

CITY OF WESTLAKE, OHIO

for the year ended December 31, 2021

Community Report

www.cityofwestlake.org



City Of Westlake
 City Hall • 27700 Hilliard Blvd.
 Westlake, Ohio 44145
 Phone: 440-871-3300
www.cityofwestlake.org

ELECTED OFFICIALS

MAYOR – Dennis M. Clough 440-871-3300
PRESIDENT OF COUNCIL – David S. Greenspan 440-835-3820
COUNCIL MEMBERS
 Ward 1 – Duane Van Dyke 440-241-1817
 Ward 2 – Nick C. Nunnari 440-263-2215
 Ward 3 – Dennis J. Sullivan 440-835-8661
 Ward 4 – Michael F. O'Donnell 440-777-7814
 Ward 5 – Amy G. Havelka 440-482-6800
 Ward 6 – Mark R. Getsay 440-360-7418
DIRECTOR OF LAW – Michael Maloney 440-871-3300

APPOINTED OFFICIALS

DIRECTOR OF ENGINEERING Robert Kelly	DIRECTOR OF RECREATION Paula Horner
DIRECTOR OF FINANCE Prashant Shah	DIRECTOR OF COMMUNITY SERVICES Lydia Gadd
DIRECTOR OF INSPECTIONS Donald Grayem	DIRECTOR OF SERVICE Paul Quinn III
DIRECTOR OF PLANNING James Bedell	POLICE CHIEF Kevin Bielozer
DIRECTOR OF PURCHASING Larry Surber	FIRE CHIEF Michael Freeman <i>Provisional</i>

WESTLAKE'S History

The City of Westlake is full of history. The City, formerly known as the Township of Dover, was established in 1812 and is home to several historical sites, which include the Clague House Museum and the Lilly Weston House.



The Clague House Museum, once part of a sprawling fruit farm on 78 acres, was constructed in 1876 and is now home to the Westlake Historical Society. The restored two-story Italianate home is furnished and decorated in the Victorian style and is open to the public for tours during special events and holidays. Since the Clagues hailed from the Isle of Man, special attention has been given to a collection of Isle of Man artifacts, including one of the largest Manx libraries in the country. The Clague House Museum is listed on the National Register of Historic Places.

The Lilly Weston House is a rare sandstone house erected in about 1844. It is made with sandstone blocks two feet thick, finely tooled and dressed in the front and less elaborately on the sides and rear. The basement is constructed with massive rectangular stone blocks. Thick hewn timbers support the massive roof structure. A brick wing was attached to the east side in about 1850. After 1867, the lot and house had several owners, including George Weston whose great granddaughter, Alice (Mrs. Dezso) Ladanyi, deeded the house to the City of Westlake. It is currently being renovated for use as a public museum of Westlake History, community gathering space, and event gallery. The City is currently overseeing the renovation project costing \$624,800, of which approximately \$300,000 is being funded through a grant from the state. The Lilly/Weston House is listed on the National Register of Historic Places.



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for the year ended December 31, 2021

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Citizens of Westlake...



It is with great pride and pleasure that we submit this Westlake Community Report for your review. The City is a very desirable suburb to live, work, raise a family and enjoy a great quality of life. Cleveland Magazine continues to rank Westlake in the "Top Suburbs" in 2022. While this past year continued to present challenges from the on-going Coronavirus pandemic, the City was successful in averting any major setbacks through prudent financial planning

and provided all essential services without interruption. Furthermore, the City opened the doors to its new Community Center which had close to 20,000 visits between July 2021, when it officially opened, through year end. The new center, which focuses on serving the community's 50 plus population, features a café, theater room, and an exercise facility. The City also began work on a new playground partially funded by a state grant which is slated to open in 2022. In addition, the City installed tennis courts, bocce ball courts and pickle ball courts at the new Community Center.

The purpose of this community report is to provide residents and businesses with pertinent information regarding the City's fiscal operations along with an insight into many projects and initiatives that were undertaken during the past year and those that are planned for the current and future years. This administration and staff consider it an honor to serve you. We believe that this report enhances the level of our accountability to you, our taxpayers.

Our efforts in providing detailed and meaningful financial reports to our citizenry have also been recognized by outside sources such as the Government Finance Officers Association (GFOA). Westlake's Community Reports have received the annual GFOA award every year for the past nineteen years. We will continue to strive for the same excellence in reporting for the benefit of our residents. These awards are in addition to the thirty-eight consecutive Excellence in Financial Reporting awards, twenty-five consecutive Distinguished Budget awards along with numerous awards from the State Auditor's Office.

Since taking office in 1986, our administration has worked diligently with City Council to establish a vibrant economy in our community through proactive planning and management of the City's finances. Our efforts have been recognized with the highest possible ratings from all three major bond rating agencies: Aaa from Moody's Investor Service, Inc., AAA from Standard and Poor's Financial Services LLC and AAA from Fitch IBCA Rating Service. These superior ratings allow the City to borrow funds at the lowest possible interest rates when issuing bonds for capital projects. Consequently, taxpayers save thousands of dollars in borrowing costs. These savings are often used to fund additional services or improve our existing ones.

As always, we encourage and welcome any input or comments you may have regarding this report. Please contact us at 440-871-3300. Please visit the City's website at www.cityofwestlake.org to gain additional valuable information. The website is a very useful tool for both residents and businesses and contains information about all the programs and services the City provides.

