	212,369	0	9,402,372	0
OPF	19,700,346	1,254,363	0	20,954,709	0
<i>Total Net Pension Liability</i>	<u>28,890,349</u>	<u>1,466,732</u>	<u>0</u>	<u>30,357,081</u>	<u>0</u>
Total Governmental Long-Term Liabilities	<u>\$102,024,795</u>	<u>\$11,032,872</u>	<u>\$2,628,129</u>	<u>\$110,429,538</u>	<u>\$2,949,791</u>
<b><u>Business-Type Activities:</u></b>					
<b>Net Pension Liability:</b>					
Sewer - OPERS	\$290,211	\$6,707	\$0	\$296,918	\$0
Golf Course - OPERS	193,474	4,471	0	197,945	0
Total Business-Type Long-Term Liabilities	<u>\$483,685</u>	<u>\$11,178</u>	<u>\$0</u>	<u>\$494,863</u>	<u>\$0</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 II bond retirement debt service funds.

On April 13, 2011, the City issued infrastructure various purpose bonds in the amount of \$7,350,000, at the interest rates varying from 1.50 percent to 4.00 percent. The bonds were issued for an eleven-year period with final maturity during fiscal year 2021. The bonds will be retired through the infrastructure tax improvement capital projects fund.

**Special Obligation Bonds** Special obligation bonds are special obligations of the City and will not represent or constitute a debt of pledge of the full faith and credit of the City or the State of Ohio and will not be secured by an obligation or pledge of any moneys raised by taxation. Special obligation bonds are to be repaid from City non-tax revenues (including the project revenues) pledged and assigned to secure payment thereof by the bond legislation and the indenture.

The City has pledged a portion of tax incremental financing revenue to repay the special obligation bonds. The bonds are paid solely from tax incremental financing revenue and payable through 2044. Annual principal and interest payments on the bonds are to require less than 100 percent of tax incremental financing revenue. The total principal and interest remaining to be paid on the bonds is \$87,549,801. Interest paid for the current year was \$1,980,569 and tax incremental financing revenue was \$539,499. As of December 31, 2015, \$18,404,635 of the proceeds was unspent.

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The term bonds maturing on December 1, 2037, 2041, and 2044 are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on August 1 in the years and in the respective principal amounts as follows:

Year	Issue		
	\$9,275,000	\$11,210,000	\$9,655,000
2034	\$1,950,000	\$0	\$0
2035	2,345,000	0	0
2036	2,440,000	0	0
2038	0	2,640,000	0
2039	0	2,745,000	0
2040	0	2,855,000	0
2042	0	0	3,090,000
2043	0	0	3,215,000
Total	\$6,735,000	\$8,240,000	\$6,305,000
<i>Stated Maturity</i>	<i>12/1/2037</i>	<i>12/1/2041</i>	<i>12/1/2044</i>

The remaining principal amount of the term bonds (\$2,540,000, \$2,970,000, and \$3,350,000) will mature at the stated maturity.

**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** In 2008, the City defeased a 1997 Recreation Center and Marview Waterline general obligation bond issue in order to take advantage of lower interest rates. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. On December 31, 2015, \$5,370,000 of the defeased bonds are still outstanding.

**Other Long-Term Obligations** The capital lease will be paid from the recreation special revenue fund. The City pays obligations related to employee compensation from the fund benefitting from their service. Compensated absences will be paid from the general fund. The OPWC loans are payable semiannually from the general obligation bond retirement debt service fund and the Issue II improvements capital projects fund. The loans are interest-free.

The City has entered into contractual agreements for construction loans from the Ohio Public Works Commission (OPWC). Under the terms of these agreements, the OPWC will reimburse, advance or directly pay the construction costs of approved projects.

A line of credit has been established with the Ohio Public Works Commission in the amount of \$3,203,220 for the Detroit/Bradley Roads Improvement project. The balance of the loan at December 21, 2015, was \$2,755,998. Since the loan was not yet finalized, a repayment schedule is not included in the schedule of debt service requirements. Until a final repayment schedule is available, the City is paying based on estimates.

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The City acquired a loan in the amount of \$8,765,300 from the Ohio Department of Transportation for the Public Private Partnership project involving the construction of the American Greetings world headquarters and additional development of the Crocker Park complex which is a mixed-use development in the City. All proceeds of the loan were received in 2015. The repayment of the loan is pledged from the permissive license tax, motor vehicle license tax and motor vehicle gasoline tax funds received by the City. The loan will be repaid over 20 years at an interest rate of 3.0 percent per annum. Annual principal and interest payments on the loan are to require less than 100 percent of the pledged revenues. The total principal and interest remaining to be paid on the loan is \$11,407,917. No principal and interest payments were made for the current year and pledged revenues were \$1,260,245. As of December 31, 2015, the full amount of the proceeds was unspent.

In 2015, the Ohio Supreme Court affirmed the Eighth District Court of Appeal's decision affirming the trial court's order regarding the demotion and back pay of a former fire chief. The City was required to pay back \$83,598 in lost wages in accordance with the court's ruling. This payment was made from the general fund in 2015.

The City's overall legal debt margin was \$134,091,329 and the unvoted legal debt margin was \$65,827,935 at December 31, 2015. Principal and interest requirements to retire the long-term obligations outstanding at December 31, 2015, are as follows:

Year	General Obligation Bonds		Special Obligation Bonds			
	Serial		Serial		Term	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$1,660,000	\$346,319	\$0	\$1,980,569	\$0	\$0
2017	1,705,000	296,657	0	1,980,569	0	0
2018	1,755,000	237,474	775,000	1,980,569	0	0
2019	1,830,000	176,194	895,000	1,957,319	0	0
2020	1,905,000	105,756	915,000	1,939,419	0	0
2021-2025	775,000	31,000	5,000,000	9,268,294	0	0
2026-2030	0	0	6,145,000	8,119,593	0	0
2031-2035	0	0	4,460,000	4,098,656	4,295,000	2,357,338
2036-2040	0	0	0	0	13,220,000	4,213,144
2041-2044	0	0	0	0	12,625,000	1,324,331
<b>Total</b>	<b>\$9,630,000</b>	<b>\$1,193,400</b>	<b>\$18,190,000</b>	<b>\$31,324,988</b>	<b>\$30,140,000</b>	<b>\$7,894,813</b>

Year	Special Assessment Bonds		OPWC	State Infrastructure	
			Loan	Bank Loan	
	Principal	Interest	Principal	Principal	Interest
2016	\$265,000	\$152,250	\$40,312	\$185,407	\$131,480
2017	280,000	141,350	40,312	379,200	254,574
2018	295,000	129,700	40,312	390,660	243,113
2019	305,000	114,950	40,312	402,468	231,305
2020	320,000	99,700	40,312	414,633	219,140
2021-2025	1,610,000	256,162	161,244	2,268,897	899,968
2026-2030	0	0	0	2,633,149	535,718
2031-2034	0	0	0	2,090,886	127,319
<b>Total</b>	<b>\$3,075,000</b>	<b>\$894,112</b>	<b>\$362,804</b>	<b>\$8,765,300</b>	<b>\$2,642,617</b>

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

**Note 17 – Contingent Liabilities**

***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.

***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 are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the overall financial position of the City at December 31, 2015.

**Note 18 – Capital Lease**

During 2015, the City entered into a lease agreement for a copier for the recreation center. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements. These expenditures are reflected as program/function expenditures on a budgetary basis.

Capital asset acquired by the lease currently being paid has been capitalized and depreciated as follows as of December 31, 2015:

<b>Governmental Activities:</b>	
Equipment	\$13,612
Less Accumulated Depreciation	<u>(1,588)</u>
Carrying Value	<u><u>\$12,024</u></u>

The lease provides for minimum, annual lease payments as follows:

	<u>Equipment</u>
2016	\$3,757
2017	3,757
2018	3,757
2019	<u>1,565</u>
Total Minimum Lease Payment	12,836
Less: Amount Representing Interest	<u>(1,046)</u>
Present Value of Minimum Lease Payment	<u><u>\$11,790</u></u>

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

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**Note 19 – Industrial Development Revenue Bonds**

At December 31, 2015, the City has one remaining series of industrial development revenue bonds in the aggregate outstanding principal amount of \$20,305,000 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 20 – Landfill Closure and Post-closure Care Cost**

State and Federal laws and regulations require the City to perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. The City's landfill placed its final cover in 1989. The \$415,949 reported as landfill post-closure costs in the long-term liabilities due in one year and due in more than one year lines of the governmental activities column of the statement of net position at December 31, 2015, 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 post-closure 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 2015 audited financial statements and the City was in compliance.

**Note 21 – Joint Venture – Rocky River Wastewater Treatment Plant**

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

Continued existence of the Plant is dependent on the City's continued participation, and the City has an equity interest in the Plant. The City's equity interest is \$7,806,471, which represents 39.77 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.

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

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**Note 22 – Jointly Governed Organizations**

***West Shore Council of Governments***

The West Shore Council of Governments (Council) 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 2015, the City contributed \$66,409, which represented 19.93 percent of total contributions. Complete financial 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.

***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 contributed \$6,600 to Tri-City Park in 2015. Complete financial statements can be obtained from the City of Rocky River, 21012 Hilliard Boulevard, Rocky River, Ohio 44116.

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

The S.A.F.E. Council of Governments (S.A.F.E.) 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 S.A.F.E. 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 2015. Complete financial statements can be obtained from the City of Rocky River, 21012 Hilliard Boulevard, Rocky River, Ohio 44116.

***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 ten participating entities. The Board exercises total control over the operation of Weshare including budgeting, appropriating, contracting, and designating management.

**City of Westlake, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2015*

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Budgets are adopted by the Board. Each City's degree of control is limited to its representation on the Board. In 2015, the City contributed \$500, which represented 13 percent of total contributions. Complete financial statements can be obtained from Fairview General Hospital, 18101 Lorain Road, Cleveland, Ohio 44111.

**Required Supplementary Information**

**City of Westlake, Ohio**  
*Required Supplementary Information*  
*Schedule of the City's Proportionate Share of the Net Pension Liability*  
*Ohio Public Employees Retirement System - Traditional Plan*  
*Last Two Years (1)*

	2014	2013
City's Proportion of the Net Pension Liability	0.08205900%	0.08205900%
City's Proportionate Share of the Net Pension Liability	\$9,897,235	\$9,673,688
City's Covered-Employee Payroll	\$10,060,433	\$10,064,662
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	98.38%	96.12%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.45%	86.36%

(1) Information prior to 2013 is not available.

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

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

	2014	2013
City's Proportion of the Net Pension Liability	0.40449850%	0.40449850%
City's Proportionate Share of the Net Pension Liability	\$20,954,709	\$19,700,346
City's Covered-Employee Payroll	\$8,071,930	\$7,542,074
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	259.60%	261.21%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.20%	73.00%

(1) Information prior to 2013 is not available.

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

**City of Westlake, Ohio**  
*Required Supplementary Information*  
*Schedule of City Contributions*  
*Ohio Public Employees Retirement System - Traditional Plan*  
*Last Three Years (1)*

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$1,200,239	\$1,207,252	\$1,308,406
Contributions in Relation to the Contractually Required Contribution	<u>(1,200,239)</u>	<u>(1,207,252)</u>	<u>(1,308,406)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered-Employee Payroll	\$10,001,992	\$10,060,433	\$10,064,662
Contributions as a Percentage of Covered-Employee Payroll	12.00%	12.00%	13.00%

(1) Information prior to 2013 is not available.

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually Required Contribution	\$1,687,967	\$1,692,800	\$1,348,367	\$1,068,217
Contributions in Relation to the Contractually Required Contribution	<u>(1,687,967)</u>	<u>(1,692,800)</u>	<u>(1,348,367)</u>	<u>(1,068,217)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered-Employee Payroll	\$8,027,897	\$8,071,930	\$7,542,074	\$7,241,299
Contributions as a Percentage of Covered-Employee Payroll	21.03%	20.97%	17.88%	14.75%

2011	2010	2009	2008	2007	2006
\$1,054,439	\$1,008,946	\$1,049,180	\$1,030,852	\$923,245	\$852,983
(1,054,439)	(1,008,946)	(1,049,180)	(1,030,852)	(923,245)	(852,983)
\$0	\$0	\$0	\$0	\$0	\$0
\$7,158,237	\$6,851,043	\$7,116,282	\$6,990,990	\$6,244,257	\$6,171,853
14.73%	14.73%	14.74%	14.75%	14.79%	13.82%

# **Combining and Individual Fund Statements and Schedules**

## *Combining and Individual Fund Statements and Schedules*

### *Fund Descriptions - Nonmajor Governmental Funds*

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#### *Nonmajor Special Revenue Funds*

To account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

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

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

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

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

***Fire Pension Fund*** - To account for and report accumulated levied property taxes restricted 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 and report accumulated levied property taxes restricted 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 and report 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 and report the resources obtained from confiscated monies from criminal offenses and restricted, by State statute, for expenditures that would enhance the police department.

***Alcohol Education Fund*** - To account for and report 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 and report monies received from Cuyahoga County restricted for establishing or expanding community policing programs.

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

***Emergency Medical Service Fund*** - To account for and report monies received from emergency medical services billing restricted for equipment and training within the fire department.

(continued)

## *Combining and Individual Fund Statements and Schedules*

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

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***Cemetery Investment Fund*** - To account for and report the nonspendable proceeds from the sale of cemetery lots in which interest on the principal will be used for maintaining the columbarium.

***Westlake/Bay Ecological Fund*** - To account for and report 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.

***City Donations Fund*** - To account for and report contributions and donations from private sources to various City departments. The City has passed legislation committing the resources to the needs of the departments that received them.

***Swimming Pool Operation Fund*** - To account for and report membership fee monies used for the operation of the public swimming pool. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

***Senior/Community Service Fund*** - To account for and report money paid from participants in the City Office on Aging Programs. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

***Cemetery Operating Fund*** - To account for and report the operation and maintenance of two public cemeteries. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

***Reserve for Compensated Absences Fund*** - To account for and report the accumulation of resources for accumulated sick leave and vacation leave, upon the termination of employment of employees in the City. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

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

Debt service funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest.

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

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

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

(continued)

*Combining and Individual Fund Statements and Schedules*

*Fund Descriptions - Nonmajor Governmental Funds (continued)*

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*Nonmajor Capital Projects Funds*

Capital projects funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary fund or for assets that will be held in trust.

*Storm Drainage Fund* - To account for and report fees to developers which are restricted by enabling legislation to finance the City's cost of installing or cleaning ditches.

*Crocker Road Improvements Fund* - To account for and report note proceeds restricted for the Crocker Road improvement project.

*Crocker Park Block K Fund* -To account for and report restricted subsidies from the Cuyahoga County Port Authority for the construction of infrastructure and facilities related to the Block K area.

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

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

*Service Center Construction Fund* - To account for and report transfers made from the general fund assigned for the construction a new service center.

*Recreation Center Construction Fund* - To account for and report voted income tax proceeds restricted for improvements to the recreation center.

**City of Westlake, Ohio**  
*Combining Balance Sheet*  
*Other Governmental Funds*  
*December 31, 2015*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Other Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$4,896,782	\$312,186	\$7,641,657	\$12,850,625
Accrued Interest Receivable	10,871	0	7,365	18,236
Accounts Receivable	783,455	0	0	783,455
Intergovernmental Receivable	761,722	0	1,525,790	2,287,512
Prepaid Items	1,922	0	0	1,922
Municipal Income Taxes Receivable	0	565,646	204,068	769,714
Permissive Motor Vehicle Taxes Receivable	42,169	0	0	42,169
Property Taxes Receivable	1,930,145	0	0	1,930,145
Special Assessments Receivable	0	3,075,000	0	3,075,000
<i>Total Assets</i>	<u>\$8,427,066</u>	<u>\$3,952,832</u>	<u>\$9,378,880</u>	<u>\$21,758,778</u>
<b>Liabilities</b>				
Accounts Payable	\$14,015	\$0	\$0	\$14,015
Contracts Payable	49,427	0	1,681,389	1,730,816
Accrued Wages	64,525	0	178	64,703
Retainage Payable	0	0	475,550	475,550
Interfund Payable	18,000	0	0	18,000
Intergovernmental Payable	14,547	0	27	14,574
<i>Total Liabilities</i>	<u>160,514</u>	<u>0</u>	<u>2,157,144</u>	<u>2,317,658</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes	1,870,585	0	0	1,870,585
Unavailable Revenue	1,242,844	3,275,846	82,515	4,601,205
<i>Total Deferred Inflows of Resources</i>	<u>3,113,429</u>	<u>3,275,846</u>	<u>82,515</u>	<u>6,471,790</u>
<b>Fund Balances</b>				
Nonspendable	600,679	0	0	600,679
Restricted	4,355,848	676,986	7,450,312	12,483,146
Committed	196,596	0	0	196,596
Assigned	0	0	15,607	15,607
Unassigned (Deficit)	0	0	(326,698)	(326,698)
<i>Total Fund Balances</i>	<u>5,153,123</u>	<u>676,986</u>	<u>7,139,221</u>	<u>12,969,330</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$8,427,066</u>	<u>\$3,952,832</u>	<u>\$9,378,880</u>	<u>\$21,758,778</u>

**City of Westlake, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Other Governmental Funds*  
*For the Year Ended December 31, 2015*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Other Governmental Funds
<b>Revenues</b>				
Property Taxes	\$1,823,167	\$0	\$0	\$1,823,167
Municipal Income Taxes	0	2,035,910	728,117	2,764,027
Permissive Motor Vehicle Taxes	238,712	0	0	238,712
Charges for Services	1,137,774	0	44,241	1,182,015
Licenses, Permits and Fees	0	0	208,085	208,085
Fines and Forfeitures	177,180	0	0	177,180
Intergovernmental	1,594,926	0	3,173,925	4,768,851
Special Assessments	0	393,347	0	393,347
Interest	16,242	0	11,050	27,292
Contributions and Donations	19,539	0	0	19,539
Miscellaneous	27,042	0	550	27,592
<i>Total Revenues</i>	<u>5,034,582</u>	<u>2,429,257</u>	<u>4,165,968</u>	<u>11,629,807</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	3,839,132	0	0	3,839,132
Public Health Services	13,871	0	0	13,871
Transportation	1,788,507	0	0	1,788,507
Community Environment	17,686	0	0	17,686
Basic Utility Services	91,257	0	0	91,257
Capital Outlay	0	0	4,103,873	4,103,873
Debt Service:				
Principal Retirement	0	1,895,000	0	1,895,000
Interest and Fiscal Charges	0	563,207	0	563,207
<i>Total Expenditures</i>	<u>5,750,453</u>	<u>2,458,207</u>	<u>4,103,873</u>	<u>12,312,533</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(715,871)</u>	<u>(28,950)</u>	<u>62,095</u>	<u>(682,726)</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	1,456	0	0	1,456
Transfers In	1,000,000	0	0	1,000,000
Transfers Out	0	0	(250,332)	(250,332)
<i>Total Other Financing Sources (Uses)</i>	<u>1,001,456</u>	<u>0</u>	<u>(250,332)</u>	<u>751,124</u>
<i>Net Change in Fund Balances</i>	285,585	(28,950)	(188,237)	68,398
<i>Fund Balances Beginning of Year</i>	<u>4,867,538</u>	<u>705,936</u>	<u>7,327,458</u>	<u>12,900,932</u>
<i>Fund Balances End of Year</i>	<u><u>\$5,153,123</u></u>	<u><u>\$676,986</u></u>	<u><u>\$7,139,221</u></u>	<u><u>\$12,969,330</u></u>

