

City of Westlake, Ohio

Comprehensive Annual Financial Report

For the year ended December 31, 2019



OHIO AUDITOR OF STATE
KEITH FABER



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Members of City Council
City of Westlake
27700 Hilliard Blvd
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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, 2019 through December 31, 2019. 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 cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

September 29, 2020

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City of Westlake, Ohio

**Comprehensive
Annual Financial Report**
for the year ended December 31, 2019

Prepared by the Department of Finance
Prashant R. Shah, Director
Terria L. Kneisel, Assistant Director

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City of Westlake, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2019
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FINANCE DEPARTMENT

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August 27, 2020

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, 2019.

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 2019.

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, Inc., has issued an unmodified (“clean”) opinion on the City of Westlake’s financial statements for the year ended December 31, 2019. The Independent Auditor’s Report is located at the front of the financial section of this report.

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.

City Hall is situated in the center of the City. The Police Department is located adjacent to City Hall and two fire stations serve the east and west sides of the City. The Recreation Center, situated in an eighty-five acre park setting, includes five indoor swimming pools, a gymnasium, community and craft rooms, an indoor track, fitness area, and an outdoor playground. The outside grounds feature tennis courts, baseball and soccer fields, sand volley ball courts, nature trails, a sun deck and a picnic area with a lake. The City operates and owns Meadowood Golf Course and five parks are located within the City. An outdoor pool at Clague Park was razed in 2018 and was replaced with a state of the art new Aquatic Center which opened in May, 2019. An eco-friendly Service Center facility was completed in 2006. The construction of a new Community Center is underway on land located immediately to the south of the Recreation center.

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 is required to override a veto. As administrator, he appoints all department heads with the exception of the Law Director which is an elected position. The mayor 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 and managers 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 two divisions. The Field Operations Division oversees jail operations, animal control, dispatchers, school guards, park patrol officers, and the auxiliary police as well as the staff of patrol officers. The Administrative Services Division is comprised of the Detective Bureau, Records Clerk, Property and Evidence Specialist, and a Building and Vehicle Technician.

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 all 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 the summer months, the department will operate the new Aquatic Center at Clague Park where swimming lessons will also be 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 providing an indoor swimming pool, fitness room, a running track, and numerous other 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. It also 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. Construction of a new 25,000 square feet Community Center is currently underway and the plan is to have it fully operational in 2021.

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 assets of the City. The department issues bi-weekly payrolls and maintains a fixed asset system. Other responsibilities include compilation of the Annual Budget, preparation of the Comprehensive Annual Financial Report and the Popular Annual Financial Report for residents. The department assists the Mayor in all financial decisions and manages employee health care administration and property, casualty and liability 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. All purchase orders are generated, recorded, and approved by the department as well as bids unrelated to infrastructure. The department also handles the sale, transfer and disposal of all City assets.

The **Human Resource Department** attends to all personnel matters such as hiring, employee trainings, discipline, terminations and other work related issues. Negotiations are conducted every three years with all six labor unions. 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** enforces all building, electrical, plumbing, and the property maintenance codes for the City. This includes the issuance of contractor, building, and occupancy permits, field and site inspections, citations, and rental and apartment licenses. The Inspections Department is also responsible for the enforcement of the zoning code.

The **Engineering Department** is responsible fulfilling the general engineering requirements of the City. This includes designing plans and programs to update and maintain the City's infrastructure. Traffic engineering and construction 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. An Information Technology Manager oversees the department.

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 City of Westlake is economically strong and is a highly desirable location to live, work and play. Our reputation as a serious business destination is evidenced by corporate decisions to stay and grow here and by the new investment and jobs that have and continue to be created. The square footage of Westlake's business space is evenly split between retail, office, health care and industrial and the City is still seeing growth in all of these sectors. Westlake is home to several world and national headquarters companies including American Greetings, Equity Trust, Hyland Software, Nordson Corporation, Scott Fetzer, and Travel Centers of America. Additionally, healthcare facilities continue to have significant representation in the health campus and office market corridors. The City is home to University Hospital's St. John Medical Center, a full-service acute care hospital providing comprehensive healthcare specializing in urology, neurologic care, oncology and orthopedic surgery. MetroHealth Medical Health Center and the Cleveland Clinic Westlake Medical Campus also offer a variety of medical specialties. The newly constructed Crocker Professionals Building is home to Retina Associates and Northcoast Jaw and Implant Center and APEX Dermatology.

To accommodate global and national employment trends and skill levels, Cuyahoga Community College (Tri-C) has two facilities located in Westlake. The Westshore Campus Health Careers and Sciences Building boasts state-of-the-art Life sciences labs, a Technology Learning Center, and much more. The Westshore Campus at Corporate College West Building houses the MATH Lab, Java City, Student Affairs and Student Life Offices. Tri-C recently expanded its Westshore Campus with a new 94,000 square foot facility. The new building will house Engineering, IT, Creative Arts, and Administrative/Faculty offices. The Westlake School Local District recently opened a new 150,000 square foot kindergarten through fourth grade elementary school building to replace four aging buildings. The new school opened in time for the 2019-2020 school year.

Westlake's largest development is Crocker Park, a mixed-use community located in western Westlake. The development, known as the downtown of Westlake, features high-end retailers, restaurants, office space and residential dwellings. The final phase, a \$400 million expansion capped by the new 660,000 square foot headquarters of American Greetings, was completed in 2017. Today, new retail stores and restaurants continue to open. Bibibop Asian Grill, Chemical Bank, Condado Tacos, and Pandora are just a few of the new businesses that have opened in 2019. To facilitate this endeavor, the City created a Tax Increment Financing (TIF) district and public improvements were funded by bonds to be repaid from the TIF proceeds. The City issued \$48.3 million in special obligation/non-tax revenue bonds and also received an \$8.5 million loan from the State to finance public infrastructure along with a \$1.0 million grant from the Ohio Department of Transportation. Funds were used to construct three public garages, new public roadways and infrastructure.

In 2016, the City finished construction of Market Square, an 8,500 square foot event center that the City erected on land donated by Crocker Park. The facility is equipped to host corporate, social, and public events and can accommodate up to 1,000 guests. Plans are underway to add a warming kitchen in the facility to make it more marketable. Market Square is located on a half-acre of landscaped outdoor space with six garage doors that can be opened for an al fresco atmosphere. The facility is managed by Crocker Park Management, LLC under an agreement with the City.

WestBay Plaza across from The Promenade and Crocker Park is undergoing a major facelift. SITE Centers Corporation, the owner of the shopping center, is spending more than \$25.0 million to construct a new 80,000 square foot multi-tenant retail plaza. Fresh Thyme Market, Kirkland's, Pet Supplies Plus and

HomeSense have already opened. Two other buildings within the plaza will also undergo major redevelopment. The architecture and landscape of the entire shopping center is being upgraded with new attractive materials, additional green space, new lighting and signage. Redevelopment of the plaza will help to strengthen the economic viability of not only WestBay Plaza, but the entire surrounding shopping, dining, and entertainment district of Westlake.

The new Canterbury Commons is home to a newly constructed 45,000 square feet Marc's store which relocated from Westbay Plaza. Additionally, two smaller 3,900 square feet outparcel stores will be leased out. Also, the former Pat Catan's craft store changed ownership and became Michael's craft center. The new center offers merchandise for all crafters, including framing, floral, and other do-it-yourself decorations.

To encourage industrial and commercial development, the City offers four 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. 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 Council 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 five Community Reinvestment agreements.

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 \$2.0 million in new payroll. The rate and term of the grants are determined through negotiations between the applicant and the City. There are currently four recipients of the grant.

The City compiles a City Guide Plan. The purpose of this 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.

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 continuing to improve services, upgrade infrastructure, and enhance public grounds and facilities in 2019.

The Police Department continued its commitment to public safety and awareness responding to over 37,400 calls and making 4,750 arrests. Numerous policing programs were offered. Student programs such as Safety Town and Drug Awareness Resistance Education (D.A.R.E.) continued. The Westlake Police Department School Resource Officer Program, in partnership with the Westlake City School District, expanded, permitting SROs to be regularly assigned to all Westlake public school buildings. The Police Department's Digital Forensic Program and Internet Safety Series continued to earn statewide recognition as leaders in technology related crimes. The Community Police Academy was 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). A Random Acts of Kindness program raised money for ill children.

The Fire Department responded to over 5,497 calls relating to fires, EMS, and hazardous materials. The department was involved in 4,715 activities including fire inspections, plan reviews, safety tests and consultations. Westlake Fire Department provided 267 hours of public education 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 2019, the Center responded to 16,450 calls.

The Service Department is involved in the maintenance of City streets, solid waste collection (leaves and brush), sidewalks, storm water conveyance system, sanitary sewers, parks and public lands, cemeteries, urban forests, buildings, and fleet maintenance. Rubbish and recycling collection and most lawn maintenance have been outsourced to outside contractors in efforts to better utilize the time and skills of City personnel. The department received and completed just over 5,638 work requests in 2019. 8,581 tons of recyclables were collected and 11,748 cubic yards of brush and leaves were sold as wood chips and mulch. The department cleaned 12.64 miles and filmed 11.97 miles of storm and sanitary sewers and located 208 residential clean outs. One hundred and seventy-five trees were planted, 249 trees removed and 1,017 trees were trimmed. The department is also responsible for sign maintenance, snow and ice removal, composting and assists with all community events.

The Inspections Department issued 1,418 building permits during 2019 with an estimated value of \$101.9 million including thirty-nine new residential units with a value of \$18.0 million, an average of \$462,000 per dwelling. Residential remodeling, additions, and improvements projects totaling \$15.4 million and commercial projects totaling \$68.3 million were also processed.

The Planning Department held numerous business meetings and plan reviews in 2019. The department reviewed and approved 27,251 square feet of commercial/industrial space in additions to the plans for twenty additional residential lots and 178 multi-family units in 2019. The staff oversees the “Westlake in Bloom” event through which 61 residents and businesses competed in eighteen categories for awards relating to City beautification. The City has over 200 flower boxes along Hilliard Boulevard with additional sponsored gardens at Evergreen Cemetery. The department assists in the publication of the “Westlake Magazine” which is mailed annually to all residents and businesses.

Duplicated patrons totaling over 20,808 participated in programs, activities, trips, support groups, and wellness initiatives throughout the year at the Community Center. The department provided 11,629 transportation trips to residents in need, driving more than 79,000 miles for all programs. The Westlake Assistance Program dispensed holiday baskets, distributed gifts to Adopt-A-Family recipients and aided patrons with food distributions to over 92 families and 241 individuals. Patrons were offered 155 different programs and activities on a regular basis and volunteers gave over 2,095 hours of their time. The programming has expanded and is in high demand which is why a new 25,000 square feet Community Center is under construction and is expected to be completed in late 2020 or early 2021.

The Westlake Recreation Center is the hub for all recreation activities in the City. The department offered 694 programs with 7,238 participants. Including Silver Sneakers, AARP, Tivity, and Optum there are currently over 11,431 members enrolled at the Center. The Silver Sneakers program for older residents has been met with great success and generated \$209,289 in revenues during 2019. 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. The City owns and operates Meadowood Golf Course and currently has contracted with an architect to redesign the course with the possibility of incorporating a driving range, a short game area, putting green, putting course and 9-hole golf course. A brand new \$8.3 million outdoor Aquatic Center was inaugurated in 2019 and was very well received. The new center touts a 4,600 square foot bath house, an activity pool with interactive water features and a lazy river with jets. Also featured are a lap pool with a diving well extension, a climbing wall, and a splash pad for children. A decorative fence encompasses the facility.

In 2019, the Schwartz Road waterline was replaced at a cost of over \$1.2 million. The City also completed a three-year sidewalk repair and replacement program throughout the City at a total cost of \$2.2 million. Intersection of Center Ridge and Dover Center Roads was widened to accommodate additional vehicular traffic at the newly opened Westlake elementary school. With a \$200,000 Cuyahoga County grant, work continues on the historical Lilly Weston House project. 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 additional infrastructure projects in 2020. A redesign of the I-90 Columbia interchange will be undertaken and funded with a 50 percent matching grant in the amount of \$2.0 million from the federal government through ODOT. Additionally, engineering design work will commence on replacing the waterline on Bassett Road between Dover Center Road and Hilliard Blvd along with a watermain replacement on Hawkins Road. The City will resurface Hilliard Blvd between Columbia Road and the Rocky River corporate line. Also, design phase will begin on Crocker Blvd between Center Ridge Road and Hilliard Blvd. Dover Ditch Retention Phase II will also be continued in 2020.

A Recreation and Parks Master Plan, which was completed in 2014 through community participation, is comprised of over \$34.0 million in long-term projects. In November of 2017, voters renewed the one-eighth percent income tax for recreation improvements and expanded the scope of the tax to include improvements to the Community Center. During 2020, there will be projects worth \$3.8 million that are budgeted including the Lee Burneson Middle School field renovation involving a turf field for soccer being constructed. Other improvements that are planned for the near future include the expansion and relocation of City ballfields, new playground equipment, improved and expanded walking trails, and a new gymnasium and outdoor improvements for the Recreation Center.

Over the past several years, the City has explored alternate providers of water services. Currently, Westlake residents receive their water from the City of Cleveland Division of Water. The City contracted an engineering services firm to explore the operational and financial implications of alternate sources. Recent scenarios include the sharing of water services from three providers. This could lead to reduced costs for residents. This is a large scale project that will involve extensive planning since it encompasses the re-routing of waterlines, the installation of metering systems, and the hiring of personnel for invoicing and maintenance. Yet in the long-run, the conversion may be financially prudent for the City.

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 infrastructure 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.

City administration embraces the principles of LEAN government and works to implement the most efficient means to provide government services. Numerous federal, state, and local government agencies have implemented this philosophy. 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. Several LEAN processes have been initiated by City departments in the past few years.

OTHER INFORMATION

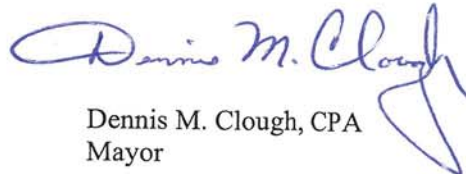
Certificate of Achievement. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Westlake, Ohio, for its comprehensive annual financial report (CAFR) for the year ended December 31, 2018. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

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


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

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

Respectfully submitted,



Dennis M. Clough, CPA
Mayor

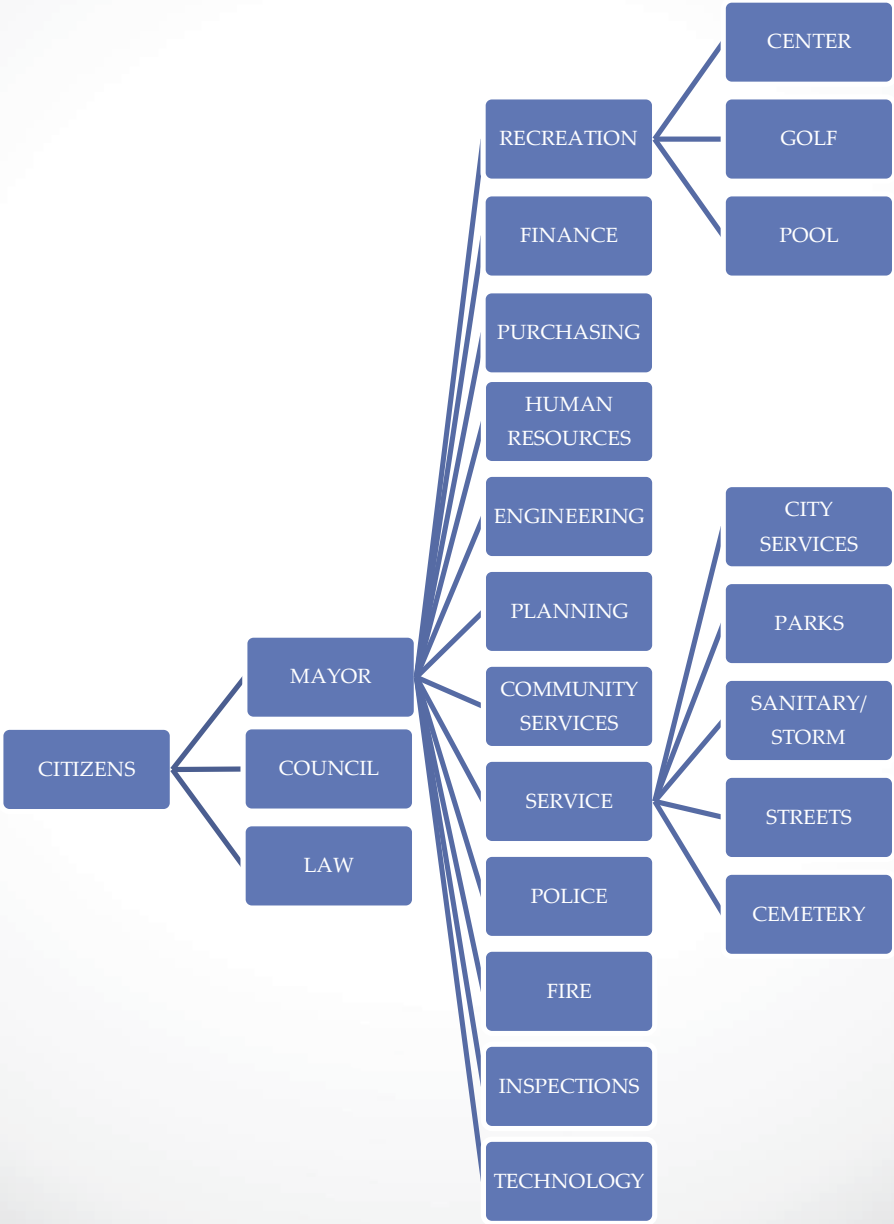


Prashant R. Shah, CPA
Director of Finance

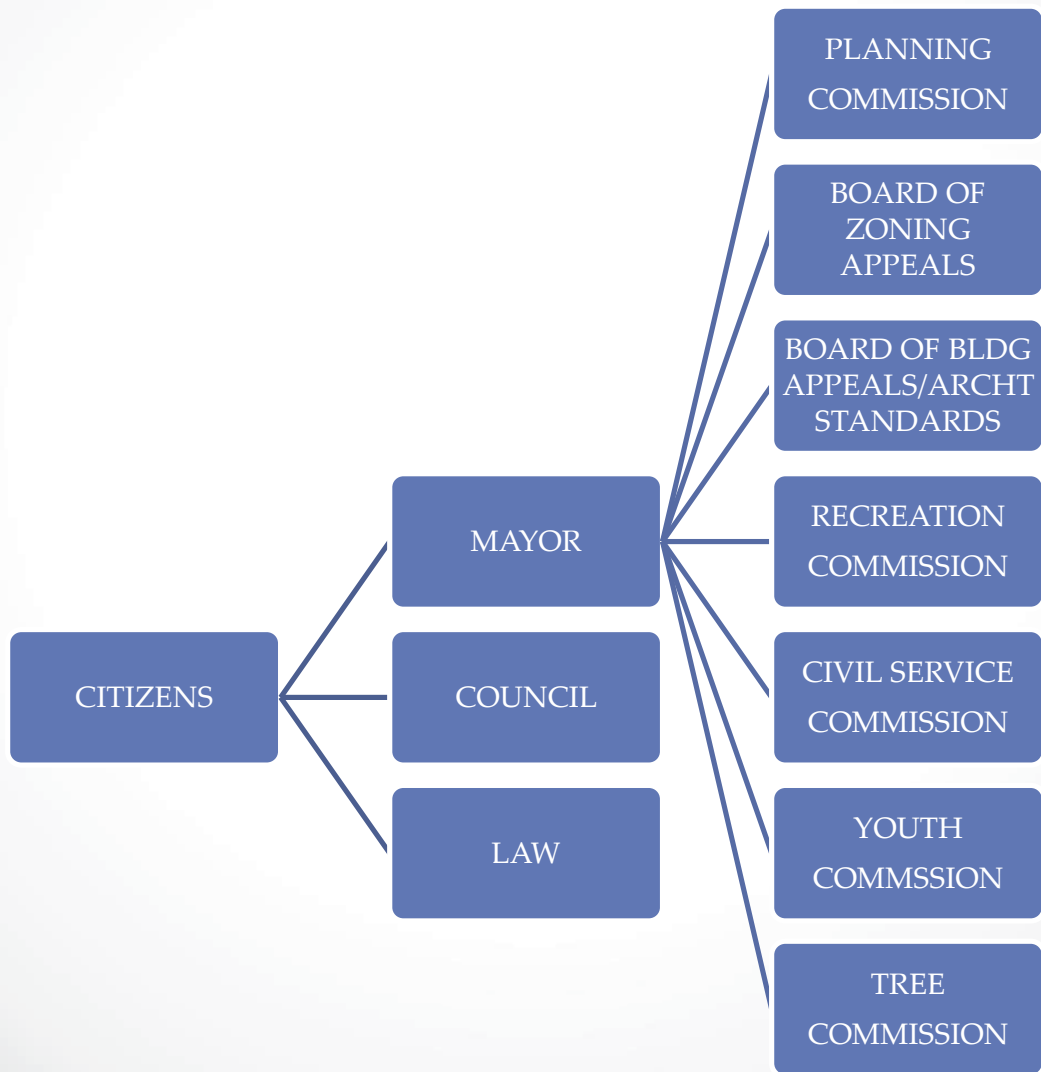


Terria L. Kneisel, CPA
Assistant Director of Finance

CITY OF WESTLAKE ORGANIZATIONAL CHART DEPARTMENTS



CITY OF WESTLAKE COMMISSIONS



CITY OF WESTLAKE, OHIO

**PRINCIPAL OFFICIALS
DECEMBER 31, 2019**

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
Director of Law..... Michael Maloney

APPOINTED OFFICIALS

Director of EngineeringRobert Kelly
Director of Finance Prashant R. Shah, CPA
Director of Inspections..... Donald Grayem
Director of Planning..... James Bedell
Director of Purchasing Larry Surber
Director of Recreation..... Robert DeMinico
Director of Community ServicesLydia Gadd
Director of Service..... Paul Quinn III
Chief of Police Kevin Bielozer
Chief of FireJames Hughes

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Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Westlake
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO

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Independent Auditor's Report

To the City Council
City of 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, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for 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 entity'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 entity'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.

To the City Council
City of Westlake, Ohio

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, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Implementation of New Accounting Standard

As described in Note 3 to the basic financial statements, in 2019, the City adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, and as a result restated their December 31, 2018, net position of the governmental activities and fiduciary funds, and fund balance of the general fund and other governmental funds. In addition, it was determined the City's retainage payable was paid from a different fund in 2019. As a result, the City restated the fund balance of the infrastructure tax fund and the other governmental funds. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required schedules on pensions and other postemployment benefits as listed in the table of contents 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 fund statements and schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

To the City Council
City of Westlake, Ohio

The combining and individual fund statements and schedules 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 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 fund statements and schedules 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 August 27, 2020, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Cianni & Panichi, Inc." The signature is written in a cursive, slightly slanted style.

Cleveland, Ohio
August 27, 2020

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

The discussion and analysis of the City of Westlake's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2019. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key Financial highlights for 2019 are as follows:

- Overall, governmental activities revenues of \$70.2 million exceeded the expenses and transfers which came in at \$46.1 million, consequently increasing the net position by \$24.1 million for 2019. The increase primarily resulted from a drop in expenses when compared to the prior year. The significant drop can be attributed to the changes to the Ohio Police and Fire OPEB Plan.
- During 2019, the City's revenues and expenditures continued to trend positively and on a cash basis the general fund ended with an unencumbered cash balance of \$57.0 million, which exceeded the City's policy of maintaining a minimum reserve equal to 3 or 4 months of expenditures.
- Total fund balances for all governmental funds increased from \$88.8 million at the end of 2018 to \$99.4 million at the end of 2019.

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.

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).

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

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, leisure time activities and interest and fiscal charges. 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, TIF bond retirement fund and the infrastructure tax and community center construction 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.

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.

City of Westlake, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2019
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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 29 through 31 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 34 through 86 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 and required supplementary information, the combining statements referred to earlier in connection with individual governmental funds are presented, as well as individual detailed budgetary comparisons for all governmental 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 2019?" 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)
- 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 2019 compared to 2018.

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

NET POSITION
TABLE 1

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Assets:						
Current and Other Assets	\$143,887,137	\$124,669,756	\$13,982,379	\$13,856,012	\$157,869,516	\$138,525,768
Net Pension Asset	59,454	48,670	3,795	3,107	63,249	51,777
Capital Assets, Net	224,535,640	218,901,900	23,158,883	24,165,246	247,694,523	243,067,146
<i>Total Assets</i>	<u>368,482,231</u>	<u>343,620,326</u>	<u>37,145,057</u>	<u>38,024,365</u>	<u>405,627,288</u>	<u>381,644,691</u>
Deferred Outflows of Resources:						
Deferred Charge on Refunding	0	71,183	0	0	0	71,183
Pension	14,210,303	6,468,784	385,824	196,286	14,596,127	6,657,709
OPEB	2,748,950	2,800,832	47,280	38,086	2,796,230	2,838,918
<i>Total Deferred Outflows of Resources</i>	<u>16,959,253</u>	<u>9,340,799</u>	<u>433,104</u>	<u>234,372</u>	<u>17,392,357</u>	<u>9,567,810</u>
Current and Other Liabilities:						
Long-Term Liabilities:	13,719,268	8,183,520	224,769	219,092	13,944,037	8,402,612
Due within One Year	3,355,962	4,431,654	0	0	3,355,962	4,431,654
Due in More than One Year:						
Net Pension Liability	52,040,222	35,877,579	1,288,165	759,917	53,328,387	36,637,496
Net OPEB Liability	12,909,565	30,114,693	597,145	509,648	13,506,710	30,624,341
Other Amounts	70,673,795	65,499,960	0	0	70,673,795	65,499,960
<i>Total Liabilities</i>	<u>152,698,812</u>	<u>144,107,406</u>	<u>2,110,079</u>	<u>1,488,657</u>	<u>154,808,891</u>	<u>145,596,063</u>
Deferred Inflows of Resources:						
Property Taxes	13,319,664	13,305,331	0	0	13,319,664	13,305,331
Payments in Lieu of Taxes	7,244,696	4,468,164	0	0	7,244,696	4,468,164
Pension	1,221,923	4,553,326	65,614	241,427	1,287,537	4,787,392
OPEB	1,676,543	1,385,307	30,567	77,657	1,707,110	1,462,964
<i>Total Deferred Inflows of Resources</i>	<u>23,462,826</u>	<u>23,712,128</u>	<u>96,181</u>	<u>319,084</u>	<u>23,559,007</u>	<u>24,023,851</u>
Net Investment in Capital Assets	162,443,570	153,724,619	23,158,883	24,165,246	185,602,453	177,889,865
Restricted for:						
Capital Projects	19,862,658	24,250,471	0	0	19,862,658	24,250,471
Debt Service	530,460	515,594	0	0	530,460	515,594
Unclaimed Funds	464,107	395,909	0	0	464,107	395,909
Other Purposes	11,061,174	10,006,306	0	0	11,061,174	10,006,306
Unrestricted (Deficit)	14,917,877	(3,751,308)	12,213,018	12,285,750	27,130,895	8,534,442
<i>Total Net Position</i>	<u>\$209,279,846</u>	<u>\$185,141,591</u>	<u>\$35,371,901</u>	<u>\$36,450,996</u>	<u>\$244,651,747</u>	<u>\$221,592,587</u>

The net pension liability (NPL) is one of the largest single liabilities reported by the City at December 31, 2019, GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the “employment exchange” – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this 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

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

these liabilities. In Ohio, the employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

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 \$24,861,905 from the year 2018 to 2019. This is primarily due to an increase in Cash and Cash Equivalents and the net pension asset as well as an increase in the net value of the City's capital assets due to the continuation and start of several road projects within the City. The City's total liabilities in governmental activities increased \$8,591,406. Current liabilities increased due to the issuance of a community services improvement note as well as accrued interest payable due to the note. Long-term liabilities increased due to an increase in net pension liability as well as the issuance of the community center bonds.

Net Position for business-type activities remained comparable to the prior year. The decrease is primarily due to current year depreciation outpacing current year additions to capital assets.

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

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

CHANGES IN NET POSITION
TABLE 2

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
Program Revenues:						
Charges for Services	\$6,419,538	\$6,318,771	\$3,069,284	\$3,060,578	\$9,488,822	\$9,379,349
Operating Grants and Contributions	2,408,714	1,831,175	0	0	2,408,714	1,831,175
Capital Grants and Contributions	3,591,148	439,793	151,797	0	3,742,945	439,793
Total Program Revenues	12,419,400	8,589,739	3,221,081	3,060,578	15,640,481	11,650,317
General Revenues:						
Property Taxes	13,177,576	12,207,154	0	0	13,177,576	12,207,154
Income Taxes	32,710,602	32,683,513	0	0	32,710,602	32,683,513
Admissions Tax	174,335	179,818	0	0	174,335	179,818
Hotel Tax	664,172	648,529	0	0	664,172	648,529
Grants and Entitlements	1,870,709	1,701,700	0	0	1,870,709	1,701,700
Contributions and Donations	10,727	17,997	0	0	10,727	17,997
Franchise Taxes	599,136	621,160	0	0	599,136	621,160
Investment Income	2,848,906	1,625,894	178,662	99,098	3,027,568	1,724,992
Payment in Lieu of Taxes	4,702,454	4,854,112	0	0	4,702,454	4,854,112
Gain on Sale of Capital Assets	70,033	43,939	0	327	70,033	44,266
Miscellaneous	1,001,443	864,934	4,739	5,509	1,006,182	870,443
Total General Revenues	57,830,093	55,448,750	183,401	104,934	58,013,494	55,553,684
Total Revenues	70,249,493	64,038,489	3,404,482	3,165,512	73,653,975	67,204,001
Program Expenses						
General Government	11,114,344	10,056,237	0	0	11,114,344	10,056,237
Security of Persons and Property	4,061,787	20,715,593	0	0	4,061,787	20,715,593
Public Health Services	1,602,429	1,467,530	0	0	1,602,429	1,467,530
Transportation	15,035,224	12,000,797	0	0	15,035,224	12,000,797
Community Environment	3,879,645	3,320,222	0	0	3,879,645	3,320,222
Basic Utility Services	2,796,293	2,982,805	0	0	2,796,293	2,982,805
Leisure Time Activities	5,110,463	4,413,027	0	0	5,110,463	4,413,027
Interest and Fiscal Charges	2,511,053	2,544,287	0	0	2,511,053	2,544,287
Sewer	0	0	3,969,930	3,847,077	3,969,930	3,847,077
Golf Course	0	0	513,647	482,889	513,647	482,889
Total Program Expenses	46,111,238	57,500,498	4,483,577	4,329,966	50,594,815	61,830,464
Change in Net Position	24,138,255	6,537,991	(1,079,095)	(1,164,454)	23,059,160	5,373,537
<i>Net Position Beginning of Year, Restated</i>	<u>185,141,591</u>	<u>178,603,600</u>	<u>36,450,996</u>	<u>37,615,450</u>	<u>221,592,587</u>	<u>216,219,050</u>
<i>Net Position End of Year</i>	<u>\$209,279,846</u>	<u>\$185,141,591</u>	<u>\$35,371,901</u>	<u>\$36,450,996</u>	<u>\$244,651,747</u>	<u>\$221,592,587</u>

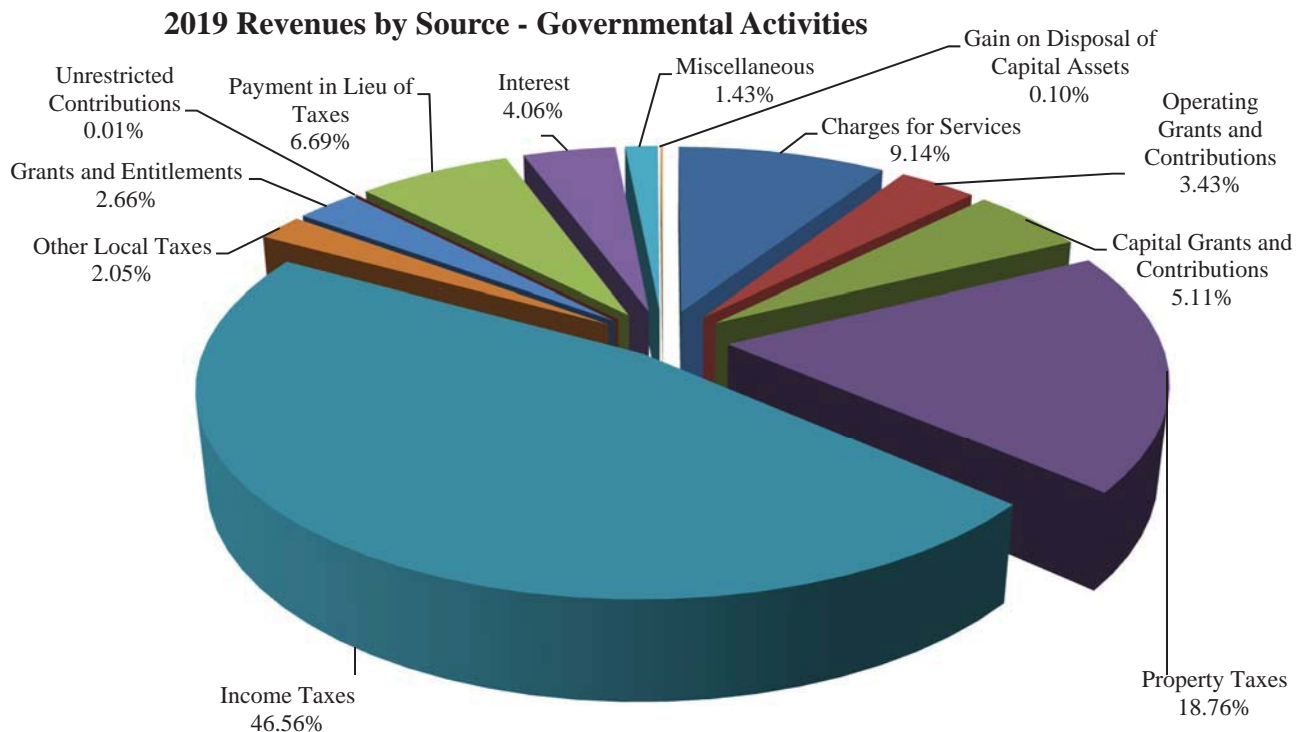
Governmental Activities

Governmental activities increased the City's net position by \$24,138,255 during 2019, as compared to \$6,537,991 during 2018. Total revenues in governmental activities increased compared to the prior year, which was mainly due to an increase in property taxes, interest, and program revenues. Program expenses decreased compared to 2018 due to a decrease in security of persons and property compared to the prior year. This decrease relates directly to the OPEB expense.