Dennis M. Clough



City Council



David S. Greenspan
Council President
 31058 Durham Drive
 440-835-3820



Duane Van Dyke
Ward 1
 1390 Queen Anne's Gate
 440-241-1817



Nick C. Nunnari
Ward 2
 3201 Canterbury Road
 440-263-2215



Dennis J. Sullivan
Ward 3
 903 Dover Center Road
 440-835-8661



Michael F. O'Donnell
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 26475 Strawberry Lane
 440-777-7814



Amy G. Havelka
Ward 5
 1820 Sperry's Forge Trail
 440-482-6800



Mark R. Getsay
Ward 6
 30961 Bellerive Court
 440-360-7418

Denise L. Rosenbaum
Clerk of Council
 440-617-4053

Economic Development Activity IN OUR COMMUNITY



Businesses that have opened, expanded or relocated within Westlake during 2021

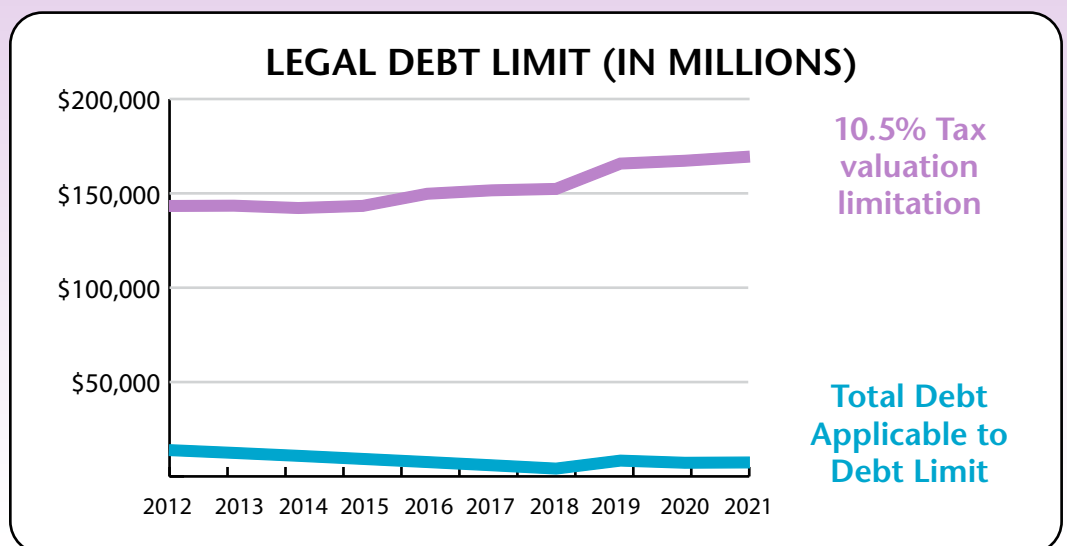
- | | | |
|---------------------------|----------------------------|-------------------------------|
| 1st Team Actors Studio | Fit for Life | Phillips Syrup warehouse |
| Another Broken Egg | Goodwill Bookstore | Phoenix Yoga |
| Bank of America | Great Clips | Sahara Beauty Bar |
| Blo Blow Dry Bar | IC Scientific Solutions | Struers, Inc. |
| buybuy BABY | Ideal Image | The Learning Experience |
| Canary Travel | Julie Billiard School | The Original Popcorn House |
| Chase Bank | Lake Quartz/Cambria | The Sis Kiss |
| Cleveland Sports | Launch Workplaces | Turning Point Wellness & Yoga |
| Biomechanics Lab | Le Gray Haus Dog Boutique | Union Home Mortgage |
| Costa Oil | Logan Clutch Expansion | Whimsy Willow |
| Edelman Financial Engines | Lucky Shoes | Wild Mango |
| Esporta Fitness | Master Pizza | World Market |
| Estella Boutique | Nails-A-Holic | Zen Salon & Spa |
| Everarbor | Paradigm Wealth Management | Zuzu Chocolates |
| FE3 Integrated Fitness | Paws & Effect | |

Long-Term Debt Obligation

OUTSTANDING DEBT - \$70,194,859



The City utilizes a pay as you go approach for most capital equipment and projects however, at times long-term debt is also availed to finance capital projects with extended useful lives. The primary objective is to keep the level of indebtedness within available resources. Furthermore, principal and interest payments on debt are always maintained at levels that will not jeopardize the operations of the City. By Ohio state law, the City's overall legal debt limit is set at 10.5% of the assessed value of all property. Westlake's 2021 assessed valuation was \$1,613,854,850 based on which the legal debt limit is \$169,454,759. At the 2021 fiscal year end the City had utilized only 4.36% of this limit or issued approximately \$7,394,518 of debt.