**City of Westlake, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2015*

	Street Maintenance	State Highway	Permissive Motor Vehicle License	Police Pension	Fire Pension
<b>Assets</b>					
Equity in Pooled Cash and					
Cash Equivalents	\$1,118,283	\$657,655	\$297,574	\$151,764	\$173,777
Accrued Interest Receivable	4,318	2,578	1,169	0	0
Accounts Receivable	0	0	0	0	0
Intergovernmental Receivable	601,886	48,347	0	22,929	22,929
Prepaid Items	0	0	0	0	0
Permissive Motor Vehicle Taxes Receivable	0	0	42,169	0	0
Property Taxes Receivable	0	0	0	386,029	386,029
<i>Total Assets</i>	<u>\$1,724,487</u>	<u>\$708,580</u>	<u>\$340,912</u>	<u>\$560,722</u>	<u>\$582,735</u>
<b>Liabilities</b>					
Accounts Payable	\$4,831	\$0	\$0	\$0	\$0
Contracts Payable	44,076	5,351	0	0	0
Accrued Wages	8,696	0	0	0	0
Interfund Payable	0	0	0	0	0
Intergovernmental Payable	1,339	0	0	0	0
<i>Total Liabilities</i>	<u>58,942</u>	<u>5,351</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Deferred Inflows of Resources</b>					
Property Taxes	0	0	0	374,117	374,117
Unavailable Revenue	394,987	31,571	0	34,841	34,841
<i>Total Deferred Inflows of Resources</i>	<u>394,987</u>	<u>31,571</u>	<u>0</u>	<u>408,958</u>	<u>408,958</u>
<b>Fund Balances</b>					
Nonspendable	0	0	0	0	0
Restricted	1,270,558	671,658	340,912	151,764	173,777
Committed	0	0	0	0	0
<i>Total Fund Balances</i>	<u>1,270,558</u>	<u>671,658</u>	<u>340,912</u>	<u>151,764</u>	<u>173,777</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$1,724,487</u>	<u>\$708,580</u>	<u>\$340,912</u>	<u>\$560,722</u>	<u>\$582,735</u>

Police and Fire Operating	Law Enforcement	Mandatory Drug Fines	Alcohol Education	Juvenile Diversion	Federal Equitable	Emergency Medical Service
\$354,343	\$460,906	\$89,746	\$15,287	\$6,828	\$117,039	\$554,682
0	0	0	0	0	460	0
0	0	0	0	0	0	770,147
62,131	0	0	0	0	0	3,500
0	1,262	0	0	0	0	660
0	0	0	0	0	0	0
1,158,087	0	0	0	0	0	0
<u>\$1,574,561</u>	<u>\$462,168</u>	<u>\$89,746</u>	<u>\$15,287</u>	<u>\$6,828</u>	<u>\$117,499</u>	<u>\$1,328,989</u>
\$0	\$3,963	\$0	\$0	\$0	\$0	\$3,806
0	0	0	0	0	0	0
34,568	0	0	0	0	0	19,490
0	0	0	0	0	0	0
7,985	0	0	0	0	0	4,950
<u>42,553</u>	<u>3,963</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>28,246</u>
1,122,351	0	0	0	0	0	0
97,867	0	0	0	0	0	648,707
<u>1,220,218</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>648,707</u>
0	1,262	0	0	0	0	660
311,790	456,943	89,746	15,287	6,828	117,499	651,376
0	0	0	0	0	0	0
<u>311,790</u>	<u>458,205</u>	<u>89,746</u>	<u>15,287</u>	<u>6,828</u>	<u>117,499</u>	<u>652,036</u>
<u>\$1,574,561</u>	<u>\$462,168</u>	<u>\$89,746</u>	<u>\$15,287</u>	<u>\$6,828</u>	<u>\$117,499</u>	<u>\$1,328,989</u>

(continued)

**City of Westlake, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2015*

	Cemetery Investment	Westlake/ Bay Ecological	City Donations	Total Nonmajor Special Revenue Funds
<b>Assets</b>				
Equity in Pooled Cash and				
Cash Equivalents	\$596,411	\$86,476	\$216,011	\$4,896,782
Accrued Interest Receivable	2,346	0	0	10,871
Accounts Receivable	0	13,308	0	783,455
Intergovernmental Receivable	0	0	0	761,722
Prepaid Items	0	0	0	1,922
Permissive Motor Vehicle Taxes Receivable	0	0	0	42,169
Property Taxes Receivable	0	0	0	1,930,145
<i>Total Assets</i>	<u>\$598,757</u>	<u>\$99,784</u>	<u>\$216,011</u>	<u>\$8,427,066</u>
<b>Liabilities</b>				
Accounts Payable	\$0	\$0	\$1,415	\$14,015
Contracts Payable	0	0	0	49,427
Accrued Wages	0	1,771	0	64,525
Interfund Payable	0	0	18,000	18,000
Intergovernmental Payable	0	273	0	14,547
<i>Total Liabilities</i>	<u>0</u>	<u>2,044</u>	<u>19,415</u>	<u>160,514</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes	0	0	0	1,870,585
Unavailable Revenue	0	30	0	1,242,844
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>30</u>	<u>0</u>	<u>3,113,429</u>
<b>Fund Balances</b>				
Nonspendable	598,757	0	0	600,679
Restricted	0	97,710	0	4,355,848
Committed	0	0	196,596	196,596
<i>Total Fund Balances</i>	<u>598,757</u>	<u>97,710</u>	<u>196,596</u>	<u>5,153,123</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$598,757</u>	<u>\$99,784</u>	<u>\$216,011</u>	<u>\$8,427,066</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, 2015*

	Street Maintenance	State Highway	Permissive Motor Vehicle License	Police Pension	Fire Pension
<b>Revenues</b>					
Property Taxes	\$0	\$0	\$0	\$365,970	\$365,970
Permissive Motor Vehicle Taxes	0	0	238,712	0	0
Charges for Services	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	0
Intergovernmental	1,260,245	102,183	0	41,423	41,424
Interest	8,237	4,362	0	0	0
Contributions and Donations	0	0	0	0	0
Miscellaneous	22,247	0	0	0	0
<i>Total Revenues</i>	<u>1,290,729</u>	<u>106,545</u>	<u>238,712</u>	<u>407,393</u>	<u>407,394</u>
<b>Expenditures</b>					
Current:					
Security of Persons and Property	0	0	0	866,077	865,470
Public Health Services	0	0	0	0	0
Transportation	909,005	39,924	839,578	0	0
Community Environment	0	0	0	0	0
Basic Utility Services	0	0	0	0	0
<i>Total Expenditures</i>	<u>909,005</u>	<u>39,924</u>	<u>839,578</u>	<u>866,077</u>	<u>865,470</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>381,724</u>	<u>66,621</u>	<u>(600,866)</u>	<u>(458,684)</u>	<u>(458,076)</u>
<b>Other Financing Sources</b>					
Sale of Capital Assets	0	0	0	0	0
Transfers In	0	0	0	500,000	500,000
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>500,000</u>	<u>500,000</u>
<i>Net Change in Fund Balances</i>	381,724	66,621	(600,866)	41,316	41,924
<i>Fund Balances Beginning of Year</i>	<u>888,834</u>	<u>605,037</u>	<u>941,778</u>	<u>110,448</u>	<u>131,853</u>
<i>Fund Balances End of Year</i>	<u>\$1,270,558</u>	<u>\$671,658</u>	<u>\$340,912</u>	<u>\$151,764</u>	<u>\$173,777</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, 2015*

	Police and Fire Operating	Law Enforcement	Mandatory Drug Fines	Alcohol Education	Juvenile Diversion
<b>Revenues</b>					
Property Taxes	\$1,091,227	\$0	\$0	\$0	\$0
Permissive Motor Vehicle Taxes	0	0	0	0	0
Charges for Services	0	0	0	0	0
Fines and Forfeitures	0	159,930	5,088	9,825	2,337
Intergovernmental	124,271	0	22,880	0	0
Interest	0	0	0	0	0
Contributions and Donations	0	0	2,000	0	0
Miscellaneous	0	4,795	0	0	0
<i>Total Revenues</i>	<u>1,215,498</u>	<u>164,725</u>	<u>29,968</u>	<u>9,825</u>	<u>2,337</u>
<b>Expenditures</b>					
Current:					
Security of Persons and Property	1,204,997	39,763	4,540	49,120	2,373
Public Health Services	0	0	0	0	0
Transportation	0	0	0	0	0
Community Environment	0	0	0	0	0
Basic Utility Services	0	0	0	0	0
<i>Total Expenditures</i>	<u>1,204,997</u>	<u>39,763</u>	<u>4,540</u>	<u>49,120</u>	<u>2,373</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>10,501</u>	<u>124,962</u>	<u>25,428</u>	<u>(39,295)</u>	<u>(36)</u>
<b>Other Financing Sources</b>					
Sale of Capital Assets	0	1,456	0	0	0
Transfers In	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>1,456</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	10,501	126,418	25,428	(39,295)	(36)
<i>Fund Balances Beginning of Year</i>	<u>301,289</u>	<u>331,787</u>	<u>64,318</u>	<u>54,582</u>	<u>6,864</u>
<i>Fund Balances End of Year</i>	<u>\$311,790</u>	<u>\$458,205</u>	<u>\$89,746</u>	<u>\$15,287</u>	<u>\$6,828</u>

Federal Equitable	Emergency Medical Service	Cemetery Investment	Westlake/ Bay Ecological	City Donations	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$1,823,167
0	0	0	0	0	238,712
0	1,020,299	29,250	88,225	0	1,137,774
0	0	0	0	0	177,180
0	2,500	0	0	0	1,594,926
502	0	3,141	0	0	16,242
0	0	0	0	17,539	19,539
0	0	0	0	0	27,042
<u>502</u>	<u>1,022,799</u>	<u>32,391</u>	<u>88,225</u>	<u>17,539</u>	<u>5,034,582</u>
64,553	742,239	0	0	0	3,839,132
0	0	13,871	0	0	13,871
0	0	0	0	0	1,788,507
0	0	0	0	17,686	17,686
0	0	0	91,257	0	91,257
<u>64,553</u>	<u>742,239</u>	<u>13,871</u>	<u>91,257</u>	<u>17,686</u>	<u>5,750,453</u>
<u>(64,051)</u>	<u>280,560</u>	<u>18,520</u>	<u>(3,032)</u>	<u>(147)</u>	<u>(715,871)</u>
0	0	0	0	0	1,456
0	0	0	0	0	1,000,000
0	0	0	0	0	1,001,456
(64,051)	280,560	18,520	(3,032)	(147)	285,585
<u>181,550</u>	<u>371,476</u>	<u>580,237</u>	<u>100,742</u>	<u>196,743</u>	<u>4,867,538</u>
<u>\$117,499</u>	<u>\$652,036</u>	<u>\$598,757</u>	<u>\$97,710</u>	<u>\$196,596</u>	<u>\$5,153,123</u>

**City of Westlake, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Debt Service Funds*  
*December 31, 2015*

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Issue II Bond Retirement	Total Nonmajor Debt Service Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$3,402	\$308,784	\$0	\$312,186
Municipal Income Taxes Receivable	331,974	0	233,672	565,646
Special Assessments Receivable	0	3,075,000	0	3,075,000
<i>Total Assets</i>	<u>\$335,376</u>	<u>\$3,383,784</u>	<u>\$233,672</u>	<u>\$3,952,832</u>
<b>Deferred Inflows of Resources</b>				
Unavailable Revenue	\$117,284	\$3,075,000	\$83,562	\$3,275,846
<b>Fund Balances</b>				
Restricted	218,092	308,784	150,110	676,986
<i>Total Deferred Inflows of Resources and Fund Balances</i>	<u>\$335,376</u>	<u>\$3,383,784</u>	<u>\$233,672</u>	<u>\$3,952,832</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, 2015*

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Issue II Bond Retirement	Total Nonmajor Debt Service Funds
<b>Revenues</b>				
Municipal Income Taxes	\$1,195,464	\$0	\$840,446	\$2,035,910
Special Assessments	0	393,347	0	393,347
<i>Total Revenues</i>	<u>1,195,464</u>	<u>393,347</u>	<u>840,446</u>	<u>2,429,257</u>
<b>Expenditures</b>				
Debt Service:				
Principal Retirement	965,000	255,000	675,000	1,895,000
Interest and Fiscal Charges	233,088	166,025	164,094	563,207
<i>Total Expenditures</i>	<u>1,198,088</u>	<u>421,025</u>	<u>839,094</u>	<u>2,458,207</u>
<i>Net Change in Fund Balances</i>	(2,624)	(27,678)	1,352	(28,950)
<i>Fund Balances Beginning of Year</i>	<u>220,716</u>	<u>336,462</u>	<u>148,758</u>	<u>705,936</u>
<i>Fund Balances End of Year</i>	<u><u>\$218,092</u></u>	<u><u>\$308,784</u></u>	<u><u>\$150,110</u></u>	<u><u>\$676,986</u></u>

**City of Westlake, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2015*

	Storm Drainage	Crocker Park Block K	Impact Fees
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$1,874,858	\$0	\$1,543,792
Accrued Interest Receivable	7,365	0	0
Intergovernmental Receivable	0	1,525,790	0
Municipal Income Taxes Receivable	0	0	0
<i>Total Assets</i>	<u>\$1,882,223</u>	<u>\$1,525,790</u>	<u>\$1,543,792</u>
<b>Liabilities</b>			
Contracts Payable	\$0	\$1,525,790	\$10,730
Accrued Wages	178	0	0
Retainage Payable	6,983	326,698	0
Intergovernmental Payable	27	0	0
<i>Total Liabilities</i>	<u>7,188</u>	<u>1,852,488</u>	<u>10,730</u>
<b>Deferred Inflows of Resources</b>			
Unavailable Revenue	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balances</b>			
Restricted	1,875,035	0	1,533,062
Assigned	0	0	0
Unassigned (Deficit)	<u>0</u>	<u>(326,698)</u>	<u>0</u>
<i>Total Fund Balances (Deficit)</i>	<u>1,875,035</u>	<u>(326,698)</u>	<u>1,533,062</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$1,882,223</u>	<u>\$1,525,790</u>	<u>\$1,543,792</u>

Sidewalks	Service Center Construction	Recreation Center Construction	Total Nonmajor Capital Projects Funds
\$97,825	\$37,607	\$4,087,575	\$7,641,657
0	0	0	7,365
0	0	0	1,525,790
0	0	204,068	204,068
\$97,825	\$37,607	\$4,291,643	\$9,378,880
\$0	\$0	\$144,869	\$1,681,389
0	0	0	178
0	22,000	119,869	475,550
0	0	0	27
0	22,000	264,738	2,157,144
0	0	82,515	82,515
97,825	0	3,944,390	7,450,312
0	15,607	0	15,607
0	0	0	(326,698)
97,825	15,607	3,944,390	7,139,221
\$97,825	\$37,607	\$4,291,643	\$9,378,880

**City of Westlake, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2015*

	Storm Drainage	Crocker Road Improvements	Crocker Park Block K
<b>Revenues</b>			
Municipal Income Taxes	\$0	\$0	\$0
Charges for Services	0	0	0
Licenses, Permits and Fees	64,549	0	0
Intergovernmental	20,000	0	3,153,925
Interest	11,050	0	0
Miscellaneous	0	0	0
<i>Total Revenues</i>	95,599	0	3,153,925
<b>Expenditures</b>			
Capital Outlay	144,088	0	3,480,623
<i>Excess of Revenues Over (Under) Expenditures</i>	(48,489)	0	(326,698)
<b>Other Financing Uses</b>			
Transfers Out	0	(250,332)	0
<i>Net Change in Fund Balances</i>	(48,489)	(250,332)	(326,698)
<i>Fund Balances Beginning of Year</i>	1,923,524	250,332	0
<i>Fund Balances (Deficit) End of Year</i>	\$1,875,035	\$0	(\$326,698)

Impact Fees	Sidewalks	Service Center Construction	Recreation Center Construction	Total Nonmajor Capital Projects Funds
\$0	\$0	\$0	\$728,117	\$728,117
0	44,241	0	0	44,241
143,536	0	0	0	208,085
0	0	0	0	3,173,925
0	0	0	0	11,050
0	0	0	550	550
143,536	44,241	0	728,667	4,165,968
40,762	460	22,000	415,940	4,103,873
102,774	43,781	(22,000)	312,727	62,095
0	0	0	0	(250,332)
102,774	43,781	(22,000)	312,727	(188,237)
1,430,288	54,044	37,607	3,631,663	7,327,458
<u>\$1,533,062</u>	<u>\$97,825</u>	<u>\$15,607</u>	<u>\$3,944,390</u>	<u>\$7,139,221</u>

## ***Fund Descriptions - Fiduciary Fund***

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### ***Fiduciary Fund***

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

### ***Agency Funds***

***Central Dispatch Fund*** - To account for monies received for the West Shore Council of Governments dispatching services.

