The City of Mentor, Ohio

2013 Comprehensive Annual Financial Report

For the year ended December 31, 2013

CITY OF

MENTOR, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

ISSUED BY THE DEPARTMENT OF FINANCE

DAVID W. MALINOWSKI, DIRECTOR
DEBORAH K. WACLAWSKI, ASSISTANT DIRECTOR

CITY OF MENTOR, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2013
TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION	
Letter of Transmittal	1
Principal City Officials	8
Department of Finance Staff	9
Organization Chart	10
Certificate of Achievement for Excellence in Financial Reporting	11
FINANCIAL SECTION	
Independent Auditor's Report	13
Management's Discussion and Analysis	17
BASIC FINANCIAL INFORMATION	
Government Wide Financial Statements:	
Statement of Net Position	31
Statement of Activities	32
Fund Financial Statements:	
Balance Sheet – Governmental Funds	33
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	34
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	35
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	36
Statement of Revenues, Expenditures and Changes in Fund Balances - General Fund - Budget and Actual (Non-GAAP Budgetary Basis)	37
Statement of Fund Net Position – Proprietary Fund	38
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Fund	39
Statement of Cash Flows – Proprietary Fund	40
Statement of Fiduciary Net Position – Fiduciary Funds	41
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	42
Notes to the Basic Financial Statements	43
SUPPLEMENTARY INFORMATION	
Individual Fund Schedules of Revenues and Expenditures – Budget and Actual (Non-GAAP Budgetary Basis):	
Major Funds	
General Fund	69
Special Assessment Bond Retirement Fund	71

CITY OF MENTOR, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2013
TABLE OF CONTENTS

	Page
SUPPLEMENTARY INFORMATION (Continued)	
Combining Statements and Individual Fund Schedules:	
Description of Nonmajor Governmental Funds	72
Combining Statements – Nonmajor Governmental Funds	
Combining Balance Sheet	77
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	90
Combining Statement of Changes in Assets and Liabilities – Agency Funds	103
Schedules of Revenues and Expenditures - Budget and Actual (Non-GAAP Budgetary Basis) Nonmajor Funds:	
Street Fund	104
TIF Fund	105
Police Pension Fund	106
Fire Pension Fund	107
Fire Levy Fund	108
Senior Citizens Services Levy Fund	109
Community Recreation Facilities Fund	110
Cemetery Fund	111
Economic Development Fund	112
Subdivision Street Tree Fund	113
Street Lighting Fund	114
Court Computer Fund	115
Court Special Projects Fund	116
Enforcement and Education Fund	117
Court Probation Services Fund	118
Indigent Driver Alcohol Treatment Fund	119
Indigent Driver Alcohol Monitoring Fund	120
Law Enforcement Trust Fund	121
Payroll Stabilization Fund	122
Police Canine Fund	123
Seat Belt Grant Fund	124
VOCA Victims Assistance Grant 12-13 Fund	125
CDBG NSP 09-13 Fund	126
Community Development Block Grant 11-12 Fund	127
Forfeited Property – U.S. Department of Justice Fund	128
Safe Routes to School Fund	129
Council Donation Fund	130
Police Donation Fund	131
Fire Donation Fund	132
Parks and Recreation Donation Fund	133
Senior Citizens Donation Fund	134
Cultural Donation Fund	135
Beautification Donation Fund	136
Local Grant Fund	137
General Obligation Bond Retirement Fund	138
Plaza Boulevard Extension Fund	139

CITY OF MENTOR, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2013
TABLE OF CONTENTS

	Page
SUPPLEMENTARY INFORMATION (Continued)	
Police Renovation and Expansion Fund	140
Energy Program Fund	141
Market Street/Bellflower Concrete Repair Fund	142
Stoneybrook Improvement Fund	143
Station Street Resurfacing Fund	144
SR 306 Resurfacing Fund	145
Hoose/Kings Hollow Improvement Fund	146
Munson Road Resurfacing Fund	147
State Grants – Other Fund	148
Heisley Road Improvement – Phase III Fund	149
Corduroy Bikeway Connector Fund	150
Newell Creek Bikeway Fund	151
I90/SR 615 Interchange Fund	152
Safe Routes to School – Infrastructure Fund	153
Federal Grants – Other Fund	154
STATISTICAL SECTION	
Statistical Section – Contents	155
Net Position by Components (Accrual Basis) – Last Ten Fiscal Years	156
Changes in Net Position (Accrual Basis) – Last Ten Fiscal Years	157
Fund Balances, Governmental Funds (Modified Accrual Basis) – Last Four Fiscal Years	159
Fund Balances, Governmental Funds (Modified Accrual Basis) – Prior Six Fiscal Years	160
Changes in Fund Balances, Governmental Funds (Modified Accrual Basis) – Last Ten Fiscal Years	161
Assessed Valuation and Estimated Actual Values of Taxable Property – Last Ten Fiscal Years	162
Property Tax Rates – Direct and Overlapping Governments – Last Ten Fiscal Years	163
Principal Property Tax Payers – Current Year and Nine Years Ago	164
Property Tax Levies and Collections – Real and Public Utility Property Only – Last Ten Fiscal Years	165
Income Tax Revenue Base and Collections (Cash Basis) – Last Ten Fiscal Years and Top Ten Income Tax Withholders – Current Year and Nine Years Ago	166
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	167
Ratios of Net General Bonded Debt to Assessed Valuation and Net Bonded Debt per Capita – Last Ten Fiscal Years	168
Direct and Overlapping Debt – December 31, 2013	169
Legal Debt Margin – Last Ten Fiscal Years	170
Pledged-Revenue Coverage – Last Ten Fiscal Years	171
Demographic and Economic Statistics – Last Ten Fiscal Years	172
Principal Employers – Current Year and Nine Years Ago	173
Full-Time City Government Employees by Function/Program – Last Ten Fiscal Years	174
Operating Indicators by Function/Program – Last Ten Fiscal Years	175
Capital Assets Statistics by Function/Program – Last Ten Fiscal Years	176

Introductory Section

MENTOR EDITION

The Telegraph

First With Microwave News

SPOTLIGHT ON MENTOR

PAINESVILLE, OHIO, WEDNESDAY, DEC. 18, 1963

MENTOR BECOMES CITY TODAY

Welfare Problem Is First of Mentor City's Headaches

Good News! Book Offer Re-Opened

Special Photo Salute to MENTOR Pages 8, 9

Village Council Ends

CITY OF MENTOR 1963-2013

City of Mentor

Council-manager
government since 1963

8500 Civic Center Boulevard
Mentor, Ohio 44060-2499
440-255-1100
www.cityofmentor.com

July 11, 2014

City Manager, Council President
and members of City Council
of the City of Mentor, Ohio

Introduction

We are pleased to present the Comprehensive Annual Financial Report of the City of Mentor (the "City") for the year ended December 31, 2013. This report, prepared by the Department of Finance, includes the basic financial statements that summarize the various operations related to the City's 2013 activities. Our intention is to provide a clear, comprehensive, and materially accurate overview of the City's financial position at the close of last year. The enclosed information has been designed to allow the reader to gain an understanding of the City's finances, including financial trends, financial instruments, and fund performances. The City has complete responsibility for all information contained in this report.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP"). Because the cost of internal controls should not outweigh their benefits, this comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects and presents fairly the financial position and results of operations of the various funds of the City. All necessary disclosures are included in this report to enable the reader to understand the City's financial activities.

The City's financial statements may be audited either by the Auditor of the State of Ohio, or with permission of the Auditor of State, by an independent certified public accountant. The audit of the City's basic financial statements for fiscal year 2013 was performed by James G. Zupka, CPA Inc., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2013, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by

management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon its audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended December 31, 2013 are fairly presented, in all material respects, in conformity with GAAP. The Independent Auditor's Report is presented as the first component of the financial section of this document.

GASB requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the Independent Auditor's Report in the financial section of this document.

Profile of the Government

The City

The City is a municipal corporation and political subdivision of the State of Ohio. It is located on the southern shore of Lake Erie approximately 25 miles east of downtown Cleveland. Mentor has a population of 47,159 residents according to the 2010 Census of Population and is the largest city in Lake County.

City Government

The City operates under, and is governed by, a charter, which was first adopted by the voters in 1963 and has been and may be further amended by the voters from time to time. The City is also subject to certain general State laws that are applicable to all cities in the State. In addition, under Article XVIII, Section 3 of the Ohio Constitution, the City may exercise all powers of local self-government and may exercise police powers to the extent not in conflict with applicable general State laws. The charter provides for a city manager/council form of government.