WESTLAKE *by the numbers*

Population 34,228 	Median Age of Residents 47.0 	Unemployment Rate 3.9% 	Average Home Sales Price \$335,800
Number of Households 13,779 	Student Enrollment 3,296 	Land Use 56% Residential	
Land Area (square miles) 15.9 	Number of Parks 5 	Median Household Income \$92,917 	26% Public/Recreational
Per Capita Income \$56,515 	% of Persons with Bachelor's Degree or higher (aged 25 plus) 55.10% 	11% Business	
		7% Industrial	

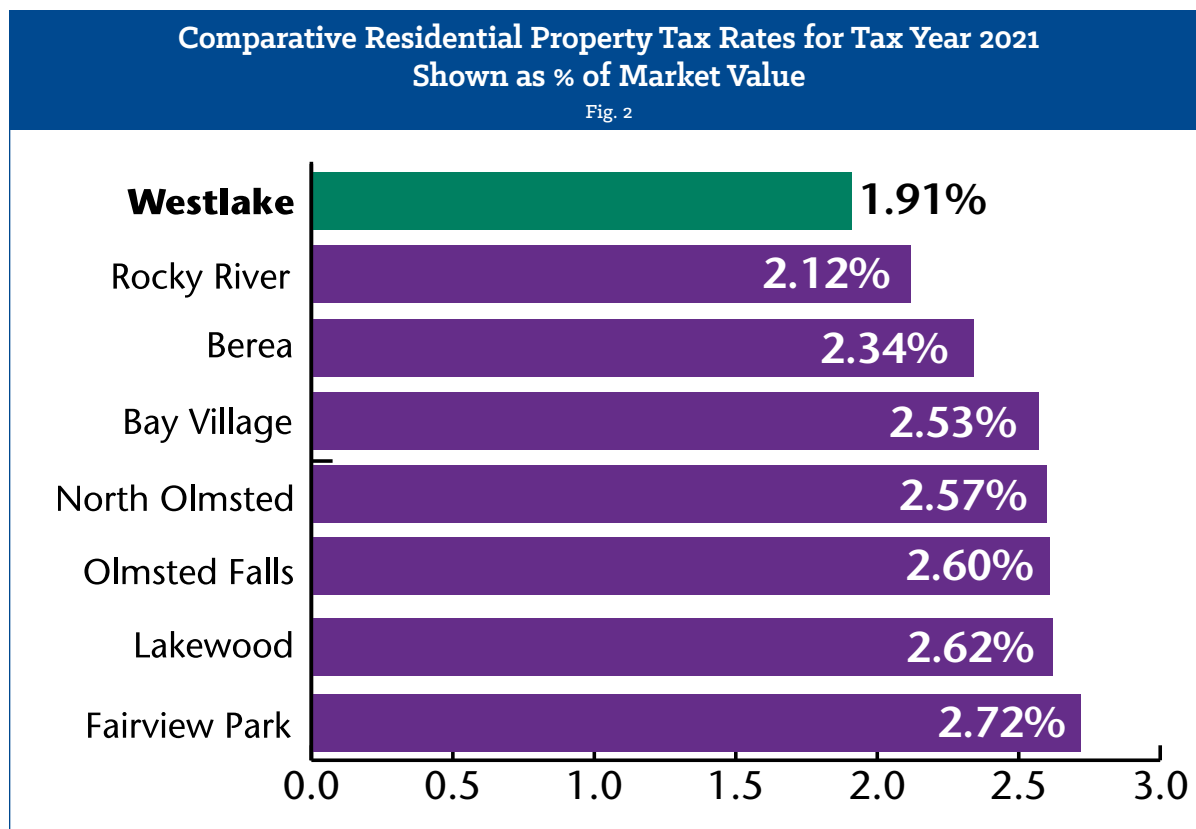
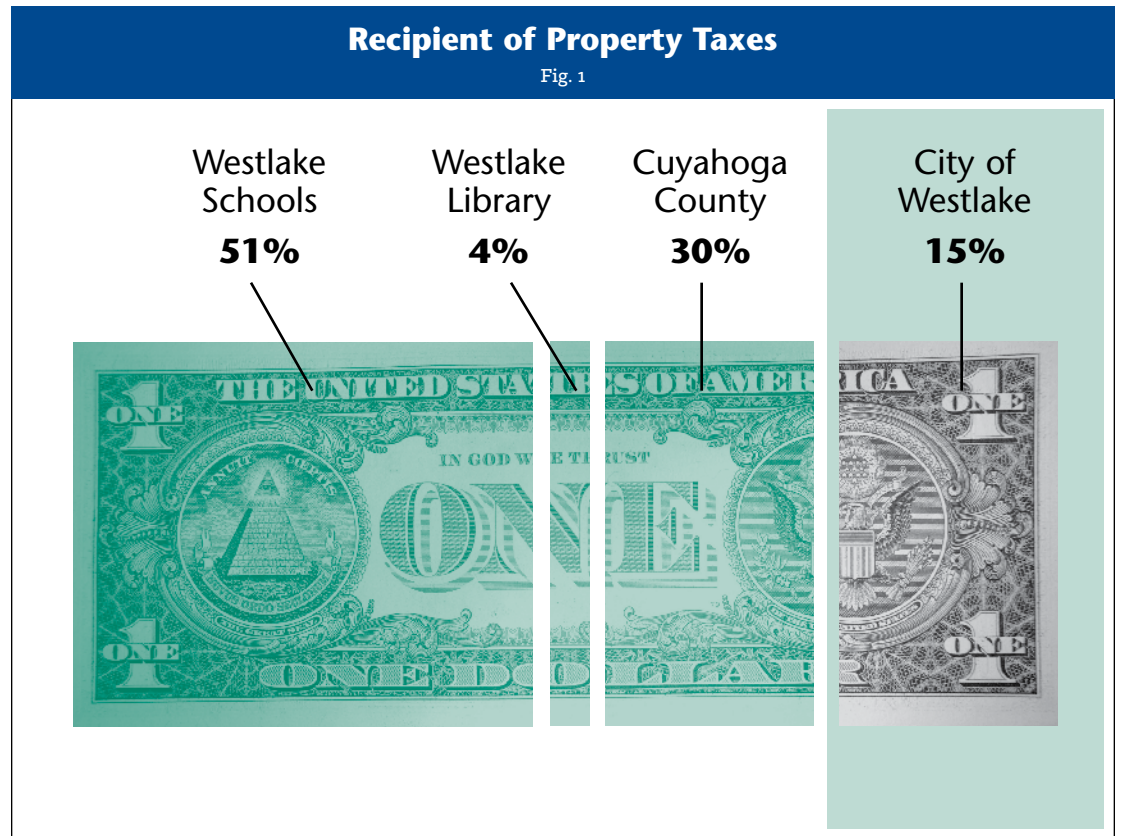
Financial Review