***Deposits Fund*** - This fund accounts for deposits from various contractors, developers or individuals to ensure 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, 2015*

	Balance 12/31/14	Additions	Reductions	Balance 12/31/15
<b><i>Central Dispatch</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$171,771	\$956,297	\$805,348	\$322,720
Accounts Receivable	174,545	203,391	174,545	203,391
<i>Total Assets</i>	<u>\$346,316</u>	<u>\$1,159,688</u>	<u>\$979,893</u>	<u>\$526,111</u>
<b>Liabilities</b>				
Deposits Held and Due to Others	<u>\$346,316</u>	<u>\$1,159,688</u>	<u>\$979,893</u>	<u>\$526,111</u>
 <b><i>Deposits</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$1,763,012	\$512,114	\$626,749	\$1,648,377
<b>Liabilities</b>				
Deposits Held and Due to Others	<u>\$1,763,012</u>	<u>\$512,114</u>	<u>\$626,749</u>	<u>\$1,648,377</u>
 <b><i>Toledo/Lucas County Port Authority</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$0	\$4,861,306	\$4,861,306	\$0
<b>Liabilities</b>				
Deposits Held and Due to Others	<u>\$0</u>	<u>\$4,861,306</u>	<u>\$4,861,306</u>	<u>\$0</u>
 <b><i>Total All Agency Funds</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$1,934,783	\$6,329,717	\$6,293,403	\$1,971,097
Accounts Receivable	174,545	203,391	174,545	203,391
<i>Total Assets</i>	<u>\$2,109,328</u>	<u>\$6,533,108</u>	<u>\$6,467,948</u>	<u>\$2,174,488</u>
<b>Liabilities</b>				
Deposits Held and Due to Others	<u>\$2,109,328</u>	<u>\$6,533,108</u>	<u>\$6,467,948</u>	<u>\$2,174,488</u>

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

**Budget (Non-GAAP Basis) and Actual**

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property Taxes	\$9,453,608	\$9,453,608	\$9,723,976	\$270,368
Municipal Income Taxes	15,784,300	15,784,300	17,059,473	1,275,173
Admissions Tax	200,000	200,000	124,793	(75,207)
Hotel Tax	480,000	480,000	517,604	37,604
Charges for Services	84,000	84,000	88,263	4,263
Licenses, Permits and Fees	497,200	497,200	973,967	476,767
Fines and Forfeitures	220,200	220,200	168,343	(51,857)
Intergovernmental	1,534,865	1,534,865	1,599,512	64,647
Interest	280,000	280,000	76,606	(203,394)
Rentals	164,030	164,030	136,723	(27,307)
Contributions and Donations	0	0	150	150
Franchise Taxes	560,000	560,000	632,353	72,353
Miscellaneous	2,376,300	2,376,300	2,470,630	94,330
<i>Total Revenues</i>	<u>31,634,503</u>	<u>31,634,503</u>	<u>33,572,393</u>	<u>1,937,890</u>
<b>Expenditures</b>				
Current:				
General Government:				
Council:				
Salaries	179,500	179,500	176,668	2,832
Fringe Benefits	34,300	34,300	33,683	617
Contractual Services	40,094	39,993	13,556	26,437
Materials and Supplies	2,000	2,000	662	1,338
Capital Outlay	1,000	1,000	0	1,000
Other	4,848	4,948	4,136	812
<i>Total Council</i>	<u>261,742</u>	<u>261,741</u>	<u>228,705</u>	<u>33,036</u>
Mayor:				
Salaries	240,400	240,400	205,882	34,518
Fringe Benefits	62,300	62,300	41,929	20,371
Contractual Services	35,244	35,244	20,691	14,553
Materials and Supplies	5,304	5,304	3,332	1,972
Capital Outlay	40,000	40,000	30,984	9,016
Other	12,317	12,317	8,236	4,081
<i>Total Mayor</i>	<u>395,565</u>	<u>395,565</u>	<u>311,054</u>	<u>84,511</u>
Finance Department:				
Salaries	663,800	663,800	546,674	117,126
Fringe Benefits	206,700	208,450	172,519	35,931
Contractual Services	770,732	919,283	862,411	56,872
Materials and Supplies	17,700	17,700	10,242	7,458
Capital Outlay	181,961	106,661	5,697	100,964
Other	5,000	5,000	2,052	2,948
<i>Total Finance Department</i>	<u>\$1,845,893</u>	<u>\$1,920,894</u>	<u>\$1,599,595</u>	<u>\$321,299</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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Communications:				
Salaries	\$121,200	\$121,200	\$0	\$121,200
Fringe Benefits	52,200	52,200	0	52,200
Contractual Services	58,636	63,636	57,004	6,632
Materials and Supplies	12,152	12,152	11,779	373
Capital Outlay	27,750	22,750	6,330	16,420
Other	10,000	10,000	8,180	1,820
<b>Total Communications</b>	<b>281,938</b>	<b>281,938</b>	<b>83,293</b>	<b>198,645</b>
Law Department:				
Salaries	386,200	386,200	316,512	69,688
Fringe Benefits	104,500	104,500	92,129	12,371
Contractual Services	54,023	52,023	25,255	26,768
Materials and Supplies	2,000	2,000	531	1,469
Capital Outlay	0	2,500	2,248	252
Other	2,061	1,562	741	821
<b>Total Law Department</b>	<b>548,784</b>	<b>548,785</b>	<b>437,416</b>	<b>111,369</b>
Purchasing:				
Salaries	140,900	140,900	138,467	2,433
Fringe Benefits	45,650	45,650	43,550	2,100
Contractual Services	11,707	11,659	2,909	8,750
Materials and Supplies	2,300	2,300	941	1,359
Capital Outlay	1,000	1,000	0	1,000
Other	1,025	1,073	89	984
<b>Total Purchasing</b>	<b>202,582</b>	<b>202,582</b>	<b>185,956</b>	<b>16,626</b>
Civil Service:				
Salaries	132,000	132,000	110,207	21,793
Fringe Benefits	37,200	36,100	32,918	3,182
Contractual Services	51,346	51,046	41,437	9,609
Material and Supplies	2,100	1,450	800	650
Other	9,700	11,750	10,098	1,652
<b>Total Civil Service</b>	<b>\$232,346</b>	<b>\$232,346</b>	<b>\$195,460</b>	<b>\$36,886</b>

(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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Engineering:				
Salaries	\$518,300	\$518,300	\$449,625	\$68,675
Fringe Benefits	206,650	206,650	155,602	51,048
Contractual Services	58,230	57,061	34,026	23,035
Material and Supplies	26,267	25,267	12,781	12,486
Capital Outlay	65,023	67,458	62,627	4,831
Other	22,455	22,189	20,940	1,249
<b>Total Engineering</b>	<b>896,925</b>	<b>896,925</b>	<b>735,601</b>	<b>161,324</b>
Building Maintenance:				
Salaries	46,000	46,000	29,454	16,546
Fringe Benefits	14,000	16,000	13,380	2,620
Contractual Services	362,379	366,018	348,915	17,103
Material and Supplies	11,887	11,887	10,186	1,701
Capital Outlay	58,123	52,483	18,123	34,360
Other	5,200	5,200	4,172	1,028
<b>Total Building Maintenance</b>	<b>497,589</b>	<b>497,588</b>	<b>424,230</b>	<b>73,358</b>
Miscellaneous:				
Salaries	127,200	127,200	61,115	66,085
Fringe Benefits	520,706	563,706	460,774	102,932
Contractual Services	1,788,175	1,753,324	1,618,260	135,064
Material and Supplies	79,640	85,090	59,742	25,348
Capital Outlay	13,423	13,423	13,423	0
Other	67,572	262,264	227,105	35,159
<b>Total Miscellaneous</b>	<b>2,596,716</b>	<b>2,805,007</b>	<b>2,440,419</b>	<b>364,588</b>
Cable TV:				
Capital Outlay	3,211,554	3,654,553	398,805	3,255,748
Other	11,039	11,039	4,480	6,559
<b>Total Cable TV</b>	<b>3,222,593</b>	<b>3,665,592</b>	<b>403,285</b>	<b>3,262,307</b>
Contracts:				
Contractual Services	775,000	775,000	713,810	61,190
Capital Outlay	500	500	0	500
<b>Total Contracts</b>	<b>775,500</b>	<b>775,500</b>	<b>713,810</b>	<b>61,690</b>
<b>Total General Government</b>	<b>\$11,758,173</b>	<b>\$12,484,463</b>	<b>\$7,758,824</b>	<b>\$4,725,639</b>

(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, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Security of Persons and Property:</b>				
<b>Police Department:</b>				
Salaries	\$5,981,700	\$5,981,700	\$5,160,651	\$821,049
Fringe Benefits	1,319,000	1,319,000	1,120,863	198,137
Contractual Services	666,329	664,505	600,945	63,560
Materials and Supplies	275,470	276,445	169,987	106,458
Capital Outlay	639,682	639,681	599,149	40,532
Other	301,101	300,741	244,275	56,466
<b>Total Police Department:</b>	<b>9,183,282</b>	<b>9,182,072</b>	<b>7,895,870</b>	<b>1,286,202</b>
<b>Fire Department:</b>				
Salaries	3,012,300	3,012,300	2,679,063	333,237
Fringe Benefits	776,800	776,800	625,572	151,228
Contractual Services	301,963	312,185	264,156	48,029
Materials and Supplies	132,913	132,123	93,379	38,744
Capital Outlay	1,494,525	1,501,377	959,651	541,726
Other	285,463	282,778	226,049	56,729
<b>Total Fire Department</b>	<b>6,003,964</b>	<b>6,017,563</b>	<b>4,847,870</b>	<b>1,169,693</b>
<b>Safety Town:</b>				
Salaries	11,500	11,500	10,766	734
Fringe Benefits	1,800	1,800	1,663	137
Other	9,500	9,500	4,707	4,793
<b>Total Safety Town</b>	<b>22,800</b>	<b>22,800</b>	<b>17,136</b>	<b>5,664</b>
<i>Total Security of Persons and Property</i>	<i>15,210,046</i>	<i>15,222,435</i>	<i>12,760,876</i>	<i>2,461,559</i>
<b>Public Health Services:</b>				
<b>Community Services:</b>				
Salaries	530,700	530,700	490,479	40,221
Fringe Benefits	194,750	194,750	178,351	16,399
Contractual Services	132,148	136,265	108,607	27,658
Materials and Supplies	20,559	20,559	11,100	9,459
Capital Outlay	425,857	421,739	84,659	337,080
Other	27,278	27,278	22,215	5,063
<b>Total Community Services</b>	<b>1,331,292</b>	<b>1,331,291</b>	<b>895,411</b>	<b>435,880</b>
<b>Cemetery Operations:</b>				
Capital Outlay	14,000	14,000	11,419	2,581
<b>Total Public Health Services</b>	<b>1,345,292</b>	<b>1,345,291</b>	<b>906,830</b>	<b>438,461</b>
<b>Transportation:</b>				
<b>Service Director:</b>				
Salaries	184,100	184,100	181,209	2,891
Fringe Benefits	52,000	52,000	49,861	2,139
Contractual Services	15,860	15,861	2,303	13,558
Materials and Supplies	6,109	6,109	2,087	4,022
Capital Outlay	28,000	28,000	27,734	266
Other	13,021	13,021	10,666	2,355
<b>Total Service Director</b>	<b>\$299,090</b>	<b>\$299,091</b>	<b>\$273,860</b>	<b>\$25,231</b>

(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, 2015

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
City Service:				
Salaries	\$1,763,900	\$1,763,900	\$1,603,550	\$160,350
Fringe Benefits	771,650	771,650	667,310	104,340
Contractual Services	2,442,849	2,443,849	2,341,484	102,365
Materials and Supplies	309,106	307,105	169,589	137,516
Capital Outlay	1,438,073	1,438,073	864,612	573,461
Other	624,593	625,593	612,985	12,608
<b>Total City Service</b>	<b>7,350,171</b>	<b>7,350,170</b>	<b>6,259,530</b>	<b>1,090,640</b>
Snow Removal:				
Salaries	265,000	265,000	157,780	107,220
Fringe Benefits	41,000	41,000	24,194	16,806
Contractual Services	35,018	35,018	34,961	57
Other	1,000	1,000	0	1,000
<b>Total Snow Removal</b>	<b>342,018</b>	<b>342,018</b>	<b>216,935</b>	<b>125,083</b>
<b>Total Transportation</b>	<b>7,991,279</b>	<b>7,991,279</b>	<b>6,750,325</b>	<b>1,240,954</b>
Community Environment:				
Planning:				
Salaries	340,800	340,800	338,176	2,624
Fringe Benefits	87,600	87,600	86,424	1,176
Contractual Services	84,876	84,876	44,659	40,217
Materials and Supplies	5,000	5,000	1,440	3,560
Capital Outlay	11,100	10,100	0	10,100
Other	1,500	1,500	135	1,365
<b>Total Planning</b>	<b>530,876</b>	<b>529,876</b>	<b>470,834</b>	<b>59,042</b>
Zoning:				
Contractual Services	3,500	3,500	1,829	1,671
Materials and Supplies	900	900	663	237
<b>Total Zoning</b>	<b>4,400</b>	<b>4,400</b>	<b>2,492</b>	<b>1,908</b>
Board of Building Standards:				
Contractual Services	100	100	0	100
Materials and Supplies	200	200	0	200
Other	100	100	0	100
<b>Total Board of Building Standards</b>	<b>400</b>	<b>400</b>	<b>0</b>	<b>400</b>
Inspection:				
Salaries	712,800	712,800	701,904	10,896
Fringe Benefits	237,400	237,400	225,269	12,131
Contractual Services	88,177	91,178	36,228	54,950
Materials and Supplies	21,089	21,119	13,019	8,100
Capital Outlay	24,000	21,000	0	21,000
Other	7,986	7,956	5,998	1,958
<b>Total Inspection</b>	<b>\$1,091,452</b>	<b>\$1,091,453</b>	<b>\$982,418</b>	<b>\$109,035</b>

(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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Architect:				
Contractual Services	\$323,503	\$323,503	\$294,614	\$28,889
Unclaimed Monies:				
Salaries	5,000	5,000	0	5,000
Fringe Benefits	750	750	0	750
Other	420,000	420,000	359,987	60,013
Total Unclaimed Monies	425,750	425,750	359,987	65,763
<i>Total Community Environment</i>	<u>2,376,381</u>	<u>2,375,382</u>	<u>2,110,345</u>	<u>265,037</u>
Basic Utility Services:				
Rubbish:				
Capital Outlay	112,900	112,900	0	112,900
Forester:				
Salaries	237,300	237,300	195,985	41,315
Fringe Benefits	86,500	86,500	78,440	8,060
Contractual Services	28,090	28,090	27,458	632
Other	47,370	47,371	46,479	892
Total Forester	399,260	399,261	348,362	50,899
Storm Drainage:				
Salaries	180,000	180,000	153,000	27,000
Fringe Benefits	27,800	27,800	23,443	4,357
Contractual Services	57,640	57,641	52,667	4,974
Materials and Supplies	40,872	40,872	32,713	8,159
Capital Outlay	26,766	26,766	6,766	20,000
Other	8,700	8,700	6,688	2,012
Total Storm Drainage	341,778	341,779	275,277	66,502
Leaf Pick-Up:				
Salaries	200,000	200,000	150,379	49,621
Fringe Benefits	30,900	30,900	23,059	7,841
Contractual Services	63,502	63,502	58,111	5,391
Other	26,700	26,700	25,628	1,072
Total Leaf Pick-Up	321,102	321,102	257,177	63,925
<i>Total Basic Utility Services</i>	<u>1,175,040</u>	<u>1,175,042</u>	<u>880,816</u>	<u>294,226</u>
Leisure Time Activities:				
Recreation:				
Salaries	188,100	188,100	169,130	18,970
Fringe Benefits	52,200	52,800	49,365	3,435
Contractual Services	129,125	128,326	115,267	13,059
Materials and Supplies	20,024	19,559	17,167	2,392
Capital Outlay	141,647	141,647	118,899	22,748
Other	0	665	580	85
Total Recreation	\$531,096	\$531,097	\$470,408	\$60,689

(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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Park:				
Salaries	\$161,300	\$161,300	\$143,325	\$17,975
Fringe Benefits	64,800	64,800	56,784	8,016
Contractual Services	167,506	167,717	141,465	26,252
Materials and Supplies	16,261	16,261	13,080	3,181
Other	32,815	32,814	31,029	1,785
<b>Total Park</b>	<b>442,682</b>	<b>442,892</b>	<b>385,683</b>	<b>57,209</b>
<i>Total Leisure Time Activities</i>	<i>973,778</i>	<i>973,989</i>	<i>856,091</i>	<i>117,898</i>
<b>Total Expenditures</b>	<b>40,829,989</b>	<b>41,567,881</b>	<b>32,024,107</b>	<b>9,543,774</b>
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>(9,195,486)</i>	<i>(9,933,378)</i>	<i>1,548,286</i>	<i>11,481,664</i>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	45,000	45,000	74,546	29,546
Advances In	50,000	50,000	0	(50,000)
Advances Out	0	(293,000)	(168,000)	125,000
Transfers Out	(2,047,100)	(1,807,100)	(1,179,000)	628,100
<b>Total Other Financing Sources (Uses)</b>	<b>(1,952,100)</b>	<b>(2,005,100)</b>	<b>(1,272,454)</b>	<b>732,646</b>
<b>Net Change in Fund Balance</b>	<b>(11,147,586)</b>	<b>(11,938,478)</b>	<b>275,832</b>	<b>12,214,310</b>
<b>Fund Balance Beginning of Year</b>	<b>39,246,456</b>	<b>39,246,456</b>	<b>39,246,456</b>	<b>0</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>2,351,322</b>	<b>2,351,322</b>	<b>2,351,322</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$30,450,192</b>	<b>\$29,659,300</b>	<b>\$41,873,610</b>	<b>\$12,214,310</b>

**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, 2015*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Municipal Income Taxes	\$250,000	\$250,000	\$250,000	\$0
Charges for Services	2,176,500	2,176,500	2,301,709	125,209
Rentals	76,000	76,000	85,163	9,163
Miscellaneous	12,050	12,050	15,850	3,800
<i>Total Revenues</i>	<u>2,514,550</u>	<u>2,514,550</u>	<u>2,652,722</u>	<u>138,172</u>
<b>Expenditures</b>				
Current:				
Leisure Time Activities:				
Recreation:				
Salaries	1,343,900	1,343,900	1,160,253	183,647
Fringe Benefits	363,300	363,300	297,152	66,148
Contractual Services	876,646	872,887	770,421	102,466
Materials and Supplies	180,467	180,467	121,153	59,314
Capital Outlay	13,000	18,469	9,366	9,103
Other	171,641	169,931	146,456	23,475
Total Leisure Time Activities	<u>2,948,954</u>	<u>2,948,954</u>	<u>2,504,801</u>	<u>444,153</u>
Debt Service:				
Principal Retirement	3,439	3,439	3,439	0
Interest and Fiscal Charges	425	425	425	0
Total Debt Service	<u>3,864</u>	<u>3,864</u>	<u>3,864</u>	<u>0</u>
<i>Total Expenditures</i>	<u>2,952,818</u>	<u>2,952,818</u>	<u>2,508,665</u>	<u>444,153</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(438,268)	(438,268)	144,057	582,325
<b>Other Financing Sources</b>				
Sale of Capital Assets	1,500	1,500	874	(626)
<i>Net Change in Fund Balance</i>	(436,768)	(436,768)	144,931	581,699
<i>Fund Balance Beginning of Year</i>	2,105,785	2,105,785	2,105,785	0
Prior Year Encumbrances Appropriated	65,266	65,266	65,266	0
<i>Fund Balance End of Year</i>	<u>\$1,734,283</u>	<u>\$1,734,283</u>	<u>\$2,315,982</u>	<u>\$581,699</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*American Greetings Fund*  
*For the Year Ended December 31, 2015*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Charges for Services	\$0	\$0	\$30,000	\$30,000
Intergovernmental	1,000,000	1,000,000	1,000,000	0
Payments in Lieu of Taxes	0	0	455,000	455,000
Interest	0	0	10,529	10,529
Contributions and Donations	0	0	7,687,920	7,687,920
<i>Total Revenues</i>	<u>1,000,000</u>	<u>1,000,000</u>	<u>9,183,449</u>	<u>8,183,449</u>
<b>Expenditures</b>				
Capital Outlay:				
American Greetings:				
Contractual Services	118,823	258,539	257,153	1,386
Capital Outlay	41,512,885	38,013,213	33,306,749	4,706,464
Total Capital Outlay	<u>41,631,708</u>	<u>38,271,752</u>	<u>33,563,902</u>	<u>4,707,850</u>
Debt Service:				
Principal Retirement	0	24,000	24,000	0
Interest and Fiscal Charges	0	3,335,956	3,593,756	(257,800)
Total Debt Service	<u>0</u>	<u>3,359,956</u>	<u>3,617,756</u>	<u>(257,800)</u>
<i>Total Expenditures</i>	<u>41,631,708</u>	<u>41,631,708</u>	<u>37,181,658</u>	<u>4,450,050</u>
<i>Excess of Revenues Under Expenditures</i>	(40,631,708)	(40,631,708)	(27,998,209)	12,633,499
<b>Other Financing Sources</b>				
State Infrastructure Bank Loan Issued	8,500,000	8,500,000	8,765,300	265,300
<i>Net Change in Fund Balance</i>	(32,131,708)	(32,131,708)	(19,232,909)	12,898,799
<i>Fund Balance Beginning of Year</i>	32,056,555	32,056,555	32,056,555	0
Prior Year Encumbrances Appropriated	118,323	118,323	118,323	0
<i>Fund Balance End of Year</i>	<u>\$43,170</u>	<u>\$43,170</u>	<u>\$12,941,969</u>	<u>\$12,898,799</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Issue II Improvements Fund*  
*For the Year Ended December 31, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Expenditures</b>				
Capital Outlay:				
Issue 2 Improvements:				
Salaries	80,000	80,000	2,627	77,373
Fringe Benefits	12,400	12,400	405	11,995
Contractual Services	3,653	3,653	3,653	0
Capital Outlay	6,866,992	866,992	312,172	554,820
Other	68,780	68,780	1,680	67,100
Total Capital Outlay	7,031,825	1,031,825	320,537	711,288
Debt Service:				
Principal Retirement	168,447	168,447	40,312	128,135
<i>Total Expenditures</i>	<u>7,200,272</u>	<u>1,200,272</u>	<u>360,849</u>	<u>839,423</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(7,200,272)</u>	<u>(1,200,272)</u>	<u>(360,849)</u>	<u>839,423</u>
<b>Other Financing Sources (Uses)</b>				
OPWC Loan Issued	1,590,861	1,590,861	200,065	(1,390,796)
Advances In	6,160,000	6,160,000	0	(6,160,000)
Advances Out	(3,828,900)	0	0	0
Transfers In	172,100	172,100	44,000	(128,100)
<i>Total Other Financing Sources (Uses)</i>	<u>4,094,061</u>	<u>7,922,961</u>	<u>244,065</u>	<u>(7,678,896)</u>
<i>Net Change in Fund Balance</i>	<u>(3,106,211)</u>	<u>6,722,689</u>	<u>(116,784)</u>	<u>(6,839,473)</u>
<i>Fund Balance Beginning of Year</i>	2,785,423	2,785,423	2,785,423	0
Prior Year Encumbrances Appropriated	868,640	868,640	868,640	0
<i>Fund Balance End of Year</i>	<u>\$547,852</u>	<u>\$10,376,752</u>	<u>\$3,537,279</u>	<u>(\$6,839,473)</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Infrastructure Tax Fund*  
*For the Year Ended December 31, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Municipal Income Taxes	\$5,219,700	\$5,219,700	\$5,711,442	\$491,742
Interest	35,000	35,000	8,338	(26,662)
<i>Total Revenues</i>	<u>5,254,700</u>	<u>5,254,700</u>	<u>5,719,780</u>	<u>465,080</u>
<b>Expenditures</b>				
Capital Outlay:				
Infrastructure Improvements:				
Salaries	70,000	85,000	78,389	6,611
Fringe Benefits	11,000	13,000	12,093	907
Contractual Services	180,000	205,000	202,023	2,977
Capital Outlay	6,767,341	7,242,340	5,210,493	2,031,847
Other	4,163,486	4,161,487	2,822,520	1,338,967
<i>Total Expenditures</i>	<u>11,191,827</u>	<u>11,706,827</u>	<u>8,325,518</u>	<u>3,381,309</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(5,937,127)</u>	<u>(6,452,127)</u>	<u>(2,605,738)</u>	<u>3,846,389</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	1,000	1,000	915	(85)
Advances In	8,868,900	8,868,900	4,560,000	(4,308,900)
Advances Out	(6,160,000)	(811,500)	(811,500)	0
Transfers In	250,332	250,332	250,332	0
<i>Total Other Financing Sources (Uses)</i>	<u>2,960,232</u>	<u>8,308,732</u>	<u>3,999,747</u>	<u>(4,308,985)</u>
<i>Net Change in Fund Balance</i>	<u>(2,976,895)</u>	<u>1,856,605</u>	<u>1,394,009</u>	<u>(462,596)</u>
<i>Fund Balance Beginning of Year</i>	4,288,759	4,288,759	4,288,759	0
Prior Year Encumbrances Appropriated	875,621	875,621	875,621	0
<i>Fund Balance End of Year</i>	<u>\$2,187,485</u>	<u>\$7,020,985</u>	<u>\$6,558,389</u>	<u>(\$462,596)</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Grants Fund*  
*For the Year Ended December 31, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$6,141,250	\$6,141,250	\$3,344,522	(\$2,796,728)
<b>Expenditures</b>				
Capital Outlay:				
Grants:				
Salaries	75,000	40,000	22,692	17,308
Fringe Benefits	11,500	11,500	3,500	8,000
Capital Outlay	341,634	4,435,834	4,435,742	92
Other	70,201	62,501	27,197	35,304
<i>Total Expenditures</i>	<u>498,335</u>	<u>4,549,835</u>	<u>4,489,131</u>	<u>60,704</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>5,642,915</u>	<u>1,591,415</u>	<u>(1,144,609)</u>	<u>(2,736,024)</u>
<b>Other Financing Sources (Uses)</b>				
Advances In	0	0	811,500	811,500
Advances Out	(5,040,000)	(4,560,000)	(4,560,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(5,040,000)</u>	<u>(4,560,000)</u>	<u>(3,748,500)</u>	<u>811,500</u>
<i>Net Change in Fund Balance</i>	602,915	(2,968,585)	(4,893,109)	(1,924,524)
<i>Fund Balance Beginning of Year</i>	4,928,782	4,928,782	4,928,782	0
Prior Year Encumbrances Appropriated	892,374	892,374	892,374	0
<i>Fund Balance End of Year</i>	<u>\$6,424,071</u>	<u>\$2,852,571</u>	<u>\$928,047</u>	<u>(\$1,924,524)</u>