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

For 2019, OP&F recognized a change in benefit terms for their OPEB plans. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. This new model replaced the self-insured health care plan used in prior years. These changes contributed to OPEB expense decreasing from \$1,694,992 in 2018 to a negative OPEB expense of \$17,566,552 for 2019.

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 2019, 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 2019 was \$32,710,602, an increase of \$27,089 or 0.08 percent from 2018. This increase was not as large as prior year increases due to a turnaround in the overall economy during 2018 which stabilized during 2019 as employment levels remained steady within the City. Of the \$70,249,493 in total revenues, income tax accounted for 46.56 percent, as compared to 51.04 percent of the total during 2018. Property taxes for 2019 were \$13,177,576, a \$970,422 increase from 2018. This increase is due to an increase in the assessed valuation.

Operating and capital grants and contributions increased compared to 2018 due to more State and Federal grants being received. Furthermore, charges for services increased by \$100,767 during 2019 as compared to 2018, primarily due to an increase in due to the swimming pool opening back up in 2019 after being under construction during 2018.

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 2019, the City received

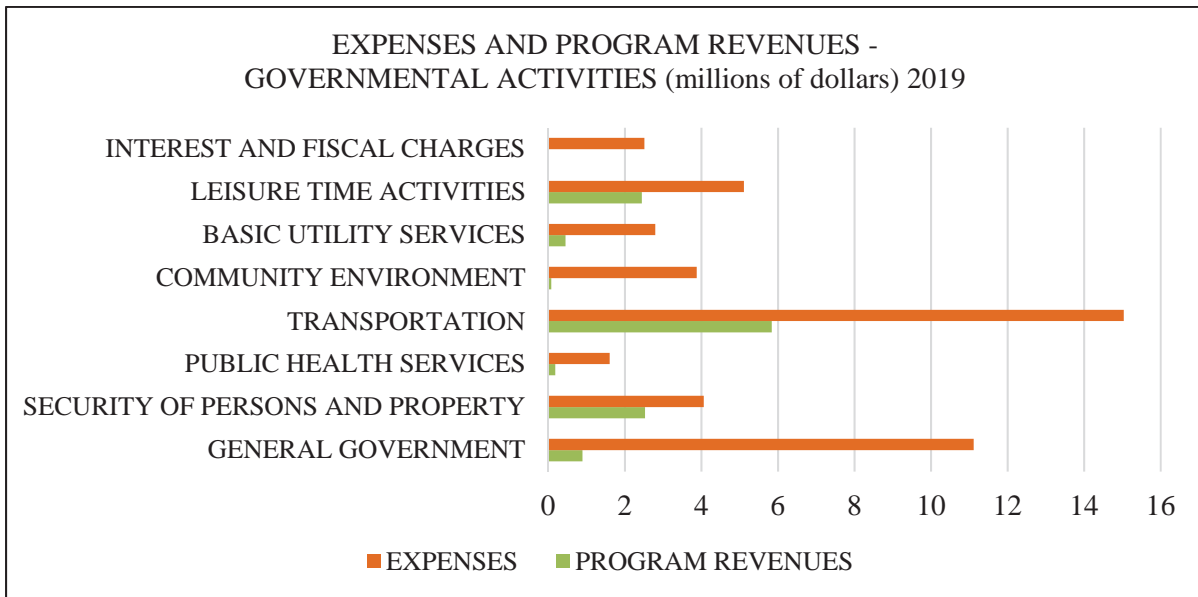
City of Westlake, Ohio
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\$1,870,709 in grant and entitlement monies, compared to \$1,701,700 in 2018. Payment in lieu of taxes decreased slightly by \$151,658. Miscellaneous revenues increased by \$136,509 during 2019.

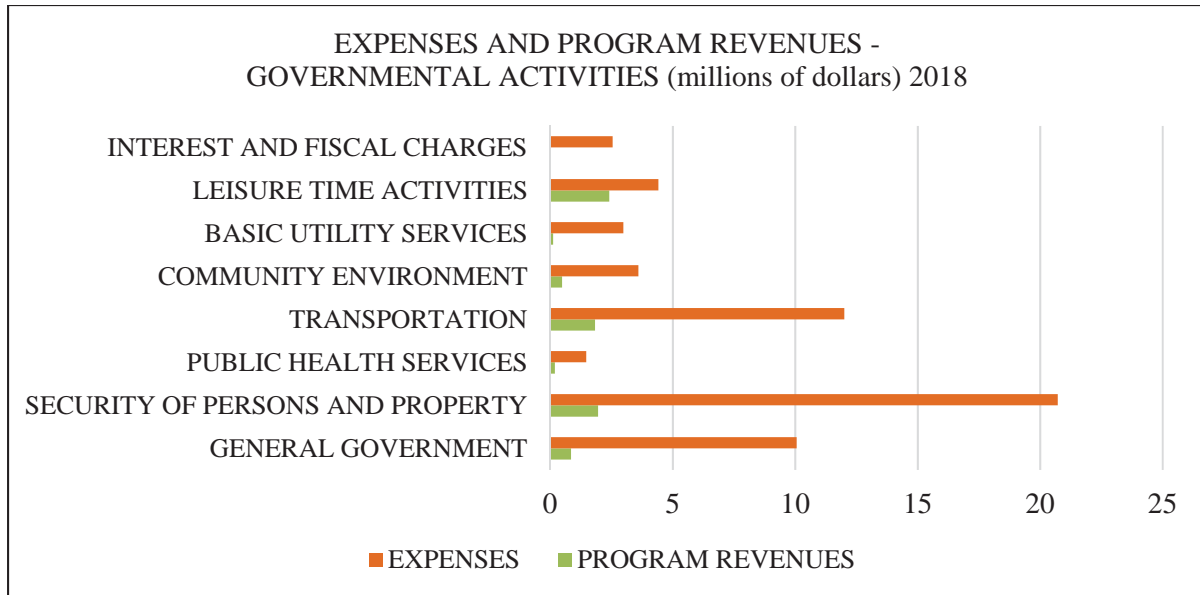
In a typical year the largest program function for the City is security of persons and property. In 2019, security of persons and property had program expenses of \$4,061,787 compared to \$20,715,593 in 2018, a decrease of 80.39 percent. This decrease can be attributed to the negative OPEB expense this year. Transportation is typically the next largest program, with program expenses of \$15,035,224, as compared to \$12,000,797 in 2018, an increase of 25.29 percent. This increase is largely due to an increase in pension expense and an increase in infrastructure projects including a \$2.4 million contribution by the City towards a federally funded project.

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 2019 were \$11,114,344 as compared to \$10,056,237 for 2018, an increase of 10.52 percent. This is attributable to increases in pension expense as well as legal fees and tax credit grants provided to certain employers for the creation of new jobs within the City.

Leisure time activities expense increased 15.80 percent during 2019 and community environment expense increased 16.85 percent. The increase to leisure time activities is due to the opening of the swimming pool now that the construction is complete as well as the pension expense increases. The increase to the community environment expense can be attributed to the increases in pension expenses. Expenses for basic utility services decreased from 2018 to 2019 by 6.25 percent due to lower repairs and maintenance 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 82.32 percent of total 2019 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.

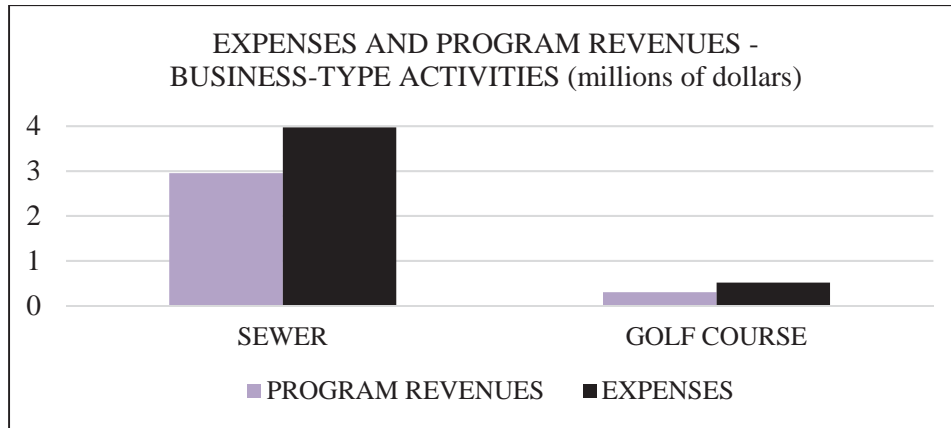
While security of persons and property is typically the largest program expense when OPEB expense is backed out, only a small portion of the total program expense is offset by program revenues. The primary program revenue is from police fines and forfeitures. The fire and emergency rescue department is partially funded with the EMS fee reimbursement which was initiated during mid-2008 and generates approximately \$1.0 million 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 \$1,079,095 during 2019, as compared to a decrease of net position of \$1,164,454 during 2018.

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Program expenses exceeded program revenues in the amount of \$1,046,256 for the sewer operations in 2019. 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 \$216,240 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.

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 \$99,424,377. Nonspendable fund balance of \$2,992,223 includes interfund loans, prepaids, inventory and unclaimed funds. Fund balance in the amount of \$33,494,301 is restricted for road improvements, police and fire department operations, other restricted functions of the City and capital improvements. Fund balance in the amount of \$3,064,717 is committed to recreation and donations. Assigned fund balance includes \$19,486,682 for future severance payments, equipment replacement, cable television, cemetery operations, swimming pool operations, community services, safety town, service center construction, 2020 operations, and purchases on order. Unassigned fund balances of \$40,386,454 represents all balances not previously classified.

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All governmental funds had total revenues of \$69,038,282 and expenditures of \$66,999,754, with revenues exceeding expenditures by \$10,643,295 after including other financing sources and uses that include general obligation bonds issued during the 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 \$63,324,717, of which \$2,974,631 was nonspendable because of advances, prepaids, inventory and unclaimed funds; \$19,486,682 was assigned to future severance payments, equipment replacement, cable television, cemetery operations, swimming pool operations, community services, safety town, 2019 operations, and purchases on order; and \$40,579,186 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 124.66 percent of total general fund expenditures, while total fund balance represents 194.54 percent of that same amount. Total fund balance of the City's general fund increased by \$3,788,048. General fund revenues increased due to higher property tax, income tax and interest. Expenditures increased largely due to the opening of the new outdoor Aquatic Center and the purchase of new equipment for the Service Department.

TIF Bond Retirement Fund

The TIF bond retirement fund accounts for payments in lieu of taxes used to make debt service payments for the debt related to the American Greeting Project. At the end of the current year, total fund balance for the TIF bond retirement fund was \$226,358, which was a decrease from the prior year. Expenditures decreased due to a drop in principal and interest payments due. Revenues overall decreased due to a drop in payments in lieu of taxes.

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 \$1,059,608 resulting from an increase in road construction project costs compared to the prior year. 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.

Community Center Construction Fund

The community center construction capital projects fund accounts for bond and note proceeds to be used for the construction of the new community center. At the end of the current year, total fund balance was \$6,323,787, which was an increase from the prior year due to the issuance of the bonds and notes this year offset by current year capital outlay expenditures.

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 2019, the City amended its general fund budget on various occasions. All recommendations for budget changes come to the Finance Committee of City Council for review before going to the whole Council for ordinance enactment on the change. The City does allow small interdepartmental budget changes that modify line items within the accounting system which are within their

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appropriation category (salaries and other expenses). The general fund supports many of our major activities, such as our police and fire departments as well as most legislative and executive activities. The general fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

For the general fund, original budgeted revenues and other financing sources and final budgeted revenues and other financing sources were \$39,157,207. Original general fund budgeted expenditures and other financing uses were \$44,079,296, and the final budgeted expenditures and other financing uses were \$51,543,007. Actual general fund expenditures and other financing uses were \$43,493,244, or \$8,049,763 less than budgeted, due to all operating expenditures, especially general government, 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 \$1.0 million.
- Employee retirements were lower than budgeted (\$0.5 million)
- Capital projects that were budgeted but postponed or that came in under budget. These include razing of the former Board of Education building (\$0.4 million), City hall improvement project (\$0.1 million), financial software upgrade (\$0.3 million), Weston House improvements (\$0.3 million), Community Center Building improvements and repairs (\$0.1 million)

Capital Assets and Debt Administration

Capital Assets

Table 3 shows 2019 balances of capital assets as compared to 2018.

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

	Governmental Activities		Business-Type Activities	
	2019	2018	2019	2018
Land	\$14,321,982	\$14,321,982	\$1,499,176	\$1,499,176
Construction in Progress	10,774,531	15,297,717	10,500	0
Buildings and Improvements	73,211,317	73,176,557	1,057,500	1,092,501
Improvements	10,394,407	2,540,998	36,944	41,423
Machinery and Equipment	2,254,746	1,310,147	37,224	42,325
Furniture and Fixtures	1,080,324	821,226	34,597	40,519
Vehicles	3,130,671	2,970,664	87,037	114,639
Infrastructure:				
Roads	54,421,440	55,217,774	0	0
Water Mains	29,781,973	28,722,854	0	0
Storm Sewers	15,885,072	15,361,569	0	0
Sewer Lines	0	0	20,395,905	21,334,663
Culverts	398,463	129,271	0	0
Traffic Signals	8,070,022	8,185,516	0	0
Bridges	810,692	845,625	0	0
Total	\$224,535,640	\$218,901,900	\$23,158,883	\$24,165,246

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Total capital assets for governmental activities increased largely due to the continuation of several road projects and improvements to the recreation center in 2019, while capital assets for business-type activities decreased due to current year depreciation outpacing current year acquisitions.

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

Debt

As of December 31, 2019, the City of Westlake had \$67,145,125 in bonds and loans outstanding.

OUTSTANDING DEBT

TABLE 4

	Governmental Activities	
	2019	2018
General Obligation Bonds	\$9,923,909	\$4,592,630
Special Obligation Bonds	47,231,141	48,137,096
Special Assessment Bonds	100,000	150,000
OPWC Loans	2,688,283	2,843,319
State Infrastructure Bank Loan	7,201,792	7,610,297
Total	\$67,145,125	\$63,333,342

The general obligation bonds are composed of (1) Infrastructure Various Purpose Bonds issued in 2011 for street improvements and (2) Community Center Bonds issued in 2019 for the construction of the new community center.

The non-tax revenue bonds (Special Obligation 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 structures, apartments, restaurants, and retail stores.

The special assessment bonds consist of the various sewer construction projects, 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 \$153,907,725 at December 31, 2019.

Additional information concerning the City's debt can be found in Note 19 to the basic financial statements.

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Management's Discussion and Analysis
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Current Financial Related Activities

The City of Westlake continued to maintain throughout 2019 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 master plan developed and followed by the City for the acquisition of equipment and buildings and multi-year budgets created for upgrading of City Facilities has resulted in the City owning well maintained assets and buildings. Additionally, the City performs annual repairs, maintenance and replacement of its infrastructure including streets, waterlines, sewer lines and the 2019 year is no different.

The Phase III construction of Crocker Park was completed in 2016 with American Greetings bringing approximately 1,500 new employees to its newly constructed world headquarters along with additional retail and commercial rental space which was developed by Crocker Park.

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 website at www.cityofwestlake.org.

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Basic Financial Statements

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

	Governmental Activities	Business-Type Activities*	Total*
Assets			
Equity in Pooled Cash and Cash Equivalents	\$105,118,766	\$7,124,039	\$112,242,805
Cash and Cash Equivalents in Segregated Accounts	25,142	0	25,142
Cash and Cash Equivalents with Escrow Agents	2,044,965	0	2,044,965
Materials and Supplies Inventory	577,132	6,772	583,904
Accrued Interest Receivable	460,970	28,263	489,233
Accounts Receivable	1,970,854	748,640	2,719,494
Internal Balances	1,382,000	(1,382,000)	0
Intergovernmental Receivable	2,419,317	0	2,419,317
Prepaid Items	318,984	427	319,411
Municipal Income Taxes Receivable	8,426,353	0	8,426,353
Admission Taxes Receivable	34,141	0	34,141
Hotel Taxes Receivable	39,844	0	39,844
Permissive Motor Vehicle Taxes Receivable	42,687	0	42,687
Property Taxes Receivable	13,496,748	0	13,496,748
Payments in Lieu of Taxes Receivable	7,244,696	0	7,244,696
Special Assessments Receivable	284,538	0	284,538
Investment in Joint Venture	0	7,456,238	7,456,238
Net Pension Asset	59,454	3,795	63,249
Nondepreciable Capital Assets	25,096,513	1,509,676	26,606,189
Depreciable Capital Assets, Net	199,439,127	21,649,207	221,088,334
<i>Total Assets</i>	<u>368,482,231</u>	<u>37,145,057</u>	<u>405,627,288</u>
Deferred Outflows of Resources			
Pension	14,210,303	385,824	14,596,127
OPEB	2,748,950	47,280	2,796,230
<i>Total Deferred Outflows of Resources</i>	<u>16,959,253</u>	<u>433,104</u>	<u>17,392,357</u>
Liabilities			
Accounts Payable	1,762,946	8,367	1,771,313
Contracts Payable	1,837,847	0	1,837,847
Accrued Wages	889,636	31,009	920,645
Matured Compensated Absences Payable	103,965	0	103,965
Retainage Payable	3,141,663	0	3,141,663
Employee Withholdings Payable	25,142	0	25,142
Deposits Held and Due to Others	1,514,511	0	1,514,511
Intergovernmental Payable	193,469	5,743	199,212
Accrued Interest Payable	278,756	0	278,756
Notes Payable	3,500,000	0	3,500,000
Unearned Revenue	0	179,650	179,650
Claims Payable	471,333	0	471,333
Long-Term Liabilities:			
Due within One Year	3,355,962	0	3,355,962
Due in More than One Year:			
Net Pension Liability (See Note 14)	52,040,222	1,288,165	53,328,387
Net OPEB Liability (See Note 15)	12,909,565	597,145	13,506,710
Other Amounts Due in More than One Year	70,673,795	0	70,673,795
<i>Total Liabilities</i>	<u>152,698,812</u>	<u>2,110,079</u>	<u>154,808,891</u>
Deferred Inflows of Resources			
Property Taxes	13,319,664	0	13,319,664
Payments in Lieu of Taxes	7,244,696	0	7,244,696
Pension	1,221,923	65,614	1,287,537
OPEB	1,676,543	30,567	1,707,110
<i>Total Deferred Inflows of Resources</i>	<u>23,462,826</u>	<u>96,181</u>	<u>23,559,007</u>
Net Position			
Net Investment in Capital Assets	162,443,570	23,158,883	185,602,453
Restricted for:			
Capital Projects	19,862,658	0	19,862,658
Debt Service	530,460	0	530,460
Streets and Highways	5,142,342	0	5,142,342
Police and Fire	1,766,304	0	1,766,304
Central Dispatch	503,976	0	503,976
Emergency Medical Service	2,978,831	0	2,978,831
Cemetery	595,914	0	595,914
Recycling	73,807	0	73,807
Unclaimed Funds	464,107	0	464,107
Unrestricted	14,917,877	12,213,018	27,130,895
<i>Total Net Position</i>	<u>\$209,279,846</u>	<u>\$35,371,901</u>	<u>\$244,651,747</u>

* After Deferred Outflows and Inflows of Resources related to the change in internal proportionate share of pension and OPEB related items have been eliminated

See accompanying notes to the basic financial statements

City of Westlake, Ohio
Statement of Activities
For the Year Ended December 31, 2019

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General Government	\$11,114,344	\$894,779	\$0	\$0
Security of Persons and Property	4,061,787	2,265,514	262,479	0
Public Health Services	1,602,429	182,509	0	0
Transportation	15,035,224	381,563	2,102,167	3,356,487
Community Environment	3,879,645	35,845	44,068	0
Basic Utility Services	2,796,293	215,010	0	234,661
Leisure Time Activities	5,110,463	2,444,318	0	0
Interest and Fiscal Charges	2,511,053	0	0	0
<i>Total Governmental Activities</i>	<u>46,111,238</u>	<u>6,419,538</u>	<u>2,408,714</u>	<u>3,591,148</u>
Business-Type Activities				
Sewer	3,969,930	2,771,877	0	151,797
Golf Course	513,647	297,407	0	0
<i>Total Business-Type Activities</i>	<u>4,483,577</u>	<u>3,069,284</u>	<u>0</u>	<u>151,797</u>
<i>Total</i>	<u>\$50,594,815</u>	<u>\$9,488,822</u>	<u>\$2,408,714</u>	<u>\$3,742,945</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 Purposes
Unrestricted Contributions
Franchise Taxes
Interest
Payments in Lieu of Taxes
Gain on Sale of Capital Assets
Miscellaneous

Total General Revenues

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
(\$10,219,565)	\$0	(\$10,219,565)
(1,533,794)	0	(1,533,794)
(1,419,920)	0	(1,419,920)
(9,195,007)	0	(9,195,007)
(3,799,732)	0	(3,799,732)
(2,346,622)	0	(2,346,622)
(2,666,145)	0	(2,666,145)
(2,511,053)	0	(2,511,053)
<u>(33,691,838)</u>	<u>0</u>	<u>(33,691,838)</u>
0	(1,046,256)	(1,046,256)
0	(216,240)	(216,240)
<u>0</u>	<u>(1,262,496)</u>	<u>(1,262,496)</u>
<u>(33,691,838)</u>	<u>(1,262,496)</u>	<u>(34,954,334)</u>
11,101,300	0	11,101,300
415,250	0	415,250
415,250	0	415,250
1,245,776	0	1,245,776
21,615,250	0	21,615,250
249,984	0	249,984
1,984,670	0	1,984,670
8,860,698	0	8,860,698
174,335	0	174,335
664,172	0	664,172
1,870,709	0	1,870,709
10,727	0	10,727
599,136	0	599,136
2,848,906	178,662	3,027,568
4,702,454	0	4,702,454
70,033	0	70,033
1,001,443	4,739	1,006,182
<u>57,830,093</u>	<u>183,401</u>	<u>58,013,494</u>
24,138,255	(1,079,095)	23,059,160
<u>185,141,591</u>	<u>36,450,996</u>	<u>221,592,587</u>
<u>\$209,279,846</u>	<u>\$35,371,901</u>	<u>\$244,651,747</u>

City of Westlake, Ohio

Balance Sheet

Governmental Funds

December 31, 2019

	General	TIF Bond Retirement	Infrastructure Tax	Community Center Construction	Other Governmental Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$58,646,801	\$1,878	\$11,956,346	\$10,535,310	\$17,716,035
Cash and Cash Equivalents:					
with Escrow Agents	0	224,480	0	0	1,820,485
in Segregated Accounts	25,142	0	0	0	0
Materials and Supplies Inventory	576,630	0	0	0	502
Accrued Interest Receivable	387,997	0	51,088	0	21,885
Accounts Receivable	242,769	0	0	0	1,597,442
Intergovernmental Receivable	902,161	0	293,882	0	1,223,274
Prepaid Items	301,894	0	0	0	17,090
Municipal Income Taxes Receivable	5,502,350	0	1,967,000	0	957,003
Admission Taxes Receivable	34,141	0	0	0	0
Hotel Taxes Receivable	39,844	0	0	0	0
Permissive Motor Vehicle Taxes Receivable	0	0	0	0	42,687
Property Taxes Receivable	11,370,161	0	0	0	2,126,587
Payments in Lieu of Taxes Receivable	0	7,244,696	0	0	0
Special Assessments Receivable	4,568	0	0	0	279,970
Advances to Other Funds	1,632,000	0	0	0	0
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	1,985,322	0	0	0	3,145
Total Assets	\$81,651,780	\$7,471,054	\$14,268,316	\$10,535,310	\$25,806,105
Liabilities					
Accounts Payable	\$1,633,588	\$0	\$16,476	\$119	\$103,885
Contracts Payable	30,404	0	69,800	623,794	1,113,849
Accrued Wages	705,752	0	1,684	1,595	179,765
Matured Compensated Absences Payable	103,965	0	0	0	0
Retainage Payable	34,617	0	622,352	79,075	2,405,619
Employee Withholdings Payable	25,142	0	0	0	0
Intergovernmental Payable	83,818	0	260	246	109,014
Accrued Interest Payable	0	0	0	6,694	0
Notes Payable	0	0	0	3,500,000	0
Advances From Other Funds	0	0	0	0	250,000
Payables from Restricted Assets:					
Accounts Payable	8,728	0	0	0	150
Accrued Wages	840	0	0	0	0
Intergovernmental Payable	131	0	0	0	0
Deposits Held and Due to Others	1,511,516	0	0	0	2,995
Total Liabilities	4,138,501	0	710,572	4,211,523	4,165,277
Deferred Inflows of Resources					
Property Taxes	11,220,978	0	0	0	2,098,686
Payments in Lieu of Taxes	0	7,244,696	0	0	0
Unavailable Revenue	2,967,584	0	685,095	0	2,865,276
Total Deferred Inflows of Resources	14,188,562	7,244,696	685,095	0	4,963,962
Fund Balances					
Nonspendable	2,974,631	0	0	0	17,592
Restricted	0	226,358	12,872,649	6,323,787	14,071,507
Committed	284,218	0	0	0	2,780,499
Assigned	19,486,682	0	0	0	0
Unassigned (Deficit)	40,579,186	0	0	0	(192,732)
Total Fund Balances	63,324,717	226,358	12,872,649	6,323,787	16,676,866
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$81,651,780	\$7,471,054	\$14,268,316	\$10,535,310	\$25,806,105

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, 2019*

	Total Governmental Fund Balances	\$99,424,377
Total Governmental Funds	<i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
\$98,856,370	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	224,535,640
2,044,965	Other long-term assets are not available to pay for current- period expenditures and therefore are reported as unavailable revenue in the funds:	
25,142	Delinquent Property Taxes	177,084
577,132	Municipal Income Taxes	2,934,852
460,970	Charges for Services	1,692,018
1,840,211	Intergovernmental	1,460,924
2,419,317	Special Assessments	100,000
318,984	Franchise Taxes	74,944
8,426,353	Miscellaneous	78,133
34,141	Total	6,517,955
39,844		
42,687		
13,496,748	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.	3,933,239
7,244,696		
284,538		
1,632,000		
1,988,467	In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(272,062)
\$139,732,565		
\$1,754,068	Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
1,837,847	General Obligation Bonds	(9,923,909)
888,796	Special Obligation Bonds	(47,231,141)
103,965	Special Assessment Bonds	(100,000)
3,141,663	OPWC Loans	(2,688,283)
25,142	State Infrastructure Bank Loan	(7,201,792)
193,338	Compensated Absences Payable	(6,618,550)
6,694	Landfill Postclosure Costs	(266,082)
3,500,000	Total	(74,029,757)
250,000		
8,878	The net pension asset, net pension liability and net OPEB are not due and payable in the current period; therefore the asset, liability and related deferred inflows/outflows are not reported in the funds:	
840	Net Pension Asset	59,454
131	Deferred Outflows - Pension	14,210,303
1,514,511	Net Pension Liability	(52,040,222)
13,225,873	Deferred Inflows - Pension	(1,221,923)
	Deferred Outflows - OPEB	2,748,950
13,319,664	Net OPEB Liability	(12,909,565)
7,244,696	Deferred Inflows - OPEB	(1,676,543)
6,517,955	Total	(50,829,546)
27,082,315	<i>Net Position of Governmental Activities</i>	\$209,279,846
2,992,223		
33,494,301		
3,064,717		
19,486,682		
40,386,454		
99,424,377		
\$139,732,565		

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

	General	TIF Bond Retirement	Infrastructure Tax	Community Center Construction	Other Governmental Funds
Revenues					
Property Taxes	\$11,252,727	\$0	\$0	\$0	\$2,104,599
Municipal Income Taxes	21,536,285	0	7,442,715	0	3,546,899
Admissions Tax	174,335	0	0	0	0
Hotel Tax	664,172	0	0	0	0
Permissive Motor Vehicle Taxes	0	0	0	0	242,787
Charges for Services	554,813	0	0	0	4,236,708
Licenses, Permits and Fees	751,707	0	0	0	105,424
Fines and Forfeitures	131,803	0	0	0	47,565
Intergovernmental	1,857,813	0	293,882	0	4,647,251
Special Assessments	0	0	0	0	29,613
Payments in Lieu of Taxes	0	4,702,454	0	0	0
Interest	2,325,061	14,726	344,446	0	164,673
Rentals	174,579	0	0	0	66,128
Contributions and Donations	10,962	0	0	0	44,068
Franchise Taxes	595,902	0	0	0	0
Miscellaneous	945,465	0	1,050	1,500	26,170
<i>Total Revenues</i>	<u>40,975,624</u>	<u>4,717,180</u>	<u>8,082,093</u>	<u>1,500</u>	<u>15,261,885</u>
Expenditures					
Current:					
General Government	8,841,295	978,473	0	0	0
Security of Persons and Property	12,700,220	0	0	0	5,087,132
Public Health Services	1,250,554	0	0	0	1,700
Transportation	6,015,106	0	0	0	1,533,370
Community Environment	1,683,722	0	0	0	24,617
Basic Utility Services	824,523	0	0	0	157,071
Leisure Time Activities	1,236,346	0	0	0	2,526,571
Capital Outlay	0	0	9,141,701	1,323,826	6,516,566
Debt Service:					
Principal Retirement	0	1,303,505	0	0	3,191,582
Interest and Fiscal Charges	0	2,258,615	0	6,694	119,840
Bond Issuance Costs	0	0	0	0	276,725
<i>Total Expenditures</i>	<u>32,551,766</u>	<u>4,540,593</u>	<u>9,141,701</u>	<u>1,330,520</u>	<u>19,435,174</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>8,423,858</u>	<u>176,587</u>	<u>(1,059,608)</u>	<u>(1,329,020)</u>	<u>(4,173,289)</u>
Other Financing Sources (Uses)					
General Obligation Bonds Issued	0	0	0	8,000,000	0
General Obligation Bonds Premium Issued	0	0	0	0	344,247
Sale of Capital Assets	242,890	0	0	0	17,630
Transfers In	0	0	0	0	5,287,356
Transfers Out	(4,878,700)	(408,656)	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(4,635,810)</u>	<u>(408,656)</u>	<u>0</u>	<u>8,000,000</u>	<u>5,649,233</u>
<i>Net Change in Fund Balances</i>	3,788,048	(232,069)	(1,059,608)	6,670,980	1,475,944
<i>Fund Balances (Deficit) Beginning of Year - Restated (See Note 3)</i>	<u>59,536,669</u>	<u>458,427</u>	<u>13,932,257</u>	<u>(347,193)</u>	<u>15,200,922</u>
<i>Fund Balances End of Year</i>	<u>\$63,324,717</u>	<u>\$226,358</u>	<u>\$12,872,649</u>	<u>\$6,323,787</u>	<u>\$16,676,866</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, 2019*

	Net Change in Fund Balances - Total Governmental Funds	\$10,643,295
Total Governmental Funds	<i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
\$13,357,326	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.	
32,525,899	This is the amount by which capital outlay exceeded depreciation in the current period:	
174,335	Capital Asset Additions:	
664,172	Capital Outlays	14,982,129
242,787	Capital Contributions	624,570
4,791,521	Current Year Depreciation	<u>(9,777,022)</u>
857,131	Total	5,829,677
179,368		
6,798,946	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.	(195,937)
29,613		
4,702,454	Revenues in the statement of activities that do not provide current financial resources are not reported as revenues within the governmental funds:	
2,848,906	Delinquent Property Taxes	(179,750)
240,707	Municipal Income Taxes	184,703
55,030	Charges for Services	377,051
595,902	Fines and Forfeitures	(5,853)
974,185	Intergovernmental	160,200
69,038,282	Special Assessments	(50,000)
	Contributions and Donations	(235)
9,819,768	Franchise Taxes	3,234
17,787,352	Miscellaneous	<u>27,258</u>
1,252,254	Total	516,608
7,548,476		
1,708,339	Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position:	
981,594	General Obligation Bonds	2,985,000
3,762,917	Special Obligation Bonds	895,000
16,982,093	Special Assessment Bonds	50,000
4,495,087	OPWC Loans Payable	155,036
2,385,149	State Infrastructure Bank Loan Payable	408,505
276,725	Capital Lease	<u>1,546</u>
66,999,754	Total	4,495,087
2,038,528	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	(93,644)
8,000,000	Amortization of Bond Premium	38,923
344,247	Amortization of Loss on Refunding	<u>(71,183)</u>
260,520	Total	(125,904)
5,287,356		
(5,287,356)	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	(332,189)
8,604,767	Landfill	<u>44,283</u>
10,643,295	Total	(287,906)
88,781,082	The internal service fund used by management to charge the costs of insurance to individual funds is not reported in entity-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.	(175,491)
\$99,424,377		
	Other financing sources in the governmental funds increase long-term liabilities in the statement of net position.	
	General Obligation Bonds Issued	(8,000,000)
	General Obligation Bonds Premium Issued	<u>(344,247)</u>
	Total	(8,344,247)
	Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.	
	Pension	3,417,265
	OPEB	<u>52,581</u>
	Total	3,469,846
	Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.	
	Pension	(8,496,202)
	OPEB	<u>16,809,429</u>
	Total	8,313,227
	<i>Change in Net Position of Governmental Activities</i>	<u>\$24,138,255</u>