Legislative authority is vested in a seven-member Council. The terms of Council members are four years. Council members are elected from four wards and three at-large representations. The Council fixes compensation of City officials and employees and enacts ordinances and resolutions relating to City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal functions. The presiding officer is the President of Council, elected by the Council members for a two-year term. The Clerk of Council is appointed by Council. The charter establishes certain administrative departments; the Council may establish divisions within departments or additional departments. The City's chief executive and administrative officer is the City Manager appointed by the Council.

Financial Reporting Entity

The City has applied guidelines established by Governmental Accounting Standards Board ("GASB") Statement No. 14, *The Financial Reporting Entity*. Provisions outlined in this statement define the operational, functional and organizational units for which the City "acting as Primary Government" is required to include as part of its reporting entity. The inclusion of a component unit as part of the City's reporting entity requires the appointment of a voting majority of the component unit's board, and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the City.

Under these provisions, the City's financial reporting entity acts as a single rather than multi-component unit. The provisions permit the entity to include all funds, agencies, and boards and commissions that, by definition, comprise components within the primary government itself. For the City, these components include police and fire protection services, municipal court, planning and engineering, zoning code enforcements, street maintenance, traffic control, parks and recreation, building inspection and economic and community development.

Specifically excluded because they do not meet the established criteria for inclusion in the City's reporting entity are: the Mentor Exempted Village School District and the Mentor Public Library. These entities are operated by boards or commissions separate and independent from City Council's control. The City is not obligated to finance any deficits of the aforementioned entities, nor does it guarantee their indebtedness.

Accounting and Financial Reporting

The City's accounting system is organized and operated on a fund basis. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. The types of funds to be used are determined by GASB and the number of individual funds established is determined by sound financial administration. Each fund is a separate accounting entity with its own self-balancing set of accounts, assets and deferred outflows of resources, liabilities and deferred inflows of resources, and fund balance. The City's governmental funds include the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds. The City also maintains Fiduciary Funds to account for assets held by the City as an agent or in a trust capacity for individuals, private organizations and other governments. A Proprietary Fund is used to record the activity of the City's Internal Service Fund.

Except for budgetary purposes, the basis of accounting used by the City conforms to GAAP as applicable to governmental units. All governmental funds are accounted for using a current financial resources-current assets and current liabilities-measurement focus. The modified accrual basis of accounting is utilized for governmental funds. Revenues are recognized when they are susceptible to accrual (both measurable and available). Expenditures are recognized when the related liability is incurred, except for interest on long-term debt which is recorded when due.

The City's basis of accounting for budgetary purposes differs from GAAP in that revenues are recognized when received, rather than when susceptible to accrual (measurable and available), and encumbrances are included as expenditures rather than included in fund balances.

Budget Control

Budget control is maintained at the department level by appropriations adopted annually by City Council. Such appropriations are subdivided into expenditure classifications (employee compensation, other expenditures) for each department within each fund. An encumbrance system is utilized, whereby purchase orders reserve portions of applicable appropriations. By such method, overspending of an appropriation is prevented. Open encumbrances are reported as reservations of fund balances at December 31, the close of the City's fiscal year. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

Factors Affecting Financial Condition

Local Economic Indicators

The information presented in the financial statements should be considered in the context of the economic climate within which the City operates. The City's economic condition tends to reflect the broader national economy. During 2013, its local economic activity continued to experience strong growth as reflected in a healthy eight and one tenth (8.1%) percent increase in municipal income tax receipts (cash basis) compared to the previous year.

Major Industries and Employment

City officials continue to be optimistic regarding future economic growth. Manufacturing activity, which is diverse, includes medical related products, polymers and plastics, and electrical boards and other peripherals that generally service the computer and automation industries. A proliferation of small businesses in diversified industries has strengthened the City's economic base over the past decade. The City ranks 7th in the number of manufacturers and 9th in manufacturing employment in Ohio according to the 2007 Economic Census of Manufacturing, and 7th in the state in sales volume according to the 2007 Economic Census of Retail Trade.

Current Projects and 2013 Accomplishments

In terms of roadway infrastructure improvements, the City provided for the repair and/or resurfacing of 43 streets totaling approximately 7.7 miles. Capital improvement projects included: planning and engineering and land/right of-way acquisition for widening Heisley Road between Jackson Street and Mentor Avenue, and for the extension of Plaza Boulevard; resurfacing of Station Street from Center Street to Jackson Street; resurfacing portions of S.R. 306 from just south of Kirtland Road to S.R. 84 in Mentor and providing for full depth concrete repairs on S.R. 306 from Adkins Road to Bellflower Road; resurfacing of Munson Road (S.R. 615) from Center Street to Andrews Road; resurfacing of Hoose Road from the Concord Township line to King Memorial Road and the resurfacing of King Memorial Road from Hoose Road to Bringman Court; concrete repairs and an asphalt overlay on Kings Hollow Court; and replacement of the deck on the bridge carrying Heisley Road over S.R. 2. The City also continued its implementation of a City-wide sidewalk replacement program. Drainage projects undertaken in 2013 included the necessary field surveying and information mapping to assemble the required base maps as part of the Mentor City Stormwater Drainage Permit application to the Ohio EPA. Storm drainage improvements were made at the Center Street Detention Basin located at S.R. 2 and Center Street and on Beechwood Drive from Elm Street to Evergreen Drive.

The Fire Department continued to be one of the highest rated fire departments in the state with an ISO Class 3 public protection classification by the Insurance Services Office. This high rating means that business and commercial concerns within the City can realize savings on insurance premiums. The department responded to and safely managed 7,148 calls for service in 2013. Its main focus is to prevent harm to the community and always serve the public's best interest. In doing so, the department recognizes the importance of Public Education and presented Safety Awareness Programs to over 6,300 members of the community in 2013. The Fire Prevention Bureau continues to work closely with the business community on a daily basis.

The Economic and Community Development Department actively promoted the benefits of business location in the City. In 2013 the Department provided administrative review for the following grant-assisted projects: Burger Fi, Fredon Corporation, Safeguard Properties, Apollo Manufacturing, Little Mountain Brewery, Freeway Lanes, Carver Financial Services, American Metal Coatings, Advanced Sleeve Inc., Sheet Metal Products Co., and Old Village Hall, LLC.

The department also actively promoted the international trade and export initiative within the City though the creation of a full-time dedicated staff position of international trade administrator.

The Public Information Office (PIO) is responsible for the promotion of every service the City provides to its residents. It accomplishes this through outreach to media outlets, city-produced publications, Mentor Radio 1620, The Mentor Channel 12, cityofmentor.com, print advertising and social media. PIO also directs marketing campaigns to support and drive economic development and to increase tourism. PIO produced a total of 3,031 hours of programming for the Mentor Channel representing 372 programs including the live coverage of City Council and Municipal Planning Commission meetings. PIO was responsible for the development and management of the first Headlands BeachFest, an event held at Headlands State Park to promote tourism. The office received First Place honors in the Philo T. Farnsworth Inspiration/Empowerment regional competition for a video it produced featuring a local heart transplant patient.

The Department of Parks, Recreation and Public Facilities had another busy year. Major improvements were made at the City owned golf course through the installation of drainage on all eighteen greens. Over 200 golfers played in the Chili Open on January 26th. The 33rd Annual Wildwood Fine Arts & Crafts Festival was held with 1,060 people attending and over 70 vendors participating. Over 3,600 pool passes were sold in 2013. Approximately 30,000 people signed up for a course or program in 2013. Over 81,000 people used the pools in 2013. The Department offered 135 different camp opportunities, with over 3,800 campers participating in these camps. A total of 660 rentals were booked in Mentor's 12 rental facilities in 2013 with over 49,000 people attending a rental in one of our facilities. Membership at the Senior Center is over 4,700 members. About 2,000 skaters visited Mentor Ice Arena every week during prime season (October – March). About a dozen competitions were held at the Mentor Ice Arena including Ice of March Tournament, the Sunshine Figure Skating Competition, Ignite the Ice Women's Hockey Tournament, North Coast Hockey League Championships and the Lake Catholic Extravaganza. The second year of the community garden in Wildwood Park saw all 32 gardening sites used. The Department operated the new festival titled Mentor CityFest in August, 2013. An estimated 25,000 people attended the event with sponsors contributing $30,000. The Natural Resources Division started it deer culling program in 2013 with 212 deer being culled resulting in a total of 7,645 lbs. of meat being donated to the Cleveland Food Bank.