**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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$2,485,000	\$2,485,000	\$2,612,212	\$127,212
Tap-In Fees	50,000	50,000	174,949	124,949
Interest	15,000	15,000	5,603	(9,397)
Sale of Capital Assets	0	0	1,005	1,005
<i>Total Revenues</i>	<u>2,550,000</u>	<u>2,550,000</u>	<u>2,793,769</u>	<u>243,769</u>
<b>Expenses</b>				
Personal Services	410,500	410,500	278,351	132,149
Fringe Benefits	172,950	172,950	131,794	41,156
Contractual Services	1,850,119	1,848,919	1,702,111	146,808
Materials and Supplies	46,650	46,650	27,722	18,928
Capital Outlay	512,000	482,450	38,602	443,848
Other	49,748	80,498	73,808	6,690
<i>Total Expenses</i>	<u>3,041,967</u>	<u>3,041,967</u>	<u>2,252,388</u>	<u>789,579</u>
<i>Net Change in Fund Equity</i>	(491,967)	(491,967)	541,381	1,033,348
<i>Fund Equity Beginning of Year</i>	5,341,047	5,341,047	5,341,047	0
Prior Year Encumbrances Appropriated	21,096	21,096	21,096	0
<i>Fund Equity End of Year</i>	<u>\$4,870,176</u>	<u>\$4,870,176</u>	<u>\$5,903,524</u>	<u>\$1,033,348</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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$1,200,000	\$1,200,000	\$1,258,615	\$58,615
Interest	5,100	5,100	920	(4,180)
Miscellaneous	0	0	22,247	22,247
<i>Total Revenues</i>	<u>1,205,100</u>	<u>1,205,100</u>	<u>1,281,782</u>	<u>76,682</u>
<b>Expenditures</b>				
Current:				
Transportation:				
Street Maintenance and Repair:				
Salaries	251,400	251,400	200,103	51,297
Fringe Benefits	83,700	83,700	54,913	28,787
Contractual Services	78,671	78,671	74,809	3,862
Materials and Supplies	629,528	629,528	599,121	30,407
Capital Outlay	18,000	18,000	18,000	0
Other	49,226	49,226	36,723	12,503
<i>Total Expenditures</i>	<u>1,110,525</u>	<u>1,110,525</u>	<u>983,669</u>	<u>126,856</u>
<i>Net Change in Fund Balance</i>	94,575	94,575	298,113	203,538
<i>Fund Balance Beginning of Year</i>	603,984	603,984	603,984	0
Prior Year Encumbrances Appropriated	<u>112,988</u>	<u>112,988</u>	<u>112,988</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$811,547</u></u>	<u><u>\$811,547</u></u>	<u><u>\$1,015,085</u></u>	<u><u>\$203,538</u></u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*State Highway Fund*  
*For the Year Ended December 31, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$98,000	\$98,000	\$102,050	\$4,050
Interest	2,000	2,000	699	(1,301)
<i>Total Revenues</i>	<u>100,000</u>	<u>100,000</u>	<u>102,749</u>	<u>2,749</u>
<b>Expenditures</b>				
Current:				
Transportation:				
State Highway				
Materials and Supplies	38,425	42,925	42,881	44
Other	5,000	500	0	500
<i>Total Expenditures</i>	<u>43,425</u>	<u>43,425</u>	<u>42,881</u>	<u>544</u>
<i>Net Change in Fund Balance</i>	56,575	56,575	59,868	3,293
<i>Fund Balance Beginning of Year</i>	584,802	584,802	584,802	0
Prior Year Encumbrances Appropriated	3,425	3,425	3,425	0
<i>Fund Balance End of Year</i>	<u>\$644,802</u>	<u>\$644,802</u>	<u>\$648,095</u>	<u>\$3,293</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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Permissive Motor Vehicle Taxes	\$231,700	\$231,700	\$238,100	\$6,400
Interest	2,300	2,300	760	(1,540)
<i>Total Revenues</i>	<u>234,000</u>	<u>234,000</u>	<u>238,860</u>	<u>4,860</u>
<b>Expenditures</b>				
Current:				
Transportation:				
Permissive Motor Vehicle License:				
Salaries	60,000	60,000	34,257	25,743
Fringe Benefits	9,300	9,300	5,287	4,013
Capital Outlay	800,000	800,000	800,000	0
Other	3,001	3,000	500	2,500
<i>Total Expenditures</i>	<u>872,301</u>	<u>872,300</u>	<u>840,044</u>	<u>32,256</u>
<i>Net Change in Fund Balance</i>	(638,301)	(638,300)	(601,184)	37,116
<i>Fund Balance Beginning of Year</i>	895,618	895,618	895,618	0
Prior Year Encumbrances Appropriated	<u>899</u>	<u>899</u>	<u>899</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$258,216</u>	<u>\$258,217</u>	<u>\$295,333</u>	<u>\$37,116</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police Pension Fund*  
*For the Year Ended December 31, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property Taxes	\$353,561	\$353,561	\$365,970	\$12,409
Intergovernmental	41,356	41,356	41,423	67
<i>Total Revenues</i>	394,917	394,917	407,393	12,476
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police Pension:				
Fringe Benefits	998,000	998,000	866,077	131,923
<i>Excess of Revenues Under Expenditures</i>	(603,083)	(603,083)	(458,684)	144,399
<b>Other Financing Sources</b>				
Transfers In	600,000	600,000	500,000	(100,000)
<i>Net Change in Fund Balance</i>	(3,083)	(3,083)	41,316	44,399
<i>Fund Balance Beginning of Year</i>	110,448	110,448	110,448	0
<i>Fund Balance End of Year</i>	<u>\$107,365</u>	<u>\$107,365</u>	<u>\$151,764</u>	<u>\$44,399</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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property Taxes	\$353,561	\$353,561	\$365,970	\$12,409
Intergovernmental	41,356	41,356	41,424	68
<i>Total Revenues</i>	394,917	394,917	407,394	12,477
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Fire Pension:				
Fringe Benefits	981,000	981,000	865,470	115,530
<i>Excess of Revenues Under Expenditures</i>	(586,083)	(586,083)	(458,076)	128,007
<b>Other Financing Sources</b>				
Transfers In	550,000	550,000	500,000	(50,000)
<i>Net Change in Fund Balance</i>	(36,083)	(36,083)	41,924	78,007
<i>Fund Balance Beginning of Year</i>	131,853	131,853	131,853	0
<i>Fund Balance End of Year</i>	<u>\$95,770</u>	<u>\$95,770</u>	<u>\$173,777</u>	<u>\$78,007</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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property Taxes	\$1,060,734	\$1,060,734	\$1,091,227	\$30,493
Intergovernmental	124,019	124,019	124,271	252
<i>Total Revenues</i>	<u>1,184,753</u>	<u>1,184,753</u>	<u>1,215,498</u>	<u>30,745</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police and Fire Operating:				
Salaries	1,188,500	1,188,500	1,170,343	18,157
Fringe Benefits	34,600	34,600	31,929	2,671
<i>Total Expenditures</i>	<u>1,223,100</u>	<u>1,223,100</u>	<u>1,202,272</u>	<u>20,828</u>
<i>Net Change in Fund Balance</i>	(38,347)	(38,347)	13,226	51,573
<i>Fund Balance Beginning of Year</i>	<u>341,117</u>	<u>341,117</u>	<u>341,117</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$302,770</u>	<u>\$302,770</u>	<u>\$354,343</u>	<u>\$51,573</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, 2015*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and Forfeitures	\$15,000	\$15,000	\$159,930	\$144,930
Miscellaneous	15,000	15,000	4,795	(10,205)
<i>Total Revenues</i>	<u>30,000</u>	<u>30,000</u>	<u>164,725</u>	<u>134,725</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Capital Outlay	40,000	40,000	14,516	25,484
Other	60,178	60,178	54,251	5,927
<i>Total Expenditures</i>	<u>100,178</u>	<u>100,178</u>	<u>68,767</u>	<u>31,411</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(70,178)	(70,178)	95,958	166,136
<b>Other Financing Sources</b>				
Sale of Capital Assets	0	0	1,456	1,456
<i>Net Change in Fund Balance</i>	(70,178)	(70,178)	97,414	167,592
<i>Fund Balance Beginning of Year</i>	331,787	331,787	331,787	0
Prior Year Encumbrances Appropriated	10,178	10,178	10,178	0
<i>Fund Balance End of Year</i>	<u>\$271,787</u>	<u>\$271,787</u>	<u>\$439,379</u>	<u>\$167,592</u>