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, 2019*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$11,185,410	\$11,185,410	\$11,252,727	\$67,317
Municipal Income Taxes	21,698,000	21,698,000	21,575,164	(122,836)
Admissions Tax	200,000	200,000	169,441	(30,559)
Hotel Tax	620,000	620,000	665,337	45,337
Charges for Services	55,500	55,500	96,355	40,855
Licenses, Permits and Fees	956,100	956,100	1,766,049	809,949
Fines and Forfeitures	150,150	150,150	133,341	(16,809)
Intergovernmental	1,829,037	1,829,037	1,837,853	8,816
Interest	1,500,000	1,500,000	1,879,692	379,692
Rentals	158,010	158,010	160,779	2,769
Franchise Taxes	625,000	625,000	600,710	(24,290)
Miscellaneous	155,000	155,000	925,269	770,269
<i>Total Revenues</i>	<u>39,132,207</u>	<u>39,132,207</u>	<u>41,062,717</u>	<u>1,930,510</u>
Expenditures				
Current:				
General Government	11,834,637	12,286,218	9,245,664	3,040,554
Security of Persons and Property	14,511,399	14,485,913	12,987,208	1,498,705
Public Health Services	1,270,070	1,260,192	1,056,012	204,180
Transportation	8,406,117	8,373,422	6,938,895	1,434,527
Community Environment	2,634,234	2,748,133	2,171,140	576,993
Basic Utility Services	1,109,974	1,125,268	871,143	254,125
Leisure Time Activities	1,204,165	1,210,161	992,482	217,679
<i>Total Expenditures</i>	<u>40,970,596</u>	<u>41,489,307</u>	<u>34,262,544</u>	<u>7,226,763</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,838,389)</u>	<u>(2,357,100)</u>	<u>6,800,173</u>	<u>9,157,273</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	25,000	25,000	242,890	217,890
Advances In	0	0	5,325,000	5,325,000
Advances Out	(300,000)	(3,925,000)	(3,752,000)	173,000
Transfers Out	(2,808,700)	(6,128,700)	(5,478,700)	650,000
<i>Total Other Financing Sources (Uses)</i>	<u>(3,083,700)</u>	<u>(10,028,700)</u>	<u>(3,662,810)</u>	<u>6,365,890</u>
<i>Net Change in Fund Balance</i>	(4,922,089)	(12,385,800)	3,137,363	15,523,163
<i>Fund Balance Beginning of Year</i>	51,753,205	51,753,205	51,753,205	0
Prior Year Encumbrances Appropriated	2,129,796	2,129,796	2,129,796	0
<i>Fund Balance End of Year</i>	<u>\$48,960,912</u>	<u>\$41,497,201</u>	<u>\$57,020,364</u>	<u>\$15,523,163</u>

See accompanying notes to the basic financial statements

City of Westlake, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2019

	Business-Type Activities - Enterprise Funds			Governmental
	Sewer	Nonmajor - Golf Course	Total	Activities - Internal Service Fund
Assets				
<i>Current Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$6,986,722	\$137,317	\$7,124,039	\$4,273,929
Materials and Supplies Inventory	0	6,772	6,772	0
Accrued Interest Receivable	28,263	0	28,263	0
Accounts Receivable	748,640	0	748,640	130,643
Prepaid Items	163	264	427	0
<i>Total Current Assets</i>	<u>7,763,788</u>	<u>144,353</u>	<u>7,908,141</u>	<u>4,404,572</u>
<i>Noncurrent Assets</i>				
Investment in Joint Venture	7,456,238	0	7,456,238	0
Net Pension Asset	2,530	1,265	3,795	0
Nondepreciable Capital Assets	0	1,509,676	1,509,676	0
Depreciable Capital Assets, Net	21,079,386	569,821	21,649,207	0
<i>Total Noncurrent Assets</i>	<u>28,538,154</u>	<u>2,080,762</u>	<u>30,618,916</u>	<u>0</u>
<i>Total Assets</i>	<u>36,301,942</u>	<u>2,225,115</u>	<u>38,527,057</u>	<u>4,404,572</u>
Deferred Outflows of Resources				
Pension	257,372	146,241	403,613	0
OPEB	31,521	27,663	59,184	0
<i>Total Deferred Outflows of Resources</i>	<u>288,893</u>	<u>173,904</u>	<u>462,797</u>	<u>0</u>
Liabilities				
<i>Current Liabilities</i>				
Accounts Payable	7,498	869	8,367	0
Claims Payable	0	0	0	471,333
Accrued Wages	25,126	5,883	31,009	0
Intergovernmental Payable	3,835	1,908	5,743	0
Unearned Revenue	179,650	0	179,650	0
<i>Total Current Liabilities</i>	<u>216,109</u>	<u>8,660</u>	<u>224,769</u>	<u>471,333</u>
<i>Long-Term Liabilities</i>				
Advances from Other Funds	0	1,382,000	1,382,000	0
Net Pension Liability	858,776	429,389	1,288,165	0
Net OPEB Liability	398,096	199,049	597,145	0
<i>Total Long-Term Liabilities</i>	<u>1,256,872</u>	<u>2,010,438</u>	<u>3,267,310</u>	<u>0</u>
<i>Total Liabilities</i>	<u>1,472,981</u>	<u>2,019,098</u>	<u>3,492,079</u>	<u>471,333</u>
Deferred Inflows of Resources				
Pension	71,540	11,863	83,403	0
OPEB	39,187	3,284	42,471	0
<i>Total Deferred Inflows of Resources</i>	<u>110,727</u>	<u>15,147</u>	<u>125,874</u>	<u>0</u>
Net Position				
Net Investment in Capital Assets	21,079,386	2,079,497	23,158,883	0
Unrestricted (Deficit)	13,927,741	(1,714,723)	12,213,018	3,933,239
<i>Total Net Position</i>	<u>\$35,007,127</u>	<u>\$364,774</u>	<u>\$35,371,901</u>	<u>\$3,933,239</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, 2019*

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Sewer	Nonmajor - Golf Course	Total	
Operating Revenues				
Charges for Services	\$2,721,898	\$237,123	\$2,959,021	\$3,259,911
Tap-In-Fees	49,979	0	49,979	0
Rentals	0	60,284	60,284	0
Miscellaneous	0	4,739	4,739	0
<i>Total Operating Revenues</i>	<u>2,771,877</u>	<u>302,146</u>	<u>3,074,023</u>	<u>3,259,911</u>
Operating Expenses				
Personal Services	498,232	209,758	707,990	0
Fringe Benefits	241,569	148,837	390,406	0
Contractual Services	1,939,675	74,326	2,014,001	578,279
Materials and Supplies	29,683	37,414	67,097	0
Depreciation	1,144,010	33,097	1,177,107	0
Other	39,650	10,215	49,865	0
Claims	0	0	0	2,857,123
<i>Total Operating Expenses</i>	<u>3,892,819</u>	<u>513,647</u>	<u>4,406,466</u>	<u>3,435,402</u>
<i>Operating (Loss) Income</i>	<u>(1,120,942)</u>	<u>(211,501)</u>	<u>(1,332,443)</u>	<u>(175,491)</u>
Nonoperating Revenues (Expenses)				
Interest	178,662	0	178,662	0
Loss in Joint Venture	(77,111)	0	(77,111)	0
<i>Total Nonoperating Revenues (Expenses)</i>	<u>101,551</u>	<u>0</u>	<u>101,551</u>	<u>0</u>
<i>(Loss) Income Before Capital Contributions</i>	<u>(1,019,391)</u>	<u>(211,501)</u>	<u>(1,230,892)</u>	<u>(175,491)</u>
Capital Contributions	151,797	0	151,797	0
<i>Change in Net Position</i>	<u>(867,594)</u>	<u>(211,501)</u>	<u>(1,079,095)</u>	<u>(175,491)</u>
<i>Net Position Beginning of Year</i>	<u>35,874,721</u>	<u>576,275</u>	<u>36,450,996</u>	<u>4,108,730</u>
<i>Net Position End of Year</i>	<u>\$35,007,127</u>	<u>\$364,774</u>	<u>\$35,371,901</u>	<u>\$3,933,239</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, 2019

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Sewer	Nonmajor - Golf Course	Total	
<i>Increase (Decrease) in Cash and Cash Equivalents</i>				
Cash Flows from Operating Activities				
Cash Received from Customers	\$2,803,641	\$297,407	\$3,101,048	\$3,129,268
Cash Received from Other Operating Sources	0	4,739	4,739	0
Cash Received from Tap-In Fees	49,979	0	49,979	0
Cash Payments to Suppliers for Goods and Services	(1,967,040)	(112,243)	(2,079,283)	(578,279)
Cash Payments for Claims	0	0	0	(2,635,865)
Cash Payments for Employee Services and Benefits	(644,849)	(252,650)	(897,499)	0
Cash Payments for Other Operating Expenses	(39,610)	(9,215)	(48,825)	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	202,121	(71,962)	130,159	(84,876)
Cash Flows from Noncapital Financing Activities				
Advance In	0	127,000	127,000	0
Cash Flows from Capital and Related Financing Activities				
Acquisition of Capital Assets	(4,206)	(14,741)	(18,947)	0
Cash Flows from Investing Activities				
Interest	185,869	0	185,869	0
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	383,784	40,297	424,081	(84,876)
<i>Cash and Cash Equivalents Beginning of Year</i>	6,602,938	97,020	6,699,958	4,358,805
<i>Cash and Cash Equivalents End of Year</i>	<u>\$6,986,722</u>	<u>\$137,317</u>	<u>\$7,124,039</u>	<u>\$4,273,929</u>
Reconciliation of Operating (Loss) Income to Net Cash Provided by (Used for) Operating Activities				
<i>Operating (Loss) Income</i>	(\$1,120,942)	(\$211,501)	(\$1,332,443)	(\$175,491)
Adjustments:				
Depreciation	1,144,010	33,097	1,177,107	0
(Increase)/Decrease in Assets:				
Materials and Supplies Inventory	0	(139)	(139)	0
Accounts Receivable	86,591	0	86,591	(130,643)
Prepaid Items	0	(56)	(56)	0
Net Pension Asset	(760)	(380)	(1,140)	0
(Increase)/Decrease in Deferred Outflows of Resources - Pension	197,825	111,718	309,543	0
(Increase)/Decrease in Deferred Outflows of Resources - OPEB	21,063	21,437	42,500	0
Increase/(Decrease) in Liabilities:				
Accounts Payable	2,358	(308)	2,050	0
Claims Payable	0	0	0	221,258
Accrued Wages	5,932	538	6,470	0
Intergovernmental Payable	922	1,083	2,005	0
Unearned Revenue	(4,848)	0	(4,848)	0
Net Pension Liability	(931)	(466)	(1,397)	0
Net OPEB Liability	21,806	10,904	32,710	0
Increase/(Decrease) in Deferred Inflows of Resources - Pension	(111,613)	(33,184)	(144,797)	0
Increase/(Decrease) in Deferred Inflows of Resources - OPEB	(39,292)	(4,705)	(43,997)	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$202,121</u>	<u>(\$71,962)</u>	<u>\$130,159</u>	<u>(\$84,876)</u>

Noncash Capital Financing and Investing Activities

During 2019, the sewer enterprise fund received sewer lines from developers valued at \$151,797.

During 2019, the net increase in fair value of the sewer enterprise funds investments was \$37,460.

See accompanying notes to the basic financial statements

City of Westlake, Ohio
Statement of Fiduciary Net Position
Custodial Fund
December 31, 2019

	<u>Asset Forfeitures</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$206,009</u>
Liabilities	
Accounts Payable	15,000
Intergovernmental Payable	<u>7,124</u>
<i>Total Liabilities</i>	<u>22,124</u>
Net Position	
Restricted for Individuals and Other Governments	<u><u>\$183,885</u></u>

See accompanying notes to the basic financial statements

City of Westlake, Ohio
Statement of Changes in Fiduciary Net Position
Custodial Fund
For the Year Ended December 31, 2019

	Asset Forfeitures
Additions	
Fines and Forfeitures for Other Governments	\$26,034
Deductions	
Fines and Forfeitures to Other Governments and Others	45,084
<i>Net Increase (Decrease) in Fiduciary Net Position</i>	(19,050)
<i>Net Position Beginning of Year - Restated (See Note 3)</i>	202,935
<i>Net Position End of Year</i>	\$183,885

See accompanying notes to the basic financial statements

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

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, engineering and community services 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 23).

The City is associated with five jointly governed organizations, the West Shore Council of Governments, Tri-City Park, Safe Air For Environment (S.A.F.E) Council of Governments, West Shore Area Rescue Association and the Regional Income Tax Agency (RITA). These organizations are presented in Note 24 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

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

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.

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 activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

The statement of net 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.

The following are the City's major governmental funds:

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

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.

TIF Bond Retirement Fund The TIF Bond Retirement fund accounts for and reports payment in lieu of taxes restricted for the payment of principal and interest and fiscal charges related to debt issued to finance American Greetings 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.

Community Center Construction Fund This fund accounts for and reports bond and note proceeds restricted for the construction of a new community center.

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 (and other employee benefit) trust funds, investment trust funds, private purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement that has certain characteristics. The City does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The City's fiduciary fund is a custodial fund. The City's custodial fund holds cash and financial assets seized through the police department until a judgement is rendered.

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

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

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 and fiduciary 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. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

For the proprietary funds, 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.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from private purpose trust and the custodial fund.

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 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

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

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, 2019, for 2020 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, pension and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB plans are explained in Note 14 and 15.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes, pension, OPEB and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2019, but which were levied to finance year 2020 operations. These amounts have been recorded as 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, licenses, permits and fees, fines and forfeitures, delinquent property taxes, municipal income taxes, intergovernmental grants, special assessments, contributions and donations, franchise taxes 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 and OPEB plans are reported on the government-wide statement of net position (See Note 14 and 15).

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, 2019

Budgetary Process

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations 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 2019, investments were limited to municipal bonds, bond anticipation notes, federal farm credit bank bonds, federal home loan bank bonds, federated treasury obligation money market fund and STAR Ohio. Investments are reported at fair value, which is based on quoted market price or current price, except for STAR Ohio.

STAR Ohio (the State Treasury Asset Reserve of 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 has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2019, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice is appreciated for deposits and withdrawals of \$25 million or more. STAR Ohio reserves the right to limit the transactions to \$100 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

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

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 2019 was \$2,325,061, which includes \$721,448 assigned from other City funds.

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

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 and Market Square 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."

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 "equity in pooled cash and 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.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2019 are recorded as prepaid items using the consumption method. 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 and amounts held on deposit for contractors.

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 enterprise 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 acquisition 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 of Westlake, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

City maintains a capitalization threshold of \$1,000. 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.

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings and Improvements	20 - 84 years	44 - 50 years
Improvements	10 - 50 years	20 - 50 years
Machinery and Equipment	5 - 19 years	5 years
Furniture and Fixtures	10 - 20 years	10 years
Vehicles	2 - 15 years	5 years
Infrastructure	10 - 50 years	50 years

The City's infrastructure consists of roads, water mains, storm sewers, culverts, traffic signals, sewer lines 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.

Deferred inflows of resources and deferred outflows of resources from the change in internal proportionate share related to pension and OPEB items are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts between governmental and business-type activities. These residual amounts are eliminated in the total column of the entity wide statement of net position.

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

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

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.

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

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the fund(s) from which the employees who have resigned or retired will be paid.

Pensions/Other Postemployment Benefits (OPEB)

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

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 judgements and compensated absences 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. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits. 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).

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

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.

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 2020'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.

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

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.

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. Under Ohio law, premiums on the original issuance of debt are to be deposited to the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

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.

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

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 Fund Balances and Net Position

Change in Accounting Principles

The Governmental Accounting Standards Board (GASB) recently issued GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The City evaluated implementing these certain GASB pronouncements based on guidance in GASB 95.

For 2019, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, and related guidance from (GASB) Implementation Guide No. 2019-2, *Fiduciary Activities*.

For 2019, the City also implemented the Governmental Accounting Standards Board’s (GASB) *Implementation Guide No. 2018-1*. These changes were incorporated in the City’s 2019 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 84 established specific criteria for identifying activities that should be reported as fiduciary activities and clarifies whether and how business type activities should report their fiduciary activities. Due to the implementation of GASB Statement No. 84, the City will no longer be reporting agency funds. The City reviewed its agency funds and certain funds will be reported in the new fiduciary fund classification of custodial funds, while other funds have been reclassified as governmental funds. These fund reclassifications resulted in the restatement of the City’s financial statements.

GASB Statement 88 improves the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. These changes were incorporated in the City’s 2019 financial statements; however, there was no effect on beginning net position/fund balance.

Restatement of Fund Balances and Net Position

During 2019, it was determined that retainage payable was classified to the incorrect fund. The implementation of GASB Statement No. 84 and the retainage payable restatement had the following effect on fund balance as of December 31, 2018:

	<u>General</u>	<u>TIF Bond Retirement</u>	<u>Infrastructure Tax</u>	<u>Community Center Construction</u>
Fund Balances, December 31, 2018	\$59,461,669	\$458,427	\$14,072,947	(\$347,193)
Adjustments:				
GASB Statement 84	75,000	0	0	0
Retainage Payable	<u>0</u>	<u>0</u>	<u>(140,690)</u>	<u>0</u>
Restated Fund Balances, December 31, 2018	<u>\$59,536,669</u>	<u>\$458,427</u>	<u>\$13,932,257</u>	<u>(\$347,193)</u>

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

	Other Governmental Funds	Total Governmental Funds
Fund Balances, December 31, 2018	\$14,596,645	\$88,242,495
Adjustments:		
GASB Statement 84	463,587	538,587
Retainage Payable	<u>140,690</u>	<u>0</u>
Restated Fund Balances, December 31, 2018	<u>\$15,200,922</u>	<u>\$88,781,082</u>

The implementation of GASB Statement No. 84 had the following effect on net position as of December 31, 2018:

	Governmental Activities	Business Type Activities
Net Position December 31, 2018	\$184,603,004	\$36,450,996
Adjustments:		
GASB Statement 84	<u>538,587</u>	<u>0</u>
Restated Net Position December 31, 2018	<u>\$185,141,591</u>	<u>\$36,450,996</u>

Due to the implementation of GASB Statement No. 84, the new classification of custodial funds is reporting a beginning net position of \$202,935. Also related to the implementation of GASB Statement No. 84, the City will no longer be reporting agency funds, at December 31, 2018, agency funds reported assets and liabilities of \$1,692,120.

Note 4 – Accountability

The American Greetings and sidewalks capital projects funds had deficit fund balances at December 31, 2019, in the amounts of \$66,208 and \$126,524, respectively. The deficit in the American Greetings capital projects fund is the result of the recognition of expenditures on the modified basis of accounting. The deficit in the sidewalks capital projects funds are due to advances made for construction projects until revenue is received. 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.

Note 5 – 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:

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

Fund Balances	General	TIF Bond Retirement	Infrastructure Tax	Community Center Construction	Other Governmental Funds	Total Governmental Funds
<u>Nonspendable:</u>						
Interfund loans	\$1,632,000	\$0	\$0	\$0	\$0	\$1,632,000
Prepays	301,894	0	0	0	17,090	318,984
Inventory	576,630	0	0	0	502	577,132
Unclaimed Monies	464,107	0	0	0	0	464,107
<i>Total Nonspendable</i>	<u>2,974,631</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>17,592</u>	<u>2,992,223</u>
<u>Restricted for:</u>						
Road Improvements	0	0	0	0	4,547,222	4,547,222
Police and Fire Departments	0	0	0	0	876,382	876,382
Law Enforcement	0	0	0	0	607,119	607,119
Drug and Alcohol Enforcement	0	0	0	0	118,343	118,343
Juvenile Diversion	0	0	0	0	17,616	17,616
Cemetery Maintenance	0	0	0	0	595,914	595,914
West/Bay Ecological	0	0	0	0	56,694	56,694
Central Dispatch	0	0	0	0	455,803	455,803
Emergency Medical Services	0	0	0	0	1,566,342	1,566,342
Storm Drainage	0	0	0	0	890,721	890,721
Construction and Improvement of City Facilities	0	0	0	6,323,787	2,896,892	9,220,679
Debt Service Payments	0	226,358	0	0	1,364,908	1,591,266
Issue II Improvements	0	0	12,872,649	0	77,551	12,950,200
<i>Total Restricted</i>	<u>0</u>	<u>226,358</u>	<u>12,872,649</u>	<u>6,323,787</u>	<u>14,071,507</u>	<u>33,494,301</u>
<u>Committed to:</u>						
Recreation	0	0	0	0	2,560,073	2,560,073
City Donations	0	0	0	0	220,426	220,426
Basic Utility Services	16,009	0	0	0	0	16,009
Street Department	146,199	0	0	0	0	146,199
City Administration	112,503	0	0	0	0	112,503
Police and Fire Departments	4,682	0	0	0	0	4,682
Senior/Community Services	4,690	0	0	0	0	4,690
Recreation Department	135	0	0	0	0	135
<i>Total Committed</i>	<u>284,218</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,780,499</u>	<u>3,064,717</u>
<u>Assigned to:</u>						
Compensated Absences	910,012	0	0	0	0	910,012
Equipment Replacement	11,759,617	0	0	0	0	11,759,617
Cable Television	3,662,106	0	0	0	0	3,662,106
Cemetery Operations	85,612	0	0	0	0	85,612
Swimming Pool Operations	62,449	0	0	0	0	62,449
Community Services	74,337	0	0	0	0	74,337
Safety Town	17,710	0	0	0	0	17,710
2020 Operations	1,778,532	0	0	0	0	1,778,532
Purchases on Order						
Building Maintenance	66,921	0	0	0	0	66,921
Engineering and Zoning	41,355	0	0	0	0	41,355
Basic Utility Services	14,035	0	0	0	0	14,035
Street Department	142,143	0	0	0	0	142,143
City Administration	492,398	0	0	0	0	492,398
Police and Fire Department	346,979	0	0	0	0	346,979
Senior/Community Services	6,229	0	0	0	0	6,229
Recreation Department	26,247	0	0	0	0	26,247
<i>Total Assigned</i>	<u>19,486,682</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>19,486,682</u>
Unassigned (Deficit)	<u>40,579,186</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(192,732)</u>	<u>40,386,454</u>
Total Fund Balances	<u>\$63,324,717</u>	<u>\$226,358</u>	<u>\$12,872,649</u>	<u>\$6,323,787</u>	<u>\$16,676,866</u>	<u>\$99,424,377</u>

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

Note 6 – 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 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 basis) 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 In and Advances Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
- 6 Encumbrances are treated as expenditures (budget basis) rather than as restricted, committed or assigned fund balance (GAAP basis).

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

	General
GAAP Basis	\$3,788,048
Net Adjustment for Revenue Accruals	523,346
Advances In	5,325,000
Beginning Fair Value Adjustment for Investments	268,648
Ending Fair Value Adjustment for Investments	(218,444)
Net Adjustment for Expenditure Accruals	(761,284)
Advances Out	(3,752,000)
Perspective Difference:	
Swimming Pool Operation	(52,002)
Senior/Community Service	(4,004)
Cemetery Operating	90,452
Reserve for Compensated Absences	79,697
Encumbrances	(2,150,094)
Budget Basis	\$3,137,363

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

Note 7 – Deposits and Investments

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

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

Inactive deposits are public deposits that 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.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

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 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) 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 including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
6. The State Treasurer's investment pool (STAR Ohio);

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

7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy 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
8. Written repurchase agreements in the securities described in (1) or (2) provided 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 the term of the agreement must not exceed thirty days.

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.

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 treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

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

Investments are reported at fair value. As of December 31, 2019, the City had the following investments:

Measurement/Investment	Measurement Amount	Maturity	Standard & Poor's Rating	Percentage of Total Investments
Net Asset Value Per Share				
STAR Ohio	\$52,675,792	Average 55.7 Days	AAAm	46.16%
Fair Value - Level One Inputs				
Federated Treasury Obligation Money Market	2,044,965	Less than one year	AAAm	1.79
Fair Value - Level Two Inputs				
Federal Farm Credit Bank Bonds	9,425,481	Less than one year	AA+	
Federal Farm Credit Bank Bonds	3,399,744	Less than two years	AA+	
Federal Farm Credit Bank Bonds	748,050	Less than five years	AA+	
Total Federal Farm Credit Bank Bonds	13,573,275			11.90
Federal Home Loan Bank Bonds	6,744,804	Less than one year	AA+	
Federal Home Loan Bank Bonds	1,251,986	Less than five years	AA+	
Total Federal Home Loan Bank Bonds	\$7,996,790			7.01

(continued)

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

Measurement/Investment	Measurement Amount	Maturity	Standard & Poor's Rating	Percentage of Total Investments
Bond Anticipation Notes:				
City of Berea	\$3,524,290	Less than one year	N/A	3.09%
City of Canton	1,706,086	Less than one year	N/A	1.50
City of Fairborn	1,007,820	Less than one year	N/A	0.88
City of Huron	3,509,100	Less than one year	N/A	3.08
Pickaway County	1,000,850	Less than one year	N/A	0.88
City of Pickerington	2,717,550	Less than one year	N/A	2.38
City of Riverside	3,907,332	Less than one year	N/A	3.42
City of Springboro	3,017,580	Less than one year	N/A	2.64
City of North Royalton	3,800,912	Less than two year	N/A	3.33
Total Bond Anticipation Notes	24,191,520			
Municipal Bonds:				
City of Cleveland	800,000	Less than one year	N/A	0.70
City of Columbus	1,764,192	Less than one year	N/A	1.55
City of Wadsworth	402,063	Less than one year	N/A	0.35
Avon Lake City School District	437,819	Less than one year	N/A	0.38
Cincinnati City School District	768,006	Less than one year	N/A	0.67
Columbus City School District	2,059,980	Less than one year	N/A	1.81
Columbus Metropolitan Library	451,175	Less than one year	N/A	0.40
Cuyahoga County	250,000	Less than one year	N/A	0.22
State of Ohio	506,550	Less than one year	N/A	0.44
City of Cincinnati	609,072	Less than two years	N/A	0.53
City of Columbus	2,757,569	Less than two years	N/A	2.42
Cincinnati City School District	1,523,190	Less than two years	N/A	1.33
State of Ohio	752,033	Less than two years	N/A	0.66
Columbus City School District	543,250	Less than five years	N/A	0.48
Total Municipal Bonds	13,624,899			
Total Fair Value - Level Two Inputs	59,386,484			
	\$114,107,241			

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the City's recurring fair value measurements as of December 31, 2019. The Federated Treasury Obligation Money Market is measured at fair value and is valued using quoted market prices (Level 1 inputs). The City's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

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.

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

Credit Risk The Bond Anticipation Notes and Municipal Bonds are unrated. The Federal Farm Credit Bank Bonds and Federal Home Loan Bank Bonds carry a rating of AA+ by Standard and Poor's. The Federated Treasury Obligation Money Market carry a rating of AAAM by Standard and Poor's. STAR Ohio carries a credit rating of AAAM by Standard & 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.

Note 8 – Interfund Balances and Transfers

Interfund Balances

As of December 31, 2019, interfund balances were as follows:

	Receivable	Payable
	Advance to Other Funds	Advance from Other Funds
Major Governmental Funds:		
General Fund	\$1,632,000	\$0
Other Governmental Fund:		
Sidewalks	0	250,000
<i>Total Governmental Activities</i>	1,632,000	250,000
Business-Type Activity:		
Golf Course	0	1,382,000
Total	\$1,632,000	\$1,632,000

Advances to other funds at December 31, 2019, consisted of a general fund advance of \$1,382,000 to the golf course enterprise fund due to the timing of the operating revenues, and an advance of \$250,000 to the sidewalks capital projects fund due to the timing of special assessment collections. Advances to other funds are not expected to be repaid within one year.

Interfund Transfers

At December 31, 2019, interfund transfers were as follows:

Transfers To	Transfers From		
	General	TIF Bond Retirement	Total
Other Governmental Funds:			
Police Pension	\$600,000	\$0	\$600,000
Fire Pension	500,000	0	500,000
Central Dispatch	300,000	0	300,000
General Obligation Bond Retirement	1,770,000	0	1,770,000
American Greetings	300,000	408,656	708,656
Issue II Improvement	158,700	0	158,700
Sidewalks	1,250,000	0	1,250,000
Total Governmental Funds	\$4,878,700	\$408,656	\$5,287,356

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

The general fund transfers to the other governmental funds were made to provide additional resources for current operations, debt service and capital improvements. The TIF bond retirement fund transferred the remaining balance to the American greetings capital projects fund due to the City making the last payment of the bond issue.

Internal Balances – Changes in Proportionate Share

The City uses an internal proportionate share to allocate its net pension asset/liability, net OPEB liability and corresponding deferred outflows/inflows of resources and pension and OPEB expense to its various funds. This allocation creates a change in internal proportionate share. The effects of the internal proportionate share are eliminated from the pension and OPEB deferred outflows/inflows of resources in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts between governmental and business-type activities. These residual amounts are eliminated in the total column of the entity wide statement of net position, thus allowing the total column to present the change in proportionate share for the City as a whole.

Eliminations made in the business type activities column include a deferred outflow of resources for the golf course enterprise fund and a deferred inflow of resources for the sewer enterprise fund in the amount of \$29,693, \$17,789 related to pension and \$11,904 related to OPEB.

Note 9 – Receivables

Receivables at December 31, 2019, consisted primarily of municipal income taxes, property and hotel taxes, payments in lieu of 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 \$50,000 in the special assessment bond retirement fund. At December 31, 2019, the amount of delinquent special assessments was \$75,019.

Property Taxes

Property taxes include amounts levied against all real, public utility and tangible personal property located in the City. Property tax revenue received during 2019 for real and public utility property taxes represents collections of 2018 taxes.

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

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.

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

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. 2019 public utility property taxes which became a lien December 31, 2018, are levied after October 1, 2019, and are collected in 2020 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2019, was \$9.52 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2019 property tax receipts were based are as follows:

<u>Category</u>	<u>Amount</u>
Real Estate:	
Residential/Agricultural	\$1,135,047,820
Other Real Estate	412,930,430
Public Utility Tangible Property	<u>30,844,930</u>
Total Assessed Valuation	<u><u>\$1,578,823,180</u></u>

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, 2019, and for which there is an enforceable legal claim. In governmental funds, the portion of the receivable levied to finance 2020 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 approximately 3 percent. Taxes collected by RITA in one month are remitted to the City on the first and fifteenth 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:

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

	Amount
Governmental Activities:	
Homestead and Rollback	\$747,776
Gas Excise Tax/Highway Distribution	822,293
Ohio Department of Transportation	293,882
Local Government	223,675
Auto Registration	96,983
City of North Ridgeview	53,032
City of Rocky River	51,162
City of Fairview Park	37,802
Bay Village	30,151
Westlake City School District	23,527
Ohio Attorney General	7,961
City of Cleveland	15,366
City of Independence	5,707
City of Lakewood	5,704
Ohio Department of Public Safety Grants	1,549
Westlake Post Office	769
Cuyahoga County Board of Elections	637
Cuyahoga County	600
Ohio Department of Justice	497
Porter Public Library	244
	\$2,419,317
Total Intergovernmental Receivables	\$2,419,317

Payments in Lieu of Taxes

According to State law, the City has established one tax incremental financing district within the City under which the City has granted property tax exemptions and agreed to construct certain infrastructure improvements. The property owners have agreed to make payments to the City to help pay the costs of the infrastructure improvements. The amount of those payments generally reflects all or a portion of the property taxes which the property owners would have paid if the property had not been declared exempt. The property owners' contractual promise to make these payments in lieu of taxes generally continues until the costs of the improvement have been paid or the agreement expires, whichever occurs first. Future development by these 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 – Tax Abatements

As of December 31, 2019, the City provides tax abatements two programs: Community Reinvestment Area and Job Creation and Retention Program.

Real Estate tax abatements

Pursuant to Ohio Revised Code Chapter 5709, the City has established a Community Reinvestment Area to provide property tax abatements to encourage revitalization of existing buildings and the construction of new structures. Abatements are obtained through application by the property owner, including proof that the improvements have been made, and equal 50 percent of the additional property tax resulting from the increase in assessed value as a result of the improvement. The amount of the abatement is deducted from the recipient's tax bill. The City also contracts with the overlapping school district for payments in lieu of taxes when required by Ohio Revised Code. For 2019, the value of the taxes being abated was \$11,182.

City of Westlake, Ohio
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For the Year Ended December 31, 2019

Income tax abatement programs

The City has entered into several agreements under a Job Creation and Retention program. The purpose of the program is to encourage the creation and retention of job opportunities through the City. Pursuant to Ohio Revised Code Chapter 718, the City provides an incentive to the company based upon the company's gross annual payroll, the amount of income tax generated annually and the number of jobs created or retained by the business. Each agreement is specific to the business and may be reduced based on the amount of annual payroll for each year not being maintained or not increasing at an agreed upon amount. The abatement is administered as a refund based upon the company's payroll taxes. Also, the time period of the incentive in years, is determined by an agreement put in place by each business and the City. For 2019, the taxes being abated was \$1,094,228.

Note 11 – Capital Assets

A summary of changes in capital assets during 2019 follows:

	Balance 12/31/2018	Additions	Deletions	Balance 12/31/2019
Business-Type Activities:				
<i>Nondepreciable Capital Assets</i>				
Land	\$1,499,176	\$0	\$0	\$1,499,176
Construction in Progress	0	10,500	0	10,500
<i>Total Nondepreciable Capital Assets</i>	<u>1,499,176</u>	<u>10,500</u>	<u>0</u>	<u>1,509,676</u>
<i>Depreciable Capital Assets</i>				
Buildings and Improvements	1,768,427	0	0	1,768,427
Improvements	264,339	0	0	264,339
Machinery and Equipment	340,478	8,447	0	348,925
Furniture and Fixtures	79,806	0	0	79,806
Vehicles	974,506	0	0	974,506
Infrastructure				
Sewer Lines	53,714,550	151,797	0	53,866,347
<i>Total Depreciable Capital Assets</i>	<u>57,142,106</u>	<u>160,244</u>	<u>0</u>	<u>57,302,350</u>
<i>Less Accumulated Depreciation</i>				
Buildings and Improvements	(675,926)	(35,001)	0	(710,927)
Improvements	(222,916)	(4,479)	0	(227,395)
Machinery and Equipment	(298,153)	(13,548)	0	(311,701)
Furniture and Fixtures	(39,287)	(5,922)	0	(45,209)
Vehicles	(859,867)	(27,602)	0	(887,469)
Infrastructure				
Sewer Lines	(32,379,887)	(1,090,555)	0	(33,470,442)
<i>Total Accumulated Depreciation</i>	<u>(34,476,036)</u>	<u>(1,177,107)</u>	<u>0</u>	<u>(35,653,143)</u>
<i>Total Depreciable Capital Assets, Net</i>	<u>22,666,070</u>	<u>(1,016,863)</u>	<u>0</u>	<u>21,649,207</u>
<i>Total Business-Type Activities Capital Assets, Net</i>	<u>\$24,165,246</u>	<u>(\$1,006,363)</u>	<u>\$0</u>	<u>\$23,158,883</u>

During 2019, business-type activities received equipment that was donated valued at \$151,797.