Understanding Property Taxes

A fundamental difference between the City of Westlake and the Westlake School District is the main funding source used by each entity for operating purposes. The City of Westlake primarily relies on income tax revenues which equalled 52% of the City's annual sources of income during 2021. The Westlake School District is mostly funded by taxes paid on property that falls within its district.

Property tax in Westlake, administered by Cuyahoga County, is based on the county-assigned value of all parcels of land within each taxing district. The Cuyahoga County Fiscal Officer determines an assessed value which is 35% of the appraised market value for each parcel. This value is updated every three years based on the average price that surrounding or similar properties sold for within the previous three-year period. Every six years, the Fiscal Officer revisits all properties to re-appraise the value of each piece of land based on any building additions or major improvements. Ohio law requires a full reappraisal every six years. An update appraisal took place for tax year 2021 with a full reappraisal scheduled for tax year 2024.

For tax year 2021, a homeowner in Westlake will pay 1.91 percent of market or appraised value of their home in property taxes (see Figure 2).



Explanation of Cuyahoga County Property Tax Rates – Residential

Tax as a Percentage of Market:

A simple percentage is used to estimate total taxes for a property. Multiply the market value of the property by the percentage listed for the City of Westlake.

Example:

Taxes for a \$100,000 home in Westlake:

$$\$100,000 \times 1.91\% = \$1,910 \text{ annual property tax bill}$$

Example of Property Tax Distribution (see Figure 1)

Using \$100,000 Home Value:
Total Property Tax = \$1,910

Distributed as follows:

Westlake Schools	\$974	51%
Cuyahoga County	573	30%
City of Westlake	287	15%
Porter Library	76	4%
Total	\$1,910	100%

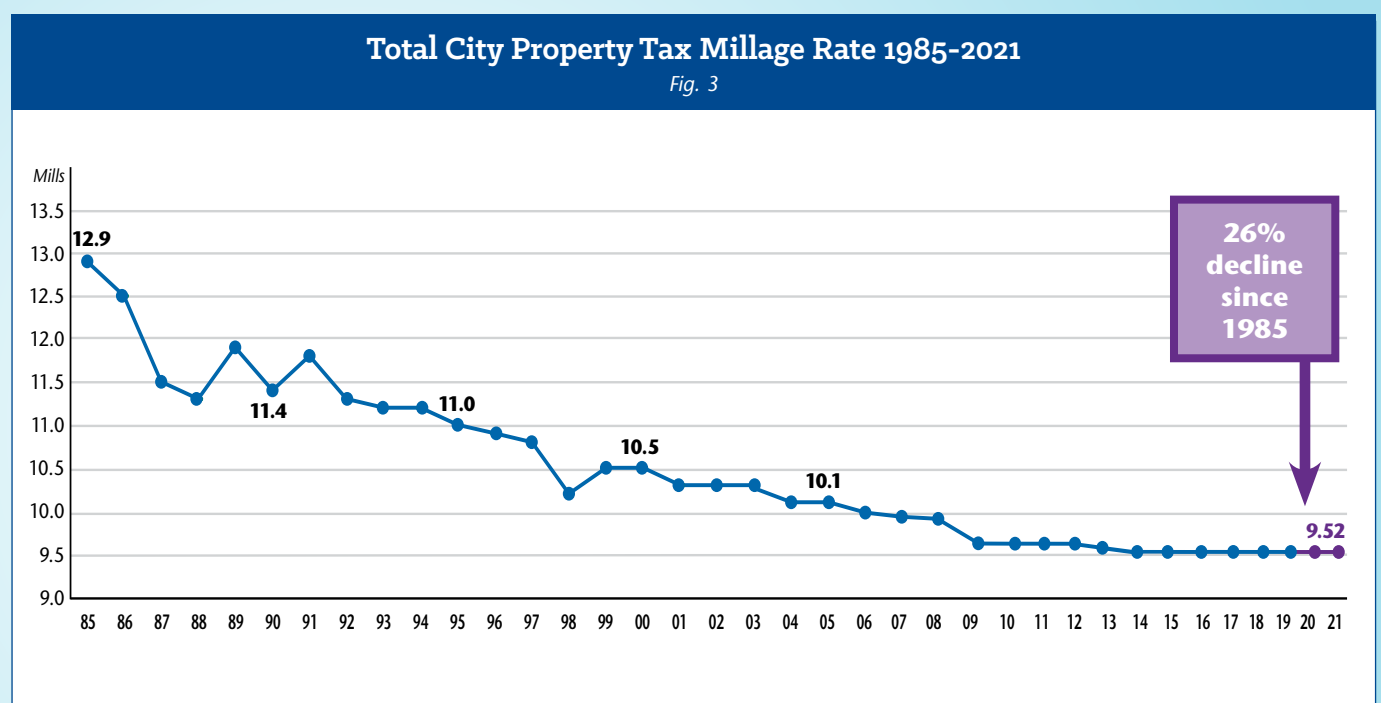
Westlake's Property Tax Rate-City Portion

The City of Westlake has been widely recognized by several financial rating agencies, including Moody's Investors Service, Standard & Poor's and Fitch Ratings for its excellence in financial management. One area that has been commended is the City's ability to keep its tax rates low as compared to other cities, while providing high quality services.