**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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$5,000	\$5,000	\$5,162	\$162
Intergovernmental	0	0	22,880	22,880
Contributions and Donations	0	0	2,000	2,000
<i>Total Revenues</i>	5,000	5,000	30,042	25,042
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Other	10,000	10,000	4,491	5,509
<i>Net Change in Fund Balance</i>	(5,000)	(5,000)	25,551	30,551
<i>Fund Balance Beginning of Year</i>	64,195	64,195	64,195	0
<i>Fund Balance End of Year</i>	<u>\$59,195</u>	<u>\$59,195</u>	<u>\$89,746</u>	<u>\$30,551</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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$15,000	\$15,000	\$10,677	(\$4,323)
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Capital Outlay	87,898	85,978	85,898	80
Other	2,000	3,920	2,582	1,338
<i>Total Expenditures</i>	<u>89,898</u>	<u>89,898</u>	<u>88,480</u>	<u>1,418</u>
<i>Net Change in Fund Balance</i>	(74,898)	(74,898)	(77,803)	(2,905)
<i>Fund Balance Beginning of Year</i>	40,192	40,192	40,192	0
Prior Year Encumbrances Appropriated	<u>52,898</u>	<u>52,898</u>	<u>52,898</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$18,192</u>	<u>\$18,192</u>	<u>\$15,287</u>	<u>(\$2,905)</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Juvenile Diversion Fund*  
*For the Year Ended December 31, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$4,800	\$4,800	\$2,337	(\$2,463)
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Salaries	2,900	2,900	2,233	667
Fringe Benefits	450	450	140	310
Other	1,000	1,000	0	1,000
<i>Total Expenditures</i>	<u>4,350</u>	<u>4,350</u>	<u>2,373</u>	<u>1,977</u>
<i>Net Change in Fund Balance</i>	450	450	(36)	(486)
<i>Fund Balance Beginning of Year</i>	<u>6,864</u>	<u>6,864</u>	<u>6,864</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$7,314</u></u>	<u><u>\$7,314</u></u>	<u><u>\$6,828</u></u>	<u><u>(\$486)</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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$0	\$0	\$29,232	\$29,232
Interest	2,000	2,000	186	(1,814)
<i>Total Revenues</i>	<u>2,000</u>	<u>2,000</u>	<u>29,418</u>	<u>27,418</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police Department:				
Capital Outlay	51,500	74,313	72,782	1,531
Other	43,448	20,635	18,483	2,152
<i>Total Expenditures</i>	<u>94,948</u>	<u>94,948</u>	<u>91,265</u>	<u>3,683</u>
<i>Net Change in Fund Balance</i>	(92,948)	(92,948)	(61,847)	31,101
<i>Fund Balance Beginning of Year</i>	148,235	148,235	148,235	0
Prior Year Encumbrances Appropriated	27,953	27,953	27,953	0
<i>Fund Balance End of Year</i>	<u>\$83,240</u>	<u>\$83,240</u>	<u>\$114,341</u>	<u>\$31,101</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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$850,000	\$850,000	\$1,058,671	\$208,671
Intergovernmental	0	0	2,500	2,500
<i>Total Revenues</i>	<u>850,000</u>	<u>850,000</u>	<u>1,061,171</u>	<u>211,171</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Fire Department:				
Salaries	573,000	573,000	561,649	11,351
Fringe Benefits	15,500	15,500	14,987	513
Contractual Services	123,668	130,418	80,975	49,443
Materials and Supplies	35,690	28,940	25,307	3,633
Capital Outlay	10,000	10,000	0	10,000
Other	82,500	82,500	76,482	6,018
<i>Total Expenditures</i>	<u>840,358</u>	<u>840,358</u>	<u>759,400</u>	<u>80,958</u>
<i>Net Change in Fund Balance</i>	9,642	9,642	301,771	292,129
<i>Fund Balance Beginning of Year</i>	229,116	229,116	229,116	0
Prior Year Encumbrances Appropriated	<u>12,758</u>	<u>12,758</u>	<u>12,758</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$251,516</u></u>	<u><u>\$251,516</u></u>	<u><u>\$543,645</u></u>	<u><u>\$292,129</u></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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$20,000	\$20,000	\$29,250	\$9,250
<b>Expenditures</b>				
Current:				
Public Health Services:				
Cemetery Operations:				
Capital Outlay	14,973	14,974	14,850	124
Other	24,000	24,000	0	24,000
<i>Total Expenditures</i>	<u>38,973</u>	<u>38,974</u>	<u>14,850</u>	<u>24,124</u>
<i>Net Change in Fund Balance</i>	(18,973)	(18,974)	14,400	33,374
<i>Fund Balance Beginning of Year</i>	562,904	562,904	562,904	0
Prior Year Encumbrances Appropriated	<u>15,544</u>	<u>15,544</u>	<u>15,544</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$559,475</u>	<u>\$559,474</u>	<u>\$592,848</u>	<u>\$33,374</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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$80,000	\$80,000	\$100,814	\$20,814
<b>Expenditures</b>				
Current:				
Basic Utility Services:				
Litter Prevention:				
Salaries	56,000	56,000	53,515	2,485
Fringe Benefits	8,800	8,800	8,176	624
Contractual Services	30,627	27,628	22,563	5,065
Capital Outlay	50,000	50,000	0	50,000
Other	8,500	11,500	7,889	3,611
<i>Total Expenditures</i>	<u>153,927</u>	<u>153,928</u>	<u>92,143</u>	<u>61,785</u>
<i>Net Change in Fund Balance</i>	(73,927)	(73,928)	8,671	82,599
<i>Fund Balance Beginning of Year</i>	75,319	75,319	75,319	0
Prior Year Encumbrances Appropriated	<u>1,529</u>	<u>1,529</u>	<u>1,529</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,921</u></u>	<u><u>\$2,920</u></u>	<u><u>\$85,519</u></u>	<u><u>\$82,599</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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Contributions and Donations	\$15,500	\$15,500	\$17,539	\$2,039
<b>Expenditures</b>				
Current:				
Community Environment:				
Donations:				
Other	49,413	49,413	24,048	25,365
<i>Excess of Revenues Under Expenditures</i>	(33,913)	(33,913)	(6,509)	27,404
<b>Other Financing Sources</b>				
Advances In	18,000	18,000	18,000	0
<i>Net Change in Fund Balance</i>	(15,913)	(15,913)	11,491	27,404
<i>Fund Balance Beginning of Year</i>	196,695	196,695	196,695	0
Prior Year Encumbrances Appropriated	2,021	2,021	2,021	0
<i>Fund Balance End of Year</i>	<u>\$182,803</u>	<u>\$182,803</u>	<u>\$210,207</u>	<u>\$27,404</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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$218,550	\$218,550	\$115,635	(\$102,915)
Miscellaneous	1,450	1,450	1,477	27
<i>Total Revenues</i>	<u>220,000</u>	<u>220,000</u>	<u>117,112</u>	<u>(102,888)</u>
<b>Expenditures</b>				
Current:				
Leisure Time Activities:				
Recreation:				
Salaries	136,700	110,000	109,814	186
Fringe Benefits	21,200	17,400	16,943	457
Contractual Services	59,227	44,928	38,115	6,813
Materials and Supplies	33,031	14,730	14,698	32
Other	5,400	4,500	2,476	2,024
<i>Total Expenditures</i>	<u>255,558</u>	<u>191,558</u>	<u>182,046</u>	<u>9,512</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(35,558)	28,442	(64,934)	(93,376)
<b>Other Financing Sources</b>				
Advances In	<u>0</u>	<u>0</u>	<u>35,000</u>	<u>35,000</u>
<i>Net Change in Fund Balance</i>	(35,558)	28,442	(29,934)	(58,376)
<i>Fund Balance Beginning of Year</i>	37,595	37,595	37,595	0
Prior Year Encumbrances Appropriated	<u>3,877</u>	<u>3,877</u>	<u>3,877</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$5,914</u>	<u>\$69,914</u>	<u>\$11,538</u>	<u>(\$58,376)</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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$10,000	\$10,000	\$77,187	\$67,187
Contributions and Donations	0	0	11,720	11,720
Miscellaneous	120,000	120,000	3,112	(116,888)
<i>Total Revenues</i>	<u>130,000</u>	<u>130,000</u>	<u>92,019</u>	<u>(37,981)</u>
<b>Expenditures</b>				
Current:				
Public Health Services:				
Senior/Community Services:				
Contractual Services	7,400	7,400	5,748	1,652
Materials and Supplies	5,100	5,100	3,682	1,418
Other	144,648	105,648	81,972	23,676
<i>Total Expenditures</i>	<u>157,148</u>	<u>118,148</u>	<u>91,402</u>	<u>26,746</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(27,148)</u>	<u>11,852</u>	<u>617</u>	<u>(11,235)</u>
<b>Other Financing Sources (Uses)</b>				
Advances In	50,000	50,000	0	(50,000)
Advances Out	(50,000)	(50,000)	0	50,000
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(27,148)</u>	<u>11,852</u>	<u>617</u>	<u>(11,235)</u>
<i>Fund Balance Beginning of Year</i>	39,578	39,578	39,578	0
Prior Year Encumbrances Appropriated	2,548	2,548	2,548	0
<i>Fund Balance End of Year</i>	<u>\$14,978</u>	<u>\$53,978</u>	<u>\$42,743</u>	<u>(\$11,235)</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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$15,000	\$15,000	\$31,800	\$16,800
Interest	2,000	2,000	664	(1,336)
<i>Total Revenues</i>	<u>17,000</u>	<u>17,000</u>	<u>32,464</u>	<u>15,464</u>
<b>Expenditures</b>				
Current:				
Public Health Services:				
Cemetery Operations:				
Salaries	58,600	58,600	57,309	1,291
Fringe Benefits	25,900	25,900	24,955	945
Contractual Services	21,801	21,802	17,536	4,266
Materials and Supplies	13,231	13,731	7,795	5,936
Other	68,500	68,000	37,814	30,186
<i>Total Expenditures</i>	<u>188,032</u>	<u>188,033</u>	<u>145,409</u>	<u>42,624</u>
<i>Excess of Revenues Under Expenditures</i>	(171,032)	(171,033)	(112,945)	58,088
<b>Other Financing Sources</b>				
Transfers In	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(71,032)	(71,033)	(12,945)	58,088
<i>Fund Balance Beginning of Year</i>	92,247	92,247	92,247	0
Prior Year Encumbrances Appropriated	<u>2,074</u>	<u>2,074</u>	<u>2,074</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$23,289</u>	<u>\$23,288</u>	<u>\$81,376</u>	<u>\$58,088</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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Expenditures</b>				
Current:				
General Government:				
Compensated Absences:				
Personal Services	800,000	800,000	515,562	284,438
Fringe Benefits	11,600	11,600	4,708	6,892
<i>Total Expenditures</i>	<u>811,600</u>	<u>811,600</u>	<u>520,270</u>	<u>291,330</u>
<i>Net Change in Fund Balance</i>	(811,600)	(811,600)	(520,270)	291,330
<i>Fund Balance Beginning of Year</i>	<u>1,368,202</u>	<u>1,368,202</u>	<u>1,368,202</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$556,602</u></u>	<u><u>\$556,602</u></u>	<u><u>\$847,932</u></u>	<u><u>\$291,330</u></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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Municipal Income Taxes	\$1,192,100	\$1,192,100	\$1,192,088	(\$12)
<b>Expenditures</b>				
Debt Service:				
Principal Retirement	965,000	965,000	965,000	0
Interest and Fiscal Charges	233,100	233,088	233,088	0
<i>Total Expenditures</i>	<u>1,198,100</u>	<u>1,198,088</u>	<u>1,198,088</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(6,000)	(5,988)	(6,000)	(12)
<i>Fund Balance Beginning of Year</i>	<u>9,402</u>	<u>9,402</u>	<u>9,402</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$3,402</u>	<u>\$3,414</u>	<u>\$3,402</u>	<u>(\$12)</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, 2015*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Special Assessments	\$465,000	\$465,000	\$393,347	(\$71,653)
<b>Expenditures</b>				
Debt Service:				
Principal Retirement	255,000	255,000	255,000	0
Interest and Fiscal Charges	168,800	168,800	166,025	2,775
<i>Total Expenditures</i>	<u>423,800</u>	<u>423,800</u>	<u>421,025</u>	<u>2,775</u>
<i>Net Change in Fund Balance</i>	41,200	41,200	(27,678)	(68,878)
<i>Fund Balance Beginning of Year</i>	<u>336,462</u>	<u>336,462</u>	<u>336,462</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$377,662</u>	<u>\$377,662</u>	<u>\$308,784</u>	<u>(\$68,878)</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Issue II Bond Retirement Fund  
For the Year Ended December 31, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Municipal Income Taxes	\$839,200	\$839,200	\$839,094	(\$106)
<b>Expenditures</b>				
Debt Service:				
Principal Retirement	675,000	675,000	675,000	0
Interest and Fiscal Charges	164,200	164,094	164,094	0
<i>Total Expenditures</i>	<u>839,200</u>	<u>839,094</u>	<u>839,094</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	106	0	(106)
<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>\$0</u>	<u>\$106</u>	<u>\$0</u>	<u>(\$106)</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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Licenses, Permits and Fees	\$60,000	\$60,000	\$64,549	\$4,549
Intergovernmental	20,000	20,000	20,000	0
Interest	12,000	12,000	2,101	(9,899)
<i>Total Revenues</i>	<u>92,000</u>	<u>92,000</u>	<u>86,650</u>	<u>(5,350)</u>
<b>Expenditures</b>				
Capital Outlay:				
Storm Drainage:				
Salaries	30,000	30,000	13,046	16,954
Fringe Benefits	4,700	4,700	2,005	2,695
Capital Outlay	150,238	150,238	120,443	29,795
Other	126,300	126,300	122,208	4,092
<i>Total Expenditures</i>	<u>311,238</u>	<u>311,238</u>	<u>257,702</u>	<u>53,536</u>
<i>Net Change in Fund Balance</i>	(219,238)	(219,238)	(171,052)	48,186
<i>Fund Balance Beginning of Year</i>	1,798,668	1,798,668	1,798,668	0
Prior Year Encumbrances Appropriated	<u>203,140</u>	<u>203,140</u>	<u>203,140</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$1,782,570</u>	<u>\$1,782,570</u>	<u>\$1,830,756</u>	<u>\$48,186</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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	0	0	0	0
<b>Other Financing Uses</b>				
Transfers Out	<u>(250,332)</u>	<u>(250,332)</u>	<u>(250,332)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(250,332)	(250,332)	(250,332)	0
<i>Fund Balance Beginning of Year</i>	<u>250,332</u>	<u>250,332</u>	<u>250,332</u>	<u>0</u>
<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*  
*Crocker Park Block K Fund*  
*For the Year Ended December 31, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$0	\$0	\$1,628,135	\$1,628,135
<b>Expenditures</b>				
Capital Outlay:				
Crocker Park Block K:				
Capital Outlay	<u>0</u>	<u>0</u>	<u>1,628,135</u>	<u>(1,628,135)</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$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*  
*Impact Fees Fund*  
*For the Year Ended December 31, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Licenses, Permits and Fees	\$30,000	\$30,000	\$143,536	\$113,536
<b>Expenditures</b>				
Capital Outlay:				
Impact Fee:				
Capital Outlay	348,500	388,500	217,802	170,698
Other	11,039	11,039	4,480	6,559
<i>Total Expenditures</i>	<u>359,539</u>	<u>399,539</u>	<u>222,282</u>	<u>177,257</u>
<i>Net Change in Fund Balance</i>	(329,539)	(369,539)	(78,746)	290,793
<i>Fund Balance Beginning of Year</i>	1,423,209	1,423,209	1,423,209	0
Prior Year Encumbrances Appropriated	7,079	7,079	7,079	0
<i>Fund Balance End of Year</i>	<u>\$1,100,749</u>	<u>\$1,060,749</u>	<u>\$1,351,542</u>	<u>\$290,793</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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$50,000	\$50,000	\$44,241	(\$5,759)
<b>Expenditures</b>				
Capital Outlay:				
Sidewalk Improvement:				
Salaries	22,000	22,000	0	22,000
Fringe Benefits	3,300	3,300	0	3,300
Contractual Services	700	700	460	240
Other	20,000	20,000	0	20,000
<i>Total Expenditures</i>	<u>46,000</u>	<u>46,000</u>	<u>460</u>	<u>45,540</u>
<i>Net Change in Fund Balance</i>	4,000	4,000	43,781	39,781
<i>Fund Balance Beginning of Year</i>	<u>54,044</u>	<u>54,044</u>	<u>54,044</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$58,044</u></u>	<u><u>\$58,044</u></u>	<u><u>\$97,825</u></u>	<u><u>\$39,781</u></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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Capital Outlay	<u>36,828</u>	<u>36,828</u>	<u>36,828</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(36,828)	(36,828)	(36,828)	0
<i>Fund Balance Beginning of Year</i>	779	779	779	0
Prior Year Encumbrances Appropriated	<u>36,828</u>	<u>36,828</u>	<u>36,828</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$779</u></u>	<u><u>\$779</u></u>	<u><u>\$779</u></u>	<u><u>\$0</u></u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recreation Center Construction Fund*  
*For the Year Ended December 31, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Municipal Income Taxes	\$572,000	\$572,000	\$732,788	\$160,788
Miscellaneous	0	0	550	550
<i>Total Revenues</i>	<u>572,000</u>	<u>572,000</u>	<u>733,338</u>	<u>161,338</u>
<b>Expenditures</b>				
Capital Outlay:				
Recreation Center Construction:				
Contractual Services	60,000	70,000	67,082	2,918
Capital Outlay	1,823,655	1,813,655	1,588,517	225,138
Other	30,000	30,000	12,000	18,000
<i>Total Expenditures</i>	<u>1,913,655</u>	<u>1,913,655</u>	<u>1,667,599</u>	<u>246,056</u>
<i>Net Change in Fund Balance</i>	(1,341,655)	(1,341,655)	(934,261)	407,394
<i>Fund Balance Beginning of Year</i>	3,306,528	3,306,528	3,306,528	0
Prior Year Encumbrances Appropriated	<u>1,538,805</u>	<u>1,538,805</u>	<u>1,538,805</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$3,503,678</u>	<u>\$3,503,678</u>	<u>\$3,911,072</u>	<u>\$407,394</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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$317,000	\$317,000	\$271,916	(\$45,084)
Rentals	39,600	39,600	40,350	750
Miscellaneous	5,400	5,400	4,434	(966)
<i>Total Revenues</i>	<u>362,000</u>	<u>362,000</u>	<u>316,700</u>	<u>(45,300)</u>
<b>Expenses</b>				
Personal Services	262,100	257,100	241,880	15,220
Fringe Benefits	67,000	51,000	48,649	2,351
Contractual Services	156,282	102,281	80,812	21,469
Materials and Supplies	69,900	55,400	45,632	9,768
Capital Outlay	20,000	9,500	6,500	3,000
Other	23,372	23,372	12,594	10,778
<i>Total Expenses</i>	<u>598,654</u>	<u>498,653</u>	<u>436,067</u>	<u>62,586</u>
<i>Excess of Revenues Under Expenses Before Sale of Capital Assets and Advances</i>	(236,654)	(136,653)	(119,367)	17,286
Sale of Fixed Assets	0	0	1,800	1,800
Advances In	225,000	225,000	150,000	(75,000)
<i>Net Change in Fund Equity</i>	(11,654)	88,347	32,433	(55,914)
<i>Fund Equity Beginning of Year</i>	48,661	48,661	48,661	0
Prior Year Encumbrances Appropriated	2,982	2,982	2,982	0
<i>Fund Equity End of Year</i>	<u>\$39,989</u>	<u>\$139,990</u>	<u>\$84,076</u>	<u>(\$55,914)</u>

**City of Westlake, Ohio**  
*Schedule of Revenues, Expenses and Changes  
in Fund Equity - Budget (Non-GAAP Basis) and Actual  
Hospitalization Fund  
For the Year Ended December 31, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$3,900,300	\$3,900,300	\$3,259,568	(\$640,732)
<b>Expenses</b>				
Contractual Services	686,107	686,107	661,107	25,000
Claims	3,362,002	3,362,002	3,270,423	91,579
<i>Total Expenses</i>	<u>4,048,109</u>	<u>4,048,109</u>	<u>3,931,530</u>	<u>116,579</u>
<i>Net Change in Fund Equity</i>	(147,809)	(147,809)	(671,962)	(524,153)
<i>Fund Equity Beginning of Year</i>	2,983,540	2,983,540	2,983,540	0
Prior Year Encumbrances Appropriated	<u>471,128</u>	<u>471,128</u>	<u>471,128</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$3,306,859</u>	<u>\$3,306,859</u>	<u>\$2,782,706</u>	<u>(\$524,153)</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.

<b>Contents</b>	<b>Pages(s)</b>
<b><i>Financial Trends</i></b> .....	S2 – S11
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
<b><i>Revenue Capacity</i></b> .....	S12 – S19
These schedules contain information to help the reader assess the City’s most significant local revenues, the property tax and the municipal income tax.	
<b><i>Debt Capacity</i></b> .....	S20 - S27
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
<b><i>Demographic and Economic Information</i></b> .....	S29 – S31
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place.	
<b><i>Operating Information</i></b> .....	S32 - S37
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.	

**Sources:** Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

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

	2015 (1)	2014	2013	2012
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$139,414,217	\$126,984,208	\$127,651,517	\$121,260,561
Restricted	31,672,209	42,096,325	37,706,036	36,145,785
Unrestricted (1)	25,293,630	19,108,390	42,509,763	40,264,326
<i>Total Governmental Activities Net Position</i>	<u>196,380,056</u>	<u>188,188,923</u>	<u>207,867,316</u>	<u>197,670,672</u>
<b>Business-Type Activities</b>				
Net Investment in Capital Assets	25,995,165	26,983,590	28,088,783	30,295,832
Unrestricted (1)	13,072,759	12,822,985	13,197,731	13,684,924
<i>Total Business-Type Activities Net Position</i>	<u>39,067,924</u>	<u>39,806,575</u>	<u>41,286,514</u>	<u>43,980,756</u>
<b>Primary government</b>				
Net Investment in Capital Assets	165,409,382	153,967,798	155,740,300	151,556,393
Restricted	31,672,209	42,096,325	37,706,036	36,145,785
Unrestricted (1)	38,366,389	31,931,375	55,707,494	53,949,250
<i>Total Primary Government Net Position</i>	<u>\$235,447,980</u>	<u>\$227,995,498</u>	<u>\$249,153,830</u>	<u>\$241,651,428</u>

(1) The City reported the impact of GASB Statement No. 68 beginning in 2015.

2011	2010	2009	2008	2007	2006
\$120,651,597	\$118,410,063	\$115,906,207	\$116,235,290	\$113,923,769	\$111,215,683
39,248,472	42,677,403	39,002,639	38,496,737	36,851,590	29,743,519
32,946,087	23,964,324	23,933,018	16,455,779	30,181,068	30,016,958
192,846,156	185,051,790	178,841,864	171,187,806	180,956,427	170,976,160
30,643,725	31,334,659	31,092,605	31,760,772	32,213,389	32,600,713
15,072,756	16,277,091	18,373,841	19,410,303	19,250,408	20,501,409
45,716,481	47,611,750	49,466,446	51,171,075	51,463,797	53,102,122
151,295,322	149,744,722	146,998,812	147,996,062	146,137,158	143,816,396
39,248,472	42,677,403	39,002,639	38,496,737	36,851,590	29,743,519
48,018,843	40,241,415	42,306,859	35,866,082	49,431,476	50,518,367
<u>\$238,562,637</u>	<u>\$232,663,540</u>	<u>\$228,308,310</u>	<u>\$222,358,881</u>	<u>\$232,420,224</u>	<u>\$224,078,282</u>

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

	2015 (1)	2014	2013	2012
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
General Government	\$648,223	\$1,013,675	\$760,751	\$496,295
Security of Persons and Property	1,790,833	1,650,934	1,719,144	1,030,741
Public Health Services	97,200	78,150	86,828	144,383
Transportation	556,556	475,729	581,149	415,183
Community Environment	116,909	81,787	78,126	378,779
Basic Utility Services	129,890	88,531	126,920	182,005
Leisure Time Activities	2,600,202	2,311,885	2,481,187	2,512,420
Operating Grants and Contributions	1,634,552	1,785,738	1,525,808	2,104,715
Capital Grants and Contributions	8,820,731	8,243,682	3,321,851	1,422,539
<i>Total Governmental Activities Program Revenues</i>	<u>16,395,096</u>	<u>15,730,111</u>	<u>10,681,764</u>	<u>8,687,060</u>
Business-Type Activities:				
Charges for Services:				
Sewer	2,753,856	2,685,737	2,189,435	1,864,043
Golf Course	312,266	308,476	309,945	331,372
Capital Grants and Contributions	127,383	0	168,731	47,087
<i>Total Business-Type Activities Program Revenues</i>	<u>3,193,505</u>	<u>2,994,213</u>	<u>2,668,111</u>	<u>2,242,502</u>
<i>Total Primary Government Program Revenues</i>	<u>19,588,601</u>	<u>18,724,324</u>	<u>13,349,875</u>	<u>10,929,562</u>
<b>Expenses</b>				
Governmental Activities:				
General Government	7,678,275	8,418,520	6,840,500	7,404,615
Security of Persons and Property	17,282,475	17,487,121	14,405,743	15,042,478
Public Health Services	1,224,487	1,174,508	891,433	1,073,921
Transportation	13,864,015	11,442,820	10,875,198	10,977,479
Community Environment	2,101,651	3,388,227	1,492,557	1,475,762
Basic Utility Services	2,908,847	2,180,366	2,240,089	2,058,732
Leisure Time Activities	4,089,416	4,064,325	3,992,595	3,762,378
Interest and Fiscal Charges	2,822,396	2,117,493	663,122	1,253,224
<i>Total Governmental Activities Expenses</i>	<u>51,971,562</u>	<u>50,273,380</u>	<u>41,401,237</u>	<u>43,048,589</u>
Business-Type Activities:				
Sewer	3,519,865	3,324,980	3,897,755	3,557,778
Golf	453,454	450,130	452,592	478,255
<i>Total Business-Type Activities Expenses</i>	<u>3,973,319</u>	<u>3,775,110</u>	<u>4,350,347</u>	<u>4,036,033</u>
<i>Total Primary Government Expenses</i>	<u>\$55,944,881</u>	<u>\$54,048,490</u>	<u>\$45,751,584</u>	<u>\$47,084,622</u>