The Police Department had several personnel changes in 2013. Three officers were hired to replace officers who retired or resigned. Due to retirements there were several promotions during the year: one captain, one lieutenant, and one sergeant. To continue proper supervisory training, the new sergeant was sent to Northwestern University for a *Supervision of Police Personnel* school. In addition, two veteran sergeants attended the inaugural session of the *Ohio State University Public Safety Leadership Academy*, a ten week supervisory course. New capital projects that commenced during 2013 included a new public safety software system for police operations as well as an in-car camera system for the police fleet.

For the Future

The City's five-year (2014-2018) capital improvement program contains the following proposed expenditures:

Facility construction and improvements	$ 4,446,500
Roadway construction and improvements	21,688,725
Traffic control	2,150,000
Sidewalk and bikeway improvemnets	4,376,400
Storm drainage	4,435,400
Park acquisition, development and improvement	6,511,250
Major capital equipment	7,609,500
Miscellaneous (Waste Collection)	2,100,000
	$ 53,317,775

Of the proposed $53,317,775 for the five-year period, $13,109,800 (25%) is expected to be funded by the City. The remaining $40,207,975 (75%) is expected to be funded primarily by Federal/State/County assistance.

Projects anticipated in 2014 include the following: planning and engineering and land/right-of-way acquisition followed by utility relocation and construction for the widening of Heisley Road between Jackson Street and Mentor Avenue, and for the extension of Plaza Boulevard; enhancements at the I90/S.R. 615 interchange and the installation of a traffic signal at the intersection of the Steris/U.S. Endoscopy driveway and Heisley Road; and the widening and resurfacing of Jordan Drive from Corduroy Road to South Rambler Drive including bike lanes on each side of the roadway. Other improvements include the continuation of the City-wide sidewalk replacement program; demolition of the Mentor Harbor Bridge over the Mentor Lagoons; acquisition of right-of-way and construction of a bike path system north of Norton Parkway for public use; storm drainage improvements with the construction of the two-town detention basin between Jeremy Drive and Bellflower Road and a dry detention basin behind Dale R. Rice school. Major facility improvements include HVAC system upgrades to reduce energy consumption.

Long-term financial planning

The City's long-term financial planning considers maintaining a healthy general fund balance reserve during the preparation of its capital budget and operating budget. The City may issue bond anticipation notes of approximately $5.0 million during 2014 to finance certain capital and infrastructure improvements.

Relevant financial policies

The City's established purchasing and budgeting policies provide a framework for the budget process. All transactions utilizing financial resources require the availability of legally appropriated funds. Budgets are monitored real-time and adjusted legislatively if necessary.

Awards and Acknowledgements

Awards

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 Mentor for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2012. 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 program standards. Such 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 Mentor has received a Certificate of Achievement for the last twenty-nine consecutive years (fiscal years 1984-2012). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgements

Appreciation is extended to the many individuals in the Finance Department who have assisted in preparing this report. Other factors that make this report possible are the cooperation of other City departments and the support and encouragement of the City Manager, the Council President, and members of Council.

Sincerely,

David W. Malinowski

David W. Malinowski, Director of Finance

CITY OF MENTOR, OHIO

PRINCIPAL CITY OFFICIALS
DECEMBER 31, 2013

Mentor City Council

At-Large, Vice President ---------- Ray Kirchner
At-Large, President ---------- Scott J. Marn
At-Large ---------- Janet A. Dowling
Ward 1 ---------- Robert M. Shiner
Ward 2 ---------- Matthew E. Donovan
Ward 3 ---------- Bruce R. Landeg
Ward 4 ---------- John A. Krueger

Judge, Mentor Municipal Court ---------- John F. Trebets

Law Director ---------- Richard A. Hennig
Clerk of Council ---------- Elizabeth A. Limestahl
City Manager ---------- Kenneth J. Filipiak
Assistant City Manager ---------- Anthony J. Zampedro
Director of Finance ---------- David W. Malinowski
Director of Public Works ---------- Matthew S. Schweikert
Director of Parks, Recreation and Public Facilities ---------- Robert E. Martin, Jr.
City Engineer ---------- Dave Swiger
Chief of Police ---------- Kevin Knight
Fire Chief ---------- Richard L. Harvey
Director of Economic and Community Development ---------- Ronald M. Traub

CITY OF MENTOR, OHIO

DEPARTMENT OF FINANCE STAFF
DECEMBER 31, 2013

David W. Malinowski ---------- Director of Finance

Deborah K. Waclawski ---------- Assistant Director

Bonnie L. Lingafelter ---------- Accounting Supervisor

Jill T. Lehner ---------- Payroll/Accounting Coordinator

Veronica Fetsko ---------- Sr. Accounting Assistant

Linda Martinc ---------- Accounting Assistant

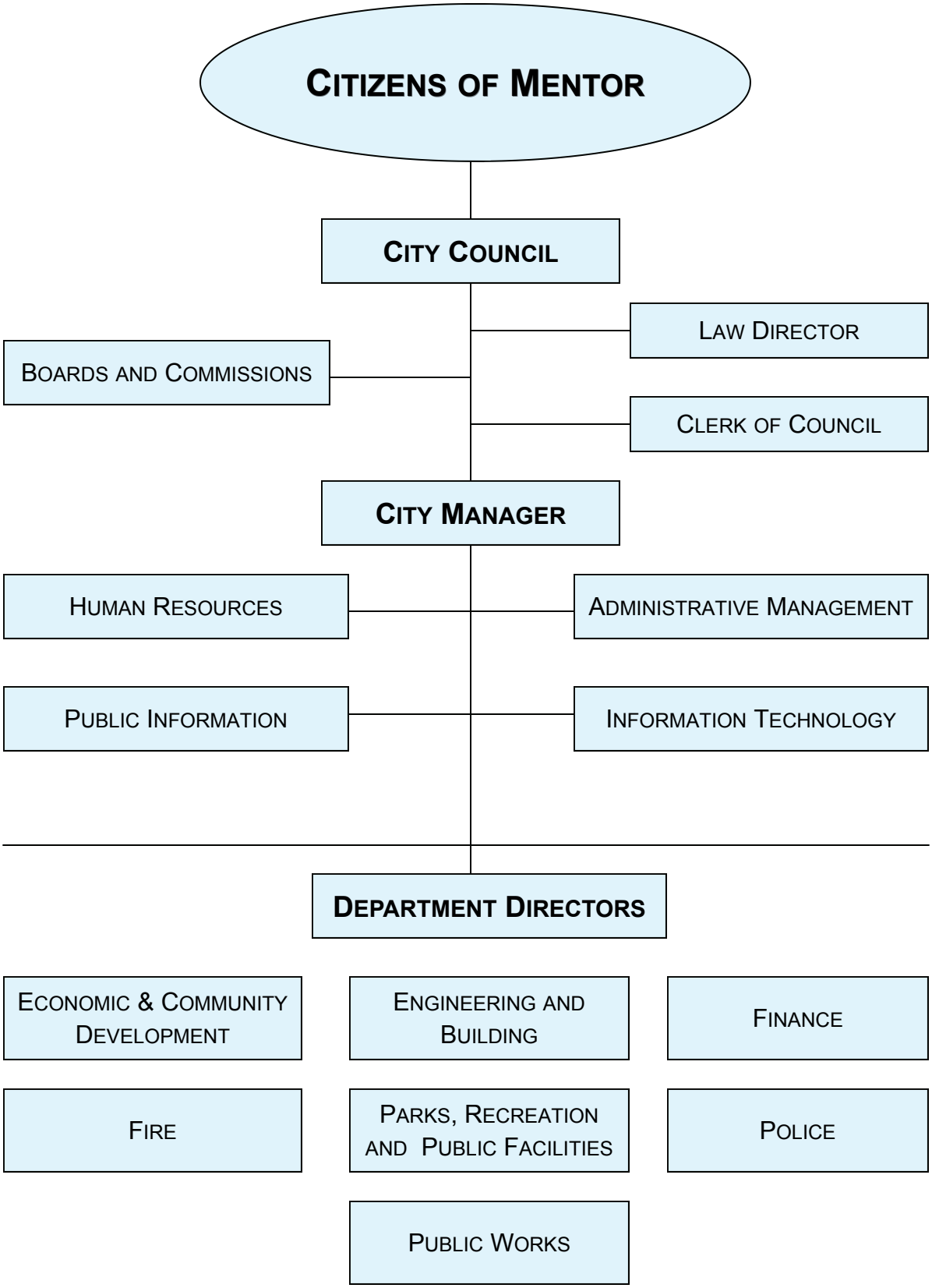
Barbara Young ---------- Accounting Assistant