The City has been able to achieve low tax rates through long term financial planning and conservative fiscal management. The City annually reviews its revenue projections and requirements for the upcoming year and adjusts the tax rate to correlate with the needs of the projected expenditures.

Since 1985, the City of Westlake has reduced the property tax rate to Westlake residents by over 26 percent (see Figure 3). The adjacent chart provides a history of the City's portion of the property tax.

If you are interested in learning more about the City's finances, please visit the Finance Department page on the City's website or contact City Hall.



Financial Review

The following is an overview of the City’s financial operations for the fiscal year ending December 31, 2021. The data included in this review is not prepared in accordance with Generally Accepted Accounting Principles (GAAP) as only a portion of the City’s financial statements are presented. Most of the data is, however, compiled from the City’s Comprehensive Annual Financial Report. The City’s audited financial statements and official audit report are generally completed approximately six months after the end of the fiscal year. This PAFR and the Annual Comprehensive Financial Report, along with more detailed information regarding the City’s finances are available on the City’s website. (www.cityofwestlake.org)

For simplicity purposes, the tables are compiled using the fund financial statements for Governmental Funds. These are the funds through which most government functions are financed. Governmental funds are comprised of the following:

GENERAL FUND: The fund used to account for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS: Funds that account for specific revenue sources that are legally restricted to expenditures for specific purposes.

DEBT SERVICE FUNDS: Funds used to account for accumulation of resources for, and the payment of, long-term debt principal and interest.

CAPITAL PROJECT FUNDS: Funds used to account for the construction or acquisition of major capital facilities and/or infrastructure.

Where the Money Comes From...

Revenues

The major sources of revenue for the City are Income Taxes and Property Taxes (see figure 4). Total revenues for fiscal year 2021 were \$63,978,107, a decrease of approximately \$2.9 million as compared to 2020. This was partially due to a drop in interest rates resulting in a reduction of \$1.3 million in investment income. Also, during 2020 the Bureau of Workers Compensation provided a one-time refund of approximately \$2.2 million due to the pandemic. The City also received \$1.8 million for the Coronavirus Aid Relief and Economic Security (CARES) Act funding grant in 2020 resulting in higher state shared taxes in 2020. Charges for services were higher in 2021 by \$1.0 million mainly attributable to the City’s Recreation facility rebounding after the pandemic.

REVENUES	2021	2020	2019
Property Taxes	\$13,493,122	\$13,431,173	\$13,357,326
Income Taxes	33,302,308	32,453,058	32,525,899
State Shared Taxes	4,192,945	5,870,132	6,798,946
Charges for Services	4,253,586	3,205,747	4,791,521
Permits and Fees	1,291,279	842,056	857,131
Interest Earnings	305,298	1,587,425	2,848,906
Other	7,139,569	9,458,286	7,858,553
Total Revenues	\$63,978,107	\$66,847,877	\$69,038,282

Where the Money Goes...