2011	2010	2009	2008	2007	2006
\$544,628	\$618,409	\$403,368	\$62,982	\$204,883	\$173,083
1,084,774	1,055,314	1,658,886	1,792,383	1,137,311	1,035,418
166,906	163,675	179,602	219,131	179,762	164,790
358,448	257,883	224,745	170,479	2,050	18,095
200,992	158,287	179,680	473,546	258,685	330,801
177,435	182,493	226,160	117,076	580,438	699,054
2,407,993	2,339,261	2,318,991	2,422,194	2,392,074	2,457,714
2,815,006	1,813,317	1,908,400	1,999,419	2,247,881	2,326,833
1,546,514	2,572,627	198,262	861,837	86,159	779,936
9,302,696	9,161,266	7,298,094	8,119,047	7,089,243	7,985,724
1,733,629	1,745,665	1,704,877	2,038,961	1,782,896	1,849,077
299,480	398,914	429,063	438,473	497,736	460,439
0	0	0	0	0	0
2,033,109	2,144,579	2,133,940	2,477,434	2,280,632	2,309,516
11,335,805	11,305,845	9,432,034	10,596,481	9,369,875	10,295,240
7,902,687	6,968,302	7,911,956	22,355,014	7,364,070	7,343,276
14,747,275	14,584,694	14,833,854	15,023,844	13,159,961	12,689,539
1,190,286	1,185,741	990,935	1,040,137	962,658	904,177
11,927,202	9,085,307	7,754,905	11,143,476	10,093,953	8,837,612
1,721,879	1,685,287	1,461,332	1,436,256	1,305,482	1,403,325
1,801,486	1,917,453	1,843,251	1,925,985	2,184,182	1,770,100
3,788,078	3,979,282	3,963,481	3,990,032	4,312,925	3,679,917
806,303	762,104	775,746	832,754	633,706	1,372,783
43,885,196	40,168,170	39,535,460	57,747,498	40,016,937	38,000,729
3,684,221	3,574,031	3,407,143	3,206,285	3,396,803	2,619,020
428,838	462,322	499,842	509,423	475,205	498,429
4,113,059	4,036,353	3,906,985	3,715,708	3,872,008	3,117,449
\$47,998,255	\$44,204,523	\$43,442,445	\$61,463,206	\$43,888,945	\$41,118,178

(continued)

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

	2015 (1)	2014	2013	2012
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(\$35,576,466)	(\$34,543,269)	(\$30,719,473)	(\$34,361,529)
Business-Type Activities	(779,814)	(780,897)	(1,682,236)	(1,793,531)
<i>Total Primary Government Net Expense</i>	<u>(36,356,280)</u>	<u>(35,324,166)</u>	<u>(32,401,709)</u>	<u>(36,155,060)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities:				
Taxes:				
Property Taxes Levied For:				
General Purposes	9,733,889	9,213,316	9,798,208	9,529,928
Other Purposes	1,825,021	1,723,188	1,832,575	1,790,295
Debt Service	0	0	0	112,330
Municipal Income Taxes Levied For:				
General Purposes	17,052,217	15,823,044	15,499,256	14,861,413
Recreation	244,579	245,548	260,674	255,530
Debt Service	2,000,167	1,969,449	1,993,639	1,924,449
Capital Outlay	6,486,643	5,839,692	5,709,996	5,401,802
Admissions Tax	124,078	134,986	186,249	184,553
Hotel Taxes	522,645	489,850	499,878	483,446
Grants and Entitlements not Restricted to Specific Programs	1,563,433	2,253,953	2,585,598	3,248,049
Franchise Taxes	644,240	649,254	492,615	573,198
Investment Earnings	539,348	289,616	290,643	428,975
Unrestricted Contributions	11,870	13,736	0	0
Payment in Lieu of Taxes	539,499	0	0	0
Gain (Loss) on Sale of Capital Assets	0	41,425	43,276	50,214
Miscellaneous	2,480,501	2,228,479	676,958	360,487
Transfers	(531)	0	1,046,552	(18,624)
<i>Total Governmental Activities</i>	<u>43,767,599</u>	<u>40,915,536</u>	<u>40,916,117</u>	<u>39,186,045</u>
Business-Type Activities:				
Investment Earnings	34,398	17,152	29,306	6,464
Gain on Sale of Capital Assets	1,800	6,901	0	27,000
Miscellaneous	4,434	7,697	5,240	5,718
Transfers	531	0	(1,046,552)	18,624
<i>Total Business-Type Activities</i>	<u>41,163</u>	<u>31,750</u>	<u>(1,012,006)</u>	<u>57,806</u>
<i>Total Primary Government</i>	<u>43,808,762</u>	<u>40,947,286</u>	<u>39,904,111</u>	<u>39,243,851</u>
<b>Change in Net Position</b>				
Governmental Activities	8,191,133	6,372,267	10,196,644	4,824,516
Business-Type Activities	(738,651)	(749,147)	(2,694,242)	(1,735,725)
<i>Total Primary Government Change in Net Position</i>	<u>\$7,452,482</u>	<u>\$5,623,120</u>	<u>\$7,502,402</u>	<u>\$3,088,791</u>

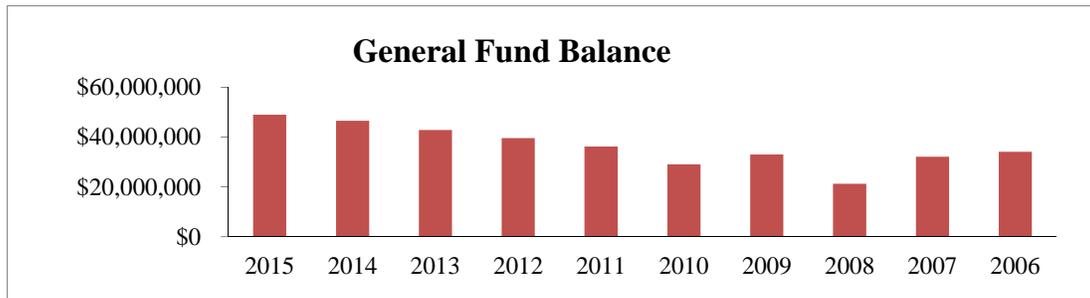
(1) Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in 2015.

2011	2010	2009	2008	2007	2006
(\$34,582,500)	(\$31,006,904)	(\$32,237,366)	(\$49,628,451)	(\$32,927,694)	(\$30,015,005)
(2,079,950)	(1,891,774)	(1,773,045)	(1,238,274)	(1,591,376)	(807,933)
(36,662,450)	(32,898,678)	(34,010,411)	(50,866,725)	(34,519,070)	(30,822,938)
9,766,663	9,875,483	10,340,850	9,389,659	9,943,421	8,505,234
1,831,250	1,851,654	1,935,405	1,853,221	1,963,131	1,809,629
122,084	120,758	100,983	857,615	1,043,024	1,082,470
14,091,446	12,617,962	12,306,589	12,462,547	13,895,909	11,550,068
259,448	53,841	0	250,588	252,860	239,682
1,857,968	835,022	975,491	1,002,399	2,178,908	2,396,061
4,995,362	5,506,156	5,176,375	5,110,393	4,539,069	3,298,704
187,280	178,209	188,867	197,798	211,079	173,992
431,774	406,204	374,953	457,987	492,516	405,983
6,057,901	4,460,061	4,653,290	4,282,803	3,569,675	5,127,705
523,339	479,845	450,860	438,367	0	0
615,400	264,472	2,788,286	2,877,142	4,362,251	2,958,506
0	0	0	0	0	0
0	0	0	0	0	0
5,296	57,300	5,000	0	0	0
1,637,665	499,937	702,847	687,619	322,680	365,149
(6,010)	9,926	0	(8,308)	133,438	140,594
42,376,866	37,216,830	39,999,796	39,859,830	42,907,961	38,053,777
32,957	46,940	59,969	927,845	77,528	320,903
0	0	0	0	0	0
145,714	64	8,447	9,399	8,961	10,000
6,010	(9,926)	0	8,308	(133,438)	(140,594)
184,681	37,078	68,416	945,552	(46,949)	190,309
42,561,547	37,253,908	40,068,212	40,805,382	42,861,012	38,244,086
7,794,366	6,209,926	7,762,430	(9,768,621)	9,980,267	8,038,772
(1,895,269)	(1,854,696)	(1,704,629)	(292,722)	(1,638,325)	(617,624)
\$5,899,097	\$4,355,230	\$6,057,801	(\$10,061,343)	\$8,341,942	\$7,421,148

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

	2015	2014	2013	2012
<b>General Fund:</b>				
Reserved	\$0	\$0	\$0	\$0
Unreserved:				
Designated for Capital Acquisitions	0	0	0	0
Unreserved, Undesignated	0	0	0	0
Nonspendable	1,777,482	1,770,774	1,576,133	1,388,341
Committed	0	133,197	153,311	78,494
Assigned	27,107,303	21,958,577	19,781,129	17,151,115
Unassigned	20,024,683	22,663,318	21,321,693	20,917,452
<b>Total General Fund</b>	<b>48,909,468</b>	<b>46,525,866</b>	<b>42,832,266</b>	<b>39,535,402</b>
<b>All Other Governmental Funds:</b>				
Reserved	0	0	0	0
Unreserved:				
Undesignated, Reported in:				
Special Revenue funds	0	0	0	0
Debt Service funds	0	0	0	0
Capital Projects funds	0	0	0	0
Nonspendable	601,338	582,061	5,430,576	583,190
Restricted	43,458,975	57,680,924	25,520,283	29,028,573
Committed	2,586,755	2,342,690	2,105,124	1,706,932
Assigned	15,607	37,607	15,607	15,607
Unassigned (Deficit)	(1,911,316)	(3,480,036)	(3,090,696)	(424,244)
<b>Total All Other Governmental Funds</b>	<b>44,751,359</b>	<b>57,163,246</b>	<b>29,980,894</b>	<b>30,910,058</b>
<b>Total Governmental Funds</b>	<b>\$93,660,827</b>	<b>\$103,689,112</b>	<b>\$72,813,160</b>	<b>\$70,445,460</b>

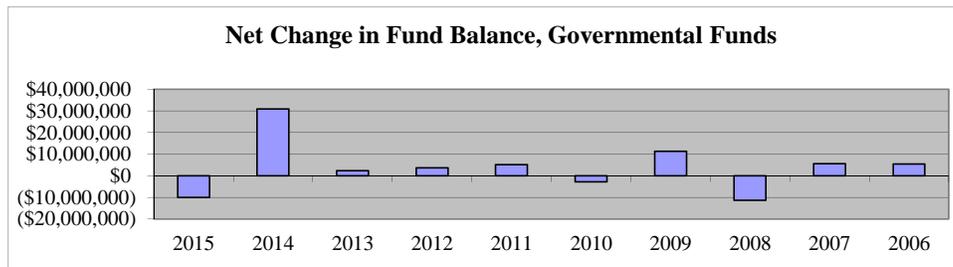
Note: The City implemented GASB 54 in 2009.



2011	2010	2009	2008	2007	2006
\$0	\$0	\$0	\$0	\$7,796,807	\$9,697,876
0	0	0	0	8,730,585	7,975,965
0	0	0	0	15,559,357	16,408,054
1,544,312	2,472,785	7,966,056	2,430,152	0	0
0	0	0	0	0	0
12,590,847	12,135,035	12,627,238	11,950,684	0	0
22,069,614	14,398,464	12,369,237	6,874,603	0	0
36,204,773	29,006,284	32,962,531	21,255,439	32,086,749	34,081,895
0	0	0	0	2,797,164	3,034,449
0	0	0	0	9,530,790	8,632,231
0	0	0	0	2,032,234	2,337,907
0	0	0	0	17,986,851	10,707,187
569,065	546,832	533,795	511,532	0	0
29,978,659	32,201,348	35,848,263	29,715,408	0	0
1,349,585	1,125,004	1,491,683	1,822,084	0	0
15,607	15,607	15,607	114,828	0	0
(1,414,992)	(1,379,716)	(3,587)	(458,806)	0	0
30,497,924	32,509,075	37,885,761	31,705,046	32,347,039	24,711,774
\$66,702,697	\$61,515,359	\$70,848,292	\$52,960,485	\$64,433,788	\$58,793,669

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

	2015	2014	2013	2012
<b>Revenues</b>				
Property Taxes	\$11,547,143	\$11,671,818	\$11,197,764	\$11,409,771
Municipal Income Taxes	25,757,758	24,633,001	22,704,304	21,744,517
Admission Taxes	124,078	134,986	186,249	184,553
Hotel Taxes	522,645	489,850	499,878	483,446
Permissive Motor Vehicle Taxes	238,712	234,314	229,172	226,807
Charges for Services	3,828,835	3,762,633	4,050,691	3,350,948
Licenses, Permits and Fees	1,182,052	1,183,422	894,372	655,053
Fines and Forfeitures	347,129	272,467	293,605	332,873
Intergovernmental	11,310,791	4,311,716	6,908,585	6,104,036
Special Assessments	393,347	418,783	466,384	290,000
Payments in Lieu of Taxes	539,499	0	0	0
Interest	539,348	289,616	290,643	428,975
Rentals	221,886	209,870	225,295	231,985
Contributions and Donations	782,822	6,974,059	23,293	29,900
Franchise Taxes	644,240	649,254	492,615	573,198
Miscellaneous	2,511,211	2,174,483	642,417	359,643
<b>Total Revenues</b>	<b>60,491,496</b>	<b>57,410,272</b>	<b>49,105,267</b>	<b>46,405,705</b>
<b>Expenditures</b>				
Current:				
General Government	7,381,581	7,821,827	6,900,546	6,970,194
Security of Persons and Property	16,047,061	15,845,571	14,444,674	14,314,721
Public Health Services	1,129,696	1,041,101	887,612	1,060,754
Transportation	7,970,793	6,987,598	7,211,192	7,028,529
Community Environment	2,106,262	1,669,156	1,541,973	1,468,880
Basic Utility Services	918,388	770,242	900,172	817,980
Leisure Time Activities	3,372,995	3,229,032	3,432,454	3,097,749
Capital Outlay	35,901,521	35,240,489	8,701,922	5,210,403
Debt service:				
Principal Retirement	1,938,751	1,948,842	2,103,842	2,008,451
Interest and Fiscal Charges	2,809,501	1,964,178	671,181	719,472
Capital Appreciation Bonds Interest	0	0	0	0
Bond Issuance Costs	0	1,584,844	0	0
<b>Total Expenditures</b>	<b>79,576,549</b>	<b>78,102,880</b>	<b>46,795,568</b>	<b>42,697,133</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(19,085,053)</b>	<b>(20,692,608)</b>	<b>2,309,699</b>	<b>3,708,572</b>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	77,791	91,045	58,001	34,191
General Obligations Notes and Bonds Issued	0	0	0	0
General Obligation Notes and Bonds Premium	0	0	0	0
OPWC Loan Issued	200,065	2,555,933	0	0
State Infrastructure Bank Loan Issued	8,765,300	0	0	0
General Obligation Bonds Issued	0	0	0	0
General Obligation Bonds Premium	0	0	0	0
Special Obligation Bonds Issued	0	48,330,000	0	0
Special Obligation Bonds Premium	0	591,582	0	0
Inception of Capital Lease	13,612	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0
Transfers In	1,294,332	952,757	967,265	1,742,430
Transfers Out	(1,294,332)	(952,757)	(967,265)	(1,742,430)
<b>Total Other Financing Sources (Uses)</b>	<b>9,056,768</b>	<b>51,568,560</b>	<b>58,001</b>	<b>34,191</b>
<b>Net Change in Fund Balances</b>	<b>(\$10,028,285)</b>	<b>\$30,875,952</b>	<b>\$2,367,700</b>	<b>\$3,742,763</b>
Debt Service as a Percentage of Noncapital Expenditure	10.1%	8.7%	7.5%	7.3%



2011	2010	2009	2008	2007	2006
\$11,669,377	\$11,871,691	\$12,216,342	\$12,325,252	\$12,665,021	\$11,396,836
20,314,848	19,136,172	18,253,703	19,119,560	20,164,744	18,293,898
187,280	178,209	188,867	197,798	211,079	173,992
431,774	406,204	374,953	457,987	492,516	405,983
223,842	257,883	224,745	242,258	0	0
3,478,751	3,454,644	3,327,200	3,987,708	3,608,149	3,480,554
569,913	472,444	540,779	584,486	761,571	929,730
361,168	359,933	790,128	280,141	227,919	243,059
9,857,916	8,702,713	6,651,892	6,822,869	5,876,873	8,009,743
290,000	285,000	300,000	340,000	320,000	357,592
0	0	0	0	0	0
615,400	264,472	2,761,850	2,850,216	4,330,669	2,958,506
229,550	164,498	152,158	159,180	157,564	145,020
99,560	36,205	39,373	62,864	39,963	61,882
523,339	479,845	450,860	438,367	0	0
1,621,375	499,937	702,847	640,351	322,680	365,149
50,474,093	46,569,850	46,975,697	48,509,037	49,178,748	46,821,944
7,504,572	6,835,591	7,603,847	21,996,767	5,983,975	5,910,695
13,899,297	14,184,779	13,916,347	13,994,489	12,507,272	11,991,168
1,017,728	1,078,920	934,217	932,305	832,274	782,869
6,607,706	6,987,274	6,503,112	6,694,353	6,112,980	4,742,667
1,700,116	1,680,434	1,482,743	1,399,183	1,282,164	1,373,099
704,210	763,839	741,720	771,254	753,497	707,566
3,042,862	3,316,452	3,249,516	3,275,678	3,488,479	3,022,567
8,585,474	10,406,778	8,400,702	8,267,256	8,264,879	8,567,823
9,077,169	10,625,029	1,286,743	1,463,142	3,101,326	3,297,761
812,377	785,863	648,827	705,748	1,355,219	1,186,462
0	140,730	134,018	387,618	0	0
130,110	35,416	22,878	178,495	0	0
53,081,621	56,841,105	44,924,670	60,066,288	43,682,065	41,582,677
(2,607,528)	(10,271,255)	2,051,027	(11,557,251)	5,496,683	5,239,267
73,427	34,382	13,902	12,201	9,998	17,635
0	7,350,000	9,300,000	9,990,000	0	0
0	53,940	22,878	4,776	0	0
0	0	0	0	0	0
0	0	0	0	0	0
7,350,000	0	0	0	0	0
263,453	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
12,326	0	0	0	0	0
0	0	0	(9,814,657)	0	0
1,242,799	729,550	889,476	1,966,471	11,961,714	3,846,676
(1,242,799)	(729,550)	(889,476)	(1,966,471)	(11,828,276)	(3,704,801)
7,699,206	7,438,322	9,336,780	192,320	143,436	159,510
\$5,091,678	(\$2,832,933)	\$11,387,807	(\$11,364,931)	\$5,640,119	\$5,398,777
21.6%	25.6%	6.1%	4.9%	12.0%	13.2%

**City of Westlake, Ohio**

*Property Tax Rates - Direct and Overlapping Governments*

*(Per \$1,000 of Assessed Valuation)*

*Last Ten Collection Years*

	2015	2014	2013	2012
<b>Unvoted Millage</b>				
Operating	\$1.50000	\$1.50000	\$1.50000	\$1.50000
Debt	0.00000	0.00000	0.00000	0.00000
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>2.10000</u>
<b>Voted Millage by Levy</b>				
1976 Charter/Current Expense	6.52000	6.52000	6.52000	6.52000
1988 Bond (\$6,000,000)	0.00000	0.00000	0.00000	0.00000
2001 Charter Police and Fire Operating	0.90000	0.90000	0.90000	0.90000
<i>Total Voted Millage by Type of Property</i>	<u>7.42000</u>	<u>7.42000</u>	<u>7.42000</u>	<u>7.42000</u>
<i>Total Millage</i>	<u><u>\$9.52000</u></u>	<u><u>\$9.52000</u></u>	<u><u>\$9.52000</u></u>	<u><u>\$9.52000</u></u>

**Overlapping Rates by Taxing District**

***Westlake City School District***

General Business and Public Utility Personal	\$70.10000	\$70.10000	\$70.10000	\$70.10000
Residential/Agricultural Real	36.05458	37.31630	37.31100	37.25843
Commercial/Industrial and Public Utility Real	41.04409	40.81830	40.68110	39.15236

***Westlake Porter Library***

<i>Operating - continuing</i>				
General Business and Public Utility Personal	2.80000	2.80000	2.80000	2.80000
Residential/Agricultural Real	2.66316	2.80000	2.80000	2.80000
Commercial/Industrial and Public Utility Real	2.80000	2.80000	2.80000	2.80000

***Cuyahoga County***

General Business and Public Utility Personal	14.05000	14.05000	14.05000	13.22000
Residential/Agricultural Real	13.86978	14.05000	14.05000	13.22000
Commercial/Industrial and Public Utility Real	14.05000	14.01950	13.94950	12.99676

***Special Taxing Districts (1)***

General Business and Public Utility Personal	6.88000	6.88000	5.98000	5.08000
Residential/Agricultural Real	6.76737	6.86430	5.96390	5.06349
Commercial/Industrial and Public Utility Real	6.86755	6.84010	5.88430	4.96214

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) Cleveland Metro Parks, Port Authority, Cuyahoga Community College

Source: Cuyahoga County Fiscal Officer

Note: Debt Service levies are designed to raise a fixed amount of revenue each year. A rate is set each year so that when it is applied to the total assessed value, that fixed amount is generated.