Hollie Bartone ---------- Accounting Assistant

Debra Hall ---------- Accounting Assistant

Jennifer Mohr ---------- Accounting Assistant

Marie Samec ---------- Office Assistant


CITIZENS OF MENTOR
CITY COUNCIL
LAW DIRECTOR
BOARDS AND COMMISSIONS
CLERK OF COUNCIL
CITY MANAGER
HUMAN RESOURCES
ADMINISTRATIVE MANAGEMENT
PUBLIC INFORMATION
INFORMATION TECHNOLOGY
DEPARTMENT DIRECTORS
ECONOMIC & COMMUNITY DEVELOPMENT
ENGINEERING AND BUILDING
FINANCE
FIRE
PARKS, RECREATION AND PUBLIC FACILITIES
POLICE
PUBLIC WORKS

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Mentor
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

FINANCIAL SECTION

CITY OF MENTOR 1963-2013

JAMES G. ZUPKA, C.P.A., INC.
Certified Public Accountants
5240 East 98th Street
Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants (216) 475 - 6136 Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of City Council
City of Mentor, Ohio

The Honorable David Yost
Auditor of State
State of Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Mentor, Lake County, Ohio (the City), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Mentor, Ohio, as of December 31, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof and the 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

As described in Note 15 to the financial statements, during 2013, the City adopted a new capitalization threshold, therefore the City restated its December 31, 2012 net position of governmental activities. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis 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 of Mentor, Ohio's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements 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 nonmajor fund financial 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 July 11, 2014, on our consideration of the City of Mentor, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Mentor, Ohio's internal control over financial reporting and compliance.

James G. Zupka, CPA, Inc.

James G. Zupka, CPA, Inc.
Certified Public Accountants

July 11, 2014

CITY OF MENTOR, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Mentor (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2013. Please read this information in conjunction with the City's basic financial statements and footnotes.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at December 31, 2013 by approximately $187.4 million (net position). All of the net position is accounted for as governmental activities. Of this amount, $26.4 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.

- The City's net position increased by $0.1 million during 2013.

- At the end of the current fiscal year, unassigned fund balance for the General Fund was $17.8 million and is available for spending at the City's discretion. The unassigned fund balance equals 36.7 percent of total current year general fund expenditures.

- The City's total debt and other long-term obligations decreased by $2.3 million (6.4 percent) during the current fiscal year. The decrease was primarily related to a net additional liability for Workers' Compensation ($0.5 million), offset against payments to retire bonds during the year ($2.8 million).

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of six components: 1) government-wide financial statements, 2) fund financial statements, 3) General Fund budget and actual statement, 4) proprietary fund financial statements, 5) fiduciary fund financial statements, and 6) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference 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 is improving or deteriorating.

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

The government-wide financial statement of activities distinguishes functions of the City that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the City principally include: general government; police; fire; streets and highways; parks, recreation and public facilities; economic and community development; and engineering and building.

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

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

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

The City maintains 49 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Special Assessment Bond Retirement Fund, which are considered to be major funds. Data from the other 47 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary funds. Proprietary funds are used to account for activities that receive significant support from fees and charges. The City established a type of Proprietary fund known as an internal service fund in 2011 to account for the operation of the retrospective workers' compensation program. Proprietary funds are not combined with other governmental funds when reporting the governmental fund financial statements. However, fund activity is reflected in the government-wide financial statements.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The fiduciary funds reporting focuses on net position and changes in net position.

General Fund budget and actual statement. The City adopts an annual appropriated budget for each of its funds. The General Fund budgetary comparison has been provided as a separate financial statement to demonstrate compliance with its budget.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Statement of Net Position looks at the City as a whole. The following table provides a summary of the City's net position for 2013 compared to 2012.

	Summary of Net Position	
	December 31, 2013	December 31, 2012 (Restated)
Assets and deferred outflows of resources :		
Cash, Investments, receivables and other assets	$ 68,328,792	$ 66,049,907
Capital Assets	163,578,485	166,368,474
Deferred outflows of resources	22,732	31,882
Total assets and deferred outflows of resources :	231,930,009	232,450,263
Liabilities and deferred inflows of resources:		
Accounts payable, accrued liabilities, and other liabilities	6,563,896	5,029,784
Long-term obligations	32,966,036	35,232,984
Deferred inflows of resources	5,026,272	4,881,875
Total liabilities and deferred inflows of resources	44,556,204	45,144,643
Net position:		
Net investment in capital assets	136,760,173	136,791,774
Restricted	24,246,238	23,834,350
Unrestricted	26,367,394	26,679,496
Total net position	$ 187,373,805	$ 187,305,620

Total assets and deferred outflows of resources decreased $520,254 from 2012 to 2013. The decrease was primarily due to an increase in cash and receivables ($2.3 million) and a decrease in capital assets ($2.8 million).

Total liabilities and deferred inflows of resources decreased by $588,439. The decrease was primarily attributable to a decrease in long-term debt obligations (outstanding liabilities for bonded debt decreased $2.8 million offset by increased workers compensation liabilities - $0.5 million) and a $1.5 million increase in accounts payable and accrued liabilities.

The result of decreased assets and deferred outflows of resources and decreased liabilities and deferred inflows of revenues is an increase in total net position of $68,185. A portion of the City's net position (12.1 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of $26.4 million or (14.1 percent) may be used to meet the City's ongoing obligations to citizens and creditors.

In order to further understand what makes up the changes in net position for the current and previous year, the following table provides details regarding the results of activities for those years.

Changes in Net Position

	2013	2012 (Restated)
Revenues		
Program Revenues:		
Charges for Services	$ 11,988,367	$ 12,320,678
Operating grants and contributions	1,831,923	1,730,479
Capital grants and contributions	345,288	123,170
General Revenues:		
Municipal income taxes	38,577,994	37,914,960
Property taxes	4,570,198	5,199,261
Other local taxes	544,058	514,501
Payments in lieu of taxes	407,065	662,591
Shared revenues	5,673,886	6,419,066
Unrestricted investment earnings	(100,371)	684,403
Other	89,862	138,873
Total Revenues	63,928,270	65,707,982
Expenses		
General government	6,969,457	7,293,723
Police	13,430,646	13,677,255
Fire	12,293,472	13,114,953
Streets and highways	16,074,734	15,503,966
Parks, recreation and public facilities	9,124,443	8,905,825
Economic and community development	2,394,608	2,688,627
Engineering and building	2,316,314	1,683,380
Interest and fiscal charges	1,256,411	1,562,337
Total Expenses	63,860,085	64,430,066
Increases (Decreases) in net position	68,185	1,277,916
Net position at beginning of year	$ 187,305,620	$ 186,027,704
Net position at end of year	$ 187,373,805	$ 187,305,620

The increase in net position of $0.1 million in 2013 is a result of lower expenses in most functional areas, and less general revenues for property taxes, shared revenues, and unrestricted investment earnings combined with more revenue from collections of municipal income taxes. The increase in net position of $1.3 million in 2012 is a result of higher expenses in functional areas, particularly in streets and highways, and police, including the effect of restatement in 2012 of assets written off, and less program revenues for both operating and capital grants and contributions combined with more revenue from charges for services and collections of municipal income taxes.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, the unassigned fund balance is a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2013, the City's governmental funds reported combined ending fund balances of $35.4 million, an increase of $0.3 million from the prior year. The unassigned amount of $16.1 million is available for spending at the City's discretion. The remainder of the combined fund balances is not available for general spending because it has already been 1) assigned ($9.1 million), 2) committed ($2.6 million), 3) restricted ($7.0 million), or nonspendable ($0.6 million).

The City reported two major funds for the year – the General Fund and the Special Assessment Bond Retirement Fund. In addition to the detailed analysis of the General Fund that follows, this change in fund balance of the Special Assessment Bond Retirement Fund should be noted:

- The City recorded revenues of $1.1 million and expenditures of $1.1 million related to special assessments for certain bonds issued in past years. The fund balance did not materially change from the previous year.

The General Fund is the chief operating fund of the City. At December 31, 2013, the unassigned fund balance of the General Fund was $17.8 million. As a measure of the General Fund's liquidity, it is useful to compare the unassigned fund balance to total fund expenditures. The unassigned fund balance represents 36.7 percent of total General Fund expenditures at December 31, 2013.