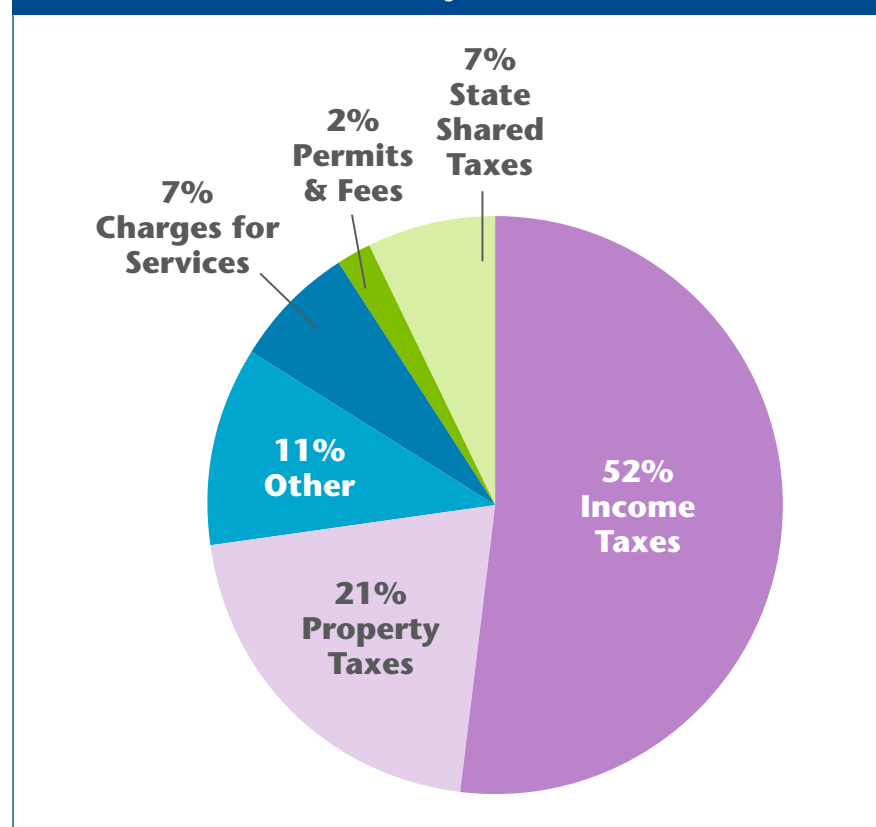
Expenditures

Expenditures for 2021 totaled \$53,809,709, a decrease of \$5.1 million as compared to 2020. The City continues to remain diligent in watching overall expenditures and particularly in personnel costs by hiring additional personnel only when warranted. During 2020 more employees retired than in a normal year which resulted in a decrease in General Government expenses in 2021 due to not all the vacancies being filled again. Furthermore, there was an additional payroll cycle during 2020 which phenomenon occurs once every eleven years in entities that pay on a bi-weekly basis. Security of Persons and Property saw an increase in 2021, as a result of several new vehicles being purchased including an ambulance. Many of these new vehicles were originally budgeted in 2020 but were postponed due the pandemic. Transportation also had a decrease in 2021 due to a lighter road construction and maintenance program. The decrease of \$5.0 million in Capital Outlay from 2020 to 2021 was primarily due to the new Community Center construction that began in 2020. The bonds and notes issued for this construction are being aggressively paid off each year resulting in an increase in debt service payments.

EXPENDITURES	2021	2020	2019
General Government	\$7,975,610	\$8,910,573	\$9,819,768
Security of Persons and Property	17,582,685	16,940,411	17,787,352
Public Health Services	1,173,436	1,054,613	1,252,254
Transportation	7,076,006	7,583,177	7,548,476
Community Environment	1,634,436	1,728,259	1,708,339
Basic Utility Services	1,044,994	952,407	981,594
Leisure Time Activities	3,388,196	3,249,010	3,762,917
Debt Service Payments	5,428,583	4,998,866	7,156,961
Capital Outlay	8,505,760	13,512,325	16,982,093
Total Expenditures	\$53,809,706	\$58,929,641	\$66,999,754

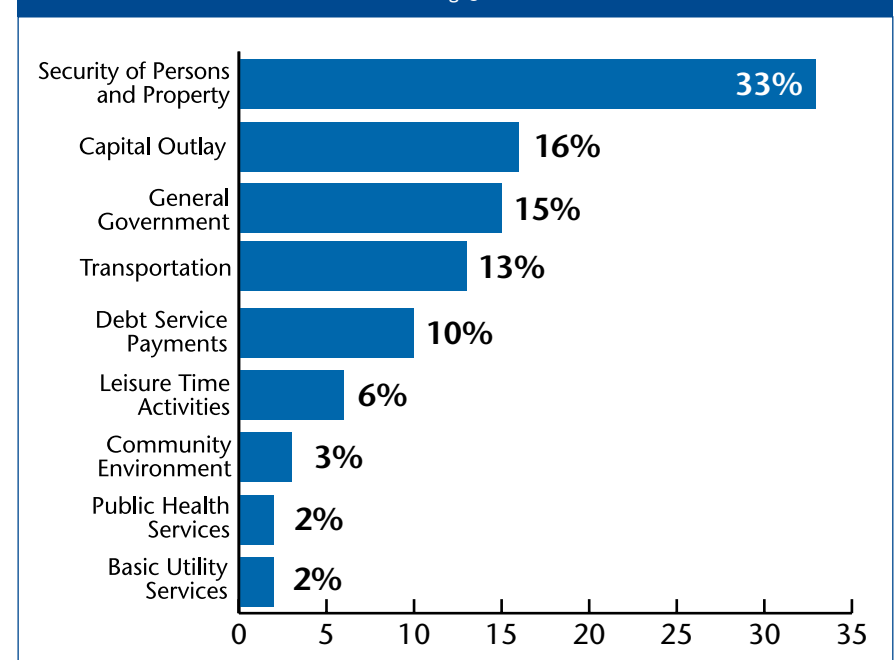
2021 Revenues by Source — All Activities

Fig. 4



2021 Expenditures—By Program

Fig. 5



2022 Capital Projects in Progress



Dover Center Road Resurfacing – North Olmsted Corporate Line to Bay Village Corporate Line

This project will help restore the driving surface for motor vehicles moving north and south on Dover Center Road. The existing pavement is old and in need of repair. The scope of the project includes installing three inches of asphalt on top of Dover Center Road. This project will also include asphalt road work on King James Parkway, Fall River Drive, Washington Way and Reeds Court Trail, along with concrete work on Regency Circle, Jefferson Way, Cobblestone Way and Sawgrass Lane. Catch basins, curbs, handicap ramps and restriping will also be included to meet current standards. The City has contracted with Specialized Construction to complete this project at a cost of \$3,604,700.



Sidewalk Rehabilitation Program

The City of Westlake has an established sidewalk repair and replacement program which includes inspection of all the sidewalks throughout the City once every four years. The City is divided into four quadrants and during 2022 the program will be conducted in neighborhoods south of Hilliard Boulevard and west of Dover Center Road at an approximate cost of \$600,000. Residents are afforded the opportunity to use a city contractor to repair or replace sidewalks that are found to be in disrepair or otherwise do not meet code. The City subsidizes the cost of the project to the tune of 50%.