City of Westlake, Ohio
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For the Year Ended December 31, 2019

	Balance 12/31/2018	Additions	Deletions	Balance 12/31/2019
Governmental Activities:				
<i>Nondepreciable Capital Assets</i>				
Land	\$14,321,982	\$85,000	(\$85,000)	\$14,321,982
Construction in Progress	15,297,717	12,211,415	(16,734,601)	10,774,531
<i>Total Nondepreciable Capital Assets</i>	<u>29,619,699</u>	<u>12,296,415</u>	<u>(16,819,601)</u>	<u>25,096,513</u>
<i>Depreciable Capital Assets</i>				
Buildings and Improvements	92,112,596	2,482,555	(12,487)	94,582,664
Improvements	6,678,139	8,149,616	(121,840)	14,705,915
Machinery and Equipment	7,377,490	1,529,798	(386,195)	8,521,093
Furniture and Fixtures	2,488,171	380,583	(20,214)	2,848,540
Vehicles	10,633,556	888,722	(630,871)	10,891,407
Infrastructure				
Roads	153,898,018	2,912,805	0	156,810,823
Water Mains	48,855,257	1,939,823	(134,702)	50,660,378
Storm Sewers	32,343,284	1,160,772	0	33,504,056
Culverts	3,320,916	318,646	0	3,639,562
Traffic Signals	9,890,170	281,565	0	10,171,735
Bridges	1,980,831	0	0	1,980,831
<i>Total Depreciable Capital Assets</i>	<u>369,578,428</u>	<u>20,044,885</u>	<u>(1,306,309)</u>	<u>388,317,004</u>
<i>Less Accumulated Depreciation</i>				
Buildings and Improvements	(18,936,039)	(2,444,693)	9,385	(21,371,347)
Improvements	(4,137,141)	(242,028)	67,661	(4,311,508)
Machinery and Equipment	(6,067,343)	(558,421)	359,417	(6,266,347)
Furniture and Fixtures	(1,666,945)	(117,772)	16,501	(1,768,216)
Vehicles	(7,662,892)	(705,550)	607,706	(7,760,736)
Infrastructure				
Roads	(98,680,244)	(3,709,139)	0	(102,389,383)
Water Mains	(20,132,403)	(880,704)	134,702	(20,878,405)
Storm Sewers	(16,981,715)	(637,269)	0	(17,618,984)
Culverts	(3,191,645)	(49,454)	0	(3,241,099)
Traffic Signals	(1,704,654)	(397,059)	0	(2,101,713)
Bridges	(1,135,206)	(34,933)	0	(1,170,139)
<i>Total Accumulated Depreciation</i>	<u>(180,296,227)</u>	<u>(9,777,022)*</u>	<u>1,195,372</u>	<u>(188,877,877)</u>
<i>Total Depreciable Capital Assets, Net</i>	<u>189,282,201</u>	<u>10,267,863</u>	<u>(110,937)</u>	<u>199,439,127</u>
<i>Total Governmental Capital Assets, Net</i>	<u>\$218,901,900</u>	<u>\$22,564,278</u>	<u>(\$16,930,538)</u>	<u>\$224,535,640</u>

During 2019, governmental activities received equipment that was donated valued at \$624,570.

* Depreciation expense was charged to governmental functions as follows:

General Government	\$427,650
Security of Persons and Property	848,954
Public Health Services	100,889
Transportation	4,673,592
Community Environment	1,449,961
Basic Utility Services	1,567,427
Leisure Time Activities	708,549
Total	<u>\$9,777,022</u>

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

Note 12 – 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.

The types of coverage and deductibles are as follows:

Type of Coverage	Coverage	Deductible
U.S. Specialty Insurance Company		
Blanket Property and Contents, Replacement	\$88,463,120	\$2,500
Inland Marine	6,438,231	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	2,381,769	1,000
Computer - Media Coverage	100,000	1,000
Umbrella Excess Liability	10,000,000	No SIR
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 \$3,906,091 aggregate per year. For each employee, the City paid monthly into the hospitalization internal service fund \$554 for single, \$929 for single-plus-one and \$1,313 for family coverage. These rates are paid by the fund from which the employees' salary is paid.

The claims liability of \$471,333 as estimated by the third-party administrator and reported in the hospitalization internal service fund at December 31, 2019, 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 2018 and 2019 were as follows:

	Beginning of Year	Claims	Payments	End of Year
2018	\$324,067	\$2,313,871	\$2,387,863	\$250,075
2019	250,075	2,857,123	2,635,865	471,333

City of Westlake, Ohio
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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 13 – Significant Commitments

Contractual Commitments

At December 31, 2019, the City's significant contractual commitments consisted of:

Project	Contract Amount	Amount Paid	Remaining on Contract
2019 Street Maintenance	\$1,572,597	\$992,753	\$579,844
Center Ridge/Dover Center Intersection Improvements	4,653,099	3,965,174	687,925
Service Garage Roof	447,710	398,093	49,617
Schwartz Water	1,235,326	901,774	333,552
Clague Playhouse Ball Fields	2,007,908	906,808	1,101,100
Community Center	9,351,845	316,747	9,035,098
2019 Sanitary Sewer Rehab	773,700	0	773,700
Total	\$20,042,185	\$7,481,349	\$12,560,836

\$12,560,836 of the remaining commitments were encumbered at year-end. The amounts of \$1,837,847 and \$2,933,174 in contracts and retainage payable for governmental activities, 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:

Governmental Funds:		Proprietary Funds:	
General	\$2,150,094	Enterprise:	
TIF Bond Retirement	12,832	Sewer	\$793,554
Infrastructure Tax	2,586,320	Nonmajor - Golf Course	<u>13,013</u>
Community Center Construction	9,150,524	Total Enterprise Funds	806,567
Other Governmental Funds	<u>2,729,512</u>		
Total Governmental Funds	<u>\$16,629,282</u>	Internal Service Fund	<u>863,784</u>
		Total Proprietary Funds	<u>\$1,670,351</u>

City of Westlake, Ohio
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Note 14 - Defined Benefit Pension Plans

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability (Asset) /Net OPEB Liability

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

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

Ohio Revised Code limits the City's obligation for this liability 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 and OPEB.

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a *net pension/OPEB asset* or a long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 15 for the required OPEB disclosures.

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 combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan.

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

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans 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 and combined plans as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information, including requirements for reduced and unreduced benefits):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35
Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	Combined Plan Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% 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 traditional plan benefit recipient has received benefits for 12 months, current law provides for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those retiring prior to January 7, 2013, current law provides for a 3 percent COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet

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

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

	State and Local
2019 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee *	10.0 %
 2019 Actual Contribution Rates	
Employer:	
Pension **	14.0 %
Post-employment Health Care Benefits **	0.0
Total Employer	14.0 %
Employee	10.0 %

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

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

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

For 2019, The City's contractually required contribution was \$1,569,625 for the traditional plan, \$39,085 for the combined plan and \$18,766 for the member-directed plan. Of these amounts, \$65,575 is reported as an intergovernmental payable for the traditional plan, \$1,633 for the combined plan, and \$786 for the member-directed plan.

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

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

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

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

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit (see OP&F CAFR referenced above for additional information, including requirements for Deferred Retirement Option Plan (DROP) provisions and reduced and unreduced benefits).

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

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3 percent or the percent increase, if any, in the Consumer Price Index over the 13 month period ending on September 30th 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:

	Police	Firefighters
2019 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2019 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	0.50	0.50
Total Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,905,078 for 2019. Of this amount, \$90,314 is reported as an intergovernmental payable.

City of Westlake, Ohio
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Pension Liabilities (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability (asset) for OPERS was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2018, and was determined by rolling forward the total pension liability as of January 1, 2018, to December 31, 2018. The City's proportion of the net pension liability (asset) was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense of the City's defined benefit pension plans:

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Proportion of the Net Pension Liability/Asset:				
Current Measurement Date	0.078390%	0.056561%	0.3903020%	
Prior Measurement Date	0.080732%	0.038034%	0.3905890%	
Change in Proportionate Share	<u>-0.002342%</u>	<u>0.018527%</u>	<u>-0.0002870%</u>	
Proportionate Share of the:				
Net Pension Liability	\$21,469,432	\$0	\$31,858,955	\$53,328,387
Net Pension Asset	0	63,249	0	63,249
Pension Expense	4,595,764	15,663	4,143,507	8,754,934

2019 pension expense for the member-directed defined contribution plan was \$18,766. The aggregate pension expense for all pension plans was \$8,773,700 for 2019.

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

	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Deferred Outflows of Resources				
Differences between expected and actual experience	\$990	\$0	\$1,308,957	\$1,309,947
Changes of assumptions	1,868,967	14,126	844,624	2,727,717
Net difference between projected and actual earnings on pension plan investments	2,914,003	13,625	3,924,997	6,852,625
Changes in proportion and differences between City contributions and proportionate share of contributions	7,100	450	184,500	192,050
City contributions subsequent to the measurement date	<u>1,569,625</u>	<u>39,085</u>	<u>1,905,078</u>	<u>3,513,788</u>
Total Deferred Outflows of Resources	<u>\$6,360,685</u>	<u>\$67,286</u>	<u>\$8,168,156</u>	<u>\$14,596,127</u>

City of Westlake, Ohio
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	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
Deferred Inflows of Resources				
Differences between expected and actual experience	\$281,906	\$25,832	\$29,750	\$337,488
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>350,492</u>	<u>14,195</u>	<u>585,362</u>	<u>950,049</u>
Total Deferred Inflows of Resources	<u>\$632,398</u>	<u>\$40,027</u>	<u>\$615,112</u>	<u>\$1,287,537</u>

\$3,513,788 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 or increase to the net pension asset in 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS Traditional Plan	OPERS Combined Plan	OP&F	Total
2020	\$1,719,625	\$459	\$1,788,823	\$3,508,907
2021	813,478	(2,262)	930,546	1,741,762
2022	270,332	(1,976)	1,154,767	1,423,123
2023	1,355,227	2,291	1,694,038	3,051,556
2024	0	(3,310)	79,792	76,482
Thereafter	<u>0</u>	<u>(7,028)</u>	<u>0</u>	<u>(7,028)</u>
Total	<u>\$4,158,662</u>	<u>(\$11,826)</u>	<u>\$5,647,966</u>	<u>\$9,794,802</u>

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 was determined by an actuarial valuation as of December 31, 2018, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2018, are presented as follows:

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	OPERS Traditional Plan	OPERS Combined Plan
Wage Inflation	3.25 percent	3.25 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 8.25 percent including wage inflation
COLA or Ad Hoc COLA:		
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.15 percent, simple
Investment Rate of Return	7.2 percent	7.2 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

In October 2018, the OPERS Board adopted a change in the investment return assumption, reducing it from 7.5 percent to 7.2 percent. This change was effective beginning with the 2018 valuation.

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

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

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.

During 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was a loss of 2.94 percent for 2018.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

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

Discount Rate For 2018, the discount rate used to measure the total pension liability was 7.2 percent for the traditional plan and the combined plan. For 2017, the discount rate used to measure the total pension liability was 7.5 percent for the traditional plan and the combined plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the traditional pension plan, combined plan and member-directed plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate The following table presents the City's proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 7.2 percent, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

	<u>1% Decrease (6.20%)</u>	<u>Discount Rate (7.20%)</u>	<u>1% Increase (8.20%)</u>
City's proportionate share of the net pension liability (asset)			
OPERS Traditional Plan	\$31,716,594	\$21,469,432	\$12,953,948
OPERS Combined Plan	(20,928)	(63,249)	(93,891)

Actuarial Assumptions – OP&F

OP&F's total pension liability as of December 31, 2018, is based on the results of an actuarial valuation date of January 1, 2018, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

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Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2018, are presented below.

Valuation Date	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent

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

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

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

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

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

The long-term expected rate of return on 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 expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2018, are summarized as follows:

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

Note: Assumptions are geometric.

* levered 2x

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

Discount Rate The total pension liability was calculated using the discount rate of 8.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return of 8.00 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact, the following table presents the net pension liability calculated using the discount rate of 8.00 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.00 percent), or one percentage point higher (9.00 percent) than the current rate.

	1% Decrease (7.00%)	Current Discount Rate (8.00%)	1% Increase (9.00%)
City's proportionate share of the net pension liability	\$41,876,403	\$31,858,955	\$23,487,933

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Note 15 - Defined Benefit OPEB Plans

See Note 14 for a description of the net OPEB liability

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have 20 or more years of qualifying Ohio service credit with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS' CAFR referenced below for additional information.

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

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2019, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. As recommended by OPERS' actuary, beginning January 1, 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2019 was 4.0 percent.

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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 was \$7,506 for 2019. Of this amount, \$314 is reported as an intergovernmental payable.

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

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model for health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements.

A retiree is eligible for the OP&F health care stipend unless they have access to any other group coverage including employer and retirement coverage. The eligibility of spouses and dependent children could increase the stipend amount. If the spouse or dependents have access to any other group coverage including employer or retirement coverage, they are not eligible for stipend support from OP&F. Even if an OP&F member or their dependents are not eligible for a stipend, they can use the services of the third-party administrator to select and enroll in a plan. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

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

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2019, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

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

The City's contractually required contribution to OP&F was \$45,525 for 2019. Of this amount, \$2,164 is reported as an intergovernmental payable.

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2018, and was determined by rolling forward the total OPEB liability as of January 1, 2018, to December 31, 2018. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>OPERS</u>	<u>OP&F</u>	
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.076336%	0.3903020%	
Prior Measurement Date	<u>0.078220%</u>	<u>0.3905890%</u>	
Change in Proportionate Share	<u>-0.0018840%</u>	<u>-0.0002870%</u>	
			<u>Total</u>
Proportionate Share of the Net OPEB Liability	\$9,952,412	\$3,554,298	\$13,506,710
OPEB Expense (reduction of expense)	\$788,786	(\$17,566,552)	(\$16,777,766)

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

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$3,370	\$0	\$3,370
Changes of assumptions	320,877	1,842,377	2,163,254
Net difference between projected and actual earnings on OPEB plan investments	456,259	120,316	576,575
City contributions subsequent to the measurement date	<u>7,506</u>	<u>45,525</u>	<u>53,031</u>
Total Deferred Outflows of Resources	<u>\$788,012</u>	<u>\$2,008,218</u>	<u>\$2,796,230</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$27,004	\$95,227	\$122,231
Changes of assumptions	0	983,998	983,998
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>197,472</u>	<u>403,409</u>	<u>600,881</u>
Total Deferred Inflows of Resources	<u>\$224,476</u>	<u>\$1,482,634</u>	<u>\$1,707,110</u>

\$53,031 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2020.

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Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	OPERS	OP&F	Total
Year Ending December 31:			
2020	\$233,936	\$88,778	\$322,714
2021	19,153	88,778	107,931
2022	73,092	88,778	161,870
2023	229,849	125,169	355,018
2024	0	67,797	67,797
Thereafter	0	20,759	20,759
Total	\$556,030	\$480,059	\$1,036,089

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 health care costs 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 coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date of December 31, 2018. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current Measurement date	3.96 percent
Prior Measurement date	3.85 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate:	
Current Measurement date	3.71 percent
Prior Measurement date	3.31 percent
Health Care Cost Trend Rate:	
Current Measurement date	10.0 percent, initial 3.25 percent, ultimate in 2029
Prior Measurement date	7.25 percent, initial 3.25 percent, ultimate in 2028
Actuarial Cost Method	Individual Entry Age Normal

In October 2018, the OPERS Board adopted a change in the investment return assumption, reducing it from 6.5 percent to 6.0 percent. This change was effective for the 2018 valuation.

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for

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

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

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

During 2018, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was a loss of 5.6 percent for 2018.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2018 and the long-term expected real rates of return:

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

Discount Rate A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. A single discount rate of 3.85 percent was used to measure the OPEB liability on the measurement date of December 31, 2017. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position

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is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 3.71 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2031. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2031, and the municipal bond rate was applied to all health care costs after that date.

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

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

	1% Decrease (2.96%)	Current Discount Rate (3.96%)	1% Increase (4.96%)
City's proportionate share of the net OPEB liability	\$12,732,845	\$9,952,412	\$7,741,234

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2019 is 10.00 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuary's project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.25 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB liability	\$9,566,428	\$9,952,412	\$10,396,963

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2018, is based on the results of an actuarial valuation date of January 1, 2018, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions

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For the Year Ended December 31, 2019

about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

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

Valuation Date	January 1, 2018, with actuarial liabilities rolled forward to December 31, 2018
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Single discount rate:	
Current measurement date	4.66 percent
Prior measurement date	3.24 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent

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

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

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

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

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

The OP&F health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 14.

Discount Rate For 2019, the total OPEB liability was calculated using the discount rate of 4.66 percent. For 2018, the total OPEB liability was calculated using the discount rate of 3.24 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 8 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 4.13 percent at December 31, 2018 and 3.16 percent at December 31, 2017, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 4.66 percent for 2018 and 3.24 percent for 2017. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2031. The long-term expected rate of return on health care investments was applied to projected costs through 2031, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 4.66 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.66 percent), or one percentage point higher (5.66 percent) than the current rate.

	1% Decrease (3.66%)	Current Discount Rate (4.66%)	1% Increase (5.66%)
City's proportionate share of the net OPEB liability	\$4,330,106	\$3,554,298	\$2,903,075

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate The total OPEB liability is based on a medical benefit that is a flat dollar amount; therefore, it is unaffected by a health care cost trend rate. An increase or decrease in the trend rate would have no effect on the total OPEB liability.

City of Westlake, Ohio
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Note 16 – 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. Employees belonging to 5 of 6 unions can accumulate a maximum of 2,000 hours. Those employees whose accumulation exceeds 2,500 hours or 2,000 hours as the case may be, 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.

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, 2019.

Note 18 – Short-Term Obligations

The City’s short-term note activity is as follows:

	Balance 12/31/2018	Additions	Reductions	Balance 12/31/2019
2019 Community Services Center Improvement Note	\$0	\$3,500,000	\$0	\$3,500,000

On November 26, 2019, the City issued a community services center improvement note in the amount of \$3,500,000 for the purpose of paying a portion of the costs of constructing, furnishing and equipping a new Community Services Center adjacent to the City’s existing Recreation Center. The note was issued at a 2 percent interest rate and matures on November 26, 2020. The note is backed by the full faith and credit of the City and mature within one year. The note liability is reflected in the fund which received the proceeds and will repay the debt. As of December 31, 2019, \$3,206,398 of the proceeds was unspent.

City of Westlake, Ohio
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For the Year Ended December 31, 2019

Note 19 – 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:

	Original Issue Date	Maturity Date	Interest Rate	Original Issue Amount
General Obligation Bonds:				
Recreational Facilities Refunding Bonds	2008	2020	3.75-3.88 %	\$9,990,000
Infrastructure Various Purpose Bonds	2011	2021	3.13-4.00	7,350,000
Community Center Bonds	2019	2044	2.00-5.00	8,000,000
Special Obligation Bond:				
American Greetings/Crocker Park Improvements	2014	2044	1.17-4.33	48,330,000
Special Assessment Bonds:				
Various Purpose Improvements	2001	2021	5.00	765,000
From Direct Borrowings:				
OPWC Loans:				
Hilliard Boulevard Watermain Replacement	2003	2025	0	806,235
Detroit/Bradley Road Intersection	2014	2041	0	2,868,104
State Infrastructure Bank Loan:				
State Route 254/Crocker Road Improvements	2015	2034	3.00	8,765,300

Changes in long-term obligations during the year ended December 31, 2019, consisted of the following:

	Balance 12/31/2018	Increase	Decrease	Balance 12/31/2019	Amounts Due in One Year
Governmental Activities:					
General Obligation Bonds:					
Recreational Facilities Refunding Bonds	\$2,260,000	\$0	\$2,260,000	\$0	\$0
Unamortized Premiums	1,081	0	1,081	0	0
Infrastructure Various Purpose Bonds	2,250,000	0	725,000	1,525,000	750,000
Unamortized Premiums	81,549	0	26,887	54,662	0
Community Center Bonds Serial Bonds	0	7,380,000	0	7,380,000	170,000
Term Bonds	0	620,000	0	620,000	0
Unamortized Premiums	0	344,247	0	344,247	0
<i>Total General Obligation Bonds</i>	<u>4,592,630</u>	<u>8,344,247</u>	<u>3,012,968</u>	<u>9,923,909</u>	<u>920,000</u>
Special Obligation Bond:					
American Greetings/ Crocker Park Improvements: Serial Portion	17,415,000	0	895,000	16,520,000	915,000
Term Portion	30,140,000	0	0	30,140,000	0
Unamortized Premiums	582,096	0	10,955	571,141	0
<i>Total Special Obligation Bond</i>	<u>48,137,096</u>	<u>0</u>	<u>905,955</u>	<u>47,231,141</u>	<u>915,000</u>
Special Assessment Bonds:					
Various Purpose Improvements	150,000	0	50,000	100,000	50,000
Loans from Direct Borrowings:					
OPWC Loans					
Hilliard Boulevard Watermain Replacement	262,024	0	40,312	221,712	40,312
Detroit/Bradley Road Intersection	2,581,295	0	114,724	2,466,571	114,724
<i>Total OPWC Loans</i>	<u>\$2,843,319</u>	<u>\$0</u>	<u>\$155,036</u>	<u>\$2,688,283</u>	<u>\$155,036</u>

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	Balance 12/31/2018	Increase	Decrease	Balance 12/31/2019	Amounts Due in One Year
Loan from Direct Borrowings:					
State Infrastructure Bank Loan					
State Route 254/ Crocker Road Improvements	\$7,610,297	\$0	\$408,505	\$7,201,792	\$420,852
Other Long-Term Obligations					
Compensated Absences Payable	6,286,361	410,747	78,558	6,618,550	810,074
Capital Lease	1,546	0	1,546	0	0
Landfill Postclosure Costs	310,365	8,933	53,216	266,082	85,000
<i>Total Other Long-Term Obligations</i>	<u>6,598,272</u>	<u>419,680</u>	<u>133,320</u>	<u>6,884,632</u>	<u>895,074</u>
Net Pension Liability:					
OPERS	11,905,369	8,275,898	0	20,181,267	0
OP&F	23,972,210	7,886,745	0	31,858,955	0
<i>Total Net Pension Liability</i>	<u>35,877,579</u>	<u>16,162,643</u>	<u>0</u>	<u>52,040,222</u>	<u>0</u>
Net OPEB Liability:					
OPERS	7,984,469	1,370,798	0	9,355,267	0
OP&F	22,130,224	0	18,575,926	3,554,298	0
<i>Total Net OPEB Liability</i>	<u>30,114,693</u>	<u>1,370,798</u>	<u>18,575,926</u>	<u>12,909,565</u>	<u>0</u>
Total Governmental Long-Term Liabilities	<u>\$135,923,886</u>	<u>\$26,297,368</u>	<u>\$23,241,710</u>	<u>\$138,979,544</u>	<u>\$3,355,962</u>
Business-Type Activities					
Net Pension Liability:					
Sewer	\$506,611	\$352,165	\$0	\$858,776	\$0
Golf Course	253,306	176,083	0	429,389	0
<i>Total Net Pension Liability</i>	<u>759,917</u>	<u>528,248</u>	<u>0</u>	<u>1,288,165</u>	<u>0</u>
Net OPEB Liability:					
Sewer	339,765	58,331	0	398,096	0
Golf Course	169,883	29,166	0	199,049	0
<i>Total Net OPEB Liability</i>	<u>509,648</u>	<u>87,497</u>	<u>0</u>	<u>597,145</u>	<u>0</u>
Total Business-Type Long-Term Liabilities	<u>\$1,269,565</u>	<u>\$615,745</u>	<u>\$0</u>	<u>\$1,885,310</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 2021. The bonds will be retired through the infrastructure tax improvement capital projects fund.

On September 10, 2019, the City issued community center bonds in the amount of \$8,000,000, at the interest rates varying from 2 percent to 5 percent. The bonds were issued for a fifteen year period with final maturity during 2044. The bonds will be retired through the general obligation bond retirement debt service fund. As of December 31, 2019, \$7,328,911 of the proceeds was unspent.

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The term bonds maturing on December 1, 2032 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 December 1 in the years and in the respective principal amounts as follows:

Year	Issue
	\$620,000
2031	\$305,000
<i>Stated Maturity</i>	<i>12/1/2032</i>

The remaining principal amount of the term bonds (\$315,000) will mature at the stated maturity.

Special Obligation Bond 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. As of December 31, 2019, \$1,818,717 of the proceeds was unspent.

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 \$77,980,777. Principal and interest paid for the current year was \$2,852,319 and tax incremental financing revenue was \$4,702,454.

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.

City of Westlake, Ohio
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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.

In 2016, the City defeased the 2005 Street Improvement special assessment bond using assessments collected from the developer. These existing resources were placed with an escrow agent to provide for all future debt service payments on the old bonds. Accordingly, the escrow account assets and liabilities for the defeased bonds are not included in the City's financial statements. On December 31, 2019, \$1,830,000 of the defeased bonds are still outstanding.

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, 2019, \$1,215,000 of the defeased bonds are still outstanding.

Other Long-Term Obligations The capital lease was paid from the recreation special revenue fund. The final payment was made during 2019. There are no repayment schedules for the net pension liability and net OPEB liability. However, employer pension and OPEB contributions are made from the following funds: general fund, street maintenance, permissive motor vehicle license, police and fire pension, recreation, central dispatch and Westlake/Bay ecological special revenue funds and infrastructure tax improvement, recreation center construction, community center construction and sidewalks capital projects funds and sewer and golf course enterprise funds. For additional information related to the net pension liability and net OPEB liability see Note 14 and 15. Compensated absences will be paid from the general fund. The OPWC loans are payable semiannually from 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.

The City's outstanding OPWC loans from direct borrowings and direct placements related to governmental activities of \$2,688,283 contain provisions that in the event of default (1) OPWC may apply late fees of 8 percent per year, (2) loans more than 60 days late will be turned over to the Attorney General's office for collection, and as provided by law, OPWC may require that such payment be taken from the City's share of the county undivided local government fund, and (3) the outstanding amounts shall, at OPWC's option, become immediately due and payable.

The City acquired a State Infrastructure Bank 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 loan will be paid from the TIF bond retirement fund with tax incremental financing revenues and shortfall payments from Crocker Park and American Greetings. In the event there are not sufficient revenues to repay the loan, permissive license tax, motor vehicle license tax and motor vehicle gasoline tax funds received by the City will be used. The loan will be repaid over 20 years at an interest rate of 3.0 percent per annum.

The City's outstanding State Infrastructure Bank Loan from direct borrowings and direct placements related to governmental activities of \$7,201,792 contain provisions that in the event of default (1) if the loan has not been fully disbursed, termination of any and all of ODOT's obligations under this loan agreement and the

City of Westlake, Ohio
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commitment, (2) declaration that the entire unpaid balance of all indebtedness owed to ODOT is immediately due and payable, (3) exercise of all or any rights and remedies as ODOT may have under this loan agreement, and any of the other loan documents, (4) inspect, examine and copy the books, records, accounts and financial data of the City, (5) ODOT may pursue all remedies now or hereafter existing at law or in equity to collect all amounts then due and thereafter to become due under this loan agreement, or any other loan document, or to enforcement the performance and observance of any other obligation or agreement of the City under the loan documents.

The City's overall legal debt margin was \$153,907,725 and the unvoted legal debt margin was \$74,966,566 at December 31, 2019. Principal and interest requirements to retire the long-term obligations outstanding at December 31, 2019, are as follows:

Year	General Obligation Bonds			
	Serial		Term	
	Principal	Interest	Principal	Interest
2020	\$920,000	\$338,496	\$0	\$12,400
2021	1,000,000	246,750	0	12,400
2022	235,000	204,500	0	12,400
2023	240,000	192,750	0	12,400
2024	250,000	180,750	0	12,400
2025-2029	1,360,000	725,900	0	62,000
2030-2034	955,000	543,350	620,000	31,100
2035-2039	1,825,000	394,287	0	0
2040-2044	2,120,000	162,125	0	0
Total	\$8,905,000	\$2,988,908	\$620,000	\$155,100

Year	Special Obligation Bonds			
	Serial		Term	
	Principal	Interest	Principal	Interest
2020	\$915,000	\$721,750	\$0	\$1,217,669
2021	930,000	702,450	0	1,217,669
2022	970,000	666,250	0	1,217,669
2023	1,000,000	637,150	0	1,217,669
2024	1,030,000	607,150	0	1,217,669
2025-2029	5,865,000	2,313,800	0	6,088,344
2030-2034	5,810,000	729,050	1,950,000	6,088,344
2035-2039	0	0	12,710,000	4,721,544
2040-2044	0	0	15,480,000	1,955,600
Total	\$16,520,000	\$6,377,600	\$30,140,000	\$24,942,177

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Year	Special Assessment Bonds		From Direct Borrowings		
			OPWC	State Infrastructure	
	Principal	Interest	Loans	Bond Loan	
	Principal	Interest	Principal	Principal	Interest
2020	\$50,000	\$5,000	\$155,036	\$420,852	\$212,921
2021	50,000	2,500	155,035	433,573	200,201
2022	0	0	155,035	446,677	187,096
2023	0	0	155,035	460,178	173,595
2024	0	0	155,035	474,088	159,686
2025-2029	0	0	593,776	2,594,235	574,630
2030-2034	0	0	573,620	2,372,189	162,903
2035-2039	0	0	573,620	0	0
2040-2044	0	0	172,091	0	0
Total	\$100,000	\$7,500	\$2,688,283	\$7,201,792	\$1,671,032

Note 20 – Operating Lease

The City entered into an agreement to lease with the option to purchase the Parkside Elementary School Property to Westlake City School District (School District) beginning July 19, 2017 for \$1 per year. The lease will expire on the earlier of either two years after the School District discontinues the use of the leased property for school or administrative purposes or July 18, 2027. The School District has the option at any time during the term of the lease to purchase the leased property for \$700,000.

Note 21 – Industrial Development Revenue Bonds

At December 31, 2019, the City has one remaining series of industrial development revenue bonds in the aggregate outstanding principal amount of \$17,410,000 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 22 – 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 \$266,082 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, 2019, represents the estimated cost of maintenance and monitoring through 2024. 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 2019 audited financial statements and the City was in compliance.

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Note 23 – 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 \$7,456,238, which represents 40 percent of the total equity in the Plant. The Plant is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit to or burden on the City. Complete financial statements can be obtained from the City of Rocky River, 21012 Hilliard Boulevard, Rocky River, Ohio 44116.

Note 24 – 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 2019, the City contributed \$73,140, which represented 19.94 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 \$18,000 to Tri-City Park in 2019. 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

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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 2019. 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.

Budgets are adopted by the Board. Each City's degree of control is limited to its representation on the Board. In 2019, the City did not make any contributions. Complete financial statements can be obtained from Fairview General Hospital, 18101 Lorain Road, Cleveland, Ohio 44111.

Regional Income Tax Agency

The Regional Income Tax Agency (RITA) is a regional council of governments formed to establish a central collection facility for the purpose of administering the income tax laws of the members and for the purpose of collection of income taxes on behalf of each member. RITA currently has approximately 350 members in the council of governments. Each member has one representative to the council of governments and is entitled to one vote on items under consideration. RITA is administered by a nine-member board of trustees elected by the members of the council of governments. The board exercises total control over RITA's operation including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the council. For 2019, the final costs are not yet available; however, they are not expected to be significantly different from 2018. For 2018, the City paid RITA \$425,079 for income tax collection services.

Note 25 – Subsequent Events

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. The City's investment portfolio and the investments of the pension and other employee benefit plans in which the City participates have incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the City's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

Required Supplementary Information

City of 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 Six Years (1)

	2019	2018	2017	2016
City's Proportion of the Net Pension Liability	0.078390%	0.080732%	0.082348%	0.080311%
City's Proportionate Share of the Net Pension Liability	\$21,469,432	\$12,665,286	\$18,699,830	\$13,910,880
City's Covered Payroll	\$10,588,093	\$10,672,615	\$10,645,275	\$10,001,992
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	202.77%	118.67%	175.66%	139.08%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.70%	84.66%	77.25%	81.08%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

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

See accompanying notes to the required supplementary information

2015	2014
0.082059%	0.082059%
\$9,897,235	\$9,673,688
\$10,060,433	\$10,064,662
98.38%	96.12%
86.45%	86.36%

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

	2019	2018
City's Proportion of the Net Pension Asset	0.056561%	0.038034%
City's Proportionate Share of the Net Pension Asset	\$63,249	\$51,777
City's Covered Payroll	\$241,907	\$155,731
City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll	-26.15%	-33.25%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	126.64%	137.28%

(1) Amounts for the combined plan are not presented prior to 2018 as the City's participation in this plan was considered immaterial in previous years.

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

See accompanying notes to the required supplementary information

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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 Six Years (1)

	2019	2018	2017	2016
City's Proportion of the Net Pension Liability	0.3903020%	0.3905890%	0.4009790%	0.3942610%
City's Proportionate Share of the Net Pension Liability	\$31,858,955	\$23,972,210	\$25,397,607	\$25,363,088
City's Covered Payroll	\$8,944,176	\$8,610,097	\$8,401,302	\$8,027,897
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	356.20%	278.42%	302.31%	315.94%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.07%	70.91%	68.36%	66.77%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year

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

See accompanying notes to the required supplementary information

<u>2015</u>	<u>2014</u>
0.4044985%	0.4044985%
\$20,954,709	\$19,700,346
\$8,071,930	\$7,542,074
259.60%	261.21%
71.71%	73.00%

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

	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.076336%	0.078220%	0.079910%
City's Proportionate Share of the Net OPEB Liability	\$9,952,412	\$8,494,117	\$8,071,181
City's Covered Payroll	\$11,071,975	\$11,079,821	\$11,043,450
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	89.89%	76.66%	73.09%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.33%	54.14%	54.04%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

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

See accompanying notes to the required supplementary information

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

	2019	2018	2017
City's Proportion of the Net OPEB Liability	0.3903020%	0.3905890%	0.4009790%
City's Proportionate Share of the Net OPEB Liability	\$3,554,298	\$22,130,224	\$19,033,571
City's Covered Payroll	\$8,944,176	\$8,610,097	\$8,401,302
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	39.74%	257.03%	226.56%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	46.57%	14.13%	15.96%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

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

See accompanying notes to the required supplementary information

City of Westlake, Ohio
Required Supplementary Information
Schedule of the City's Contributions
Ohio Public Employees Retirement System
Last Seven Years (1) (2)

	2019	2018	2017
Net Pension Liability - Traditional Plan			
Contractually Required Contribution	\$1,569,625	\$1,482,333	\$1,387,440
Contributions in Relation to the Contractually Required Contribution	<u>(1,569,625)</u>	<u>(1,482,333)</u>	<u>(1,387,440)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$11,211,607	\$10,588,093	\$10,672,615
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>13.00%</u>
Net Pension Asset - Combined Plan			
Contractually Required Contribution	\$39,085	\$33,867	\$20,245
Contributions in Relation to the Contractually Required Contribution	<u>(39,085)</u>	<u>(33,867)</u>	<u>(20,245)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll	\$279,179	\$241,907	\$155,731
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>13.00%</u>
Net OPEB Liability - OPEB Plan (2)			
Contractually Required Contribution	\$7,506	\$9,679	\$118,342
Contributions in Relation to the Contractually Required Contribution	<u>(7,506)</u>	<u>(9,679)</u>	<u>(118,342)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (3)	\$11,678,436	\$11,071,975	\$11,079,821
OPEB Contributions as a Percentage of Covered Payroll	<u>0.06%</u>	<u>0.09%</u>	<u>1.07%</u>

(1) Information prior to 2013 is not available.