A two-year comparison of General Fund activity is shown in the following table. The revenues, expenditures and changes in fund balance shown in the comparison are presented on the modified accrual basis of accounting applicable to governmental funds.

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance Information
(Modified Accrual Basis)
Years Ended December 31, 2013 and December 31, 2012

	2013	2012
Revenues:		
Property taxes	$ 717,791	$ 1,468,847
Municipal income taxes	38,062,383	36,506,741
Intergovernmental	2,942,295	3,918,622
Charges for services	5,879,398	5,950,934
Fines and forfeitures	1,173,086	1,136,537
Licenses, permits and inspections	1,600,585	1,560,292
Investment income	(135,734)	645,016
Donations and other	441,939	772,377
Total Revenues	50,681,743	51,959,366
Expenditures:		
General government	6,502,232	6,642,479
Police	12,257,408	11,932,177
Fire	10,241,949	10,037,777
Streets and highways	7,899,613	7,497,334
Parks, recreation and public facilities	6,873,647	6,678,091
Economic and community development	2,172,854	2,168,479
Engineering and building	1,872,528	1,599,891
Capital outlay	771,998	905,281
Debt service - principal retirement	25,427	22,927
Total Expenditures	48,617,656	47,484,436
Excess of revenues over expenditures	2,064,087	4,474,930
Other financing sources (uses):		
Transfers in	-	17,333
Transfers out	(855,679)	(543,975)
Total other financing sources (uses)	(855,679)	(526,642)
Net change in fund balance	1,208,408	3,948,288
Fund balance at beginning of year	28,883,321	24,934,208
Change in inventory	(197,757)	825
Fund balance at end of year	$ 29,893,972	$ 28,883,321

Analysis of General Fund Revenues

General Fund revenues totaled $50.7 million in 2013, a decrease of approximately 2.5% from 2012. A discussion of each of the major types of General Fund revenues follows.

Property Taxes

Taxes collected from real property and public utility tangible personal property in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date.

The "assessed valuation" of real property is fixed at 35% of true value and is determined pursuant to rules of the State Tax Commissioner. An exception is that real property devoted exclusively to agricultural use is assessed at not more than 35% of its current agricultural use value. Real property devoted exclusively to forestry or timber growing is taxed at 50% of the local tax rate multiplied by the assessed value.

The assessed values of taxable property in the City for the past two years were as follows:

Tax Collection Year	Real Property	Public Utility Tangible Personal Property (in thousands)	Total Assessed Valuation
2012	1,469,235	38,586	1,507,821
2013	1,321,408	41,671	1,363,079

Property tax revenues decreased by approximately 51.1% in 2013 principally due to reallocating 0.5 mills of available inside millage to the general obligation bond retirement fund from the general fund.

Municipal Income Taxes

Ohio law authorizes a municipal income tax on both business income (net profits from the operation of a business or profession) and employee wages, salaries, and other compensation at a rate of up to 1% without voter authorization and at a rate above 1% with voter authorization. The charter of the City of Mentor requires voter approval of any tax on income. On November 6, 2007, the voters in the City renewed the 2% income tax for a five year period through December 31, 2012, and on March 6, 2012, the voters in the City renewed the tax for another five year period through December 31, 2017.

The income tax is imposed on gross salaries and wages earned in the City by non-residents of the City and on salaries, wages and other compensation of City residents earned within or outside the City. The income tax liability of a City resident employed outside the City is reduced by a credit equal to 100% of the tax paid to the municipality in which the City resident is employed. The tax on business profits is imposed on that part of profits attributable to business conducted within the City.

Income tax revenue increased approximately $1.6 million in 2013 versus the comparable amount in 2012 as a result of a healthy economic recovery in both the manufacturing and retail sectors. Revenue generated from the municipal income tax is recorded in the General Fund

and may be used for any governmental purpose, including debt service on general obligation bonds of the City.

Intergovernmental

Intergovernmental revenues are composed of federal and state grants and other shared revenues including taxes levied and collected by the State of Ohio and Lake County and partially redistributed to the City and other political subdivisions. Shared revenues include state income, sales, corporate franchise, estate, and cigarette taxes as well as liquor fees. Intergovernmental revenues decreased by approximately 24.9% in 2013 primarily due to reductions in state shared revenues as a result of less Local Government Fund (LGF) and estate tax revenue.

The State Local Government Fund ("LGF") and Local Government Revenue Assistance Fund ("LGRAF") are a significant source of non-tax General Fund revenue. Through these funds, Ohio subdivisions share in a portion of the State's collection of the sales tax, use tax, personal income tax, corporate franchise tax and public utilities excise tax. The percentages of the five taxes supporting these funds have varied over the years. At times, the dollar amounts in the funds have been capped at specified levels.

Pursuant to the Ohio Revised Code, State LGF revenues are divided into county and municipal portions. The county portion, the larger of the two, is distributed to each of the State's 88 counties and is allocated based upon a statutory formula utilizing county population and county municipal property values. Once received by a county, the funds can either be distributed to all subdivisions using the statutory formula or the county and its subdivisions may agree upon an alternate method for allocating the funds. Lake County and its recipient communities have chosen the latter method, which is comprised of a base allocation and an excess allocation. The excess allocation takes into account such factors as assessed value per capita, per capita income, population density and the number of individuals receiving public assistance. The municipal portion of the LGF is distributed directly by the State to those municipalities that collect an income tax. A municipality receives its share of the funds based upon its percentage of total municipal income taxes collected throughout the state in a given year. In 2013, the City had LGF revenue of $1.7 million.

Investment Income

Investment income in 2013 reflects a loss of $135,734, down from $645,016 in 2012. The change was due to the following three factors. The City had an average of $36.0 million invested during 2013 versus $32.4 million in 2012, which increased investment income by about $34,000. Secondly, a lower effective yield on the portfolio of about 0.31% during 2013 caused a decrease of about $150,000. Finally, the incremental change in the fair market value of the City's corporate bond funds caused the remaining decrease of $664,000.

Donations and Other

Revenue from donations and other decreased by $330,438 during 2013, primarily due to fewer sales of City owned assets in 2013.

Analysis of General Fund Expenditures

General Fund expenditures and other uses totaled $49.5 million in 2013, an increase of 3.01% from 2012. The amount of expenditures and other uses by function on a modified accrual basis for the year ended December 31, 2013, including the increases (decreases) over the prior year, are shown in the following table:

Expenditures and Other Uses	2013	Total	2012	Total	Increase (Decrease) Over 2012	Change
			($ Amounts in 000's)			
Current:						
General Government	$ 6,502	13.14%	$ 6,642	13.83%	$ (140)	-2.11%
Police	12,257	24.79%	11,932	24.85%	325	2.72%
Fire	10,242	20.70%	10,038	20.90%	204	2.03%
Streets and highways	7,900	15.97%	7,497	15.61%	403	5.38%
Parks, recreation and public facilities	6,874	13.89%	6,678	13.90%	196	2.94%
Economic and community development	2,173	4.39%	2,169	4.52%	4	0.18%
Engineering and building	1,872	3.78%	1,600	3.33%	272	17.00%
Capital outlay	772	1.56%	905	1.88%	(133)	-14.70%
Debt Service - principal retirement	25	0.05%	23	0.05%	2	8.70%
Transfers out	856	1.73%	544	1.13%	312	57.35%
Total expenditures and other financing uses	$ 49,473	100.00%	$ 48,028	100.00%	$ 1,445	3.01%

Streets and highways expenditures were higher as a result of increasing the amount of general fund expenditures in 2013 dedicated to street repair and maintenance. Expenditures for the function of Engineering and building increased as a result of two new programs to improve sidewalks throughout the City and to provide financial assistance to residents experiencing sanitary sewer backups through grant reimbursements.

Capital outlay decreased as a result of less vehicle purchases in the Fire Department.

Major Expense Categories. A discussion of the City's major expense categories follows:

Employee Compensation and Labor Relations

As of December 31, 2013 and 2012, the City had approximately 348 and 342 full-time employees, respectively. As of December 31, 2013, approximately 220 full-time employees are represented in 5 collective bargaining units. The labor unions, together with the approximate number of employees represented by each, are the Municipal, County and State Employees' Union 1099 – 62, the Ohio Patrolmen's Benevolent Assn., representing three units – 93, and the International Assn. of Firefighters Local 1845 – 65.

There have been no work stoppages in the City within the last 20 years. The current three-year agreements with the labor unions, which represent the full-time employees, all expire in March 2014. The agreement covering the part-time firefighters expires in March 2015. The current agreements have wage increases of generally 2%.