First and Second Street Water Main Replacement with Sewer Repairs and Asphalt Overlay

The City will install a new 8 inch water main. Storm and sanitary sewer repair will be completed along with some roadside ditch elimination. Once all water and sewer work is complete, the roadway will be resurfaced. The project will upgrade 2,250 feet of waterline and 2,150 feet of pavement. The water main replacement will reduce maintenance cost in the future of the roadway, water main, storm sewer and sanitary sewer along with increase fire protection. CAATS Construction, Inc. has been hired at a cost of \$1,592,300.



West Hedgewood Drive Water Main Replacement with Sewer Repairs and Asphalt Overlay

The project will consist of installing a new 8 inch water main. Storm and sanitary sewer repair will be completed along with some roadside ditch elimination. Once all water and sewer work is complete, the roadway will be resurfaced. The project will upgrade 1,550 feet of waterline and 1,550 feet of pavement. The water main replacement will reduce maintenance cost in the future of the roadway, water main, storm sewer and sanitary sewer along with increase fire protection. CATTs Construction, Inc. has been hired at a cost of \$1,421,600.



Columbia Road/I-90 Westbound Ramp Improvements

This project will reconfigure the I-90 westbound interchange ramp at Columbia Road to eliminate one signalized intersection. The project will be partially funded via a federal grant and will alleviate congestion and improve safety. The Ohio Department of Transportation is managing this project. The total cost of the project is \$4,338,100 and the City's share of the cost is \$2,641,800.



2022 Crack and Joint Seal

Sealant is applied to cracks within the pavement preventing seepage of water which causes damage during freeze cycles. The hot sealant has a material applied over it to prevent tracking onto cars and driveways. This allows the City to maintain the quality of our roads in a cost effective manner. Protect-A-Coat, Inc. will manage the crack and joint seal program at a cost of \$174,500. The following residential streets will be included in the program:

ARBOR WAY	INTERLACHEN LANE
ARTHUR AVENUE	JOHNSTONE WAY
ATLANTA LANE	LANGALE ROAD
AUGUSTA COURT	LINCOLN ROAD
BAILUS ROAD	MACON COURT
BALMORAL WAY	PEBBLE BEACH OVAL
BEAVER CREEK	PEBBLEBROOK
BENT TREE TURN	PINEHURST DRIVE
BRECKENRIDGE TRAIL	PINYON LANE
CARRIAGE PARK OVAL	QUAIL HOLLOW
CREEKWOOD LANE	QUEENS COURT
DEER RUN LANE	RICHMAR DRIVE
DELLWOOD DRIVE	RIVIERA LANE
DORAL LANE	ROCKY POINTE LANE
ELLINGTON ROAD	ROYAL FOREST DRIVE
FAIRWAY DRIVE	SANTA CLARA
FARMINTON TURN	SAVANNAH PARKWAY
FOREST LAKE DRIVE	SILVERIDGE TRAIL
FOX RUN	SMITH AVENUE
GEORGETOWN DRIVE	STONEHEDGE DRIVE
GEORGIA DRIVE	STURBRIDGE LANE
GREENVIEW PARKWAY	SUNSET DRIVE
HAWKINS ROAD	TAMARAK TRAIL
HEDGEWOOD AVENUE	WESTON AVENUE
HOWARD AVENUE	WILDERNESS TRAIL
	WINGEDFOOT DRIVE