(2) Beginning in 2016, OPERS used one trust fund as the funding vehicle for all health care plans; therefore, information prior to 2016 is not presented.

(3) The OPEB plan includes the members from the traditional plan, the combined plan and the member directed plan. The member directed pension plan is a defined contribution pension plan; therefore, the pension side is not included above.

See accompanying notes to the required supplementary information

2016	2015	2014	2013
\$1,277,433	\$1,200,239	\$1,207,252	\$1,308,406
(1,277,433)	(1,200,239)	(1,207,252)	(1,308,406)
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$10,645,275	\$10,001,992	\$10,060,433	\$10,064,622
<u>12.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>
\$18,258	\$17,095	\$16,111	\$17,461
(18,258)	(17,095)	(16,111)	(17,461)
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$152,150	\$142,458	\$134,258	\$134,315
<u>12.00%</u>	<u>12.00%</u>	<u>12.00%</u>	<u>13.00%</u>
\$225,790			
(225,790)			
<u>\$0</u>			
\$11,043,450			
<u>2.04%</u>			

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

	2019	2018	2017	2016
Net Pension Liability				
Contractually Required Contribution	\$1,905,078	\$1,867,498	\$1,798,337	\$1,753,225
Contributions in Relation to the Contractually Required Contribution	<u>(1,905,078)</u>	<u>(1,867,498)</u>	<u>(1,798,337)</u>	<u>(1,753,225)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City Covered Payroll (1)	\$9,104,981	\$8,944,176	\$8,610,097	\$8,401,302
Pension Contributions as a Percentage of Covered Payroll	<u>20.92%</u>	<u>20.88%</u>	<u>20.89%</u>	<u>20.87%</u>
Net OPEB Liability				
Contractually Required Contribution	\$45,525	\$44,721	\$43,051	\$42,007
Contributions in Relation to the Contractually Required Contribution	<u>(45,525)</u>	<u>(44,721)</u>	<u>(43,051)</u>	<u>(42,007)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>	<u>0.50%</u>
Total Contributions as a Percentage of Covered Payroll	<u>21.42%</u>	<u>21.38%</u>	<u>21.39%</u>	<u>21.37%</u>

(1) The City's Covered payroll is the same for Pension and OPEB.

See accompanying notes to the required supplementary information

2015	2014	2013	2012	2011	2010
\$1,687,967	\$1,692,800	\$1,348,367	\$1,068,217	\$1,054,439	\$1,008,946
(1,687,967)	(1,692,800)	(1,348,367)	(1,068,217)	(1,054,439)	(1,008,946)
\$0	\$0	\$0	\$0	\$0	\$0
\$8,027,897	\$8,071,930	\$7,542,074	\$7,241,299	\$7,158,237	\$6,851,043
21.03%	20.97%	17.88%	14.75%	14.73%	14.73%
\$40,140	\$40,359	\$272,772	\$488,788	\$483,181	\$462,445
(40,140)	(40,359)	(272,772)	(488,788)	(483,181)	(462,445)
\$0	\$0	\$0	\$0	\$0	\$0
0.50%	0.50%	3.62%	6.75%	6.75%	6.75%
21.53%	21.47%	21.50%	21.50%	21.48%	21.48%

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

Changes in Assumptions – OPERS Pension – Traditional Plan

Amounts reported beginning in 2019 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2017 and in 2016 and prior are presented below:

	2019	2018 and 2017	2016 and prior
Wage Inflation	3.25 percent	3.25 percent	3.75 percent
Future Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation	3.25 to 10.75 percent including wage inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA:			
Pre-January 7, 2013 Retirees	3 percent, simple	3 percent, simple	3 percent, simple
Post-January 7, 2013 Retirees	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.15 percent, simple	3 percent, simple through 2018, then 2.8 percent, simple
Investment Rate of Return	7.2 percent	7.5 percent	8 percent
Actuarial Cost Method	Individual Entry Age	Individual Entry Age	Individual Entry Age

Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Amounts reported for 2016 and prior use mortality rates 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.

Changes in Assumptions – OPERS Pension – Combined Plan

For 2019, the investment rate of return changed from 7.5 percent to 7.2 percent.

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

Changes in Assumptions – OP&F Pension

Amounts reported beginning in 2018 incorporate changes in assumptions used by OP&F in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2017 and prior are presented below:

	Beginning in 2018	2017 and Prior
Valuation Date	January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017	January 1, 2016, with actuarial liabilities rolled forward to December 31, 2016
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	8.0 percent	8.25 percent
Projected Salary Increases	3.75 percent to 10.5 percent	4.25 percent to 11 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent	Inflation rate of 3.25 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent	3.00 percent simple; 2.6 percent simple for increased based on the lesser of the increase in CPI and 3 percent

Amounts reported beginning in 2018 use valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck/Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

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

Amounts reported beginning in 2018 use valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck/Conduent Modified 2016 Improvement Scale.

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

Amounts reported for 2017 and prior use valuation, rates of death were 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.

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

Changes in Assumptions – OPERS OPEB

For 2019, the single discount rate changed from 3.85 percent to 3.96 percent and the municipal bond rate changed from 3.31 percent to 3.71 percent. For 2019, the health care cost trend rate was 10 percent, initial; 3.25 ultimate in 2029. For 2018, the health care cost trend rate was 7.25 percent, initial; 3.25 percent ultimate in 2028.

For 2018, the single discount rate changed from 4.23 percent to 3.85 percent.

Changes in Assumptions – OP&F OPEB

For 2019, the single discount rate changed from 3.24 percent to 4.66 percent.

For 2018, the single discount rate changed from 3.79 percent to 3.24 percent.

Changes in Benefit Terms – OP&F OPEB

For 2019, OP&F recognized a change in benefit terms. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. This new model replaced the self-insured health care plan used in prior years.

Combining and Individual Fund Statements and Schedules

Fund Descriptions - Nonmajor Governmental Funds

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.

Recreation Fund – To account for and report 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.

(continued)

Fund Descriptions - Nonmajor Governmental Funds (continued)

Central Dispatch Fund – To account for and report charges for services restricted to providing services for the Westshore Central Dispatch Center.

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.

Cemetery Investment Fund – To account for and report the restricted proceeds from the sale of cemetery lots which 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)

Fund Descriptions - Nonmajor Governmental Funds (continued)

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.

American Greetings Fund – To account for and report bond proceeds and payments in lieu of taxes restricted for the costs of all capital projects for the American Greetings construction project.

Market Square Fund – To account for and report transfers made from the general fund and Issue II improvement fund and proceeds transferred from the American Greetings fund restricted for improvements related to the Market Square area.

Issue II Improvement Fund – To account for and report the receipt of State grants restricted to pay contractor’s costs on the Issue II infrastructure project.

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

Grants Fund – To account for and report various State and Federal monies which are restricted for historical site preservation and construction of recreation 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 of 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, 2019

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Other Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$11,328,643	\$1,212,774	\$5,174,618	\$17,716,035
Cash and Cash Equivalents with Escrow Agents	0	0	1,820,485	1,820,485
Materials and Supplies Inventory	502	0	0	502
Accrued Interest Receivable	18,080	0	3,805	21,885
Accounts Receivable	1,546,160	0	51,282	1,597,442
Intergovernmental Receivable	1,223,274	0	0	1,223,274
Prepaid Items	16,542	0	548	17,090
Municipal Income Taxes Receivable	63,935	233,440	659,628	957,003
Permissive Motor Vehicle Taxes Receivable	42,687	0	0	42,687
Property Taxes Receivable	2,126,587	0	0	2,126,587
Special Assessments Receivable	0	100,000	179,970	279,970
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	3,145	0	0	3,145
<i>Total Assets</i>	<u>\$16,369,555</u>	<u>\$1,546,214</u>	<u>\$7,890,336</u>	<u>\$25,806,105</u>
Liabilities				
Accounts Payable	\$100,490	\$0	\$3,395	\$103,885
Contracts Payable	905	0	1,112,944	1,113,849
Accrued Wages	177,945	0	1,820	179,765
Retainage Payable	13,781	0	2,391,838	2,405,619
Intergovernmental Payable	108,733	0	281	109,014
Advances From Other Funds	0	0	250,000	250,000
Payables from Restricted Assets:				
Accounts Payable	150	0	0	150
Deposits Held and Due to Others	2,995	0	0	2,995
<i>Total Liabilities</i>	<u>404,999</u>	<u>0</u>	<u>3,760,278</u>	<u>4,165,277</u>
Deferred Inflows of Resources				
Property Taxes	2,098,686	0	0	2,098,686
Unavailable Revenue	2,226,892	181,306	457,078	2,865,276
<i>Total Deferred Inflows of Resources</i>	<u>4,325,578</u>	<u>181,306</u>	<u>457,078</u>	<u>4,963,962</u>
Fund Balances				
Nonspendable	17,044	0	548	17,592
Restricted	8,841,435	1,364,908	3,865,164	14,071,507
Committed	2,780,499	0	0	2,780,499
Unassigned (Deficit)	0	0	(192,732)	(192,732)
<i>Total Fund Balances</i>	<u>11,638,978</u>	<u>1,364,908</u>	<u>3,672,980</u>	<u>16,676,866</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$16,369,555</u>	<u>\$1,546,214</u>	<u>\$7,890,336</u>	<u>\$25,806,105</u>

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Other Governmental Funds
Revenues				
Property Taxes	\$2,104,599	\$0	\$0	\$2,104,599
Municipal Income Taxes	250,000	2,048,284	1,248,615	3,546,899
Permissive Motor Vehicle Taxes	242,787	0	0	242,787
Charges for Services	3,830,606	0	406,102	4,236,708
Licenses, Permits and Fees	0	0	105,424	105,424
Fines and Forfeitures	47,565	0	0	47,565
Intergovernmental	1,974,555	0	2,672,696	4,647,251
Special Assessments	0	29,613	0	29,613
Interest	109,043	0	55,630	164,673
Rentals	66,128	0	0	66,128
Contributions and Donations	44,068	0	0	44,068
Miscellaneous	25,645	0	525	26,170
<i>Total Revenues</i>	<u>8,694,996</u>	<u>2,077,897</u>	<u>4,488,992</u>	<u>15,261,885</u>
Expenditures				
Current:				
Security of Persons and Property	5,087,132	0	0	5,087,132
Public Health Services	1,700	0	0	1,700
Transportation	1,533,370	0	0	1,533,370
Community Environment	24,617	0	0	24,617
Basic Utility Services	107,141	0	49,930	157,071
Leisure Time Activities	2,526,571	0	0	2,526,571
Capital Outlay	0	0	6,516,566	6,516,566
Debt Service:				
Principal Retirement	1,546	3,035,000	155,036	3,191,582
Interest and Fiscal Charges	19	119,821	0	119,840
Bond Issuance Costs	0	276,725	0	276,725
<i>Total Expenditures</i>	<u>9,282,096</u>	<u>3,431,546</u>	<u>6,721,532</u>	<u>19,435,174</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(587,100)</u>	<u>(1,353,649)</u>	<u>(2,232,540)</u>	<u>(4,173,289)</u>
Other Financing Sources (Uses)				
General Obligation Refunding Bonds Premium	0	344,247	0	344,247
Sale of Capital Assets	17,630	0	0	17,630
Transfers In	1,400,000	1,770,000	2,117,356	5,287,356
<i>Total Other Financing Sources (Uses)</i>	<u>1,417,630</u>	<u>2,114,247</u>	<u>2,117,356</u>	<u>5,649,233</u>
<i>Net Change in Fund Balances</i>	830,530	760,598	(115,184)	1,475,944
<i>Fund Balances Beginning of Year</i>	<u>10,808,448</u>	<u>604,310</u>	<u>3,788,164</u>	<u>15,200,922</u>
<i>Fund Balances End of Year</i>	<u>\$11,638,978</u>	<u>\$1,364,908</u>	<u>\$3,672,980</u>	<u>\$16,676,866</u>

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

	Street Maintenance	State Highway	Permissive Motor Vehicle License	Police Pension
Assets				
Equity in Pooled Cash and Cash Equivalents	\$2,387,511	\$1,023,201	\$768,839	\$249,859
Materials and Supplies Inventory	0	0	0	0
Accrued Interest Receivable	10,202	4,372	3,285	0
Accounts Receivable	0	0	0	0
Intergovernmental Receivable	864,256	68,946	0	23,565
Prepaid Items	0	0	0	0
Municipal Income Taxes Receivable	0	0	0	0
Permissive Motor Vehicle Taxes Receivable	0	0	42,687	0
Property Taxes Receivable	0	0	0	425,317
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	0	0	0	0
<i>Total Assets</i>	<u>\$3,261,969</u>	<u>\$1,096,519</u>	<u>\$814,811</u>	<u>\$698,741</u>
Liabilities				
Accounts Payable	\$6,243	\$0	\$0	\$0
Contracts Payable	905	0	0	0
Accrued Wages	9,171	0	307	0
Retainage Payable	0	0	13,781	0
Intergovernmental Payable	1,412	0	43	49,295
Payables from Restricted Assets:				
Accounts Payable	0	0	0	0
Deposits Held and Due to Others	0	0	0	0
<i>Total Liabilities</i>	<u>17,731</u>	<u>0</u>	<u>14,131</u>	<u>49,295</u>
Deferred Inflows of Resources:				
Property Taxes	0	0	0	419,737
Unavailable Revenue	550,693	43,522	0	29,145
<i>Total Deferred Inflows of Resources</i>	<u>550,693</u>	<u>43,522</u>	<u>0</u>	<u>448,882</u>
Fund Balances				
Nonspendable	0	0	0	0
Restricted	2,693,545	1,052,997	800,680	200,564
Committed	0	0	0	0
<i>Total Fund Balances</i>	<u>2,693,545</u>	<u>1,052,997</u>	<u>800,680</u>	<u>200,564</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$3,261,969</u>	<u>\$1,096,519</u>	<u>\$814,811</u>	<u>\$698,741</u>

Fire Pension	Police and Fire Operating	Law Enforcement	Mandatory Drug Fines	Alcohol Education	Juvenile Diversion
\$232,464	\$541,006	\$575,955	\$69,913	\$47,510	\$17,016
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	600	320	0
23,565	70,693	0	0	0	600
0	0	249	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
425,317	1,275,953	0	0	0	0
0	0	0	0	0	0
<u>\$681,346</u>	<u>\$1,887,652</u>	<u>\$576,204</u>	<u>\$70,513</u>	<u>\$47,830</u>	<u>\$17,616</u>
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	53,708	0	0	0	0
0	0	0	0	0	0
43,183	761	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>43,183</u>	<u>54,469</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
419,737	1,259,212	0	0	0	0
29,145	87,434	0	0	0	0
<u>448,882</u>	<u>1,346,646</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	249	0	0	0
189,281	486,537	575,955	70,513	47,830	17,616
0	0	0	0	0	0
<u>189,281</u>	<u>486,537</u>	<u>576,204</u>	<u>70,513</u>	<u>47,830</u>	<u>17,616</u>
<u>\$681,346</u>	<u>\$1,887,652</u>	<u>\$576,204</u>	<u>\$70,513</u>	<u>\$47,830</u>	<u>\$17,616</u>

(continued)

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

	Federal Equitable	Recreation	Central Dispatch	Emergency Medical Service
Assets				
Equity in Pooled Cash and Cash Equivalents	\$32,553	\$2,636,910	\$371,754	\$1,495,726
Materials and Supplies Inventory	0	502	0	0
Accrued Interest Receivable	221	0	0	0
Accounts Receivable	0	17,981	0	1,527,259
Intergovernmental Receivable	0	0	152,987	1,549
Prepaid Items	871	2,332	10,466	2,624
Municipal Income Taxes Receivable	0	63,935	0	0
Permissive Motor Vehicle Taxes Receivable	0	0	0	0
Property Taxes Receivable	0	0	0	0
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	0	3,145	0	0
<i>Total Assets</i>	<u>\$33,645</u>	<u>\$2,724,805</u>	<u>\$535,207</u>	<u>\$3,027,158</u>
Liabilities				
Accounts Payable	\$1,610	\$70,320	\$132	\$19,257
Contracts Payable	0	0	0	0
Accrued Wages	0	57,008	26,950	28,666
Retainage Payable	0	0	0	0
Intergovernmental Payable	0	9,157	4,149	404
Payables from Restricted Assets:				
Accounts Payable	0	150	0	0
Deposits Held and Due to Others	0	2,995	0	0
<i>Total Liabilities</i>	<u>1,610</u>	<u>139,630</u>	<u>31,231</u>	<u>48,327</u>
Deferred Inflows of Resource:				
Property Taxes	0	0	0	0
Unavailable Revenue	0	22,268	37,707	1,409,865
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>22,268</u>	<u>37,707</u>	<u>1,409,865</u>
Fund Balances				
Nonspendable	871	2,834	10,466	2,624
Restricted	31,164	0	455,803	1,566,342
Committed	0	2,560,073	0	0
<i>Total Fund Balances</i>	<u>32,035</u>	<u>2,562,907</u>	<u>466,269</u>	<u>1,568,966</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$33,645</u>	<u>\$2,724,805</u>	<u>\$535,207</u>	<u>\$3,027,158</u>

Cemetery Investment	Westlake/ Bay Ecological	City Donations	Total Nonmajor Special Revenue Funds
\$595,914	\$60,186	\$222,326	\$11,328,643
0	0	0	502
0	0	0	18,080
0	0	0	1,546,160
0	17,113	0	1,223,274
0	0	0	16,542
0	0	0	63,935
0	0	0	42,687
0	0	0	2,126,587
0	0	0	3,145
<u>\$595,914</u>	<u>\$77,299</u>	<u>\$222,326</u>	<u>\$16,369,555</u>
\$0	\$1,028	\$1,900	\$100,490
0	0	0	905
0	2,135	0	177,945
0	0	0	13,781
0	329	0	108,733
0	0	0	150
0	0	0	2,995
0	3,492	1,900	404,999
0	0	0	2,098,686
0	17,113	0	2,226,892
0	17,113	0	4,325,578
0	0	0	17,044
595,914	56,694	0	8,841,435
0	0	220,426	2,780,499
<u>595,914</u>	<u>56,694</u>	<u>220,426</u>	<u>11,638,978</u>
<u>\$595,914</u>	<u>\$77,299</u>	<u>\$222,326</u>	<u>\$16,369,555</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, 2019

	Street Maintenance	State Highway	Permissive Motor Vehicle License	Police Pension
Revenues				
Property Taxes	\$0	\$0	\$0	\$420,915
Municipal Income Taxes	0	0	0	0
Permissive Motor Vehicle Taxes	0	0	242,787	0
Charges for Services	0	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	1,585,900	135,333	0	47,129
Interest	58,895	26,351	22,387	0
Rentals	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	2,546	0	125	0
<i>Total Revenues</i>	<u>1,647,341</u>	<u>161,684</u>	<u>265,299</u>	<u>468,044</u>
Expenditures				
Current:				
Security of Persons and Property	0	0	0	1,045,351
Public Health Services	0	0	0	0
Transportation	950,029	34,471	548,870	0
Community Environment	0	0	0	0
Basic Utility Services	0	0	0	0
Leisure Time Activities	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>950,029</u>	<u>34,471</u>	<u>548,870</u>	<u>1,045,351</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>697,312</u>	<u>127,213</u>	<u>(283,571)</u>	<u>(577,307)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	0	0	0	0
Transfers In	0	0	0	600,000
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>600,000</u>
<i>Net Change in Fund Balances</i>	697,312	127,213	(283,571)	22,693
<i>Fund Balances Beginning of Year</i>	<u>1,996,233</u>	<u>925,784</u>	<u>1,084,251</u>	<u>177,871</u>
<i>Fund Balances End of Year</i>	<u>\$2,693,545</u>	<u>\$1,052,997</u>	<u>\$800,680</u>	<u>\$200,564</u>

Fire Pension	Police and Fire Operating	Law Enforcement	Mandatory Drug Fines	Alcohol Education	Juvenile Diversion
\$420,915	\$1,262,769	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	22,702	11,789	7,146	3,600
47,128	141,386	14,914	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
468,043	1,404,155	37,616	11,789	7,146	3,600
936,821	1,323,794	34,973	1,350	0	1,120
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
936,821	1,323,794	34,973	1,350	0	1,120
(468,778)	80,361	2,643	10,439	7,146	2,480
0	0	6,405	0	0	0
500,000	0	0	0	0	0
500,000	0	6,405	0	0	0
31,222	80,361	9,048	10,439	7,146	2,480
158,059	406,176	567,156	60,074	40,684	15,136
\$189,281	\$486,537	\$576,204	\$70,513	\$47,830	\$17,616

(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, 2019

	Federal Equitable	Recreation	Central Dispatch	Emergency Medical Service
Revenues				
Property Taxes	\$0	\$0	\$0	\$0
Municipal Income Taxes	0	250,000	0	0
Permissive Motor Vehicle Taxes	0	0	0	0
Charges for Services	0	2,093,028	587,579	1,030,794
Fines and Forfeitures	2,328	0	0	0
Intergovernmental	0	0	0	2,765
Interest	1,410	0	0	0
Rentals	0	66,128	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	22,974	0	0
<i>Total Revenues</i>	<u>3,738</u>	<u>2,432,130</u>	<u>587,579</u>	<u>1,033,559</u>
Expenditures				
Current:				
Security of Persons and Property	12,826	0	884,897	846,000
Public Health Services	0	0	0	0
Transportation	0	0	0	0
Community Environment	0	0	0	0
Basic Utility Services	0	0	0	0
Leisure Time Activities	0	2,526,571	0	0
Debt Service:				
Principal Retirement	0	1,546	0	0
Interest and Fiscal Charges	0	19	0	0
<i>Total Expenditures</i>	<u>12,826</u>	<u>2,528,136</u>	<u>884,897</u>	<u>846,000</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(9,088)</u>	<u>(96,006)</u>	<u>(297,318)</u>	<u>187,559</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	0	11,225	0	0
Transfers In	0	0	300,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>11,225</u>	<u>300,000</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(9,088)	(84,781)	2,682	187,559
<i>Fund Balances Beginning of Year</i>	<u>41,123</u>	<u>2,647,688</u>	<u>463,587</u>	<u>1,381,407</u>
<i>Fund Balances End of Year</i>	<u><u>\$32,035</u></u>	<u><u>\$2,562,907</u></u>	<u><u>\$466,269</u></u>	<u><u>\$1,568,966</u></u>

Cemetery Investment	Westlake/ Bay Ecological	City Donations	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$2,104,599
0	0	0	250,000
0	0	0	242,787
25,303	93,902	0	3,830,606
0	0	0	47,565
0	0	0	1,974,555
0	0	0	109,043
0	0	0	66,128
0	0	44,068	44,068
0	0	0	25,645
25,303	93,902	44,068	8,694,996
0	0	0	5,087,132
1,700	0	0	1,700
0	0	0	1,533,370
0	0	24,617	24,617
0	107,141	0	107,141
0	0	0	2,526,571
0	0	0	1,546
0	0	0	19
1,700	107,141	24,617	9,282,096
23,603	(13,239)	19,451	(587,100)
0	0	0	17,630
0	0	0	1,400,000
0	0	0	1,417,630
23,603	(13,239)	19,451	830,530
572,311	69,933	200,975	10,808,448
\$595,914	\$56,694	\$220,426	\$11,638,978

City of Westlake, Ohio
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2019

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Issue II Bond Retirement	Total Nonmajor Debt Service Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,004,157	\$208,617	\$0	\$1,212,774
Municipal Income Taxes Receivable	7,181	0	226,259	233,440
Special Assessments Receivable	0	100,000	0	100,000
<i>Total Assets</i>	<u>\$1,011,338</u>	<u>\$308,617</u>	<u>\$226,259</u>	<u>\$1,546,214</u>
Deferred Inflows of Resources				
Unavailable Revenue	\$2,501	\$100,000	\$78,805	\$181,306
Fund Balances				
Restricted	<u>1,008,837</u>	<u>208,617</u>	<u>147,454</u>	<u>1,364,908</u>
<i>Total Deferred Inflows of Resources and Fund Balances</i>	<u>\$1,011,338</u>	<u>\$308,617</u>	<u>\$226,259</u>	<u>\$1,546,214</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, 2019

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Issue II Bond Retirement	Total Nonmajor Debt Service Funds
Revenues				
Municipal Income Taxes	\$1,234,012	\$0	\$814,272	\$2,048,284
Special Assessments	0	29,613	0	29,613
<i>Total Revenues</i>	<u>1,234,012</u>	<u>29,613</u>	<u>814,272</u>	<u>2,077,897</u>
Expenditures				
Debt Service:				
Principal Retirement	2,260,000	50,000	725,000	3,035,000
Interest and Fiscal Charges	19,278	10,543	90,000	119,821
Bond Issuance Costs	276,725	0	0	276,725
<i>Total Expenditures</i>	<u>2,556,003</u>	<u>60,543</u>	<u>815,000</u>	<u>3,431,546</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,321,991)</u>	<u>(30,930)</u>	<u>(728)</u>	<u>(1,353,649)</u>
Other Financing Sources (Uses)				
General Obligation Refunding Bonds Premium	344,247	0	0	344,247
Transfers In	1,770,000	0	0	1,770,000
<i>Total Other Financing Sources (Uses)</i>	<u>2,114,247</u>	<u>0</u>	<u>0</u>	<u>2,114,247</u>
<i>Net Change in Fund Balances</i>	792,256	(30,930)	(728)	760,598
<i>Fund Balances Beginning of Year</i>	<u>216,581</u>	<u>239,547</u>	<u>148,182</u>	<u>604,310</u>
<i>Fund Balances End of Year</i>	<u><u>\$1,008,837</u></u>	<u><u>\$208,617</u></u>	<u><u>\$147,454</u></u>	<u><u>\$1,364,908</u></u>

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

	Storm Drainage	American Greetings	Market Square	Issue II Improvement
Assets				
Equity in Pooled Cash and Cash Equivalents	\$890,437	\$329,015	\$45,078	\$77,551
Cash and Cash Equivalents with Escrow Agents	0	1,818,716	1,769	0
Accrued Interest Receivable	3,805	0	0	0
Accounts Receivable	0	0	0	0
Prepaid Items	0	0	0	0
Municipal Income Taxes Receivable	0	0	0	0
Special Assessments Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$894,242</u>	<u>\$2,147,731</u>	<u>\$46,847</u>	<u>\$77,551</u>
Liabilities				
Accounts Payable	\$3,347	\$0	\$0	\$0
Contracts Payable	0	700,000	0	0
Accrued Wages	151	0	0	0
Retainage Payable	0	1,513,939	0	0
Intergovernmental Payable	23	0	0	0
Advances From Other Funds	0	0	0	0
<i>Total Liabilities</i>	<u>3,521</u>	<u>2,213,939</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources				
Unavailable Revenue	0	0	0	0
Fund Balances				
Nonspendable	0	0	0	0
Restricted	890,721	0	46,847	77,551
Unassigned (Deficit)	0	(66,208)	0	0
<i>Total Fund Balances (Deficit)</i>	<u>890,721</u>	<u>(66,208)</u>	<u>46,847</u>	<u>77,551</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$894,242</u>	<u>\$2,147,731</u>	<u>\$46,847</u>	<u>\$77,551</u>

Impact Fees	Grants	Sidewalks	Recreation Center Construction	Total Nonmajor Capital Projects Funds
\$1,420,738	\$7,053	\$292,205	\$2,112,541	\$5,174,618
0	0	0	0	1,820,485
0	0	0	0	3,805
0	0	51,282	0	51,282
0	0	0	548	548
0	0	0	659,628	659,628
0	0	179,970	0	179,970
<u>\$1,420,738</u>	<u>\$7,053</u>	<u>\$523,457</u>	<u>\$2,772,717</u>	<u>\$7,890,336</u>
\$0	\$0	\$0	\$48	\$3,395
0	0	0	412,944	1,112,944
0	0	0	1,669	1,820
0	0	172,648	705,251	2,391,838
0	0	0	258	281
0	0	250,000	0	250,000
0	0	422,648	1,120,170	3,760,278
0	0	227,333	229,745	457,078
0	0	0	548	548
1,420,738	7,053	0	1,422,254	3,865,164
0	0	(126,524)	0	(192,732)
<u>1,420,738</u>	<u>7,053</u>	<u>(126,524)</u>	<u>1,422,802</u>	<u>3,672,980</u>
<u>\$1,420,738</u>	<u>\$7,053</u>	<u>\$523,457</u>	<u>\$2,772,717</u>	<u>\$7,890,336</u>

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

	Storm Drainage	American Greetings	Market Square	Issue II Improvement
Revenues				
Municipal Income Taxes	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0
Licenses, Permits and Fees	62,257	0	0	0
Intergovernmental	234,661	0	0	0
Interest	22,050	33,547	33	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>318,968</u>	<u>33,547</u>	<u>33</u>	<u>0</u>
Expenditures				
Current:				
Basic Utility Services	49,930	0	0	0
Capital Outlay	0	700,000	14,500	3,653
Debt Service:				
Principal Retirement	0	0	0	155,036
<i>Total Expenditures</i>	<u>49,930</u>	<u>700,000</u>	<u>14,500</u>	<u>158,689</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	269,038	(666,453)	(14,467)	(158,689)
Other Financing Sources (Uses)				
Transfers In	0	708,656	0	158,700
<i>Net Change in Fund Balances</i>	269,038	42,203	(14,467)	11
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>621,683</u>	<u>(108,411)</u>	<u>61,314</u>	<u>77,540</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$890,721</u></u>	<u><u>(\$66,208)</u></u>	<u><u>\$46,847</u></u>	<u><u>\$77,551</u></u>

Impact Fees	Grants	Sidewalks	Service Center Construction	Recreation Center Construction	Total Nonmajor Capital Projects Funds
\$0	\$0	\$0	\$0	\$1,248,615	\$1,248,615
0	0	406,102	0	0	406,102
43,167	0	0	0	0	105,424
0	2,438,035	0	0	0	2,672,696
0	0	0	0	0	55,630
0	0	0	0	525	525
43,167	2,438,035	406,102	0	1,249,140	4,488,992
0	0	0	0	0	49,930
11,417	0	396,238	37,607	5,353,151	6,516,566
0	0	0	0	0	155,036
11,417	0	396,238	37,607	5,353,151	6,721,532
31,750	2,438,035	9,864	(37,607)	(4,104,011)	(2,232,540)
0	0	1,250,000	0	0	2,117,356
31,750	2,438,035	1,259,864	(37,607)	(4,104,011)	(115,184)
1,388,988	(2,430,982)	(1,386,388)	37,607	5,526,813	3,788,164
\$1,420,738	\$7,053	(\$126,524)	\$0	\$1,422,802	\$3,672,980

**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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$11,185,410	\$11,185,410	\$11,252,727	\$67,317
Municipal Income Taxes	21,698,000	21,698,000	21,575,164	(122,836)
Admissions Tax	200,000	200,000	169,441	(30,559)
Hotel Tax	620,000	620,000	665,337	45,337
Charges for Services	55,500	55,500	96,355	40,855
Licenses, Permits and Fees	956,100	956,100	1,766,049	809,949
Fines and Forfeitures	150,150	150,150	133,341	(16,809)
Intergovernmental	1,829,037	1,829,037	1,837,853	8,816
Interest	1,500,000	1,500,000	1,879,692	379,692
Rentals	158,010	158,010	160,779	2,769
Franchise Taxes	625,000	625,000	600,710	(24,290)
Miscellaneous	155,000	155,000	925,269	770,269
<i>Total Revenues</i>	<u>39,132,207</u>	<u>39,132,207</u>	<u>41,062,717</u>	<u>1,930,510</u>
Expenditures				
Current:				
General Government:				
Council:				
Salaries	198,700	198,700	194,983	3,717
Fringe Benefits	37,000	37,000	36,507	493
Contractual Services	86,623	86,586	18,384	68,202
Materials and Supplies	2,000	2,000	697	1,303
Other	3,500	3,500	2,208	1,292
<i>Total Council</i>	<u>327,823</u>	<u>327,786</u>	<u>252,779</u>	<u>75,007</u>
Mayor:				
Salaries	272,400	272,400	232,906	39,494
Fringe Benefits	66,600	66,600	44,687	21,913
Contractual Services	35,231	32,637	25,389	7,248
Materials and Supplies	5,400	5,400	3,131	2,269
Other	7,655	7,181	3,137	4,044
<i>Total Mayor</i>	<u>387,286</u>	<u>384,218</u>	<u>309,250</u>	<u>74,968</u>
Finance Department:				
Salaries	748,700	748,700	649,054	99,646
Fringe Benefits	238,725	238,725	196,612	42,113
Contractual Services	1,048,639	1,043,452	897,057	146,395
Materials and Supplies	18,200	18,200	10,022	8,178
Capital Outlay	215,600	465,600	33,857	431,743
Other	5,125	5,125	3,836	1,289
<i>Total Finance Department</i>	<u>\$2,274,989</u>	<u>\$2,519,802</u>	<u>\$1,790,438</u>	<u>\$729,364</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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Communications:				
Salaries	\$80,800	\$80,800	\$39,592	\$41,208
Fringe Benefits	21,700	21,700	6,117	15,583
Contractual Services	41,750	41,750	34,073	7,677
Materials and Supplies	21,000	21,000	20,807	193
Capital Outlay	11,500	11,500	0	11,500
Other	32,200	32,200	25,916	6,284
Total Communications	208,950	208,950	126,505	82,445
Law Department:				
Salaries	408,175	408,175	347,927	60,248
Fringe Benefits	102,000	102,000	92,306	9,694
Contractual Services	51,484	51,307	26,921	24,386
Materials and Supplies	2,000	2,000	1,364	636
Other	1,500	1,500	167	1,333
Total Law Department	565,159	564,982	468,685	96,297
Purchasing:				
Salaries	169,100	169,100	159,553	9,547
Fringe Benefits	49,250	49,250	46,453	2,797
Contractual Services	12,317	12,317	6,106	6,211
Materials and Supplies	2,486	2,486	1,592	894
Other	1,000	1,000	52	948
Total Purchasing	234,153	234,153	213,756	20,397
Civil Service:				
Salaries	167,600	167,600	78,877	88,723
Fringe Benefits	48,900	48,900	21,540	27,360
Contractual Services	78,230	78,230	19,445	58,785
Material and Supplies	1,300	1,300	438	862
Other	12,000	12,000	7,550	4,450
Total Civil Service	308,030	308,030	127,850	180,180
Engineering:				
Salaries	532,400	532,400	402,765	129,635
Fringe Benefits	194,350	194,350	129,053	65,297
Contractual Services	87,787	85,314	75,706	9,608
Material and Supplies	17,960	17,803	13,730	4,073
Capital Outlay	97,400	97,400	87,940	9,460
Other	6,026	6,026	4,369	1,657
Total Engineering	\$935,923	\$933,293	\$713,563	\$219,730