2011	2010	2009	2008	2007	2006
\$1.40000	\$1.40000	\$1.40000	\$1.00000	\$1.00000	\$1.00000
0.10000	0.10000	0.10000	0.50000	0.50000	0.50000
0.30000	0.30000	0.30000	0.30000	0.30000	0.30000
0.30000	0.30000	0.30000	0.30000	0.30000	0.30000
2.10000	2.10000	2.10000	2.10000	2.10000	2.10000
6.60000	6.60000	6.60000	6.60000	6.60000	6.60000
0.00000	0.00000	0.00000	0.20000	0.30000	0.40000
0.90000	0.90000	0.90000	0.90000	0.90000	0.90000
7.50000	7.50000	7.50000	7.70000	7.80000	7.90000
\$9.60000	\$9.60000	\$9.60000	\$9.80000	\$9.90000	\$10.00000

\$70.10000	\$70.10000	\$66.50000	\$66.50000	\$66.50000	\$60.80000
36.76906	36.66812	31.74549	31.72675	31.72802	27.95490
39.11334	38.60543	35.26262	35.20358	34.98604	31.29490

2.80000	2.80000	2.80000	2.50000	2.50000	2.50000
2.80000	2.79970	2.80000	2.12764	2.12775	2.29980
2.80000	2.77368	2.80000	2.23154	2.21376	2.37790

13.22000	13.32000	13.32000	13.42000	13.42000	13.52000
13.11822	13.18662	12.66073	11.86887	11.86549	11.72270
12.78454	12.84125	12.81530	12.45356	12.49410	12.57620

5.08000	5.08000	4.78000	4.78000	4.78000	4.78000
5.00415	4.98989	4.15975	4.15898	4.15762	4.29650
4.86484	4.84497	4.39124	4.37987	4.39621	4.55520

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

Collection Year	Real Property Assessed Values			Estimated Actual Value	Tangible Personal Property	
	Residential/ Agricultural	Commercial Industrial	Public Utility		Public Utility Assessed Values	Estimated Actual Value
2015	\$961,244,180	\$378,786,240	\$0	\$3,828,658,343	\$25,237,460	\$28,678,932
2014	954,156,290	376,280,950	0	3,801,249,257	24,094,940	27,380,614
2013	953,166,540	391,329,590	0	3,841,417,514	21,853,120	24,833,091
2012	967,001,100	378,135,350	0	3,843,247,000	19,742,750	22,434,943
2011	968,121,950	383,265,660	0	3,861,107,457	18,395,760	20,904,273
2010	964,775,720	381,758,880	0	3,847,241,714	17,904,860	20,346,432
2009	1,013,775,970	368,240,130	0	3,948,617,429	16,859,840	19,158,909
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

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax was phased out beginning in 2006. Both types of general business tangible personal property were assessed at 12.5 for 2007, 6.25 percent for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers (except telephone companies whose last year to pay tangible personal property tax is 2010).

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

Source: Office of the County Fiscal Officer, Cuyahoga County, Ohio

Tangible Personal Property							
General Business				Total			
Assessed Values	Estimated Actual Value	Assessed Values	Estimated Actual Value	Ratio	Direct Tax Rate		
\$0	\$0	\$1,365,267,880	\$3,857,337,275	35.39 %	\$9.52		
0	0	1,354,532,180	3,828,629,871	35.38	9.52		
0	0	1,366,349,250	3,866,250,605	35.34	9.52		
0	0	1,364,879,200	3,865,681,943	35.31	9.52		
0	0	1,369,783,370	3,882,011,730	35.29	9.60		
0	0	1,364,439,460	3,867,588,146	35.28	9.60		
12,193,793	195,100,688	1,411,069,733	4,162,877,026	33.90	9.60		
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		
68,945,138	367,707,403	1,319,931,318	3,906,906,504	33.78	10.00		

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

Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections (1)	Percent of Total Tax Collections To Tax Levy
2015	\$13,023,503	\$12,597,328	96.73 %	\$256,587	\$12,853,915	98.70 %
2014	12,927,841	12,465,018	96.42	476,492	12,941,510	100.11
2013	13,042,841	12,144,049	93.11	311,148	12,455,197	95.49
2012	13,263,978	12,477,531	94.07	368,459	12,845,990	96.85
2011	13,201,854	12,628,894	95.66	333,829	12,962,723	98.19
2010	13,117,717	12,686,109	96.71	367,689	13,053,798	99.51
2009	13,464,587	12,989,111	96.47	259,512	13,248,623	98.40
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

Source: Cuyahoga County Fiscal Officer

Note: The County's current reporting system does not track delinquency tax collections by tax year. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. Penalties and interest are applied to the total outstanding delinquent balance. The presentation will be updated as new information becomes available.

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

**City of Westlake, Ohio**

*Principal Taxpayers*

2015 and 2006

Taxpayer	2015	
	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Crocker Park Delaware, LLC	\$42,120,290	3.09%
Cleveland Electric Illuminating Company	20,308,650	1.49
Promenade Delaware, LLC	12,272,510	0.90
Crocker Park, LLC	10,545,450	0.77
Hyland Software	7,950,330	0.58
Energizer Battery Manufacturing, Incorporated	7,101,510	0.52
ARC Westlake Village, Incorporated	6,508,500	0.48
Remington Apartments NF, LLC	6,499,330	0.47
BCM Westlake, LLC	6,048,360	0.44
Viillage in the Park	5,449,500	0.40
<b>Total</b>	<b>\$124,804,430</b>	<b>9.14%</b>
<b>Total Assessed Valuation</b>	<b>\$1,365,267,880</b>	

Taxpayer	2006	
	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Toledo-Lucas County Port Authority (Crocker Park)	\$31,018,110	2.35%
Cleveland Electric Illuminating Company	12,396,170	0.94
Westlake Center Associates, LTD	11,229,580	0.85
Energizer Battery Manufacturing, Incorporated	7,417,280	0.56
University Hospital Health Systems	7,215,120	0.55
Remington Apartments NF, LLC	6,239,700	0.47
Crossings Village Westlake, LLC	5,838,600	0.45
Sturbridge Square Apartments	5,630,070	0.43
Cleveland Retirement	5,600,040	0.42
WXZ Arbors, LLC	5,451,880	0.41
<b>Total</b>	<b>\$98,036,550</b>	<b>7.43%</b>
<b>Total Assessed Valuation</b>	<b>\$1,319,931,318</b>	

Source: Cuyahoga County Fiscal Officer

**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
2015	1.50 %	\$25,783,606	\$18,564,196	72 %	\$4,125,377	16 %	\$3,094,033	12 %
2014	1.50	23,877,733	18,203,055	76	3,012,550	13	2,662,128	11
2013	1.50	23,463,565	17,730,322	76	2,917,615	12	2,815,628	12
2012	1.50	22,443,194	16,832,396	75	2,917,615	13	2,693,183	12
2011	1.50	21,204,224	16,327,252	77	2,332,465	11	2,544,507	12
2010	1.50	19,012,981	14,639,995	77	2,091,428	11	2,281,558	12
2009	1.50	18,458,455	14,397,595	78	1,661,261	9	2,399,599	13
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

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) Based on Accrual Basis

**City of Westlake, Ohio**  
*Income Tax Statistics*  
 2014 (1) and Nine Years Ago

2014 (1)				
Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
0-24,999	4,069	30.47 %	\$38,870,320	2.81 %
25,000-49,999	2,329	17.45	86,825,796	6.27
50,000-74,999	1,827	13.69	112,280,205	8.10
75,000-99,999	1,305	9.78	113,254,964	8.17
Over 100,000	3,819	28.61	1,034,232,819	74.65
Total	<u>13,349</u>		<u>\$1,385,464,104</u>	
2006				
Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
0-24,999	3,927	32.44 %	\$23,299,464	2.17 %
25,000-49,999	2,300	19.00	85,610,424	7.99
50,000-74,999	1,606	13.27	98,807,308	9.22
75,000-99,999	1,172	9.68	101,585,510	9.48
Over 100,000	3,100	25.61	762,212,350	71.14
Total	<u>12,105</u>		<u>\$1,071,515,056</u>	

(1) 2014 is the latest information available.

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

**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	Special Obligation Bonds	Bond Anticipation Notes	SIB Loans	OPWC Loans
2015	\$9,788,444	\$3,264,943	\$48,921,582	\$0	\$8,765,300	\$3,118,802
2014	11,453,100	3,534,580	48,921,582	0	0	2,959,049
2013	13,107,009	3,823,935	0	0	0	443,428
2012	14,866,286	4,142,704	0	0	0	504,189
2011	16,544,639	4,446,110	0	0	0	564,950
2010	10,001,023	4,744,001	0	7,376,970	0	625,711
2009	11,090,129	5,040,303	0	9,301,906	0	686,472
2008	12,113,417	5,350,923	0	0	0	747,233
2007	13,272,455	5,699,350	0	0	0	807,993
2006	16,737,726	6,017,943	0	0	0	868,754

(1) Computation of percentage of personal income divided by total debt over total personal income.  
See page S30 for total personal income data.

(2) Computation of per capita divided by total debt over population.  
See page S30 for population data.

Capital Lease	Total Debt	Percentage of Personal Income (1)	Per Capita (2)
\$11,790	\$73,870,861	4.83%	\$2,257
1,617	66,869,928	4.38	2,043
5,147	17,379,519	1.21	531
8,228	19,521,407	1.41	596
10,918	21,566,617	1.61	659
0	22,747,705	1.88	695
0	26,118,810	2.21	817
0	18,211,573	1.54	570
0	19,779,798	1.67	619
0	23,624,423	1.99	739

**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
2015	32,729	\$3,857,337,275	\$9,788,444	0.25%	\$299
2014	32,729	3,828,629,871	11,453,100	0.30	350
2013	32,729	3,866,250,605	13,107,009	0.34	400
2012	32,729	3,865,681,943	14,866,286	0.38	454
2011	32,729	3,882,011,730	16,544,639	0.43	506
2010	32,729	3,867,588,146	10,001,023	0.26	306
2009	31,972	4,162,877,026	11,090,129	0.27	347
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	3,906,906,504	16,737,726	0.43	524

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

Note: Although the debt service fund is restricted for debt service, it is not specifically restricted to the payment of principal. Therefore, these resources are not shown as a deduction from general obligation bonded debt.

**City of Westlake, Ohio**  
*Computation of Direct and Overlapping Governmental Activities Debt*  
*December 31, 2015*

Jurisdiction	Total Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City of Westlake
<b>Direct Debt:</b>			
City of Westlake			
General Obligation Bonds	\$9,788,444	100.00%	\$9,788,444
Special Assessment Bonds	3,264,943	100.00	3,264,943
Special Obligation Bonds	48,921,582	100.00	48,921,582
SIB Loans	8,765,300	100.00	8,765,300
Capital Lease	11,790	100.00	11,790
OPWC Loans	3,118,802	100.00	3,118,802
<b>Total Direct Debt</b>	<b>73,870,861</b>		<b>73,870,861</b>
<b>Overlapping Debt:</b>			
Payable from Property Taxes:			
Cuyahoga County General Obligation Bonds	265,325,306	5.34	14,168,371
Westlake City School District Bonds	90,689,041	100.00	90,689,041
Payable from Other Sources:			
Cuyahoga County Revenue Bonds	632,267,039	5.34	33,763,060
Cuyahoga County Certificates of Participation	256,864,058	5.34	13,716,541
Cuyahoga County Capital Leases	454,910,836	5.34	24,292,239
Cuyahoga County Loans	3,641,944	5.34	194,480
Regional Transit Authority Bonds	120,519,194	5.34	6,435,725
Regional Transit Authority Capital Lease	12,634,072	5.34	674,659
<b>Total Overlapping Debt</b>	<b>1,836,851,490</b>		<b>183,934,116</b>
<b>Total</b>	<b>\$1,910,722,351</b>		<b>\$257,804,977</b>

Source: Cuyahoga County, Ohio; County Fiscal Officer

(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 2015 collection year.

**City of Westlake, Ohio**  
*Legal Debt Margin*  
*Last Ten Years*

	2015	2014	2013	2012
Assessed Property Value	1,365,267,880	1,354,532,180	1,366,349,250	1,364,879,200
General Bonded Debt Outstanding:				
General Obligation Bonds	\$9,630,000	\$11,270,000	\$12,900,000	\$14,635,000
Special Obligation Bonds	48,330,000	48,330,000	0	0
Special Assessment Bonds	3,075,000	3,330,000	3,605,000	3,910,000
Bond Anticipation Notes	0	0	0	0
Total Gross Indebtedness	61,035,000	62,930,000	16,505,000	18,545,000
Less Exempt:				
Special Obligation Bonds	(48,330,000)	(48,330,000)	0	0
Special Assessment Bonds	(3,075,000)	(3,330,000)	(3,605,000)	(3,910,000)
General Obligation Bond Retirement Fund Balance	(218,092)	(220,716)	(297,891)	(553,220)
Issue II Bond Retirement Fund Balance	(150,110)	(148,758)	(147,964)	(151,190)
Total Net Debt Applicable to Debt Limit	9,261,798	10,900,526	12,454,145	13,930,590
Overall Legal Debt Limit				
10 1/2% of Assessed Valuation	143,353,127	142,225,879	143,466,671	143,312,316
Legal Debt Margin Within 10 1/2% Limitations:	\$134,091,329	\$131,325,353	\$131,012,526	\$129,381,726
Legal Debt Margin as a Percentage of the Debt Limit	93.54%	92.34%	91.32%	90.28%
Unvoted Debt Limitation				
5 1/2% of Assessed Valuation	\$75,089,733	\$74,499,270	\$75,149,209	\$75,068,356
Total Gross Indebtedness	61,035,000	62,930,000	16,505,000	18,545,000
Less:				
Special Obligation Bonds	(48,330,000)	(48,330,000)	0	0
Special Assessment Bonds	(3,075,000)	(3,330,000)	(3,605,000)	(3,910,000)
General Obligation Bond Retirement Fund Balance	(218,092)	(220,716)	(297,891)	(553,220)
Issue II Bond Retirement Fund Balance	(150,110)	(148,758)	(147,964)	(151,190)
Net Debt Within 5 1/2% Limitations	9,261,798	10,900,526	12,454,145	13,930,590
Unvoted Legal Debt Margin Within 5 1/2% Limitations:	\$65,827,935	\$63,598,744	\$62,695,064	\$61,137,766
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	87.67%	85.37%	83.43%	81.44%

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

2011	2010	2009	2008	2007	2006
1,369,783,370	1,364,439,460	1,411,069,733	1,408,619,680	1,444,205,326	1,319,931,318
\$16,290,000	\$10,315,000	\$11,294,268	\$12,220,250	\$12,792,630	\$15,513,195
0	0	0	0	0	0
4,200,000	4,490,000	4,775,000	5,075,000	5,415,000	5,735,000
0	9,300,000	9,300,000	0	0	0
20,490,000	24,105,000	25,369,268	17,295,250	18,207,630	21,248,195
0	0	0	0	0	0
(4,200,000)	(4,490,000)	(4,775,000)	(5,075,000)	(5,415,000)	(5,735,000)
(723,548)	(854,116)	(1,352,542)	(1,710,602)	(1,628,522)	(1,647,158)
(148,505)	(35,000)	(35,000)	(35,000)	(35,000)	(333,073)
15,417,947	18,725,884	19,206,726	10,474,648	11,129,108	13,532,964
143,827,254	143,266,143	148,162,322	147,905,066	151,641,559	138,592,788
\$128,409,307	\$124,540,259	\$128,955,596	\$137,430,418	\$140,512,451	\$125,059,824
89.28%	86.93%	87.04%	92.92%	92.66%	90.24%
\$75,338,085	\$75,044,170	\$77,608,835	\$77,474,082	\$79,431,293	\$72,596,222
20,490,000	24,105,000	25,369,268	17,295,250	18,207,630	21,248,195
0	0	0	0	0	0
(4,200,000)	(4,490,000)	(4,775,000)	(5,075,000)	(5,415,000)	(5,735,000)
(723,548)	(854,116)	(1,352,542)	(1,710,602)	(1,628,522)	(1,647,158)
(148,505)	(35,000)	(35,000)	(35,000)	(35,000)	(333,073)
15,417,947	18,725,884	19,206,726	10,474,648	11,129,108	13,532,964
\$59,920,138	\$56,318,286	\$58,402,109	\$66,999,434	\$68,302,185	\$59,063,258
79.53%	75.05%	75.25%	86.48%	85.99%	81.36%

**City of Westlake, Ohio**  
*Pledged Revenue Coverage*  
*American Greetings Fund (1)*  
*Last Two Years (1)*

Year	American Greetings Fund	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2015	\$539,499	\$0	\$1,980,569	\$1,980,569	0.27
2014	0	0	1,347,887	1,347,887	0.00

(1) The Tax Incremental Financing bonds were issued in 2014. The special obligation bonds will be paid from tax incremental financing (TIF) revenue. Collections began in 2015 and are not expected to cover debt service requirements until 2017.

**City of Westlake, Ohio**  
*Pledged Revenue Coverage*  
*Street Maintenance Fund (1)*  
*December 31, 2015*

Year	Street Maintenance Fund	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2015	\$1,260,245	\$0	\$0	\$0	0.00

(1) The Ohio Department of Transportation SIB loan was issued in 2015. The loan will be paid from permissive license tax, motor vehicle license tax and motor vehicle gasoline tax revenues. Debt service requirements will begin in 2016.