The Council, by ordinance, establishes schedules of salaries, wages and other economic benefits for the City's non-union employees. Generally, the terms of these ordinances have mirrored the wage increases and benefits in the union agreements.

Chapter 4117 of the Ohio Revised Code (the "Collective Bargaining Law"), establishes procedures for, and regulates public employer-employee collective bargaining and labor relations for the City and other state and local governmental units in Ohio. The Collective Bargaining Law creates a three-member State Employment Relations Board, which administers and enforces the Collective Bargaining Law. Among other things, the Collective Bargaining Law: (i) creates rights and obligations of public employers, public employees and public employee organizations with respect to labor relations; (ii) defines the employees it covers; (iii)

establishes methods for (a) the recognition of employees and organizations as exclusive representatives for collective bargaining and (b) the determination of bargaining units; (iv) establishes matters for which collective bargaining is either required, prohibited, or optional; (v) establishes procedures for bargaining and the resolution of disputes, including negotiation, mediation and fact finding; and (vi) permits all covered employees to strike, except certain enumerated classes of employees, such as police and fire personnel.

Over the past two years, the total salaries and wages paid to City employees from the General Fund were as follows:

Year	Amount Paid
2013	$ 26,499,705
2012	25,525,578

Employee Retirement Benefits

City employees (except for certain part-time firefighters who are covered by social security) are members of one of two retirement systems. These retirement systems provide both pension and postretirement health care benefits to participants, were created pursuant to Ohio statutes and are administered by state created boards of trustees. The boards are comprised of a combination of elected members from the respective retirement systems' memberships and ex-officio members from certain state government offices.

These two retirement systems are:

- Ohio Public Employees Retirement System (OPERS), created in 1935, represents state and local government employees not included in one of the other four state-mandated systems. More data on this pension fund is shown in Notes 13 and 14 of the financial statements.

- Ohio Police and Fire Pension Fund (OP&F), created in 1966, represents sworn personnel, not civilians, employed in police and fire divisions of Ohio's local governments. All of the City's full-time police and fire officers are members of this pension fund. More data on this pension fund is shown in Notes 13 and 14 of the financial statements.

Over the past two years, the City and its employees have made actual payments in the following amounts to OPERS and OP&F:

	2013	2012
	(in thousands)	
Paid by City to		
OPERS	$ 1,971	$ 1,799
OP&F	2,643	2,320
Total paid by City	4,614	4,119
Paid by Employees to		
OPERS	1,408	1,226
OP&F	1,255	1,055
Total paid by Employees	2,663	2,281
Total	$ 7,277	$ 6,400

The increase in amounts paid to OPERS and OP&F during 2013 is primarily due to December's 2012 pension paid in January, 2013.

The City is current in all of its required contributions to the respective pension funds.

GENERAL FUND BUDGETARY ANALYSIS

The difference between the original and final amended budget for the City's General Fund expenditures, including transfers and advances out, was an increase of $11.1 million, a 19.7 percent increase in appropriations. The budget for general fund expenditures was increased as a result of underestimating original appropriations due to the following:

- Various capital project funds and grant funds required temporary cash advances from the General Fund. (Roadway infrastructure projects - $6,400,000; Various grants and other - $500,000). The General Fund will be reimbursed next year from revenue to be received from outside funding sources for advances that were not repaid in 2013.

- Additional funding requirements for two new funds created in 2011 required cash transfers – Workers' Compensation and Payroll Stabilization Funds - $1,700,000; General Obligation Bond Retirement fund required cash transfer - $350,000; and close out of funds requiring cash transfers - $500,000.

- Establishment of new sanitary backup reduction grant program - $1,000,000.

- Repair and maintenance of City property - $350,000.

- Additional Economic Development grant awards – $300,000.

The difference between the final amended budget and actual expenditures for the City's General Fund expenditures was a positive $5.5 million. The following functions reported favorable material variances:

- General government – The Finance Department incurred less expenditures for tax collection agency fees and claims ($600,000); City Council and the Municipal Court incurred less expenditures for operational costs ($300,000); and City Manager and Legal Department operational costs were less than estimated ($400,000).

- Police – Employee compensation and benefits were under budget primarily because of unfilled positions during the year.

- Fire – Employee compensation and benefits were under budget primarily because of unfilled positions during the year.

- Streets and Highways – Employee compensation and benefits were under budget primarily because of unfilled positions during the year ($300,000); and less expenditures for maintenance and repair of certain infrastructure projects ($200,000).

- Parks, recreation and public facilities – Less expenditures for maintenance and repairs on facilities throughout the City ($800,000) and unfilled positions during the year ($300,000).

- Engineering and Building – Less expenditures for the sidewalk repair program ($300,000) and the sanitary backup reduction grant program ($900,000).

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets: The City changed its capital asset policy as of December 31, 2012. The capital asset threshold was increased to $5,000 per item. As a result of the change in policy, capital assets with a net book value of $565,559 were removed from the capital asset category as of December 31, 2012. The December 31, 2012 Financial Statements have been restated as a result to reflect the change in policy.

The City's investment in capital assets as of December 31, 2013 equaled $163.6 million (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements, equipment, infrastructure, and construction in progress. The total decrease in the City's investment in capital assets in 2013 was 1.7 percent. A summary of the City's capital assets at December 31, 2013 and the restated December 31, 2012 is as follows:

	2013 Capital Assets, Net of Accumulated Depreciation	RESTATED 2012 Capital Assets, Net of Accumulated Depreciation
Land	$ 62,917,310	$ 62,994,624
Land improvements	800,430	876,716
Buildings and improvements	20,552,563	21,639,024
Equipment	6,986,710	6,501,849
Infrastructure	69,404,557	71,927,571
Construction in progress	2,916,915	2,428,690
Total	$ 163,578,485	$ 166,368,474

The following were the major transactions during the current fiscal year that affected the City's capital assets:

- Buildings and improvements – normal annual depreciation on existing buildings without new additions.

- Equipment – acquisition of new equipment and vehicles ($1.9 million) offset by normal annual depreciation and asset disposals on existing equipment ($1.4 million).

- Infrastructure – normal annual depreciation on existing roads, bridges, and other infrastructure ($2.5 million).

The primary sources for financing the City's capital improvement projects are federal, state (Issue 2), and Lake County funding sources; general obligation bond proceeds; and general fund revenues. Additional information on the City's capital assets can be found in Note 6 to the financial statements.

Long-term debt. As of December 31, 2013 the City had total bond and loans outstanding of $26.8 million. These are backed by the full faith and credit of the City.

The activity affecting the City's debt obligations outstanding during the year ended December 31, 2013 is summarized below.

	Balance January 1, 2013	Debt Issued	Debt Retired	Balance December 31, 2013
		(in thousands)		
General Obligation Bonds	$ 18,827	$ -	$ (2,127)	$ 16,700
Special Assessment Bonds	10,163	-	(593)	9,570
Unamortized Premium on Debt	29	-	(2)	27
OWDA/OPWC Loans	587	-	(38)	549
Total Government Activities	$ 29,606	$ -	$ (2,760)	$ 26,846

The funds used to meet the debt service requirements of the City's general obligation bonds are from certain ad valorem taxes and other revenue sources. Ad valorem taxes, the primary source of funds, amounted to $2.1 million in 2013 which represented 55% of the debt service requirements on the general obligation and special assessment bonds. Use of existing fund balances and transfers from the general fund were used to pay the remaining 45% of debt service requirements.

The City issues its general obligation bonds within the context of its Capital Improvement Program. Programs which have benefited due to the issuance of general obligation debt include construction of and additions to City buildings (including a maintenance facility, an ice arena, a senior center, a fire station, and a City hall addition), and acquisition of a golf course, marina, and park land.

The City also issues special assessment bonds for various roadway improvements. The debt service on the special assessment bonds is paid from the revenue collected through the special assessment levies.

The City presently has an Aa1 bond rating from Moody's Investors Service that was based on a recalibration during 2010 and reaffirmed in 2011; previously the City had an Aa2 rating from Moody's that was assigned in October 2005 and reaffirmed in August of 2008 and again in July 2009; prior to that the City had an Aa3 rating from Moody's that was assigned initially in August 1997 and was reaffirmed in October 2004.