(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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Building Maintenance:				
Salaries	\$35,800	\$36,100	\$35,835	\$265
Fringe Benefits	14,800	14,800	13,994	806
Contractual Services	279,132	267,170	252,101	15,069
Material and Supplies	14,662	14,572	4,223	10,349
Capital Outlay	90,677	88,379	3,735	84,644
Other	22,220	22,020	4,994	17,026
Total Building Maintenance	457,291	443,041	314,882	128,159
Miscellaneous:				
Salaries	153,600	158,600	50,758	107,842
Fringe Benefits	581,413	942,256	855,110	87,146
Contractual Services	2,623,097	2,536,986	2,362,198	174,788
Material and Supplies	100,000	99,930	72,150	27,780
Other	41,030	41,030	8,178	32,852
Total Miscellaneous	3,499,140	3,778,802	3,348,394	430,408
Cable TV:				
Capital Outlay	740,300	740,300	697,229	43,071
Other	11,276	10,950	5,102	5,848
Total Cable TV	751,576	751,250	702,331	48,919
Contracts:				
Contractual Services	1,499,317	1,446,911	791,911	655,000
Capital Outlay	385,000	385,000	85,320	299,680
Total Contracts	1,884,317	1,831,911	877,231	954,680
Total General Government	11,834,637	12,286,218	9,245,664	3,040,554
Security of Persons and Property:				
Police Department:				
Salaries	6,806,100	6,806,100	6,116,526	689,574
Fringe Benefits	1,300,300	1,300,300	1,130,788	169,512
Contractual Services	708,445	691,585	586,552	105,033
Materials and Supplies	204,674	204,607	150,765	53,842
Capital Outlay	630,074	630,074	563,665	66,409
Other	120,190	119,840	104,475	15,365
Total Police Department	\$9,769,783	\$9,752,506	\$8,652,771	\$1,099,735

(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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Fire Department:				
Salaries	\$3,155,600	\$3,155,600	\$2,972,317	\$183,283
Fringe Benefits	652,800	652,800	630,900	21,900
Contractual Services	368,474	365,005	301,475	63,530
Materials and Supplies	136,704	136,704	87,917	48,787
Capital Outlay	383,738	378,998	315,067	63,931
Other	17,900	17,900	8,659	9,241
Total Fire Department	4,715,216	4,707,007	4,316,335	390,672
Safety Town:				
Salaries	11,500	11,500	10,020	1,480
Fringe Benefits	1,900	1,900	1,548	352
Other	13,000	13,000	6,534	6,466
Total Safety Town	26,400	26,400	18,102	8,298
<i>Total Security of Persons and Property</i>	<i>14,511,399</i>	<i>14,485,913</i>	<i>12,987,208</i>	<i>1,498,705</i>
Public Health Services:				
Community Services:				
Salaries	640,700	640,700	620,213	20,487
Fringe Benefits	208,250	208,250	196,542	11,708
Contractual Services	224,350	214,475	104,678	109,797
Materials and Supplies	20,594	20,591	15,671	4,920
Capital Outlay	152,215	152,215	98,359	53,856
Other	7,961	7,961	4,701	3,260
Total Community Services	1,254,070	1,244,192	1,040,164	204,028
Cemetery Operations:				
Capital Outlay	16,000	16,000	15,848	152
Total Public Health Services	1,270,070	1,260,192	1,056,012	204,180
Transportation:				
Service Director:				
Salaries	212,500	212,500	200,035	12,465
Fringe Benefits	46,200	46,200	43,997	2,203
Contractual Services	10,460	10,451	2,442	8,009
Materials and Supplies	3,000	3,000	1,580	1,420
Capital Outlay	62,218	62,218	27,218	35,000
Other	3,132	3,007	1,725	1,282
Total Service Director	\$337,510	\$337,376	\$276,997	\$60,379

(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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
City Service:				
Salaries	\$1,912,300	\$1,912,300	\$1,590,787	\$321,513
Fringe Benefits	787,150	787,150	693,554	93,596
Contractual Services	3,260,596	3,231,164	2,636,461	594,703
Materials and Supplies	271,714	271,188	232,674	38,514
Capital Outlay	1,466,534	1,463,934	1,333,734	130,200
Other	17,069	17,069	13,699	3,370
Total City Service	7,715,363	7,682,805	6,500,909	1,181,896
Snow Removal:				
Salaries	265,000	265,000	105,102	159,898
Fringe Benefits	41,000	41,000	16,134	24,866
Contractual Services	46,244	46,241	39,753	6,488
Other	1,000	1,000	0	1,000
Total Snow Removal	353,244	353,241	160,989	192,252
Total Transportation	8,406,117	8,373,422	6,938,895	1,434,527
Community Environment:				
Planning:				
Salaries	389,400	389,400	382,755	6,645
Fringe Benefits	94,100	94,100	93,003	1,097
Contractual Services	64,108	63,330	49,324	14,006
Materials and Supplies	5,000	5,000	2,118	2,882
Capital Outlay	1,500	1,500	0	1,500
Other	350	350	0	350
Total Planning	554,458	553,680	527,200	26,480
Zoning:				
Contractual Services	4,500	4,500	2,404	2,096
Materials and Supplies	1,000	1,000	825	175
Total Zoning	5,500	5,500	3,229	2,271
Board of Building Standards:				
Contractual Services	100	100	0	100
Materials and Supplies	200	200	0	200
Other	100	100	0	100
Total Board of Building Standards	\$400	\$400	\$0	\$400

(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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Inspection:				
Salaries	\$780,100	\$780,100	\$727,671	\$52,429
Fringe Benefits	249,050	249,050	232,185	16,865
Contractual Services	48,243	47,143	33,854	13,289
Materials and Supplies	19,377	19,377	16,341	3,036
Other	2,254	2,254	841	1,413
Total Inspection	1,099,024	1,097,924	1,010,892	87,032
Architect:				
Contractual Services	208,562	208,562	172,602	35,960
Unclaimed Monies:				
Salaries	5,000	5,000	64	4,936
Fringe Benefits	750	750	10	740
Contractual Services	1,300	1,300	1,300	0
Other	35,300	35,300	8,212	27,088
Total Unclaimed Monies	42,350	42,350	9,586	32,764
Deposits:				
Salaries	92,500	92,500	59,435	33,065
Fringe Benefits	14,450	14,450	9,172	5,278
Contractual Services	228,490	224,267	115,786	108,481
Other	388,500	508,500	263,238	245,262
Total Deposits	723,940	839,717	447,631	392,086
Total Community Environment	2,634,234	2,748,133	2,171,140	576,993
Basic Utility Services:				
Forester:				
Salaries	271,400	271,400	229,562	41,838
Fringe Benefits	90,400	90,400	83,855	6,545
Contractual Services	32,000	32,000	31,903	97
Capital Outlay	50,000	50,000	39,739	10,261
Other	11,403	11,403	10,447	956
Total Forester	455,203	455,203	395,506	59,697
Storm Drainage:				
Salaries	130,000	130,000	75,254	54,746
Fringe Benefits	20,100	20,100	11,567	8,533
Contractual Services	63,155	52,087	26,869	25,218
Materials and Supplies	51,309	50,500	13,556	36,944
Capital Outlay	43,660	43,374	12,037	31,337
Other	6,000	6,000	5,804	196
Total Storm Drainage	\$314,224	\$302,061	\$145,087	\$156,974

(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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Leaf Pick-Up:				
Salaries	\$210,000	\$235,000	\$205,290	\$29,710
Fringe Benefits	32,500	36,400	31,483	4,917
Contractual Services	69,047	67,604	67,379	225
Capital Outlay	29,000	29,000	26,398	2,602
Total Leaf Pick-Up	340,547	368,004	330,550	37,454
<i>Total Basic Utility Services</i>	<i>1,109,974</i>	<i>1,125,268</i>	<i>871,143</i>	<i>254,125</i>
Leisure Time Activities:				
Recreation:				
Salaries	227,400	227,400	212,355	15,045
Fringe Benefits	79,600	79,600	55,403	24,197
Contractual Services	128,902	127,492	50,784	76,708
Materials and Supplies	25,113	25,113	21,892	3,221
Capital Outlay	199,978	199,978	188,559	11,419
Other	2,000	2,000	590	1,410
Total Recreation	662,993	661,583	529,583	132,000
Park:				
Salaries	172,900	180,900	174,051	6,849
Fringe Benefits	61,400	61,400	60,939	461
Contractual Services	222,480	222,000	188,394	33,606
Materials and Supplies	15,700	15,700	8,354	7,346
Capital Outlay	48,421	48,421	15,086	33,335
Other	20,271	20,157	16,075	4,082
Total Park	541,172	548,578	462,899	85,679
<i>Total Leisure Time Activities</i>	<i>1,204,165</i>	<i>1,210,161</i>	<i>992,482</i>	<i>217,679</i>
<i>Total Expenditures</i>	<i>40,970,596</i>	<i>41,489,307</i>	<i>34,262,544</i>	<i>7,226,763</i>
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>(1,838,389)</i>	<i>(2,357,100)</i>	<i>6,800,173</i>	<i>9,157,273</i>
Other Financing Sources (Uses)				
Sale of Capital Assets	25,000	25,000	242,890	217,890
Advances In	0	0	5,325,000	5,325,000
Advances Out	(300,000)	(3,925,000)	(3,752,000)	173,000
Transfers Out	(2,808,700)	(6,128,700)	(5,478,700)	650,000
<i>Total Other Financing Sources (Uses)</i>	<i>(3,083,700)</i>	<i>(10,028,700)</i>	<i>(3,662,810)</i>	<i>6,365,890</i>
<i>Net Change in Fund Balance</i>	<i>(4,922,089)</i>	<i>(12,385,800)</i>	<i>3,137,363</i>	<i>15,523,163</i>
<i>Fund Balance Beginning of Year</i>	<i>51,753,205</i>	<i>51,753,205</i>	<i>51,753,205</i>	<i>0</i>
Prior Year Encumbrances Appropriated	2,129,796	2,129,796	2,129,796	0
<i>Fund Balance End of Year</i>	<i>\$48,960,912</i>	<i>\$41,497,201</i>	<i>\$57,020,364</i>	<i>\$15,523,163</i>

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
TIF Bond Retirement Fund
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Payments in Lieu of Taxes	\$4,851,800	\$4,851,800	\$4,702,454	(\$149,346)
Interest	2,000	2,000	14,726	12,726
<i>Total Revenues</i>	<u>4,853,800</u>	<u>4,853,800</u>	<u>4,717,180</u>	<u>(136,620)</u>
Expenditures				
Current:				
General Government:				
Other	1,258,650	1,226,150	979,318	246,832
Debt Service:				
Principal Retirement	1,303,505	1,303,505	1,303,505	0
Interest and Fiscal Charges	2,234,974	2,275,074	2,271,447	3,627
<i>Total Expenditures</i>	<u>4,797,129</u>	<u>4,804,729</u>	<u>4,554,270</u>	<u>250,459</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	56,671	49,071	162,910	113,839
Other Financing Sources (Uses)				
Transfers Out	<u>0</u>	<u>(408,656)</u>	<u>(408,656)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	56,671	(359,585)	(245,746)	113,839
<i>Fund Balance Beginning of Year</i>	457,317	457,317	457,317	0
Prior Year Encumbrances Appropriated	<u>1,955</u>	<u>1,955</u>	<u>1,955</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$515,943</u></u>	<u><u>\$99,687</u></u>	<u><u>\$213,526</u></u>	<u><u>\$113,839</u></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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Municipal Income Taxes	\$7,541,000	\$7,541,000	\$7,406,697	(\$134,303)
Interest	175,000	175,000	287,177	112,177
Miscellaneous	1,000	1,000	1,050	50
<i>Total Revenues</i>	<u>7,717,000</u>	<u>7,717,000</u>	<u>7,694,924</u>	<u>(22,076)</u>
Expenditures				
Capital Outlay:				
Infrastructure Improvements:				
Salaries	230,000	230,000	122,771	107,229
Fringe Benefits	35,500	35,500	18,935	16,565
Contractual Services	265,000	265,000	242,136	22,864
Capital Outlay	14,511,076	13,814,216	8,925,890	4,888,326
Other	2,652,544	2,647,044	2,600,045	46,999
<i>Total Expenditures</i>	<u>17,694,120</u>	<u>16,991,760</u>	<u>11,909,777</u>	<u>5,081,983</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(9,977,120)	(9,274,760)	(4,214,853)	5,059,907
Other Financing Sources (Uses)				
Advances In	3,666,900	3,666,900	3,666,900	0
<i>Net Change in Fund Balance</i>	(6,310,220)	(5,607,860)	(547,953)	5,059,907
<i>Fund Balance Beginning of Year</i>	7,099,905	7,099,905	7,099,905	0
Prior Year Encumbrances Appropriated	2,789,120	2,789,120	2,789,120	0
<i>Fund Balance End of Year</i>	<u>\$3,578,805</u>	<u>\$4,281,165</u>	<u>\$9,341,072</u>	<u>\$5,059,907</u>

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Center Construction Fund
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Miscellaneous	\$0	\$0	\$1,500	\$1,500
Expenditures				
Capital Outlay:				
Community Center Construction:				
Salaries	70,000	70,000	21,285	48,715
Fringe Benefits	11,000	11,000	3,278	7,722
Capital Outlay	11,135,246	10,835,246	9,820,476	1,014,770
Other	344,875	344,175	53,463	290,712
<i>Total Expenditures</i>	<u>11,561,121</u>	<u>11,260,421</u>	<u>9,898,502</u>	<u>1,361,919</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(11,561,121)</u>	<u>(11,260,421)</u>	<u>(9,897,002)</u>	<u>1,363,419</u>
Other Financing Sources (Uses)				
General Obligation Notes Issued	0	3,500,000	3,500,000	0
General Obligation Bonds Issued	12,000,000	12,000,000	8,000,000	(4,000,000)
Advances In	0	0	1,855,000	1,855,000
Advances Out	(650,000)	(2,505,000)	(2,505,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>11,350,000</u>	<u>12,995,000</u>	<u>10,850,000</u>	<u>(2,145,000)</u>
<i>Net Change in Fund Balance</i>	(211,121)	1,734,579	952,998	(781,581)
<i>Fund Balance Beginning of Year</i>	40,667	40,667	40,667	0
Prior Year Encumbrances Appropriated	391,121	391,121	391,121	0
<i>Fund Balance End of Year</i>	<u>\$220,667</u>	<u>\$2,166,367</u>	<u>\$1,384,786</u>	<u>(\$781,581)</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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$2,680,000	\$2,680,000	\$2,803,641	\$123,641
Tap-In Fees	50,000	50,000	49,979	(21)
Interest	117,000	117,000	148,409	31,409
<i>Total Revenues</i>	<u>2,847,000</u>	<u>2,847,000</u>	<u>3,002,029</u>	<u>155,029</u>
Expenses				
Personal Services	488,900	516,900	491,378	25,522
Fringe Benefits	190,100	194,500	153,471	41,029
Contractual Services	2,030,070	2,027,002	1,946,244	80,758
Materials and Supplies	39,500	39,500	29,683	9,817
Capital Outlay	570,026	818,000	785,569	32,431
Other	84,267	83,667	42,914	40,753
<i>Total Expenses</i>	<u>3,402,863</u>	<u>3,679,569</u>	<u>3,449,259</u>	<u>230,310</u>
<i>Net Change in Fund Equity</i>	(555,863)	(832,569)	(447,230)	385,339
<i>Fund Equity Beginning of Year</i>	6,560,517	6,560,517	6,560,517	0
Prior Year Encumbrances Appropriated	63,863	63,863	63,863	0
<i>Fund Equity End of Year</i>	<u>\$6,068,517</u>	<u>\$5,791,811</u>	<u>\$6,177,150</u>	<u>\$385,339</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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$1,235,000	\$1,235,000	\$1,477,845	\$242,845
Interest	43,000	43,000	47,381	4,381
Miscellaneous	0	0	2,546	2,546
<i>Total Revenues</i>	<u>1,278,000</u>	<u>1,278,000</u>	<u>1,527,772</u>	<u>249,772</u>
Expenditures				
Current:				
Transportation:				
Street Maintenance and Repair:				
Salaries	278,100	278,100	265,408	12,692
Fringe Benefits	77,700	77,700	64,365	13,335
Contractual Services	114,629	84,119	29,705	54,414
Materials and Supplies	904,215	776,027	641,528	134,499
Capital Outlay	174,087	174,087	174,087	0
Other	56,294	53,918	40,703	13,215
<i>Total Expenditures</i>	<u>1,605,025</u>	<u>1,443,951</u>	<u>1,215,796</u>	<u>228,155</u>
<i>Net Change in Fund Balance</i>	(327,025)	(165,951)	311,976	477,927
<i>Fund Balance Beginning of Year</i>	1,594,541	1,594,541	1,594,541	0
Prior Year Encumbrances Appropriated	346,525	346,525	346,525	0
<i>Fund Balance End of Year</i>	<u>\$1,614,041</u>	<u>\$1,775,115</u>	<u>\$2,253,042</u>	<u>\$477,927</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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$100,000	\$100,000	\$119,825	\$19,825
Interest	17,000	17,000	21,615	4,615
<i>Total Revenues</i>	<u>117,000</u>	<u>117,000</u>	<u>141,440</u>	<u>24,440</u>
Expenditures				
Current:				
Transportation:				
State Highway				
Materials and Supplies	45,513	41,000	38,953	2,047
Other	5,000	5,000	0	5,000
<i>Total Expenditures</i>	<u>50,513</u>	<u>46,000</u>	<u>38,953</u>	<u>7,047</u>
<i>Net Change in Fund Balance</i>	66,487	71,000	102,487	31,487
<i>Fund Balance Beginning of Year</i>	913,400	913,400	913,400	0
Prior Year Encumbrances Appropriated	4,513	4,513	4,513	0
<i>Fund Balance End of Year</i>	<u><u>\$984,400</u></u>	<u><u>\$988,913</u></u>	<u><u>\$1,020,400</u></u>	<u><u>\$31,487</u></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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Permissive Motor Vehicle Taxes	\$240,000	\$240,000	\$241,248	\$1,248
Interest	18,000	18,000	19,637	1,637
Miscellaneous	0	0	125	125
<i>Total Revenues</i>	<u>258,000</u>	<u>258,000</u>	<u>261,010</u>	<u>3,010</u>
Expenditures				
Current:				
Transportation:				
Permissive Motor Vehicle License:				
Salaries	60,000	60,000	20,171	39,829
Fringe Benefits	9,300	9,300	3,112	6,188
Capital Outlay	800,000	800,000	800,000	0
Other	31,099	30,700	501	30,199
<i>Total Expenditures</i>	<u>900,399</u>	<u>900,000</u>	<u>823,784</u>	<u>76,216</u>
<i>Net Change in Fund Balance</i>	(642,399)	(642,000)	(562,774)	79,226
<i>Fund Balance Beginning of Year</i>	1,040,307	1,040,307	1,040,307	0
Prior Year Encumbrances Appropriated	399	399	399	0
<i>Fund Balance End of Year</i>	<u>\$398,307</u>	<u>\$398,706</u>	<u>\$477,932</u>	<u>\$79,226</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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$418,573	\$418,573	\$420,915	\$2,342
Intergovernmental	47,922	47,922	47,129	(793)
<i>Total Revenues</i>	466,495	466,495	468,044	1,549
Expenditures				
Current:				
Security of Persons and Property:				
Police Pension:				
Fringe Benefits	1,150,000	1,150,000	1,039,084	110,916
<i>Excess of Revenues Over (Under) Expenditures</i>	(683,505)	(683,505)	(571,040)	112,465
Other Financing Sources (Uses)				
Transfers In	650,000	650,000	600,000	(50,000)
<i>Net Change in Fund Balance</i>	(33,505)	(33,505)	28,960	62,465
<i>Fund Balance Beginning of Year</i>	220,899	220,899	220,899	0
<i>Fund Balance End of Year</i>	\$187,394	\$187,394	\$249,859	\$62,465

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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$418,573	\$418,573	\$420,915	\$2,342
Intergovernmental	47,922	47,922	47,128	(794)
<i>Total Revenues</i>	466,495	466,495	468,043	1,548
Expenditures				
Current:				
Security of Persons and Property:				
Fire Pension:				
Fringe Benefits	1,050,000	1,050,000	933,428	116,572
<i>Excess of Revenues Over (Under) Expenditures</i>	(583,505)	(583,505)	(465,385)	118,120
Other Financing Sources (Uses)				
Transfers In	550,000	550,000	500,000	(50,000)
<i>Net Change in Fund Balance</i>	(33,505)	(33,505)	34,615	68,120
<i>Fund Balance Beginning of Year</i>	197,849	197,849	197,849	0
<i>Fund Balance End of Year</i>	\$164,344	\$164,344	\$232,464	\$68,120

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, 2019*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$1,255,720	\$1,255,720	\$1,262,769	\$7,049
Intergovernmental	143,765	143,765	141,386	(2,379)
<i>Total Revenues</i>	<u>1,399,485</u>	<u>1,399,485</u>	<u>1,404,155</u>	<u>4,670</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police and Fire Operating:				
Salaries	1,343,900	1,343,900	1,286,258	57,642
Fringe Benefits	34,800	34,800	33,288	1,512
<i>Total Expenditures</i>	<u>1,378,700</u>	<u>1,378,700</u>	<u>1,319,546</u>	<u>59,154</u>
<i>Net Change in Fund Balance</i>	20,785	20,785	84,609	63,824
<i>Fund Balance Beginning of Year</i>	<u>456,397</u>	<u>456,397</u>	<u>456,397</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$477,182</u></u>	<u><u>\$477,182</u></u>	<u><u>\$541,006</u></u>	<u><u>\$63,824</u></u>

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

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Fines and Forfeitures	\$30,000	\$30,000	\$22,702	(\$7,298)
Intergovernmental	0	0	14,914	14,914
<i>Total Revenues</i>	30,000	30,000	37,616	7,616
Expenditures				
Current:				
Security of Persons and Property:				
Police Department:				
Other	43,145	42,282	41,420	862
<i>Excess of Revenues Over (Under) Expenditures</i>	(13,145)	(12,282)	(3,804)	8,478
Other Financing Sources (Uses)				
Sale of Capital Assets	0	0	6,405	6,405
<i>Net Change in Fund Balance</i>	(13,145)	(12,282)	2,601	14,883
<i>Fund Balance Beginning of Year</i>	550,863	550,863	550,863	0
Prior Year Encumbrances Appropriated	18,145	18,145	18,145	0
<i>Fund Balance End of Year</i>	<u>\$555,863</u>	<u>\$556,726</u>	<u>\$571,609</u>	<u>\$14,883</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, 2019*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Fines and Forfeitures	\$5,000	\$5,000	\$11,869	\$6,869
Expenditures				
Current:				
Security of Persons and Property:				
Police Department:				
Other	5,000	5,000	1,350	3,650
<i>Net Change in Fund Balance</i>	0	0	10,519	10,519
<i>Fund Balance Beginning of Year</i>	59,394	59,394	59,394	0
<i>Fund Balance End of Year</i>	<u>\$59,394</u>	<u>\$59,394</u>	<u>\$69,913</u>	<u>\$10,519</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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Fines and Forfeitures	\$10,000	\$10,000	\$7,101	(\$2,899)
Expenditures	0	0	0	0
<i>Net Change in Fund Balance</i>	10,000	10,000	7,101	(2,899)
<i>Fund Balance Beginning of Year</i>	40,409	40,409	40,409	0
<i>Fund Balance End of Year</i>	<u>\$50,409</u>	<u>\$50,409</u>	<u>\$47,510</u>	<u>(\$2,899)</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, 2019

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Fines and Forfeitures	\$3,600	\$3,600	\$3,000	(\$600)
Expenditures				
Current:				
Security of Persons and Property:				
Police Department:				
Salaries	2,950	2,950	784	2,166
Fringe Benefits	450	450	11	439
Other	1,000	1,000	325	675
<i>Total Expenditures</i>	<u>4,400</u>	<u>4,400</u>	<u>1,120</u>	<u>3,280</u>
<i>Net Change in Fund Balance</i>	(800)	(800)	1,880	2,680
<i>Fund Balance Beginning of Year</i>	<u>15,136</u>	<u>15,136</u>	<u>15,136</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$14,336</u>	<u>\$14,336</u>	<u>\$17,016</u>	<u>\$2,680</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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Fines and Forfeitures	\$9,600	\$9,600	\$2,328	(\$7,272)
Interest	800	800	1,156	356
<i>Total Revenues</i>	10,400	10,400	3,484	(6,916)
Expenditures				
Current:				
Security of Persons and Property:				
Police Department:				
Other	21,000	21,000	12,693	8,307
<i>Net Change in Fund Balance</i>	(10,600)	(10,600)	(9,209)	1,391
<i>Fund Balance Beginning of Year</i>	39,849	39,849	39,849	0
<i>Fund Balance End of Year</i>	\$29,249	\$29,249	\$30,640	\$1,391

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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Municipal Income Taxes	\$0	\$0	\$250,000	\$250,000
Charges for Services	2,184,800	2,184,800	2,096,480	(88,320)
Rentals	62,000	62,000	66,128	4,128
Miscellaneous	32,050	32,050	25,622	(6,428)
<i>Total Revenues</i>	<u>2,278,850</u>	<u>2,278,850</u>	<u>2,438,230</u>	<u>159,380</u>
Expenditures				
Current:				
Leisure Time Activities:				
Recreation:				
Salaries	1,401,100	1,401,100	1,255,922	145,178
Fringe Benefits	364,800	364,800	309,042	55,758
Contractual Services	978,829	949,677	843,598	106,079
Materials and Supplies	205,504	204,481	155,816	48,665
Capital Outlay	7,070	7,070	7,034	36
Other	151,016	151,016	70,557	80,459
Total Leisure Time Activities	<u>3,108,319</u>	<u>3,078,144</u>	<u>2,641,969</u>	<u>436,175</u>
Debt Service:				
Principal Retirement	1,546	1,546	1,546	0
Interest and Fiscal Charges	19	19	19	0
Total Debt Service	<u>1,565</u>	<u>1,565</u>	<u>1,565</u>	<u>0</u>
<i>Total Expenditures</i>	<u>3,109,884</u>	<u>3,079,709</u>	<u>2,643,534</u>	<u>436,175</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(831,034)	(800,859)	(205,304)	595,555
Other Financing Sources (Uses)				
Sale of Capital Assets	1,000	1,000	11,225	10,225
<i>Net Change in Fund Balance</i>	(830,034)	(799,859)	(194,079)	605,780
<i>Fund Balance Beginning of Year</i>	2,612,092	2,612,092	2,612,092	0
Prior Year Encumbrances Appropriated	103,384	103,384	103,384	0
<i>Fund Balance End of Year</i>	<u>\$1,885,442</u>	<u>\$1,915,617</u>	<u>\$2,521,397</u>	<u>\$605,780</u>

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Central Dispatch Fund
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$650,000	\$650,000	\$611,002	(\$38,998)
Expenditures				
Current:				
Security of Persons and Property:				
Fire Department:				
Salaries	733,000	733,000	572,790	160,210
Fringe Benefits	278,300	278,300	213,177	65,123
Contractual Services	104,579	104,575	51,671	52,904
Materials and Supplies	6,050	6,050	1,709	4,341
Capital Outlay	78,000	78,000	22,926	55,074
Other	2,802	2,802	2,030	772
<i>Total Expenditures</i>	1,202,731	1,202,727	864,303	338,424
<i>Excess of Revenues Over Expenditures</i>	(552,731)	(552,727)	(253,301)	299,426
Other Financing Sources (Uses)				
Transfers In	350,000	350,000	300,000	(50,000)
<i>Net Change in Fund Balance</i>	(202,731)	(202,727)	46,699	249,426
<i>Fund Balance Beginning of Year</i>	324,503	324,503	324,503	0
Prior Year Encumbrances Appropriated	381	381	381	0
<i>Fund Balance End of Year</i>	\$122,153	\$122,157	\$371,583	\$249,426

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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$1,025,000	\$1,025,000	\$1,062,848	\$37,848
Intergovernmental	0	0	1,216	1,216
<i>Total Revenues</i>	<u>1,025,000</u>	<u>1,025,000</u>	<u>1,064,064</u>	<u>39,064</u>
Expenditures				
Current:				
Security of Persons and Property:				
Fire Department:				
Salaries	648,700	648,700	605,953	42,747
Fringe Benefits	16,500	16,500	15,684	816
Contractual Services	181,883	181,840	140,025	41,815
Materials and Supplies	30,868	30,436	25,382	5,054
Capital Outlay	15,000	15,000	4,960	10,040
Other	76,000	76,000	63,283	12,717
<i>Total Expenditures</i>	<u>968,951</u>	<u>968,476</u>	<u>855,287</u>	<u>113,189</u>
<i>Net Change in Fund Balance</i>	56,049	56,524	208,777	152,253
<i>Fund Balance Beginning of Year</i>	1,224,443	1,224,443	1,224,443	0
Prior Year Encumbrances Appropriated	41,151	41,151	41,151	0
<i>Fund Balance End of Year</i>	<u>\$1,321,643</u>	<u>\$1,322,118</u>	<u>\$1,474,371</u>	<u>\$152,253</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, 2019*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$15,000	\$15,000	\$26,625	\$11,625
Expenditures				
Current:				
Public Health Services:				
Cemetery Operations:				
Capital Outlay	899	899	899	0
Other	23,000	23,000	1,700	21,300
<i>Total Expenditures</i>	23,899	23,899	2,599	21,300
<i>Net Change in Fund Balance</i>	(8,899)	(8,899)	24,026	32,925
<i>Fund Balance Beginning of Year</i>	570,989	570,989	570,989	0
Prior Year Encumbrances Appropriated	899	899	899	0
<i>Fund Balance End of Year</i>	\$562,989	\$562,989	\$595,914	\$32,925

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, 2019*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$95,000	\$95,000	\$93,902	(\$1,098)
Expenditures				
Current:				
Basic Utility Services:				
Litter Prevention:				
Salaries	64,100	64,100	60,459	3,641
Fringe Benefits	9,700	9,700	9,166	534
Contractual Services	39,138	39,138	34,413	4,725
Other	10,762	9,500	8,661	839
<i>Total Expenditures</i>	123,700	122,438	112,699	9,739
<i>Net Change in Fund Balance</i>	(28,700)	(27,438)	(18,797)	8,641
<i>Fund Balance Beginning of Year</i>	71,396	71,396	71,396	0
Prior Year Encumbrances Appropriated	2,400	2,400	2,400	0
<i>Fund Balance End of Year</i>	\$45,096	\$46,358	\$54,999	\$8,641

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, 2019

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Contributions and Donations	\$17,500	\$17,750	\$44,068	\$26,318
Expenditures				
Current:				
Community Environment:				
Donations:				
Other	<u>45,537</u>	<u>43,671</u>	<u>26,761</u>	<u>16,910</u>
<i>Net Change in Fund Balance</i>	(28,037)	(25,921)	17,307	43,228
<i>Fund Balance Beginning of Year</i>	198,544	198,544	198,544	0
Prior Year Encumbrances Appropriated	<u>4,837</u>	<u>4,837</u>	<u>4,837</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$175,344</u>	<u>\$177,460</u>	<u>\$220,688</u>	<u>\$43,228</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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$247,150	\$247,150	\$353,552	\$106,402
Miscellaneous	2,000	2,000	325	(1,675)
<i>Total Revenues</i>	<u>249,150</u>	<u>249,150</u>	<u>353,877</u>	<u>104,727</u>
Expenditures				
Current:				
Leisure Time Activities:				
Recreation:				
Salaries	259,500	217,500	195,714	21,786
Fringe Benefits	40,200	40,200	29,342	10,858
Contractual Services	95,263	95,000	78,470	16,530
Materials and Supplies	9,600	9,600	7,577	2,023
Other	4,200	4,200	2,037	2,163
<i>Total Expenditures</i>	<u>408,763</u>	<u>366,500</u>	<u>313,140</u>	<u>53,360</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(159,613)	(117,350)	40,737	158,087
Other Financing Sources (Uses)				
Advances In	150,000	150,000	0	(150,000)
<i>Net Change in Fund Balance</i>	(9,613)	32,650	40,737	8,087
<i>Fund Balance Beginning of Year</i>	13,654	13,654	13,654	0
Prior Year Encumbrances Appropriated	263	263	263	0
<i>Fund Balance End of Year</i>	<u>\$4,304</u>	<u>\$46,567</u>	<u>\$54,654</u>	<u>\$8,087</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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$110,000	\$110,000	\$76,410	(\$33,590)
Contributions and Donations	15,000	15,000	10,962	(4,038)
Miscellaneous	0	0	2,753	2,753
<i>Total Revenues</i>	<u>125,000</u>	<u>125,000</u>	<u>90,125</u>	<u>(34,875)</u>
Expenditures				
Current:				
Public Health Services:				
Senior/Community Services:				
Contractual Services	6,700	6,700	5,966	734
Materials and Supplies	4,500	4,500	2,756	1,744
Other	124,481	124,481	80,584	43,897
<i>Total Expenditures</i>	<u>135,681</u>	<u>135,681</u>	<u>89,306</u>	<u>46,375</u>
<i>Net Change in Fund Balance</i>	(10,681)	(10,681)	819	11,500
<i>Fund Balance Beginning of Year</i>	71,048	71,048	71,048	0
Prior Year Encumbrances Appropriated	1,981	1,981	1,981	0
<i>Fund Balance End of Year</i>	<u>\$62,348</u>	<u>\$62,348</u>	<u>\$73,848</u>	<u>\$11,500</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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$20,000	\$20,000	\$29,222	\$9,222
Interest	12,500	12,500	13,233	733
<i>Total Revenues</i>	<u>32,500</u>	<u>32,500</u>	<u>42,455</u>	<u>9,955</u>
Expenditures				
Current:				
Public Health Services:				
Cemetery Operations:				
Salaries	65,300	65,300	62,631	2,669
Fringe Benefits	26,300	26,300	25,770	530
Contractual Services	23,115	23,090	16,052	7,038
Materials and Supplies	16,800	16,800	5,728	11,072
Capital Outlay	6,000	6,000	6,000	0
Other	33,298	33,298	20,380	12,918
<i>Total Expenditures</i>	<u>170,813</u>	<u>170,788</u>	<u>136,561</u>	<u>34,227</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(138,313)	(138,288)	(94,106)	44,182
Other Financing Sources (Uses)				
Transfers In	100,000	100,000	100,000	0
<i>Net Change in Fund Balance</i>	(38,313)	(38,288)	5,894	44,182
<i>Fund Balance Beginning of Year</i>	67,630	67,630	67,630	0
Prior Year Encumbrances Appropriated	7,663	7,663	7,663	0
<i>Fund Balance End of Year</i>	<u>\$36,980</u>	<u>\$37,005</u>	<u>\$81,187</u>	<u>\$44,182</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, 2019*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
General Government:				
Compensated Absences:				
Personal Services	600,000	600,000	78,558	521,442
Fringe Benefits	8,700	8,700	1,139	7,561
<i>Total Expenditures</i>	608,700	608,700	79,697	529,003
<i>Excess of Revenues Over (Under) Expenditures</i>	(608,700)	(608,700)	(79,697)	529,003
Other Financing Sources (Uses)				
Transfers In	1,000,000	1,000,000	500,000	(500,000)
<i>Net Change in Fund Balance</i>	391,300	391,300	420,303	29,003
<i>Fund Balance Beginning of Year</i>	593,674	593,674	593,674	0
<i>Fund Balance End of Year</i>	\$984,974	\$984,974	\$1,013,977	\$29,003