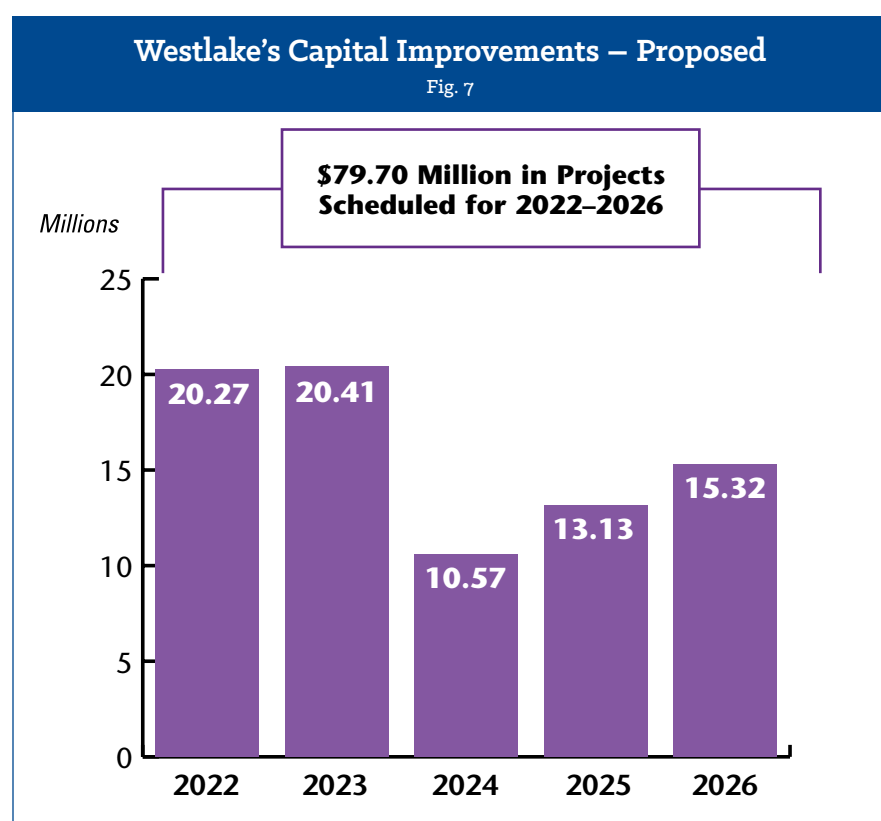
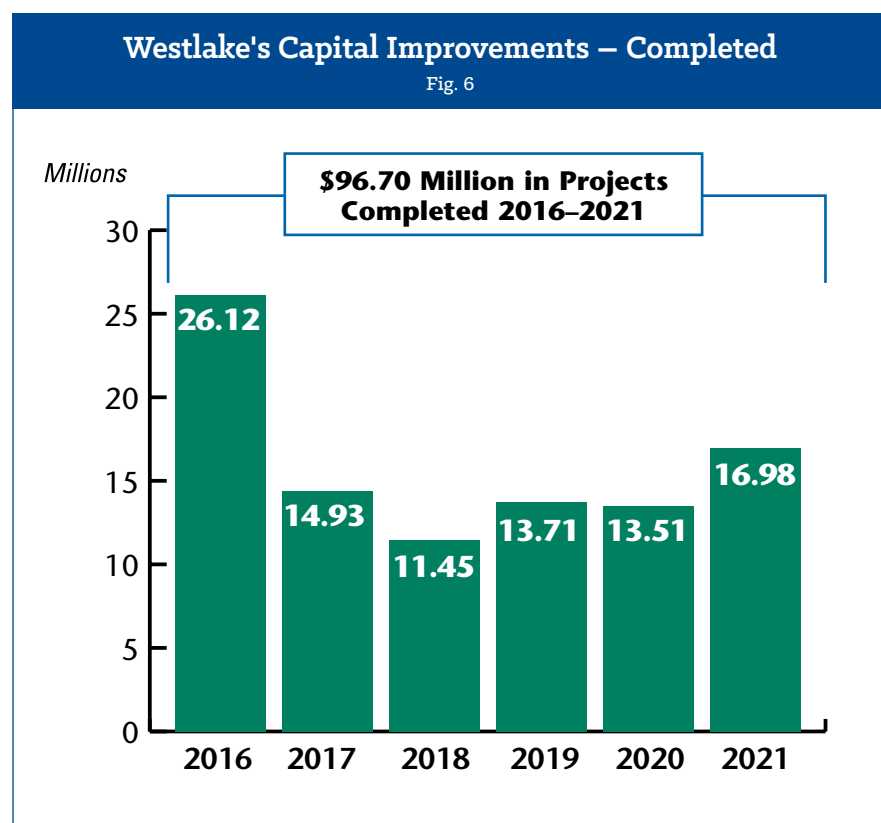
Long Term Capital Planning

Westlake's Capital Improvements Program

The 2021 projects and future year capital improvements will be paid from planned revenue sources which have been legally restricted and/or designated for these projects.

The residents of Westlake approved a 3/8 of 1 percent increase in the City income tax in 1993 which was later renewed for another fifteen years. The tax is solely for the purpose of improving the infrastructure within the City such as roads, sewers and waterlines. In November of 2017, voters extended the 1/8 of 1 percent income tax that can be used toward recreation projects and expanded the scope of the tax to include the Community and Senior Center project. These income tax dollars can only be used for the authorized purpose approved by the residents of Westlake. The City collects these revenues and allocates them to the eligible projects identified in the tables below. The projects go through a rigorous series of planning, prioritizing and final review before making it into the Five-Year Capital Improvement Plan.

Some of the projects are partially funded through State or Federal grants and timing may be changed depending on the funding sources' requirements.



Five-Year Capital Plan: \$79.7 Million

PROJECTS	ESTIMATED CONSTRUCTION COSTS
Summary of Capital Projects	
Road Improvements	24,293,000
Sanitary & Storm Sewers	15,080,000
Water Line Improvements	20,910,000
Recreation Improvements	17,328,000
Building Construction and Improvements	2,085,500
Total	\$79,696,500
2022	
Road Improvements	10,679,000
Sanitary & Storm Sewers	2,620,000
Water Line Improvements	3,100,000
Recreation Improvements	2,875,000
Building Construction and Improvements	997,000
Total	\$20,271,000
2023	
Road Improvements	5,160,000
Sanitary & Storm Sewers	1,600,000
Water Line Improvements	4,910,000
Recreation Improvements	7,980,000
Building Construction and Improvements	758,500
Total	\$20,408,500
2024	
Road Improvements	1,964,000
Sanitary & Storm Sewers	4,580,000
Water Line Improvements	3,090,000
Recreation Improvements	855,000
Building Construction and Improvements	80,000
Total	\$10,569,000
2025	
Road Improvements	4,030,000
Sanitary & Storm Sewers	560,000
Water Line Improvements	3,780,000
Recreation Improvements	4,760,000
Building Construction and Improvements	-
Total	\$13,130,000
2026	
Road Improvements	2,460,000
Sanitary & Storm Sewers	5,720,000
Water Line Improvements	6,030,000
Recreation Improvements	858,000
Building Construction and Improvements	250,000
Total	\$15,318,000