The ratio of net general bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the City's debt position. Net general bonded debt is total general bonded debt supported by taxes less amounts available in the Debt Service Funds. This data at December 31, 2013 was:

Net General Bonded Debt	$16,386,382
Ratio of Net Bonded Debt to Assessed Valuation	1.20%
Net General Bonded Debt Per Capita	$ 347.47

The Ohio Revised Code provides that the net debt of the municipal corporation, whether or not approved by the electors, shall not exceed 10.5 percent of the assessed value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5 percent of the total assessed value of property. The City's total debt limit (10.5 percent) is $143,123,341 and unvoted debt limit (5.5 percent) is $74,969,369. These debt limitations are not expected to affect the financing of any currently planned facilities or services.

Additional information on the City's long-term debt can be found in Note 7 to the financial statements.

FACTORS EXPECTED TO IMPACT THE CITY'S FUTURE FINANCIAL POSITION OR RESULTS OF OPERATIONS

On a cash basis the City's general fund budget for 2014 projects a year-end unencumbered balance of $3.1 million. This includes estimated income tax collections of $34.5 million which is less than the record year actual 2013 collections. For the six months through June 30, 2014, income tax collections were up 1.9% from the comparable 2013 period. The general fund unencumbered balance at June 30, 2014 was $9.1 million.

NEED ADDITIONAL INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Director of Finance, City of Mentor, 8500 Civic Center Boulevard, Mentor, Ohio 44060.

Basic Financial Information

CITY OF MENTOR 1963-2013

CITY OF MENTOR, OHIO

STATEMENT OF NET POSITION
December 31, 2013

ASSETS		
Cash and investments	$	35,146,937
Receivables, net of allowance for doubtful accounts		29,096,781
Due from other governments		3,193,525
Inventory		435,774
Prepaid items		132,075
Land held for resale		323,700
Nondepreciable capital assets		65,834,225
Depreciable capital assets, net of accumulated depreciation		97,744,260
Total assets		231,907,277
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charge on refunding		22,732
Total deferred outflows of resources		22,732
LIABILITIES		
Accounts payable and accrued liabilities		6,282,374
Deposits		281,522
Long-term obligations:		
Due within one year		3,174,811
Due in more than one year		29,791,225
Total liabilities		39,529,932
DEFERRED INFLOWS OF RESOURCES		
Property tax		4,495,710
PILOT		530,562
Total deferred inflows of resources		5,026,272
NET POSITION		
Net investment in capital assets		136,760,173
Restricted for:		
Debt service		14,265,124
Capital projects		1,516,773
Streets and public safety		8,464,341
Unrestricted		26,367,394
Total net position	$	187,373,805

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

CITY OF MENTOR, OHIO
STATEMENT OF ACTIVITIES
Year Ended December 31, 2013

Functions/Programs:	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental Activities:					
General Government	$ 6,969,457	$ 2,591,441	$ 505,247	$ -	$ (3,872,769)
Police	13,430,646	629,535	90,591	9,700	(12,700,820)
Fire	12,293,472	1,937,513	13,982	-	(10,341,977)
Streets and highways	16,074,734	1,424,203	749,191	335,588	(13,565,752)
Parks, recreation and public facilities	9,124,443	4,472,734	254,010	-	(4,397,699)
Economic and community development	2,394,608	142,889	218,902	-	(2,032,817)
Engineering and building	2,316,314	790,052	-	-	(1,526,262)
Interest and fiscal charges	1,256,411	-	-	-	(1,256,411)
Total governmental activities	$ 63,860,085	$ 11,988,367	$ 1,831,923	$ 345,288	$ (49,694,507)

General revenues:	
Municipal income taxes	38,577,994
Property taxes levied for:	
General purpose	708,495
Special revenue	1,666,403
Debt service	2,195,300
Other local taxes	544,058
Payments in Lieu of Taxes	407,065
Shared revenues	5,673,886
Unrestricted investment earnings	(100,371)
Other	89,862
Total general revenues	49,762,692
Changes in net position	68,185
Net position at beginning of year - Restated	187,305,620
Net position at end of year	$ 187,373,805

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

CITY OF MENTOR, OHIO
BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2013

	General	Special Assessment Bond Retirement	Other Governmental Funds	Total Governmental Funds
ASSETS & DEFERRED OUTFLOWS OF RESOURCES				
Assets				
Cash and investments	$ 16,573,099	$ 9,342	$ 14,527,264	$ 31,109,705
Receivables, net	11,398,595	13,762,223	3,935,963	29,096,781
Due from other funds	8,784,876	-	314,416	9,099,292
Due from other governments	819,451	-	2,374,074	3,193,525
Inventory	435,774	-	-	435,774
Prepaid items	132,075	-	-	132,075
Land held for resale	-	323,700	-	323,700
Total Assets	38,143,870	14,095,265	21,151,717	73,390,852
Total Assets & Deferred Outflows of Resources	$ 38,143,870	$ 14,095,265	$ 21,151,717	$ 73,390,852
LIABILITIES & DEFERRED INFLOWS OF RESOURCES				
Liabilities				
Accounts payable	$ 711,780	$ -	$ 1,344,819	$ 2,056,599
Accrued payroll and employee benefits	2,544,630	-	-	2,544,630
Accrued liabilities	10,939	-	-	10,939
Construction, security and bid deposits	281,522	-	-	281,522
Due to other funds	-	5,022	9,094,270	9,099,292
Due to other governments	-	49,367	-	49,367
Total Liabilities	3,548,871	54,389	10,439,089	14,042,349
Deferred Inflows of Resources				
Property tax	703,469	-	3,792,241	4,495,710
PILOT	-	-	530,562	530,562
Unavailable revenue - delinquent property tax	33,676	-	63,912	97,588
Unavailable revenue - income tax	3,457,973	-	-	3,457,973
Unavailable revenue - shared revenue	505,909	-	949,311	1,455,220
Unavailable revenue - special assessments	-	13,905,606	8,555	13,914,161
Total Deferred Inflows of Resources	4,701,027	13,905,606	5,344,581	23,951,214
Total Liabilities & Deferred Inflows of Resources	8,249,898	13,959,995	15,783,670	37,993,563
FUND BALANCES				
Nonspendable	567,849	-	-	567,849
Restricted	-	323,700	6,720,372	7,044,072
Committed	2,402,465	-	182,354	2,584,819
Assigned	9,099,970	-	-	9,099,970
Unassigned	17,823,688	(188,430)	(1,534,679)	16,100,579
Total Fund Balances	29,893,972	135,270	5,368,047	35,397,289
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 38,143,870	$ 14,095,265	$ 21,151,717	$ 73,390,852

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

CITY OF MENTOR, OHIO

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION DECEMBER 31, 2013

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

Total fund balances - governmental funds		$ 35,397,289
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds. (See note 6.)		163,578,485
An internal service fund is used by management to charge the cost of workers' compensation claims to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		(82,768)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.		
Deferred charges for bond refundings in 2004/2005	22,732	
Unavailable revenues	18,924,942	18,947,674
Long-term liabilities are not due and payable in the current period and, therefore are not reported in the funds. (See note 7.)		
Long term obligations	(32,966,036)	
Internal service portion	4,120,000	
Accrued vacation	(1,528,327)	
Accrued interest	(92,512)	(30,466,875)
Net position of governmental activities		$ 187,373,805

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

CITY OF MENTOR, OHIO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2013

	General	Special Assessment Bond Retirement	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	$ 717,791	$ -	$ 4,029,238	$ 4,747,029
Municipal income taxes	38,062,383	-	-	38,062,383
Other local taxes	-	-	544,058	544,058
Payments in Lieu of Taxes	-	-	407,065	407,065
Intergovernmental	2,942,295	-	4,503,834	7,446,129
Charges for services	5,879,398	-	55,297	5,934,695
Fines and forfeitures	1,173,086	-	369,979	1,543,065
Licenses, permits, and inspections	1,600,585	-	20,540	1,621,125
Special assessments	-	1,066,176	1,138,054	2,204,230
Investment income	(135,734)	-	35,363	(100,371)
Donations and other	441,939	-	5,348	447,287
Total revenues	50,681,743	1,066,176	11,108,776	62,856,695
EXPENDITURES				
Current:				
General government	6,502,232	-	195,979	6,698,211
Police	12,257,408	-	462,186	12,719,594
Fire	10,241,949	-	1,042,807	11,284,756
Streets and highways	7,899,613	-	4,508,484	12,408,097
Parks, recreation and public facilities	6,873,647	-	1,123,260	7,996,907
Economic and community development	2,172,854	-	214,778	2,387,632
Engineering and building	1,872,528	-	431,996	2,304,524
Capital outlay	771,998	-	1,799,349	2,571,347
Debt service:				
Principal retirement	25,427	605,597	2,127,364	2,758,388
Interest and fiscal charges	-	458,298	799,819	1,258,117
Total expenditures	48,617,656	1,063,895	12,706,022	62,387,573
Excess (deficiency) of revenues over (under) expenditures	2,064,087	2,281	(1,597,246)	469,122
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	977,660	977,660
Transfers out	(855,679)	-	(121,981)	(977,660)
Total other financing sources (uses)	(855,679)	-	855,679	-
NET CHANGE IN FUND BALANCES	1,208,408	2,281	(741,567)	469,122
FUND BALANCES AT BEGINNING OF YEAR	28,883,321	132,989	6,109,614	35,125,924
CHANGE IN INVENTORY	(197,757)	-	-	(197,757)
FUND BALANCES AT END OF YEAR	**$ 29,893,972**	**$ 135,270**	**$ 5,368,047**	**$ 35,397,289**