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, 2019*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Municipal Income Taxes	\$2,678,871	\$2,678,871	\$1,445,913	(\$1,232,958)
Expenditures				
Debt Service:				
Principal Retirement	2,148,143	2,260,000	2,260,000	0
Interest and Fiscal Charges	527,978	47,978	46,928	1,050
Bond Issuance Costs	2,750	276,730	276,725	5
<i>Total Expenditures</i>	<u>2,678,871</u>	<u>2,584,708</u>	<u>2,583,653</u>	<u>1,055</u>
<i>Excess of Revenues Under Expenditures</i>	<u>0</u>	<u>94,163</u>	<u>(1,137,740)</u>	<u>(1,231,903)</u>
Other Financing Sources (Uses)				
General Obligation Bonds Premium	0	350,017	344,247	(5,770)
General Obligation Notes Premium	0	0	27,650	27,650
Advance In	0	400,000	1,770,000	1,370,000
Advance Out	0	(1,770,000)	(1,770,000)	0
Transfer In	0	1,770,000	1,770,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>750,017</u>	<u>2,141,897</u>	<u>1,391,880</u>
<i>Net Change in Fund Balance</i>	<u>0</u>	<u>844,180</u>	<u>1,004,157</u>	<u>159,977</u>
<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>\$844,180</u>	<u>\$1,004,157</u>	<u>\$159,977</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, 2019*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Special Assessments	\$35,000	\$35,000	\$29,613	(\$5,387)
Expenditures				
Debt Service:				
Principal Retirement	50,000	50,000	50,000	0
Interest and Fiscal Charges	18,618	16,500	10,543	5,957
<i>Total Expenditures</i>	68,618	66,500	60,543	5,957
<i>Net Change in Fund Balance</i>	(33,618)	(31,500)	(30,930)	570
<i>Fund Balance Beginning of Year</i>	237,429	237,429	237,429	0
Prior Year Encumbrances Appropriated	2,118	2,118	2,118	0
<i>Fund Balance End of Year</i>	\$205,929	\$208,047	\$208,617	\$570

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, 2019*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Municipal Income Taxes	\$815,050	\$815,050	\$815,000	(\$50)
Expenditures				
Debt Service:				
Principal Retirement	725,000	725,000	725,000	0
Interest and Fiscal Charges	90,000	90,000	90,000	0
<i>Total Expenditures</i>	815,000	815,000	815,000	0
<i>Net Change in Fund Balance</i>	50	50	0	(50)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$50	\$50	\$0	(\$50)

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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Licenses, Permits and Fees	\$40,000	\$40,000	\$62,257	\$22,257
Intergovernmental	0	0	234,661	234,661
Interest	19,000	19,000	17,561	(1,439)
<i>Total Revenues</i>	<u>59,000</u>	<u>59,000</u>	<u>314,479</u>	<u>255,479</u>
Expenditures				
Current:				
Basic Utility Services:				
Storm Drainage:				
Salaries	30,000	30,000	5,047	24,953
Fringe Benefits	4,700	4,700	779	3,921
Capital Outlay	92,356	34,911	18,411	16,500
Other	62,275	62,275	45,350	16,925
<i>Total Expenditures</i>	<u>189,331</u>	<u>131,886</u>	<u>69,587</u>	<u>62,299</u>
<i>Net Change in Fund Balance</i>	(130,331)	(72,886)	244,892	317,778
<i>Fund Balance Beginning of Year</i>	560,042	560,042	560,042	0
Prior Year Encumbrances Appropriated	<u>79,331</u>	<u>79,331</u>	<u>79,331</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$509,042</u></u>	<u><u>\$566,487</u></u>	<u><u>\$884,265</u></u>	<u><u>\$317,778</u></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, 2019*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Interest	\$0	\$0	\$33,547	\$33,547
Expenditures				
Capital Outlay:				
American Greetings:				
Capital Outlay	1,403,000	1,703,000	0	1,703,000
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,403,000)	(1,703,000)	33,547	1,736,547
Other Financing Sources (Uses)				
Transfers In	300,000	300,000	708,656	408,656
<i>Net Change in Fund Balance</i>	(1,103,000)	(1,403,000)	742,203	2,145,203
<i>Fund Balance Beginning of Year</i>	1,405,528	1,405,528	1,405,528	0
<i>Fund Balance End of Year</i>	<u>\$302,528</u>	<u>\$2,528</u>	<u>\$2,147,731</u>	<u>\$2,145,203</u>

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Market Square Fund
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Interest	\$0	\$0	\$33	\$33
Expenditures				
Capital Outlay:				
Market Square Project:				
Capital Outlay	49,200	49,200	49,200	0
<i>Net Change in Fund Balance</i>	(49,200)	(49,200)	(49,167)	33
<i>Fund Balance Beginning of Year</i>	61,314	61,314	61,314	0
<i>Fund Balance End of Year</i>	<u>\$12,114</u>	<u>\$12,114</u>	<u>\$12,147</u>	<u>\$33</u>

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Issue II Improvement Fund
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Capital Outlay:				
Issue 2 Improvements:				
Capital Outlay	3,653	3,653	3,653	0
Debt Service:				
Principal Retirement	155,047	155,047	155,036	11
<i>Total Expenditures</i>	<u>158,700</u>	<u>158,700</u>	<u>158,689</u>	<u>11</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(158,700)	(158,700)	(158,689)	11
Other Financing Sources (Uses)				
Transfers In	158,700	158,700	158,700	0
<i>Net Change in Fund Balance</i>	0	0	11	11
<i>Fund Balance Beginning of Year</i>	<u>77,540</u>	<u>77,540</u>	<u>77,540</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$77,540</u></u>	<u><u>\$77,540</u></u>	<u><u>\$77,551</u></u>	<u><u>\$11</u></u>

City of Westlake, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Impact Fees Fund
For the Year Ended December 31, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Licenses, Permits and Fees	\$25,000	\$25,000	\$43,167	\$18,167
Expenditures				
Capital Outlay:				
Impact Fee:				
Capital Outlay	50,300	50,300	40,255	10,045
Other	11,276	10,950	4,167	6,783
<i>Total Expenditures</i>	61,576	61,250	44,422	16,828
<i>Net Change in Fund Balance</i>	(36,576)	(36,250)	(1,255)	34,995
<i>Fund Balance Beginning of Year</i>	1,392,036	1,392,036	1,392,036	0
Prior Year Encumbrances Appropriated	576	576	576	0
<i>Fund Balance End of Year</i>	\$1,356,036	\$1,356,362	\$1,391,357	\$34,995

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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$2,440,000	\$2,440,000	\$2,438,035	(\$1,965)
Expenditures	0	0	0	0
<i>Excess of Revenues Over (Under) Expenditures</i>	2,440,000	2,440,000	2,438,035	(1,965)
Other Financing Sources (Uses)				
Advances Out	(3,666,900)	(3,666,900)	(3,666,900)	0
<i>Net Change in Fund Balance</i>	(1,226,900)	(1,226,900)	(1,228,865)	(1,965)
<i>Fund Balance Beginning of Year</i>	1,235,918	1,235,918	1,235,918	0
<i>Fund Balance End of Year</i>	\$9,018	\$9,018	\$7,053	(\$1,965)

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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$75,000	\$525,000	\$407,594	(\$117,406)
Expenditures				
Capital Outlay:				
Sidewalk Improvement:				
Salaries	50,000	50,000	14,588	35,412
Fringe Benefits	7,700	7,700	2,253	5,447
Contractual Services	300	300	97	203
Materials and Supplies	2,000	2,000	483	1,517
Capital Outlay	50,751	551,651	551,651	0
Other	41,654	40,497	24,026	16,471
<i>Total Expenditures</i>	152,405	652,148	593,098	59,050
<i>Excess of Revenues Over (Under) Expenditures</i>	(77,405)	(127,148)	(185,504)	(58,356)
Other Financing Sources (Uses)				
Advances Out	0	(1,700,000)	(1,700,000)	0
Transfers In	0	1,250,000	1,250,000	0
<i>Total Other Financing Sources (Uses)</i>	0	(450,000)	(450,000)	0
<i>Net Change in Fund Balance</i>	(77,405)	(577,148)	(635,504)	(58,356)
<i>Fund Balance Beginning of Year</i>	630,406	630,406	630,406	0
Prior Year Encumbrances Appropriated	72,405	72,405	72,405	0
<i>Fund Balance End of Year</i>	\$625,406	\$125,663	\$67,307	(\$58,356)

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, 2019*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Capital Outlay	37,607	37,607	37,607	0
<i>Net Change in Fund Balance</i>	(37,607)	(37,607)	(37,607)	0
<i>Fund Balance Beginning of Year</i>	37,607	37,607	37,607	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0

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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Municipal Income Taxes	\$94,129	\$104,129	\$1,026,973	\$922,844
Miscellaneous	0	0	525	525
<i>Total Revenues</i>	<u>94,129</u>	<u>104,129</u>	<u>1,027,498</u>	<u>923,369</u>
Expenditures				
Capital Outlay:				
Recreation Center Construction:				
Salaries	80,000	80,000	66,444	13,556
Fringe Benefits	12,400	12,400	10,239	2,161
Contractual Services	85,000	85,000	80,182	4,818
Capital Outlay	8,678,675	7,217,000	7,196,682	20,318
Other	262,699	207,692	197,804	9,888
<i>Total Expenditures</i>	<u>9,118,774</u>	<u>7,602,092</u>	<u>7,551,351</u>	<u>50,741</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(9,024,645)</u>	<u>(7,497,963)</u>	<u>(6,523,853)</u>	<u>974,110</u>
Other Financing Sources (Uses)				
General Obligation Notes Issued	4,000,000	4,000,000	0	(4,000,000)
Advances In	650,000	650,000	650,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>4,650,000</u>	<u>4,650,000</u>	<u>650,000</u>	<u>(4,000,000)</u>
<i>Net Change in Fund Balance</i>	<u>(4,374,645)</u>	<u>(2,847,963)</u>	<u>(5,873,853)</u>	<u>(3,025,890)</u>
<i>Fund Balance Beginning of Year</i>	1,000,405	1,000,405	1,000,405	0
Prior Year Encumbrances Appropriated	5,138,774	5,138,774	5,138,774	0
<i>Fund Balance End of Year</i>	<u>\$1,764,534</u>	<u>\$3,291,216</u>	<u>\$265,326</u>	<u>(\$3,025,890)</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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$244,700	\$244,700	\$237,123	(\$7,577)
Rentals	43,000	43,000	60,284	17,284
Miscellaneous	5,000	5,000	4,739	(261)
<i>Total Revenues</i>	<u>292,700</u>	<u>292,700</u>	<u>302,146</u>	<u>9,446</u>
Expenses				
Personal Services	244,100	221,600	209,137	12,463
Fringe Benefits	51,400	51,400	43,513	7,887
Contractual Services	109,733	94,655	77,203	17,452
Materials and Supplies	47,500	42,500	37,553	4,947
Capital Outlay	30,300	90,300	25,241	65,059
Other	14,700	13,200	9,215	3,985
<i>Total Expenses</i>	<u>497,733</u>	<u>513,655</u>	<u>401,862</u>	<u>111,793</u>
<i>Excess of Revenues Under Expenses Before Advances</i>	(205,033)	(220,955)	(99,716)	121,239
Advances In	<u>150,000</u>	<u>215,000</u>	<u>127,000</u>	<u>(88,000)</u>
<i>Net Change in Fund Equity</i>	(55,033)	(5,955)	27,284	33,239
<i>Fund Equity Beginning of Year</i>	83,187	83,187	83,187	0
Prior Year Encumbrances Appropriated	<u>13,833</u>	<u>13,833</u>	<u>13,833</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$41,987</u>	<u>\$91,065</u>	<u>\$124,304</u>	<u>\$33,239</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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Charges for Services	\$3,190,000	\$3,190,000	\$3,129,268	(\$60,732)
Expenses				
Contractual Services	736,993	736,993	721,905	15,088
Claims	4,192,812	3,748,664	3,356,023	392,641
<i>Total Expenses</i>	4,929,805	4,485,657	4,077,928	407,729
<i>Net Change in Fund Equity</i>	(1,739,805)	(1,295,657)	(948,660)	346,997
<i>Fund Equity Beginning of Year</i>	3,479,000	3,479,000	3,479,000	0
Prior Year Encumbrances Appropriated	879,805	879,805	879,805	0
<i>Fund Equity End of Year</i>	\$2,619,000	\$3,063,148	\$3,410,145	\$346,997



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.

Contents	Pages(s)
<i>Financial Trends</i>	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.	
<i>Revenue Capacity</i>	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.	
<i>Debt Capacity</i>	S20 - S26
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.	
<i>Demographic and Economic Information</i>	S27 – S31
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place.	
<i>Operating Information</i>	S32 - S36
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)

	<u>2019</u>	<u>2018 (3)</u>	<u>2017 (2)</u>	<u>2016</u>
Governmental Activities				
Net Investment in Capital Assets	\$162,443,570	\$153,724,619	\$150,012,872	\$143,617,893
Restricted	31,918,399	35,168,280	29,908,511	33,733,248
Unrestricted (Deficit) (1)	<u>14,917,877</u>	<u>(3,751,308)</u>	<u>(1,317,783)</u>	<u>23,785,685</u>
<i>Total Governmental Activities Net Position</i>	<u>209,279,846</u>	<u>185,141,591</u>	<u>178,603,600</u>	<u>201,136,826</u>
Business-Type Activities				
Net Investment in Capital Assets	23,158,883	24,165,246	25,236,744	25,239,798
Unrestricted (1)	<u>12,213,018</u>	<u>12,285,750</u>	<u>12,378,706</u>	<u>13,683,994</u>
<i>Total Business-Type Activities Net Position</i>	<u>35,371,901</u>	<u>36,450,996</u>	<u>37,615,450</u>	<u>38,923,792</u>
Primary government				
Net Investment in Capital Assets	185,602,453	177,889,865	175,249,616	168,857,691
Restricted	31,918,399	35,168,280	29,908,511	33,733,248
Unrestricted (1)	<u>27,130,895</u>	<u>8,534,442</u>	<u>11,060,923</u>	<u>37,469,679</u>
<i>Total Primary Government Net Position</i>	<u>\$244,651,747</u>	<u>\$221,592,587</u>	<u>\$216,219,050</u>	<u>\$240,060,618</u>

- (1) The effects of the implementation of GASB Statement No. 68 are reflected in the 2015 and 2014 amounts.
(2) The effects of the implementation of GASB Statement No. 75 are reflected in the 2018 and 2017 amounts.
(3) The effects of the implementation of GASB Statement No. 84 are reflected in the 2019 and 2018 amounts.

2015 (1)	2014	2013	2012	2011	2010
\$139,414,217	\$126,984,208	\$127,651,517	\$121,260,561	\$120,651,597	\$118,410,063
31,672,209	42,096,325	37,706,036	36,145,785	39,248,472	42,677,403
25,293,630	19,108,390	42,509,763	40,264,326	32,946,087	23,964,324
196,380,056	188,188,923	207,867,316	197,670,672	192,846,156	185,051,790
25,995,165	26,983,590	28,088,783	30,295,832	30,643,725	31,334,659
13,072,759	12,822,985	13,197,731	13,684,924	15,072,756	16,277,091
39,067,924	39,806,575	41,286,514	43,980,756	45,716,481	47,611,750
165,409,382	153,967,798	155,740,300	151,556,393	151,295,322	149,744,722
31,672,209	42,096,325	37,706,036	36,145,785	39,248,472	42,677,403
38,366,389	31,931,375	55,707,494	53,949,250	48,018,843	40,241,415
\$235,447,980	\$227,995,498	\$249,153,830	\$241,651,428	\$238,562,637	\$232,663,540

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

	2019	2018 (2)	2017	2016
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$894,779	\$846,400	\$851,366	\$615,600
Security of Persons and Property	2,265,514	2,483,881	1,799,719	1,746,310
Public Health Services	182,509	189,707	141,390	100,585
Transportation	381,563	238,451	343,883	950,920
Community Environment	35,845	36,677	32,105	98,052
Basic Utility Services	215,010	112,735	206,818	248,538
Leisure Time Activities	2,444,318	2,410,920	2,515,169	2,503,902
Operating Grants and Contributions	2,408,714	1,831,175	1,837,505	1,608,091
Capital Grants and Contributions	3,591,148	439,793	3,908,156	5,251,537
<i>Total Governmental Activities Program Revenues</i>	<u>12,419,400</u>	<u>8,589,739</u>	<u>11,636,111</u>	<u>13,123,535</u>
Business-Type Activities:				
Charges for Services:				
Sewer	2,771,877	2,794,566	2,673,800	2,760,363
Golf Course	297,407	266,012	283,672	294,337
Capital Grants and Contributions	151,797	0	58,952	121,829
<i>Total Business-Type Activities Program Revenues</i>	<u>3,221,081</u>	<u>3,060,578</u>	<u>3,016,424</u>	<u>3,176,529</u>
<i>Total Primary Government Program Revenues</i>	<u>15,640,481</u>	<u>11,650,317</u>	<u>14,652,535</u>	<u>16,300,064</u>
Expenses				
Governmental Activities:				
General Government	11,114,344	10,056,237	10,794,762	8,160,095
Security of Persons and Property	4,061,787	20,715,593	18,414,710	19,024,502
Public Health Services	1,602,429	1,467,530	1,321,235	1,178,898
Transportation	15,035,224	12,000,797	15,562,035	14,176,484
Community Environment	3,879,645	3,320,222	3,417,017	2,045,702
Basic Utility Services	2,796,293	2,982,805	2,740,832	2,979,184
Leisure Time Activities	5,110,463	4,413,027	4,553,093	4,269,174
Interest and Fiscal Charges	2,511,053	2,544,287	2,570,868	3,034,994
<i>Total Governmental Activities Expenses</i>	<u>46,111,238</u>	<u>57,500,498</u>	<u>59,374,552</u>	<u>54,869,033</u>
Business-Type Activities:				
Sewer	3,969,930	3,847,077	3,793,775	3,404,204
Golf	513,647	482,889	431,112	461,152
<i>Total Business-Type Activities Expenses</i>	<u>4,483,577</u>	<u>4,329,966</u>	<u>4,224,887</u>	<u>3,865,356</u>
<i>Total Primary Government Expenses</i>	<u>\$50,594,815</u>	<u>\$61,830,464</u>	<u>\$63,599,439</u>	<u>\$58,734,389</u>

2015 (1)	2014	2013	2012	2011	2010
\$648,223	\$1,013,675	\$760,751	\$496,295	\$544,628	\$618,409
1,790,833	1,650,934	1,719,144	1,030,741	1,084,774	1,055,314
97,200	78,150	86,828	144,383	166,906	163,675
556,556	475,729	581,149	415,183	358,448	257,883
116,909	81,787	78,126	378,779	200,992	158,287
129,890	88,531	126,920	182,005	177,435	182,493
2,600,202	2,311,885	2,481,187	2,512,420	2,407,993	2,339,261
1,634,552	1,785,738	1,525,808	2,104,715	2,815,006	1,813,317
8,820,731	8,243,682	3,321,851	1,422,539	1,546,514	2,572,627
16,395,096	15,730,111	10,681,764	8,687,060	9,302,696	9,161,266
2,753,856	2,685,737	2,189,435	1,864,043	1,733,629	1,745,665
312,266	308,476	309,945	331,372	299,480	398,914
127,383	0	168,731	47,087	0	0
3,193,505	2,994,213	2,668,111	2,242,502	2,033,109	2,144,579
19,588,601	18,724,324	13,349,875	10,929,562	11,335,805	11,305,845
7,678,275	8,418,520	6,840,500	7,404,615	7,902,687	6,968,302
17,282,475	17,487,121	14,405,743	15,042,478	14,747,275	14,584,694
1,224,487	1,174,508	891,433	1,073,921	1,190,286	1,185,741
13,864,015	11,442,820	10,875,198	10,977,479	11,927,202	9,085,307
2,101,651	3,388,227	1,492,557	1,475,762	1,721,879	1,685,287
2,908,847	2,180,366	2,240,089	2,058,732	1,801,486	1,917,453
4,089,416	4,064,325	3,992,595	3,762,378	3,788,078	3,979,282
2,822,396	2,117,493	663,122	1,253,224	806,303	762,104
51,971,562	50,273,380	41,401,237	43,048,589	43,885,196	40,168,170
3,519,865	3,324,980	3,897,755	3,557,778	3,684,221	3,574,031
453,454	450,130	452,592	478,255	428,838	462,322
3,973,319	3,775,110	4,350,347	4,036,033	4,113,059	4,036,353
\$55,944,881	\$54,048,490	\$45,751,584	\$47,084,622	\$47,998,255	\$44,204,523

(continued)

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

	2019	2018 (2)	2017	2016
Net (Expense)/Revenue				
Governmental Activities	(\$33,691,838)	(\$48,910,759)	(\$47,738,441)	(\$41,745,498)
Business-Type Activities	(1,262,496)	(1,269,388)	(1,208,463)	(688,827)
<i>Total Primary Government Net Expense</i>	<u>(34,954,334)</u>	<u>(50,180,147)</u>	<u>(48,946,904)</u>	<u>(42,434,325)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Property Taxes Levied For:				
General Purposes	11,101,300	10,283,784	10,154,907	10,169,515
Other Purposes	2,076,276	1,923,370	1,899,367	1,902,063
Debt Service	0	0	0	0
Municipal Income Taxes Levied For:				
General Purposes	21,615,250	21,693,454	20,243,282	18,743,101
Recreation	249,984	250,147	247,096	247,088
Debt Service	1,984,670	1,991,299	1,977,163	1,976,025
Capital Outlay	8,860,698	8,748,613	8,172,129	7,268,918
Admissions Tax	174,335	179,818	155,861	312,085
Hotel Tax	664,172	648,529	624,085	684,544
Grants and Entitlements not Restricted to Specific Programs	1,870,709	1,701,700	1,601,753	1,557,287
Unrestricted Contributions	10,727	17,997	15,516	0
Franchise Taxes	599,136	621,160	608,919	650,093
Interest	2,848,906	1,625,894	762,066	487,239
Payment in Lieu of Taxes	4,702,454	4,854,112	3,706,657	2,124,325
Gain on Sale of Capital Assets	70,033	43,939	43,314	79,748
Miscellaneous	1,001,443	864,934	1,407,551	488,275
Transfers	0	0	(623,488)	(188,038)
<i>Total Governmental Activities</i>	<u>57,830,093</u>	<u>55,448,750</u>	<u>50,996,178</u>	<u>46,502,268</u>
Business-Type Activities:				
Interest	178,662	99,098	52,958	34,581
Gain on Sale of Capital Assets	0	327	1,500	0
Gain in Joint Venture	0	0	0	316,387
Miscellaneous	4,739	5,509	5,593	5,689
Transfers	0	0	623,488	188,038
<i>Total Business-Type Activities</i>	<u>183,401</u>	<u>104,934</u>	<u>683,539</u>	<u>544,695</u>
<i>Total Primary Government</i>	<u>58,013,494</u>	<u>55,553,684</u>	<u>51,679,717</u>	<u>47,046,963</u>
Change in Net Position				
Governmental Activities	24,138,255	6,537,991	3,257,737	4,756,770
Business-Type Activities	(1,079,095)	(1,164,454)	(524,924)	(144,132)
<i>Total Primary Government Change in Net Position</i>	<u>\$23,059,160</u>	<u>\$5,373,537</u>	<u>\$2,732,813</u>	<u>\$4,612,638</u>

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

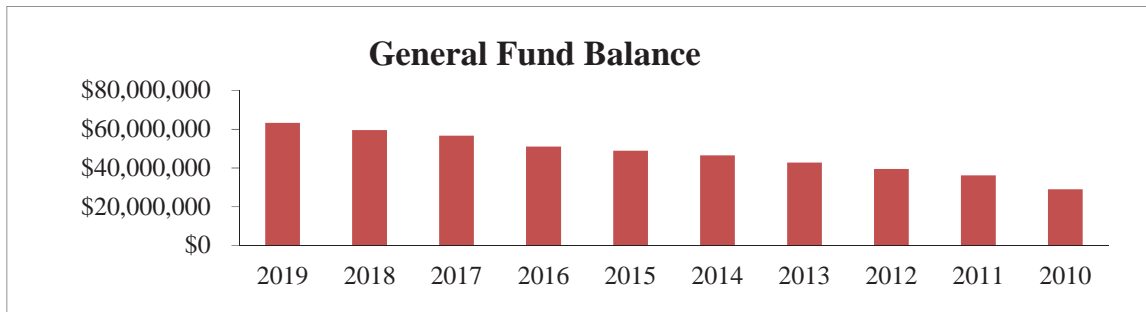
(2) Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in 2018

2015 (1)	2014	2013	2012	2011	2010
(\$35,576,466)	(\$34,543,269)	(\$30,719,473)	(\$34,361,529)	(\$34,582,500)	(\$31,006,904)
(779,814)	(780,897)	(1,682,236)	(1,793,531)	(2,079,950)	(1,891,774)
(36,356,280)	(35,324,166)	(32,401,709)	(36,155,060)	(36,662,450)	(32,898,678)
9,733,889	9,213,316	9,798,208	9,529,928	9,766,663	9,875,483
1,825,021	1,723,188	1,832,575	1,790,295	1,831,250	1,851,654
0	0	0	112,330	122,084	120,758
17,052,217	15,823,044	15,499,256	14,861,413	14,091,446	12,617,962
244,579	245,548	260,674	255,530	259,448	53,841
2,000,167	1,969,449	1,993,639	1,924,449	1,857,968	835,022
6,486,643	5,839,692	5,709,996	5,401,802	4,995,362	5,506,156
124,078	134,986	186,249	184,553	187,280	178,209
522,645	489,850	499,878	483,446	431,774	406,204
1,563,433	2,253,953	2,585,598	3,248,049	6,057,901	4,460,061
11,870	13,736	0	0	0	0
644,240	649,254	492,615	573,198	523,339	479,845
539,348	289,616	290,643	428,975	615,400	264,472
539,499	0	0	0	0	0
0	41,425	43,276	50,214	5,296	57,300
2,480,501	2,228,479	676,958	360,487	1,637,665	499,937
(531)	0	1,046,552	(18,624)	(6,010)	9,926
43,767,599	40,915,536	40,916,117	39,186,045	42,376,866	37,216,830
34,398	17,152	29,306	6,464	32,957	46,940
1,800	6,901	0	27,000	0	0
0	0	0	0	0	0
4,434	7,697	5,240	5,718	145,714	64
531	0	(1,046,552)	18,624	6,010	(9,926)
41,163	31,750	(1,012,006)	57,806	184,681	37,078
43,808,762	40,947,286	39,904,111	39,243,851	42,561,547	37,253,908
8,191,133	6,372,267	10,196,644	4,824,516	7,794,366	6,209,926
(738,651)	(749,147)	(2,694,242)	(1,735,725)	(1,895,269)	(1,854,696)
\$7,452,482	\$5,623,120	\$7,502,402	\$3,088,791	\$5,899,097	\$4,355,230

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

	2019	2018	2017	2016
General Fund:				
Nonspendable	\$2,974,631	\$4,366,161	\$2,946,500	\$1,949,742
Committed	284,218	155,360	223,087	0
Assigned	19,486,682	19,107,570	23,492,946	18,670,970
Unassigned	40,579,186	35,907,578	30,042,009	30,486,799
Total General Fund	63,324,717	59,536,669	56,704,542	51,107,511
All Other Governmental Funds:				
Nonspendable	17,592	4,065	1,440	1,899
Restricted	33,494,301	30,628,028	27,232,504	31,135,518
Committed	2,780,499	2,847,687	2,866,260	2,751,481
Assigned	0	37,607	37,607	15,607
Unassigned (Deficit)	(192,732)	(4,272,974)	(2,802,812)	(2,833,851)
Total All Other Governmental Funds	36,099,660	29,244,413	27,334,999	31,070,654
Total Governmental Funds	\$99,424,377	\$88,781,082	\$84,039,541	\$82,178,165

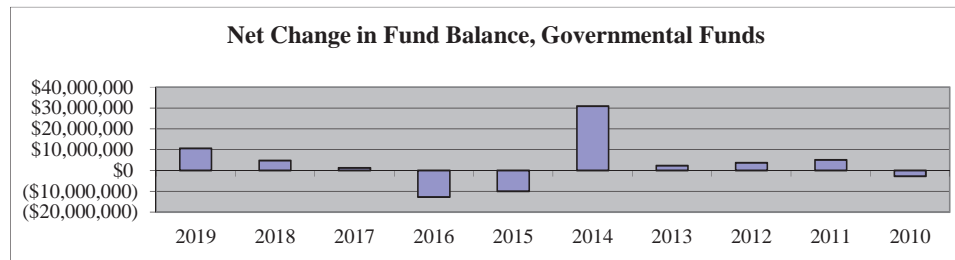
Note: The City implemented GASB 54 in 2009.