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**City of Westlake, Ohio**

*Principal Employers*

2015 and 2006

2015		
Employer	Employees	Percentage of Total City Employment
Hyland Software	1,712	6.63 %
St. John Medical Center	1,526	5.92
Westlake City School District	652	2.53
TA Operating, LLC	484	1.88
Lutheran Home for the Aged	438	1.70
City of Westlake	431	1.67
Equity Administrative Services	362	1.40
Premier Physicians Centers, Incorporated	260	1.01
Energizer Manufacturing, Incorporated	240	0.93
The Cleveland Clinic Foundation	198	0.76
<b>Total</b>	<b>6,303</b>	<b>24.43 %</b>
<b>Total City Employment</b>	<b>25,798</b>	

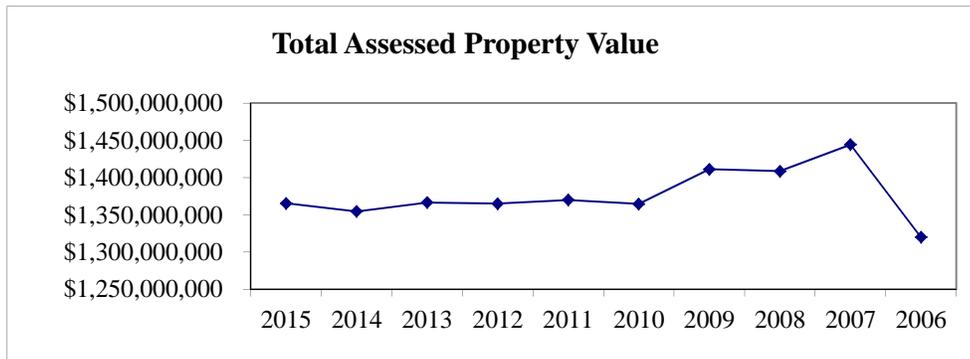
2006		
Employer	Employees	Percentage of Total City Employment
St. John Medical Center	1,210	4.64 %
Westlake City School District	565	2.17
Hyland Software	550	2.11
Energizer Manufacturing, Incorporated	450	1.72
City of Westlake	419	1.61
Lutheran Home for the Aged	400	1.53
USG Interior/American Metals	300	1.15
Harborside Healthcare	300	1.15
Lake Erie Electric, Incorporated	275	1.05
Travel Centers of America	260	0.99
<b>Total</b>	<b>4,729</b>	<b>18.12 %</b>
<b>Total City Employment</b>	<b>26,093</b>	

Source: City of Westlake, Ohio, Department of Planning of Economic amounts are estimates. Total City employment based upon estimate from the Regional Development - Regional Income Tax Authority 2015 withholding information.

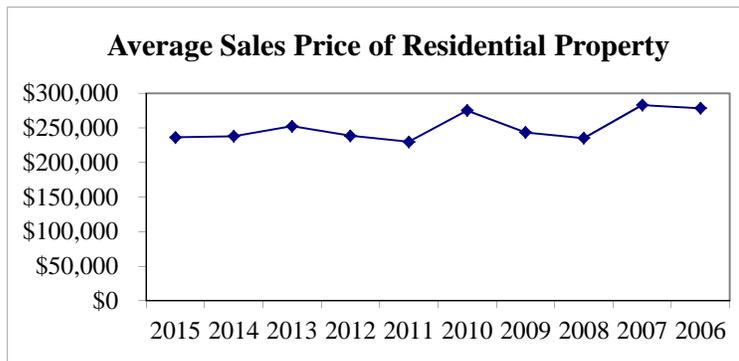
**City of Westlake, Ohio**  
*Demographic and Economic Statistics*  
*Last Ten Years*

Year	Population (1a)	Total Personal Income	Per Capita Personal Income (5) (1a)	Median Household Income (1a)	Median Age (1a)	Educational Attainment: Bachelor's Degree or higher (1a)
2015	32,729	\$1,527,920,636	\$46,684	\$76,358	45.3	52.4 %
2014	32,729	1,527,920,636	46,684	76,358	45.1	52.4
2013	32,729	1,435,723,043	43,867	74,008	45.0	51.2
2012	32,729	1,387,447,768	42,392	71,974	45.0	50.1
2011	32,729	1,336,259,612	40,828	68,282	45.0	46.2
2010	32,729	1,212,413,076	37,044	65,106	46.0	45.2
2009	31,972	1,184,370,768	37,044	65,106	46.0	45.2
2008	31,972	1,184,370,768	37,044	65,106	44.4	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

- (1) Source: U. S. Census, Census of population
  - (a) 2010 - 2015: 2010 Federal Census
  - (a) 2006 - 2009: 2000 Federal Census
- (2) Source: Westlake City School District Financial Audit
- (3) Source: Ohio Dept. of Jobs and Family Services Civilian Labor Force Estimate
  - (b) Ohio Labor Market Information
- (4) Source: Cuyahoga County Fiscal Officer
- (5) Computation of per capita personal income divided by population



School Enrollment (2)	City's Unemployment Rate (3b)	Average Sales Price of Residential Property (3)	Total Assessed Property Value (4)
4,059	3.1 %	\$236,174	\$1,365,267,880
3,934	4.4	237,891	1,354,532,180
3,988	5.7	252,411	1,366,349,250
4,065	4.8	238,598	1,364,879,200
4,043	5.5	229,714	1,369,783,370
4,016	7	275,057	1,364,439,460
4,041	7.4	243,455	1,411,069,733
4,121	5.2	235,186	1,408,619,680
4,110	5.7	282,950	1,444,205,326
4,068	5.7	278,319	1,319,931,318



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

<b><u>Function/program</u></b>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Government:				
Council	4.5	4.5	4.5	4.5
Mayor	2.0	2.5	2.0	2.0
Finance	6.0	6.0	6.0	5.8
Information Technology	1.0	2.5	2.5	2.5
Law	5.0	5.0	5.0	6.5
Purchasing/Adm. Services	2.0	2.0	1.5	3.5
Communication	0.0	0.0	1.0	1.0
Human Resources	2.0	2.0	1.0	0.0
Planning	4.0	4.5	4.0	4.5
Safety Town	1.5	1.5	2.0	2.0
Central Dispatch	12.0	11.5	12.5	13.0
Police/Fire Operating Levy	14.0	14.0	14.0	16.0
Engineering	9.5	10.0	12.0	12.5
Inspection	10.5	10.0	10.0	10.0
Security of Persons and Property:				
Police	81.5	82.5	84.5	79.0
Fire	38.5	40.0	39.5	40.0
Recreation:				
Administration	3.5	3.0	3.0	3.0
Swimming Pool	43.5	43.5	43.5	44.5
Recreation Center	92.0	85.0	92.5	94.0
Golf Course	13.0	11.5	14.5	10.5
Senior/Community Services	15.0	15.0	14.0	15.5
Service:				
Administration	2.0	2.0	2.0	2.0
Building Maintenance	1.0	1.5	1.5	1.5
City Services	46.0	46.5	49.0	47.0
Sanitary/Storm Drainage	9.0	9.0	7.0	6.8
Rubbish/Recycling	0.0	0.0	0.0	0.0
Parks	3.0	3.0	2.0	4.0
Forester	3.0	3.0	4.0	5.0
Street Maintenance	3.0	4.0	3.0	2.0
Cemetery	1.0	1.0	1.0	1.0
Miscellaneous	2.0	2.0	1.5	1.0
Totals:	<u>431.0</u>	<u>428.5</u>	<u>440.5</u>	<u>440.6</u>

Source: City of Westlake, Ohio 2006-2015 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.

2011	2010	2009	2008	2007	2006
4.5	4.5	4.5	4.5	5.0	5.0
2.0	1.0	2.0	2.0	2.0	2.0
5.8	5.8	6.0	6.5	6.5	8.0
3.0	2.0	2.0	3.0	2.5	0.0
6.5	6.5	6.5	6.5	6.5	6.5
3.5	4.0	3.0	3.0	3.0	3.5
1.0	2.0	2.0	2.0	1.0	0.0
0.0	0.0	0.0	1.0	0.0	0.0
5.0	4.5	5.5	6.0	4.5	4.5
1.5	1.5	1.5	1.5	1.5	1.5
11.5	12.5	12.5	12.5	12.5	12.5
18.0	20.0	20.0	20.0	20.0	28.0
12.5	13.0	11.5	12.5	12.5	11.5
9.5	9.5	9.5	9.5	9.5	10.5
76.0	80.5	85.0	87.0	85.5	75.5
35.0	37.5	38.0	40.0	39.0	36.0
4.5	5.0	4.5	4.5	4.0	4.0
46.0	44.0	46.5	50.0	51.5	51.5
100.0	70.0	67.0	62.5	62.5	65.0
14.0	10.5	12.0	12.0	13.0	12.5
15.5	14.5	14.0	13.5	11.5	11.5
2.0	2.0	2.0	2.0	2.5	2.5
1.5	1.5	1.0	1.0	1.0	1.0
41.5	40.0	37.5	40.5	36.5	34.5
8.8	8.8	9.0	8.0	7.0	7.5
0.0	0.0	0.0	0.0	0.0	0.0
4.5	4.5	5.0	6.0	6.0	6.0
4.0	4.0	5.0	5.0	5.0	5.0
3.0	4.0	4.0	5.5	7.5	7.5
1.0	1.0	2.0	2.5	2.5	2.5
1.0	1.0	1.0	1.0	3.0	2.5
<u>442.6</u>	<u>415.6</u>	<u>420.0</u>	<u>431.5</u>	<u>425.0</u>	<u>418.5</u>

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

Function/program	2015	2014	2013	2012
<b>General Government</b>				
Construction Permits Issued (2)	1,385	2,508	1,433	1,471
Estimated Value of Construction (2)	\$114,400,073	\$210,550,179	\$95,473,407	\$144,334,087
Economic Development Projects approved (square feet) (3)	54,474	435,421	63,718	937,338
Number of Planning Commission docket items (3)	106	89	93	96
Sewer Bills mailed (1)	38,233	37,868	37,287	36,811
Purchase Orders Issued (4)	2,429	2,549	2,659	2,618
Number of new litigations filed (5)	5	3	4	5
Number of pending litigations (5)	8	12	10	9
<b>Police (6)</b>				
Total Arrests	4,798	4,620	4,827	5,806
Part 1 Offenses (major offenses such as murder and theft)	521	503	509	507
DUI Arrests	195	165	176	246
Prisoners	897	879	53	1,273
Motor Vehicle Accidents	774	721	729	755
Calls for Service	33,751	31,721	31,331	33,606
<b>Fire (7)</b>				
Emergency responses	4,957	4,513	4,301	4,267
Fire Safety Inspections/Re-Inspections	123	362	317	576
Fire Protection Systems Inspected	627	786	818	926
Building/Fire Protection Plan Review	358	259	279	272
Number of Community Programs	41	99	74	78
<b>Public Service (8)</b>				
Road Maintenance (man hours)*	3,149	4,893	5,399	2,813
Asphalt (hot/cold) used in road maintenance (tons)	299	349	234	280
Concrete used in road maintenance (yards)	322	196	262	349
Number of Trees Removed	299	241	258	417
Number of Trees Planted	118	154	229	186
Truckloads of leaves picked-up	1,257	1,387	1,457	1,387
Cubic Yards of leaf humus delivered/sold	5,349	5,602	6,908	8,213
Cubic Yards of wood chips delivered/sold	4,036	3,193	3,277	3,576
Tons of snow melting salt purchased	7,026	7,287	4,822	4,713
Cemetery Internments	53	50	52	32
Grave purchases/Internment payments	\$61,050	\$40,955	\$58,925	\$34,425
<b>Recreation (9)</b>				
Recreation Center attendance**	583,299	566,189	595,200	587,182
No. of Peterson Pool Memberships	424	474	568	591
Learn to Swim enrollment (Peterson Pool only)	680	686	893	901
Average daily golf revenue (June, July, & August)	\$1,177	\$1,328	\$1,861	\$2,047
<b>Senior/Community Services (10)</b>				
Number of Activities/Programs	155	165	194	143
Activity Trips	43	41	45	39
Number of Volunteers	84	108	141	387
Newsletters	7,967	7,735	7,304	7,579
Transports	7,339	7,747	4,867	5,211
Miles Transported	57,324	51,572	47,163	49,834
Donations, Center/Assistance/Prescriptions	\$26,147	\$30,995	\$29,489	\$33,966

Sources:

- (1) City of Westlake Finance Department
- (2) City of Westlake Building Department
- (3) City of Westlake Department of Planning and Economic Development
- (4) City of Westlake Purchasing Department
- (5) City of Westlake Law Department

- (6) City of Westlake Police Department
- (7) City of Westlake Fire Department
- (8) City of Westlake Department of Public Service
- (9) City of Westlake Recreation Department
- (10) City of Westlake Department of Senior and Community Services

\*Amounts are estimated

\*\*Attendance based upon calendar year

2011	2010	2009	2008	2007	2006
1,247	1,247	1,172	1,262	1,452	1,369
\$61,334,146	\$29,719,620	\$37,905,420	\$51,180,020	\$70,874,423	\$105,706,757
451,454	20,096	160,308	108,103	118,321	347,398
87	82	82	117	113	127
36,196	35,752	35,477	38,687	43,236	42,880
2,776	2,777	2,879	3,391	3,327	4,129
5	8	8	7	4	0
9	16	11	11	2	9
5,906	6,424	6,227	6,253	6,163	5,580
594	598	585	486	614	605
185	215	232	246	301	231
1,203	1,294	1,471	1,259	1,296	1,220
733	750	687	761	810	741
34,268	33,914	34,626	33,040	32,042	30,706
4,364	4,318	4,134	4,320	4,250	4,155
916	1,066	2,351	1,627	1,304	1,485
928	805	638	521	963	891
289	240	278	412	375	466
64	41	45	84	79	100
3,324	3,416	3,429	8,947	9,679	9,296
660	396	313	770	380	413
301	280	330	344	386	564
262	274	360	305	209	260
224	162	217	245	273	151
1,200	1,450	1,538	1,229	1,303	1,664
7,744	5,443	6,622	7,180	8,472	7,188
3,554	2,827	4,432	4,404	4,152	3,725
4,877	6,342	4,262	6,842	7,665	2,418
44	35	49	46	55	46
\$52,050	\$28,110	\$46,440	\$51,330	\$56,505	\$38,885
524,081	504,222	512,754	517,171	378,003	402,253
611	548	537	828	831	275
826	784	832	943	1,061	1,001
\$2,031	\$2,363	\$2,689	\$2,968	\$3,108	\$3,100
122	122	138	102	96	80
49	51	36	47	47	59
108	175	200	145	177	174
9,600	10,400	9,600	10,400	9,600	13,000
6,419	6,434	6,431	6,194	7,884	8,573
54,612	50,162	46,648	54,319	58,860	60,972
\$29,125	\$27,385	\$27,172	\$51,298	\$33,282	\$54,984

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

<b>Function/program</b>	2015	2014	2013	2012
<b>General Government</b>				
Square Footage Occupied (1)	40,000	40,000	40,000	40,000
Engineering Vehicles (2)	11	12	13	11
Inspection Vehicles (2)	7	7	7	8
Other Departmental Vehicles (2)	6	8	7	7
<b>Police</b>				
Stations	1	1	1	1
Square Footage of Building (3)	25,000	25,000	25,000	25,000
Vehicles (2)	43	38	44	47
<b>Fire</b>				
Stations	2	2	2	2
Vehicles (2)	16	18	18	18
<b>Other public works</b>				
Streets (miles)	137	137	137	136
Number of Streetlights (per light bill)	3,316	3,307	3,313	3,298
Public Service Vehicles (5)	68	64	67	72
<b>Recreation</b>				
Number of Parks	5	5	5	5
Recreation Centers	1	1	1	1
Recreation Center Square Footage	102,000	102,000	102,000	102,000
Vehicles (2)	7	7	9	7
<b>Senior/Community Services</b>				
Vehicles (4)	6	6	6	7
<b>Wastewater</b>				
Sanitary sewers (miles)	123	123	123	122

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

2011	2010	2009	2008	2007	2006
40,000	40,000	40,000	40,000	40,000	40,000
10	12	12	12	14	10
8	8	8	8	8	8
7	7	4	4	4	4
1	1	1	1	1	1
25,000	25,000	25,000	25,000	25,000	25,000
47	39	41	43	39	39
2	2	2	2	2	2
18	18	18	19	18	18
136	136	136	136	136	136
3,297	3,297	15,074	15,068	15,057	14,918
67	70	65	65	64	60
5	5	5	5	5	5
1	1	1	1	1	1
102,000	102,000	102,000	102,000	102,000	102,000
7	7	7	6	7	7
6	6	6	6	6	6
122	122	122	122	122	122

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# **City of Westlake, Ohio**

**Single Audit Reports  
For the Year Ended December 31, 2015**

**City of Westlake, Ohio**

**For the Year Ended December 31, 2015**

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**Independent Auditor's Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial  
Statements Performed in Accordance with *Government Auditing Standards***

Members of the City Council  
City of Westlake, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Westlake, Ohio (the "City"), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 30, 2016, wherein we noted the City implemented Government Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, and as a result restated the December 31, 2014 net position, as disclosed in Note 3.

**Internal Control over Financial Reporting**

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

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

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

Members of the City Council  
City of Westlake, Ohio

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

*Ciuni + Panichi, Inc.*

Cleveland, Ohio  
June 30, 2016



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## **Independent Auditor's Report on Compliance for Each Major Program; Internal Control over Compliance Required by the Uniform Guidance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

Members of the City Council  
City of Westlake, Ohio

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

We have audited the City of Westlake, Ohio's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2015. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### ***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2015.

## **Report on Internal Control over Compliance**

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

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, wherein we noted that the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, and as a result restated their December 31, 2014 net position, as disclosed in Note 3 to the basic financial statements. We issued our report thereon dated, June 30, 2016, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived

Members of the City Council  
City of Westlake, Ohio

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

*Ciuni + Panichi, Inc.*

Cleveland, Ohio  
June 30, 2016

**City of Westlake, Ohio**

**Schedule of Expenditures of Federal Awards**

**For the Year Ended December 31, 2015**

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<u>Federal Grantor/Pass-Through Grantor Program Title</u>	<u>Grant or Pass-Through Number</u>	<u>Catalog of Federal Domestic Assistance No.</u>	<u>Federal Cash Disbursements</u>
U.S Department of Transportation:			
Passed through the Ohio Department of Transportation:			
Highway Planning and Construction	PID 89037	20.205	\$ <u>1,248,506</u>
Total Federal Assistance			\$ <u><u>1,248,506</u></u>

The accompanying notes are an integral part of this schedule

# City of Westlake, Ohio

## Notes to the Schedule of Expenditures of Federal Awards

### For the Year Ended December 31, 2015

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#### **Note 1: Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Westlake, Ohio, and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

#### **Note 2: Indirect Cost Rate**

The City did not use the 10 percent de minimis indirect cost rate and did not charge indirect costs to the Highway Planning and Construction program.

# City of Westlake, Ohio

## Schedule of Findings and Questioned Costs

**For the Year Ended December 31, 2015**

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### 1. Summary of Auditor's Results

(d)(I)(I)	Type of Financial Statement Opinion	Unmodified
(d)(I)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(I)(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(I)(iii)	Was there any material noncompliance reported at the financial statement level (GAGAS)?	No
(d)(I)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(I)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(I)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(I)(vi)	Are there any reportable findings under Section .510(a)?	No
(d)(I)(vii)	Major Programs	CFDA # 20.205, Highway Planning and Construction
(d)(I)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$750,000 Type B: All Others
(d)(I)(ix)	Low Risk Auditee?	No

### 2. Findings Related to the Financial Statements Required to be Reported in Accordance with GAGAS

None.

### 3. Findings for Federal Awards

None.



# Dave Yost • 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 6, 2016