2015	2014	2013	2012	2011	2010
\$1,777,482	\$1,770,774	\$1,576,133	\$1,388,341	\$1,544,312	\$2,472,785
0	133,197	153,311	78,494	0	0
27,107,303	21,958,577	19,781,129	17,151,115	12,590,847	12,135,035
20,024,683	22,663,318	21,321,693	20,917,452	22,069,614	14,398,464
48,909,468	46,525,866	42,832,266	39,535,402	36,204,773	29,006,284
2,581	1,824	4,824,603	3,288	5,416	7,046
44,057,732	58,261,161	26,126,256	29,608,475	30,542,308	32,741,134
2,586,755	2,342,690	2,105,124	1,706,932	1,349,585	1,125,004
15,607	37,607	15,607	15,607	15,607	15,607
(1,911,316)	(3,480,036)	(3,090,696)	(424,244)	(1,414,992)	(1,379,716)
44,751,359	57,163,246	29,980,894	30,910,058	30,497,924	32,509,075
\$93,660,827	\$103,689,112	\$72,813,160	\$70,445,460	\$66,702,697	\$61,515,359

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

	2019	2018	2017	2016
Revenues				
Property Taxes	\$13,357,326	\$12,245,200	\$12,084,309	\$12,024,672
Municipal Income Taxes	32,525,899	31,715,656	31,116,720	28,619,626
Admission Taxes	174,335	179,818	155,861	312,085
Hotel Tax	664,172	648,529	624,085	684,544
Permissive Motor Vehicle Taxes	242,787	239,790	235,343	238,862
Charges for Services	4,791,521	4,759,335	3,955,230	3,633,104
Licenses, Permits and Fees	857,131	1,198,753	1,063,782	1,092,807
Fines and Forfeitures	179,368	253,181	245,296	283,707
Intergovernmental	6,798,946	3,419,535	6,478,615	7,730,618
Special Assessments	29,613	28,943	41,843	431,761
Payments in Lieu of Taxes	4,702,454	4,854,112	3,706,657	2,124,325
Interest	2,848,906	1,625,894	762,066	487,239
Rentals	240,707	244,363	236,556	271,983
Contributions and Donations	55,030	288,142	59,679	40,477
Franchise Taxes	595,902	612,541	611,169	584,752
Miscellaneous	974,185	888,614	1,385,547	469,382
Total Revenues	69,038,282	63,202,406	62,762,758	59,029,944
Expenditures				
Current:				
General Government	9,819,768	9,472,036	9,356,411	7,605,160
Security of Persons and Property	17,787,352	17,041,039	15,672,569	16,392,694
Public Health Services	1,252,254	1,267,469	1,062,109	1,023,964
Transportation	7,548,476	6,998,581	6,246,520	5,988,531
Community Environment	1,708,339	2,001,834	1,726,116	1,719,613
Basic Utility Services	981,594	1,232,353	977,262	1,139,994
Leisure Time Activities	3,762,917	3,417,253	3,416,639	3,345,479
Capital Outlay	16,982,093	11,419,847	18,344,538	29,800,001
Debt Service:				
Principal Retirement	4,495,087	3,329,017	2,210,129	2,268,691
Interest and Fiscal Charges	2,385,149	2,656,671	2,574,642	2,688,527
Capital Appreciation Bonds Interest	0	0	0	0
Bond Issuance Costs	276,725	0	0	0
Total Expenditures	66,999,754	58,836,100	61,586,935	71,972,654
Excess of Revenues Over (Under) Expenditures	2,038,528	4,366,306	1,175,823	(12,942,710)
Other Financing Sources (Uses)				
Sale of Capital Assets	260,520	375,235	58,044	79,748
General Obligations Notes and Bonds Issued	8,000,000	0	0	0
General Obligation Notes and Bonds Premium	344,247	0	0	0
OPWC Loan Issued	0	0	0	112,107
State Infrastructure Bank Loan Issued	0	0	0	0
General Obligation Bonds Issued	0	0	0	0
General Obligation Bonds Premium	0	0	0	0
Special Obligation Bonds Issued	0	0	0	0
Special Obligation Bonds Premium	0	0	0	0
Inception of Capital Lease	0	0	0	0
Transfers In	5,287,356	5,357,900	1,377,215	3,683,685
Transfers Out	(5,287,356)	(5,357,900)	(1,377,215)	(3,683,685)
Total Other Financing Sources (Uses)	8,604,767	375,235	58,044	191,855
Net Change in Fund Balances	\$10,643,295	\$4,741,541	\$1,233,867	(\$12,750,855)
Debt Service as a Percentage of Noncapital Expenditures	13.2%	12.4%	10.2%	10.3%



2015	2014	2013	2012	2011	2010
\$11,547,143	\$11,671,818	\$11,197,764	\$11,409,771	\$11,669,377	\$11,871,691
25,757,758	24,633,001	22,704,304	21,744,517	20,314,848	19,136,172
124,078	134,986	186,249	184,553	187,280	178,209
522,645	489,850	499,878	483,446	431,774	406,204
238,712	234,314	229,172	226,807	223,842	257,883
3,828,835	3,762,633	4,050,691	3,350,948	3,478,751	3,454,644
1,182,052	1,183,422	894,372	655,053	569,913	472,444
347,129	272,467	293,605	332,873	361,168	359,933
11,310,791	4,311,716	6,908,585	6,104,036	9,857,916	8,702,713
393,347	418,783	466,384	290,000	290,000	285,000
539,499	0	0	0	0	0
539,348	289,616	290,643	428,975	615,400	264,472
221,886	209,870	225,295	231,985	229,550	164,498
782,822	6,974,059	23,293	29,900	99,560	36,205
644,240	649,254	492,615	573,198	523,339	479,845
2,511,211	2,174,483	642,417	359,643	1,621,375	499,937
<u>60,491,496</u>	<u>57,410,272</u>	<u>49,105,267</u>	<u>46,405,705</u>	<u>50,474,093</u>	<u>46,569,850</u>
7,381,581	7,821,827	6,900,546	6,970,194	7,504,572	6,835,591
16,047,061	15,845,571	14,444,674	14,314,721	13,899,297	14,184,779
1,129,696	1,041,101	887,612	1,060,754	1,017,728	1,078,920
7,970,793	6,987,598	7,211,192	7,028,529	6,607,706	6,987,274
2,106,262	1,669,156	1,541,973	1,468,880	1,700,116	1,680,434
918,388	770,242	900,172	817,980	704,210	763,839
3,372,995	3,229,032	3,432,454	3,097,749	3,042,862	3,316,452
35,901,521	35,240,489	8,701,922	5,210,403	8,585,474	10,406,778
1,938,751	1,948,842	2,103,842	2,008,451	9,077,169	10,625,029
2,809,501	1,964,178	671,181	719,472	812,377	785,863
0	0	0	0	0	140,730
0	1,584,844	0	0	130,110	35,416
<u>79,576,549</u>	<u>78,102,880</u>	<u>46,795,568</u>	<u>42,697,133</u>	<u>53,081,621</u>	<u>56,841,105</u>
<u>(19,085,053)</u>	<u>(20,692,608)</u>	<u>2,309,699</u>	<u>3,708,572</u>	<u>(2,607,528)</u>	<u>(10,271,255)</u>
77,791	91,045	58,001	34,191	73,427	34,382
0	0	0	0	0	7,350,000
0	0	0	0	0	53,940
200,065	2,555,933	0	0	0	0
8,765,300	0	0	0	0	0
0	0	0	0	7,350,000	0
0	0	0	0	263,453	0
0	48,330,000	0	0	0	0
0	591,582	0	0	0	0
13,612	0	0	0	12,326	0
1,294,332	952,757	967,265	1,742,430	1,242,799	729,550
<u>(1,294,332)</u>	<u>(952,757)</u>	<u>(967,265)</u>	<u>(1,742,430)</u>	<u>(1,242,799)</u>	<u>(729,550)</u>
<u>9,056,768</u>	<u>51,568,560</u>	<u>58,001</u>	<u>34,191</u>	<u>7,699,206</u>	<u>7,438,322</u>
<u>(\$10,028,285)</u>	<u>\$30,875,952</u>	<u>\$2,367,700</u>	<u>\$3,742,763</u>	<u>\$5,091,678</u>	<u>(\$2,832,933)</u>
10.1%	8.7%	7.5%	7.3%	21.6%	25.6%

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

	2019	2018	2017	2016
Unvoted Millage				
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>
Voted Millage by Levy				
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				
<i>Westlake City School District</i>				
General Business and Public Utility Personal	\$69.90000	\$69.90000	\$70.20000	\$70.10000
Residential/Agricultural Real	33.71000	35.84343	36.12103	36.05458
Commercial/Industrial and Public Utility Real	38.43000	40.01702	40.34621	41.04409
<i>Westlake Porter Library</i>				
Operating - continuing				
General Business and Public Utility Personal	2.80000	2.80000	2.80000	2.80000
Residential/Agricultural Real	2.44000	2.66198	2.65963	2.66316
Commercial/Industrial and Public Utility Real	2.58000	2.72368	2.72637	2.80000
<i>Cuyahoga County</i>				
General Business and Public Utility Personal	14.05000	14.05000	14.05000	14.05000
Residential/Agricultural Real	12.80000	13.91410	13.88020	13.86978
Commercial/Industrial and Public Utility Real	13.08000	14.00605	14.01236	14.05000
<i>Special Taxing Districts (1)</i>				
General Business and Public Utility Personal	7.38000	7.38000	6.88000	6.88000
Residential/Agricultural Real	6.69000	7.28823	6.77011	6.76737
Commercial/Industrial and Public Utility Real	6.84000	7.34352	6.84687	6.86755

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.

2015	2014	2013	2012	2011	2010
\$1.50000	\$1.50000	\$1.50000	\$1.40000	\$1.40000	\$1.40000
0.00000	0.00000	0.00000	0.10000	0.10000	0.10000
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
6.52000	6.52000	6.52000	6.60000	6.60000	6.60000
0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
0.90000	0.90000	0.90000	0.90000	0.90000	0.90000
7.42000	7.42000	7.42000	7.50000	7.50000	7.50000
\$9.52000	\$9.52000	\$9.52000	\$9.60000	\$9.60000	\$9.60000

\$70.10000	\$70.10000	\$70.10000	\$70.10000	\$70.10000	\$66.50000
37.31630	37.31100	37.25843	36.76906	36.66812	31.74549
40.81830	40.68110	39.15236	39.11334	38.60543	35.26262

2.80000	2.80000	2.80000	2.80000	2.80000	2.80000
2.80000	2.80000	2.80000	2.80000	2.79970	2.80000
2.80000	2.80000	2.80000	2.80000	2.77368	2.80000

14.05000	14.05000	13.22000	13.22000	13.32000	13.32000
14.05000	14.05000	13.22000	13.11822	13.18662	12.66073
14.01950	13.94950	12.99676	12.78454	12.84125	12.81530

6.88000	5.98000	5.08000	5.08000	5.08000	4.78000
6.86430	5.96390	5.06349	5.00415	4.98989	4.15975
6.84010	5.88430	4.96214	4.86484	4.84497	4.39124

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 Assessed Values	Estimated Actual Value
2019	\$1,135,047,820	\$412,930,430	\$4,422,795,000	\$30,844,930	\$35,051,057
2018	1,034,243,160	386,886,600	4,060,370,743	29,857,840	33,929,364
2017	1,029,030,270	386,811,130	4,045,261,143	27,951,630	31,763,216
2016	1,019,017,040	381,570,250	4,001,677,971	25,840,090	29,363,739
2015	961,244,180	378,786,240	3,828,658,343	25,237,460	28,678,932
2014	954,156,290	376,280,950	3,801,249,257	24,094,940	27,380,614
2013	953,166,540	391,329,590	3,841,417,514	21,853,120	24,833,091
2012	967,001,100	378,135,350	3,843,247,000	19,742,750	22,434,943
2011	968,121,950	383,265,660	3,861,107,457	18,395,760	20,904,273
2010	964,775,720	381,758,880	3,847,241,714	17,904,860	20,346,432

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. 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, at 5 percent for 2010. The last year telephone companies paid tangible personal property tax was 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 a 10 percent and a 2 1/2 percent rollback, and homestead exemptions before being billed.

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

Assessed Values	Total Estimated Actual Value	Ratio	Direct Tax Rate
\$1,578,823,180	\$4,457,846,057	35.42 %	\$9.52
1,450,987,600	4,094,300,107	35.44	9.52
1,443,793,030	4,077,024,359	35.41	9.52
1,426,427,380	4,031,041,710	35.39	9.52
1,365,267,880	3,857,337,275	35.39	9.52
1,354,532,180	3,828,629,871	35.38	9.52
1,366,349,250	3,866,250,605	35.34	9.52
1,364,879,200	3,865,681,943	35.31	9.60
1,369,783,370	3,882,011,730	35.29	9.60
1,364,439,460	3,867,588,146	35.28	9.60

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
2019	\$14,939,724	\$14,495,258	97.02 %	\$284,545	\$14,779,803	98.93 %
2018	13,641,742	13,364,689	97.97	259,573	13,624,262	99.87
2017	12,158,615	13,206,564	108.62	251,884	13,458,448	110.69
2016	12,783,682	13,150,051	102.87	245,598	13,395,649	104.79
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

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

2019 and 2010

Taxpayer	2019	
	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
CP Commercial Delaware, LLC	\$49,319,270	3.12%
Blue Sky Property Co, LLC (American Greetings Corporation)	38,534,800	2.44
Cleveland-Cuyahoga County Port Authority	21,141,160	1.34
Cleveland Electric Illuminating Company	20,659,940	1.31
Crocker Park Residential (1)	13,308,120	0.84
Promenade Delaware LLC	12,926,700	0.82
Hyland Software Inc	10,382,200	0.66
Concorde Reserve Realty	8,118,190	0.51
ARC Westlake Village, Inc	8,028,970	0.51
BCM Westlake, LLC	6,340,750	0.40
Total	\$188,760,100	11.96%
Total Assessed Valuation	\$1,578,823,180	

Taxpayer	2010	
	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
Toledo-Lucas County Port Authority (Crocker Park)	\$38,920,310	2.85%
Cleveland Electric Illuminating Company	15,050,750	1.10
Promenade Delaware LLC	11,229,580	0.82
Crocker Park LLC	8,921,590	0.65
Energizer Battery Manufacturing, Inc.	7,417,280	0.55
Cleveland Retirement	7,371,040	0.54
University Hospital Health Systems	7,215,120	0.53
Sturbridge Square Apartments	7,035,010	0.52
Remington Apartments NF LLC	6,755,010	0.50
BCM Westlake, LLC	5,659,650	0.41
Total	\$115,575,340	8.47%
Total Assessed Valuation	\$1,364,439,460	

Source: Cuyahoga County Fiscal Officer

(1) Crocker Park Residential includes CP Phase I Residential Delaware, Crocker Park Phase III Residential and Crocker Excelsior

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
2019	1.50 %	\$32,710,602	\$25,187,164	77 %	\$3,598,166	11 %	\$3,925,272	12 %
2018	1.50	32,683,513	24,839,470	76	4,248,857	13	3,595,186	11
2017	1.50	30,639,670	22,979,753	75	4,289,553	14	3,370,364	11
2016	1.50	28,235,132	20,893,998	74	3,952,918	14	3,388,216	12
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

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
 2018 (1) and Nine Years Ago

2018				
Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
0-24,999	3,638	28.29 %	\$36,510,167	2.48 %
25,000-49,999	2,088	16.24	77,972,627	5.29
50,000-99,999	3,060	23.80	220,925,844	14.98
100,000-249,999	2,783	21.64	431,996,065	29.30
Over 250,000	1,289	10.03	707,115,577	47.95
Total	<u>12,858</u>		<u>\$1,474,520,280</u>	
2010				
Income Range	Number of Filers	Percent of Filers	Taxable Income	Percent of Taxable Income
0-24,999	3,667	31.75 %	\$34,616,459	3.16 %
25,000-49,999	2,038	17.64	75,894,121	6.93
50,000-74,999	1,630	14.11	100,618,010	9.19
75,000-99,999	1,080	9.35	93,752,442	8.56
Over 100,000	3,136	27.15	790,006,142	72.16
Total	<u>11,551</u>		<u>\$1,094,887,174</u>	

(1) 2018 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
2019	\$9,923,909	\$100,000	\$47,231,141	\$3,500,000	\$7,201,792	\$2,688,283
2018	4,592,630	150,000	48,137,096	0	7,610,297	2,843,319
2017	6,373,209	200,000	48,921,582	0	8,200,694	2,998,355
2016	8,103,778	245,000	48,921,582	0	8,579,893	3,075,873
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

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

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

Capital Lease	Total Debt	Percentage of Personal Income (1)	Per Capita (2)
\$0	\$70,645,125	4.33%	\$2,158
1,546	63,334,888	3.76	1,935
5,130	66,698,970	3.98	2,038
8,542	68,934,668	4.30	2,106
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

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

<u>Year</u>	<u>Population (1)</u>	<u>Estimated Actual Value of Taxable Property (2)</u>	<u>Gross Bonded Debt</u>	<u>Ratio of Bonded Debt to Estimated Actual Value of Taxable Property</u>	<u>Bonded Debt Per Capita</u>
2019	32,729	\$4,457,846,057	\$9,923,909	0.22%	\$303
2018	32,729	4,094,300,107	4,592,630	0.11	140
2017	32,729	4,077,024,359	6,373,209	0.16	195
2016	32,729	4,031,041,710	8,103,778	0.20	248
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

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, 2019

Jurisdiction	Total Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City of Westlake
Direct Debt:			
City of Westlake			
General Obligation Bonds	\$9,923,909	100.00%	\$9,923,909
Special Assessment Bonds	100,000	100.00	100,000
Special Obligation Bonds	47,231,141	100.00	47,231,141
Bond Anticipation Notes	3,500,000	100.00	3,500,000
SIB Loans	7,210,792	100.00	7,210,792
OPWC Loans	2,688,283	100.00	2,688,283
Total Direct Debt	70,654,125		70,654,125
Overlapping Debt:			
Payable from Property Taxes:			
Cuyahoga County General Obligation Bonds	259,469,382	5.34	13,855,665
Westlake City School District Bonds	111,177,858	100.00	111,177,858
Payable from Other Sources:			
Cuyahoga County Revenue Bonds	596,158,206	5.34	31,834,848
Cuyahoga County Certificates of Participation	223,265,971	5.34	11,922,403
Cuyahoga County Capital Leases	307,766,236	5.34	16,434,717
Cuyahoga County Loans	1,345,885	5.34	71,870
Regional Transit Authority Sales Tax Revenue Bonds	103,467,645	5.34	5,525,172
Westlake City School District Capital Leases	543,000	100.00	543,000
Total Overlapping Debt	1,603,194,183		191,365,533
Total	\$1,673,848,308		\$262,019,658

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 2018 collection year.

City of Westlake, Ohio
Legal Debt Margin
Last Ten Years

	2019	2018	2017	2016
Assessed Property Value	\$1,578,823,180	\$1,450,987,600	\$1,443,793,030	\$1,426,427,380
General Bonded Debt Outstanding:				
General Obligation Bonds	\$9,525,000	\$4,510,000	\$6,265,000	\$7,970,000
Special Obligation Bonds	46,660,000	47,555,000	48,330,000	48,330,000
Special Assessment Bonds	100,000	150,000	200,000	245,000
Bond Anticipation Notes	3,500,000	0	0	0
Total Gross Indebtedness	59,785,000	52,215,000	54,795,000	56,545,000
Less Exempt:				
Special Obligation Bonds	(46,660,000)	(47,555,000)	(48,330,000)	(48,330,000)
Special Assessment Bonds	(100,000)	(150,000)	(200,000)	(245,000)
General Obligation Bond Retirement Fund Balance	(1,008,837)	(216,581)	(209,980)	(212,206)
Issue II Bond Retirement Fund Balance	(147,454)	(148,182)	(152,310)	(151,900)
Total Net Debt Applicable to Debt Limit	11,868,709	4,145,237	5,902,710	7,605,894
Overall Legal Debt Limit				
10 1/2% of Assessed Valuation	165,776,434	152,353,698	151,598,268	149,774,875
Legal Debt Margin Within 10 1/2% Limitations	\$153,907,725	\$148,208,461	\$145,695,558	\$142,168,981
Legal Debt Margin as a Percentage of the Debt Limit	92.84%	97.28%	96.11%	94.92%
Unvoted Debt Limitation				
5 1/2% of Assessed Valuation	\$86,835,275	\$79,804,318	\$79,408,617	\$78,453,506
Total Gross Indebtedness	59,785,000	52,215,000	54,795,000	56,545,000
Less:				
Special Obligation Bonds	(46,660,000)	(47,555,000)	(48,330,000)	(48,330,000)
Special Assessment Bonds	(100,000)	(150,000)	(200,000)	(245,000)
General Obligation Bond Retirement Fund Balance	(1,008,837)	(216,581)	(209,980)	(212,206)
Issue II Bond Retirement Fund Balance	(147,454)	(148,182)	(152,310)	(151,900)
Net Debt Within 5 1/2% Limitations	11,868,709	4,145,237	5,902,710	7,605,894
Unvoted Legal Debt Margin Within 5 1/2% Limitations	\$74,966,566	\$75,659,081	\$73,505,907	\$70,847,612
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	86.33%	94.81%	92.57%	90.31%

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

2015	2014	2013	2012	2011	2010
\$1,365,267,880	\$1,354,532,180	\$1,366,349,250	\$1,364,879,200	\$1,369,783,370	\$1,364,439,460
\$9,630,000	\$11,270,000	\$12,900,000	\$14,635,000	\$16,290,000	\$10,315,000
48,330,000	48,330,000	0	0	0	0
3,075,000	3,330,000	3,605,000	3,910,000	4,200,000	4,490,000
0	0	0	0	0	9,300,000
61,035,000	62,930,000	16,505,000	18,545,000	20,490,000	24,105,000
(48,330,000)	(48,330,000)	0	0	0	0
(3,075,000)	(3,330,000)	(3,605,000)	(3,910,000)	(4,200,000)	(4,490,000)
(218,092)	(220,716)	(297,891)	(553,220)	(723,548)	(854,116)
(150,110)	(148,758)	(147,964)	(151,190)	(148,505)	(35,000)
9,261,798	10,900,526	12,454,145	13,930,590	15,417,947	18,725,884
143,353,127	142,225,879	143,466,671	143,312,316	143,827,254	143,266,143
\$134,091,329	\$131,325,353	\$131,012,526	\$129,381,726	\$128,409,307	\$124,540,259
93.54%	92.34%	91.32%	90.28%	89.28%	86.93%
\$75,089,733	\$74,499,270	\$75,149,209	\$75,068,356	\$75,338,085	\$75,044,170
61,035,000	62,930,000	16,505,000	18,545,000	20,490,000	24,105,000
(48,330,000)	(48,330,000)	0	0	0	0
(3,075,000)	(3,330,000)	(3,605,000)	(3,910,000)	(4,200,000)	(4,490,000)
(218,092)	(220,716)	(297,891)	(553,220)	(723,548)	(854,116)
(150,110)	(148,758)	(147,964)	(151,190)	(148,505)	(35,000)
9,261,798	10,900,526	12,454,145	13,930,590	15,417,947	18,725,884
\$65,827,935	\$63,598,744	\$62,695,064	\$61,137,766	\$59,920,138	\$56,318,286
87.67%	85.37%	83.43%	81.44%	79.53%	75.05%

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

Year	American Greetings Fund	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2019	\$4,702,454	\$895,000	\$1,957,319	\$2,852,319	1.65
2018	4,854,112	775,000	1,980,569	2,755,569	1.76
2017	3,706,657	0	1,980,569	1,980,569	1.87
2016	1,084,549	0	1,980,569	1,980,569	0.55
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 began covering debt service requirements in 2017.

City of Westlake, Ohio

Principal Employers

2018(1) and 2010

2018 (1)		
Employer	Employees	Percentage of Total City Employment
University Hospital/St. John Medical Center	3,145	8.59 %
Hyland Software Inc	2,138	5.85
American Greetings Corporation	1,584	4.33
TA Operating LLC	931	2.55
Westlake City School District	782	2.14
Equity Administrative Services	405	1.11
City of Westlake	463	1.27
Cuyahoga Community College	400	1.09
Brookdale Employee Services	360	0.98
Cleveland Clinic Foundation	264	0.72
Total	10,472	28.63 %
Total City Employment	36,571	

2010		
Employer	Employees	Percentage of Total City Employment
St. John West Shore Hospital	1,321	5.10 %
Hyland Software Inc	874	3.38
Westlake City School District	579	2.23
City of Westlake	416	1.61
Energizer Battery Manufacturing Inc	361	1.39
Travel Centers of America	341	1.32
Lutheran Home	321	1.24
Rae Ann Skilled Nursing and Rehabilitation	296	1.14
Westbay Care and Rehabilitation	250	0.97
Cleveland Clinic	225	0.87
Total	4,984	19.25 %
Total City Employment	25,896	

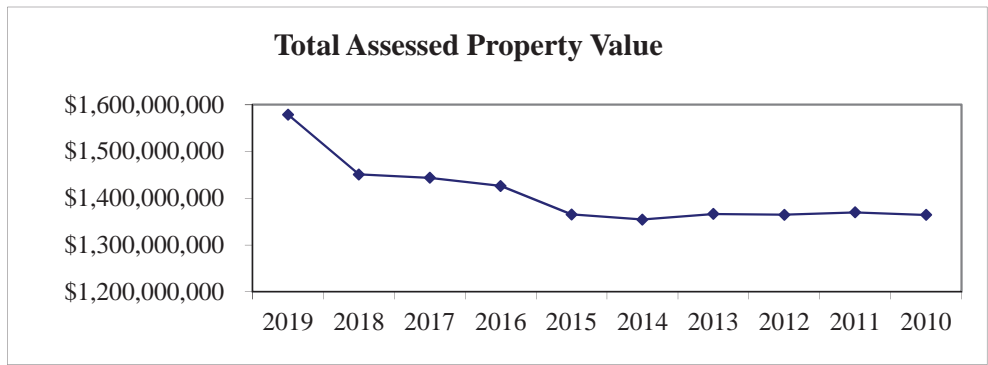
Source: City of Westlake, Ohio, Department of Planning of Economic amounts are estimates. Total City employment based upon estimate from the Regional Development - Regional Income Tax Authority 2018 withholding information.

(1) Information for 2019 was not available as of 12/31/2019.

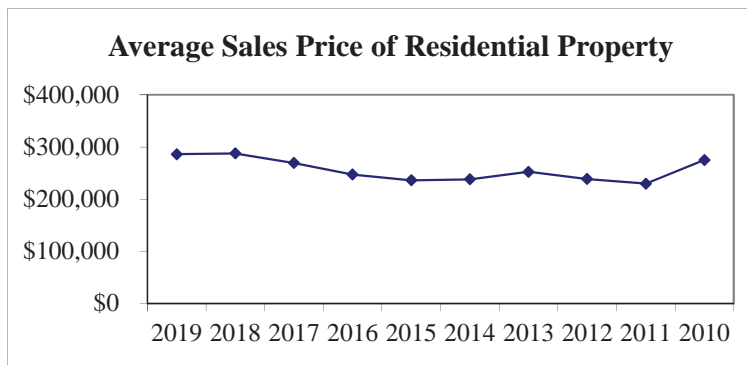
City of Westlake, Ohio
Demographic and Economic Statistics
Last Ten Years

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)
2019	32,729	\$1,632,817,081	\$49,889	\$83,434	46.8	52.8 %
2018	32,729	1,683,383,386	51,434	81,966	46.7	53.0
2017	32,729	1,676,706,670	51,230	80,989	47.2	52.5
2016	32,729	1,604,015,561	49,009	76,449	46.2	53.4
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

- (1) Source: U. S. Census, Census of population
 (a) 2010 - 2019: 2010 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)
3,428	2.9 %	\$286,100	\$1,578,823,180
3,483	4.0	287,700	1,450,987,600
3,516	3.7	269,311	1,443,793,030
3,646	4.1	247,137	1,426,427,380
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	7.0	275,057	1,364,439,460



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

<u>Function/program</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
General Government:				
Council	4.5	4.5	4.5	4.5
Mayor	2.0	2.0	2.0	2.0
Finance	6.0	5.0	6.0	6.0
Information Technology	3.0	2.5	2.0	2.0
Law	6.5	6.0	5.0	5.0
Purchasing/Adm. Services	2.0	2.0	2.0	2.0
Communication	0.5	0.5	0.5	0.5
Human Resources	2.0	2.0	2.0	2.0
Planning	4.0	4.25	4.25	4.25
Safety Town	1.5	1.5	1.5	1.5
Central Dispatch	12.0	11.5	12.5	12.5
Police/Fire Operating Levy	14.0	14.0	13.0	14.0
Engineering	10.0	9.5	10.5	10.5
Inspection	10.5	9.5	10.5	10.5
Security of Persons and Property:				
Police	81.0	84.5	89.0	84.6
Fire	40.5	41.0	40.5	39.0
Recreation:				
Administration	7.4	5.5	5.0	4.5
Swimming Pool (1)	60.0	0.0	26.5	42.0
Recreation Center	95.1	115.5	83.0	91.5
Golf Course	15.0	17.0	15.0	14.0
Senior/Community Services	17.0	16.0	16.0	15.1
Service:				
Administration	2.00	2.25	2.25	2.25
Building Maintenance	1.0	1.0	1.0	0.8
City Services	45.5	42.5	44.5	45.0
Sanitary/Storm Drainage	8.0	8.0	9.0	9.0
Parks	3.0	3.0	3.0	3.0
Forester	3.0	3.0	3.0	3.0
Street Maintenance	3.0	3.0	3.0	3.0
Cemetery	1.0	1.0	1.0	1.0
Miscellaneous	2.0	1.5	2.0	2.0
Totals:	<u>463.0</u>	<u>419.5</u>	<u>420.0</u>	<u>437.0</u>

Source: City of Westlake, Ohio 2010-2020 Annual Budgets

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

Count taken at December 31.

(1) The Swimming Pool was not open during 2018 due to construction.

2015	2014	2013	2012	2011	2010
4.5	4.5	4.5	4.5	4.5	4.5
2.0	2.5	2.0	2.0	2.0	1.0
6.0	6.0	6.0	5.8	5.8	5.8
1.0	2.5	2.5	2.5	3.0	2.0
5.0	5.0	5.0	6.5	6.5	6.5
2.0	2.0	1.5	3.5	3.5	4.0
0.0	0.0	1.0	1.0	1.0	2.0
2.0	2.0	1.0	0.0	0.0	0.0
4.0	4.5	4.0	4.5	5.0	4.5
1.5	1.5	2.0	2.0	1.5	1.5
12.0	11.5	12.5	13.0	11.5	12.5
14.0	14.0	14.0	16.0	18.0	20.0
9.5	10.0	12.0	12.5	12.5	13.0
10.5	10.0	10.0	10.0	9.5	9.5
81.5	82.5	84.5	79.0	76.0	80.5
38.5	40.0	39.5	40.0	35.0	37.5
3.5	3.0	3.0	3.0	4.5	5.0
43.5	43.5	43.5	44.5	46.0	44.0
92.0	85.0	92.5	94.0	100.0	70.0
13.0	11.5	14.5	10.5	14.0	10.5
15.0	15.0	14.0	15.5	15.5	14.5
2.0	2.0	2.0	2.0	2.0	2.0
1.0	1.5	1.5	1.5	1.5	1.5
46.0	46.5	49.0	47.0	41.5	40.0
9.0	9.0	7.0	6.8	8.8	8.8
3.0	3.0	2.0	4.0	4.5	4.5
3.0	3.0	4.0	5.0	4.0	4.0
3.0	4.0	3.0	2.0	3.0	4.0
1.0	1.0	1.0	1.0	1.0	1.0
2.0	2.0	1.5	1.0	1.0	1.0
<u>431.0</u>	<u>428.5</u>	<u>440.5</u>	<u>440.6</u>	<u>442.6</u>	<u>415.6</u>

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

Function/program	2019	2018	2017	2016
General Government				
Construction Permits Issued (2)	1,418	1,354	1,472	1,260
Estimated Value of Construction (2)	\$101,857,220	\$82,300,508	\$101,309,019	\$74,456,760
Economic Development Projects approved (square feet) (3)	27,251	323,669	373,092	189,858
Number of Planning Commission docket items (3)	94	86	90	103
Sewer Bills mailed (1)	39,568	39,284	39,007	38,551
Purchase Orders Issued (4)	2,404	2,473	2,450	2,379
Number of new litigations filed (5)	2	11	9	8
Number of pending litigations (5)	5	8	6	8
Police (6)				
Total Arrests	4,750	4,680	4,874	5,156
Part 1 Offenses (major offenses such as murder and theft)	333	217	388	460
DUI Arrests	122	161	296	166
Prisoners	1,222	1,149	1,133	1,026
Motor Vehicle Accidents	774	949	758	822
Calls for Service	37,448	40,539	38,666	36,352
Fire (7)				
Emergency responses	5,497	5,611	5,470	5,159
Fire Safety Inspections/Re-Inspections	2,794	1,483	1,439	1,191
Fire Protection Systems Inspected	965	1,175	1,072	962
Building/Fire Protection Plan Review	330	309	280	280
Number of Community Programs	50	32	41	37
Public Service (8)				
Road Maintenance (man hours)*	3,433	4,984	3,793	4,697
Asphalt (hot/cold) used in road maintenance (tons)	190	127	260	270
Concrete used in road maintenance (yards)	191	247	440	280
Number of Trees Removed	249	300	239	333
Number of Trees Planted	175	97	165	128
Truckloads of leaves picked-up	1,219	1,363	1,111	1,373
Cubic Yards of leaf humus delivered/sold	9,454	7,258	10,141	7,522
Cubic Yards of wood chips delivered/sold	2,493	2,243	2,774	2,289
Tons of snow melting salt purchased	4,871	6,320	4,692	5,586
Cemetery Internments	56	62	44	47
Grave purchases/Internment payments	\$55,847	\$54,083	\$34,192	\$44,527
Recreation (9)				
Recreation Center attendance**	578,214	602,934	592,700	601,178
No. of Peterson Pool Memberships***	3,310	0	766	569
Learn to Swim enrollment (Peterson Pool only)***	297	0	565	577
Average daily golf revenue (June, July, & August)	\$1,648	\$1,053	\$1,029	\$1,220
Senior/Community Services (10)				
Number of Activities/Programs	208	155	131	120
Activity Trips	32	38	41	37
Number of Volunteers	98	98	88	134
Newsletters	17,832	14,802	12,698	9,930
Transports	11,629	10,915	7,755	8,838
Miles Transported	75,920	77,291	58,721	58,830
Donations, Center/Assistance/Prescriptions	\$25,456	\$31,018	\$28,531	\$38,472

Sources:

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

*Amounts are estimated

**Attendance based upon calendar year

***Peterson Pool was not open during 2018 due to construction of the new Aquatic Center

2015	2014	2013	2012	2011	2010
1,385	2,508	1,433	1,471	1,247	1,247
\$114,400,073	\$210,550,179	\$95,473,407	\$144,334,087	\$61,334,146	\$29,719,620
54,474	435,421	63,718	937,338	451,454	20,096
106	89	93	96	87	82
38,233	37,868	37,287	36,811	36,196	35,752
2,429	2,549	2,659	2,618	2,776	2,777
5	3	4	5	5	8
8	12	10	9	9	16
4,798	4,620	4,827	5,806	5,906	6,424
521	503	509	507	594	598
195	165	176	246	185	215
897	879	53	1,273	1,203	1,294
774	721	729	755	733	750
33,751	31,721	31,331	33,606	34,268	33,914
4,957	4,513	4,301	4,267	4,364	4,318
123	362	317	576	916	1,066
627	786	818	926	928	805
358	259	279	272	289	240
41	99	74	78	64	41
3,149	4,893	5,399	2,813	3,324	3,416
299	349	234	280	660	396
322	196	262	349	301	280
299	241	258	417	262	274
118	154	229	186	224	162
1,257	1,387	1,457	1,387	1,200	1,450
5,349	5,602	6,908	8,213	7,744	5,443
4,036	3,193	3,277	3,576	3,554	2,827
7,026	7,287	4,822	4,713	4,877	6,342
53	50	52	32	44	35
\$61,050	\$40,955	\$58,925	\$34,425	\$52,050	\$28,110
583,299	566,189	595,200	587,182	524,081	504,222
424	474	568	591	611	548
680	686	893	901	826	784
\$1,177	\$1,328	\$1,861	\$2,047	\$2,031	\$2,363
155	165	194	143	122	122
43	41	45	39	49	51
84	108	141	387	108	175
7,967	7,735	7,304	7,579	9,600	10,400
7,339	7,747	4,867	5,211	6,419	6,434
57,324	51,572	47,163	49,834	54,612	50,162
\$26,147	\$30,995	\$29,489	\$33,966	\$29,125	\$27,385

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

Function/program	2019	2018	2017	2016
General Government				
Square Footage Occupied (1)	40,000	40,000	40,000	40,000
Engineering Vehicles (2)	12	12	11	12
Inspection Vehicles (2)	7	7	7	7
Other Departmental Vehicles (2)	6	6	6	6
Police				
Stations	1	1	1	1
Square Footage of Building (3)	25,000	25,000	25,000	25,000
Vehicles (2)	44	41	43	41
Fire				
Stations	2	2	2	2
Vehicles (2)	19	17	18	18
Other public works				
Streets (miles)	139	139	139	139
Number of Streetlights (per light bill)	3,315	3,315	3,321	3,322
Public Service Vehicles (5)	68	70	72	66
Recreation				
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)	8	7	5	7
Senior/Community Services				
Vehicles (4)	7	7	6	6
Wastewater				
Sanitary sewers (miles)	124	124	124	124

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

2015	2014	2013	2012	2011	2010
40,000	40,000	40,000	40,000	40,000	40,000
11	12	13	11	10	12
7	7	7	8	8	8
6	8	7	7	7	7
1	1	1	1	1	1
25,000	25,000	25,000	25,000	25,000	25,000
43	38	44	47	47	39
2	2	2	2	2	2
16	18	18	18	18	18
137	137	137	136	136	136
3,316	3,307	3,313	3,298	3,297	3,297
68	64	67	72	67	70
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	9	7	7	7
6	6	6	7	6	6
123	123	123	122	122	122

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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***

To 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, 2019, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated August 27, 2020, wherein we noted that the City implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, and as a result restated the December 31, 2018, net position of the governmental activities and fiduciary funds, and fund balance of the general fund and other governmental funds, and also restated the fund balance of the infrastructure tax fund and the other governmental funds for retainage payable that was paid from a different fund, 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 entity’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.

To 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ciuni & Parrichi, Inc.

Cleveland, Ohio
August 27, 2020

OHIO AUDITOR OF STATE KEITH FABER



CITY OF WESTLAKE

CUYAHOGA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 10/13/2020

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

This report is a matter of public record and is available online at
www.ohioauditor.gov