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

CITY OF MENTOR, OHIO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES OF GOVERNMENTAL FUNDS YEAR ENDED DECEMBER 31, 2013

Amount reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		$ 469,122
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 and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period:		
Capital asset additions	$ 2,454,008	
Current year depreciation	(4,930,573)	(2,476,565)
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.		(313,424)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property and municipal income taxes	338,780	
Intergovernmental	(135,267)	
Special Assessment	(1,048,441)	(844,928)
The issuance of long-term debt (e.g. bonds, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. In the statement of activities interest is accrued on outstanding bonds, whereas in governmental funds an interest expenditure is reported when due. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		2,760,092
The internal service fund used by management to charge the cost of workers' compensation claims 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.		784,655
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.		(310,767)
Changes in net position of governmental activities		$ 68,185

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

CITY OF MENTOR, OHIO

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:				
Property taxes	$ 801,400	$ 801,400	$ 717,791	$ (83,609)
Municipal income tax	33,250,000	35,750,000	37,692,133	1,942,133
Intergovernmental	1,956,619	2,916,619	2,950,464	33,845
Charges for services	5,564,820	5,564,820	5,850,498	285,678
Fines and forfeitures	1,020,500	1,020,500	1,137,769	117,269
Licenses, permits and inspections	1,458,788	1,458,788	1,607,565	148,777
Investment income	400,000	400,000	412,803	12,803
Other	402,873	779,873	432,839	(347,034)
Total revenues	44,855,000	48,692,000	50,801,862	2,109,862
EXPENDITURES:				
Function:				
General government	8,440,610	7,951,373	6,690,368	1,261,005
Police	12,790,667	12,790,667	12,291,819	498,848
Fire	10,569,490	10,569,492	10,027,353	542,139
Streets and highways	8,226,479	8,476,480	7,979,137	497,343
Parks, recreation and public facilities	8,085,302	8,127,301	7,038,949	1,088,352
Economic and community development	4,332,604	4,632,602	4,447,336	185,266
Engineering and building	2,422,675	3,422,675	2,018,237	1,404,438
Total expenditures	54,867,827	55,970,590	50,493,199	5,477,391
Excess (deficiency) of revenues over expenditures	(10,012,827)	(7,278,590)	308,663	7,587,253
OTHER FINANCING SOURCES (USES):				
Advances in	3,000,000	3,000,000	3,015,174	15,174
Advances out	-	(8,802,843)	(8,802,843)	-
Transfers out	(1,500,000)	(2,697,517)	(2,697,517)	-
Total other financing sources (uses)	1,500,000	(8,500,360)	(8,485,186)	15,174
Excess (deficiency) of revenues and other sources over expenditures and other uses	(8,512,827)	(15,778,950)	(8,176,523)	7,602,427
Adjustment for prior year encumbrances	3,126,885	3,126,885	3,126,885	-
FUND BALANCES, BEGINNING OF YEAR	13,809,435	13,809,435	13,809,435	-
FUND BALANCES, END OF YEAR	$ 8,423,493	$ 1,157,370	$ 8,759,797	$ 7,602,427

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

CITY OF MENTOR, OHIO

STATEMENT OF FUND NET POSITION - PROPRIETARY FUND

WORKERS COMPENSATION FUND

December 31, 2013

ASSETS		
Current assets:		
Cash and investments	$	4,037,232
Total assets		4,037,232
LIABILITIES		
Current liabilities:		
Employee benefits payable		522,538
Noncurrent liabilities:		
Employee benefits payable		3,597,462
Total liabilities		4,120,000
NET POSITION		
Unrestricted		(82,768)
Total net position	$	(82,768)

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

CITY OF MENTOR, OHIO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION - PROPRIETARY FUND

WORKERS COMPENSATION FUND

Year Ended December 31, 2013

OPERATING REVENUES:	
Charges for services	$ 1,600,000
Donations and other	264,361
Total operating revenues	1,864,361
OPERATING EXPENSES:	
Employee benefits	1,079,706
Total operating expenses	1,079,706
Net income (loss) from operations	784,655
CHANGE IN NET POSITION	784,655
NET POSITION AT BEGINNING OF YEAR	(867,423)
NET POSITION AT END OF YEAR	**$ (82,768)**

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

CITY OF MENTOR, OHIO
STATEMENT OF CASH FLOWS - PROPRIETARY FUND
WORKERS COMPENSATION FUND
Year Ended December 31, 2013

Cash flows from operating activities:		
Charges for services	$	1,864,361
Payments to vendors		(603,706)
Net cash provided by operating activities		1,260,655
Net increase in cash and cash equivalents		1,260,655
Cash and cash equivalents at beginning of year		2,776,577
Cash and cash equivalents at end of year	$	4,037,232

Reconciliation of operating income to net cash from operating activities:		
Operating income		$784,655
Changes in assets and liabilities:		
Increase in accrued employee benefits		476,000
Total adjustments		476,000
Net cash provided by operating activities	$	1,260,655

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

CITY OF MENTOR, OHIO
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
December 31, 2013

	CEMETERY BEQUEST and ENDOWMENT PRIVATE-PURPOSE TRUST FUND	MUNICIPAL COURT AGENCY FUND
ASSETS		
Cash	$ 24,501	$ 22,643
LIABILITIES		
Deposits held and due to others	-	22,643
Total liabilities	-	22,643
NET POSITION		
Held in trust for decoration of specific graves	$ 24,501	$ -

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

CITY OF MENTOR, OHIO

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FIDUCIARY FUNDS

Year Ended December 31, 2013

	CEMETERY BEQUEST and ENDOWMENT PRIVATE-PURPOSE TRUST FUND
ADDITIONS	
Investment Income	$ 241
Total additions	241
DEDUCTIONS	
General expenses	1,450
Total deductions	1,450
Change in net position	(1,209)
Net position - beginning of year	25,710
Net position - end of year	$ 24,501

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

NOTE 1 – DESCRIPTION OF CITY OPERATIONS AND REPORTING ENTITY

The City: The City of Mentor, Ohio (the "City") was organized under the present system of government effective January 1, 1963 and was incorporated as a home rule municipal corporation under the laws of the State of Ohio. The City operates under a Council-Manager form of government and provides the following services: public safety (police and fire), highways and streets, parks and recreation, public improvements, economic and community development (planning and zoning), and general administrative services.

Reporting Entity: The accompanying financial statements as of December 31, 2013 and for the year then ended have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") applicable to local governments. The Governmental Accounting Standards Board ("GASB") is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards ("GASB Codification").

In evaluating how to define the governmental reporting entity, the City complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 61, "*The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and 34",* under which the financial statements include all the organizations, activities, functions, and component units for which the City ("primary government") is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the City.

On this basis, the City's financial reporting entity has no component units but includes the Mentor Municipal Court (the "Court") as part of the City's primary government in the determination of the City's reporting entity. The Court's operations are not legally separate from the City. In addition, the City is responsible for budgeting and appropriating funds for the operation of the Court and is ultimately responsible for any operating deficits sustained by the Court. The City's share of the fines collected by the Court, along with its share of the Court's administrative and operating costs, are recorded in the City's General Fund. Moneys held by the Court in a fiduciary capacity are included in the agency fund in the accompanying basic financial statements, as further discussed in Note 5. No other organizations are included as part of the City's reporting entity.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant policies followed during the preparation of the accompanying financial statements.

A. Government-wide and fund financial statements

GASB Statement No. 34 established new requirements and a new reporting model for the annual financial reports of state and local governments. The Statement was developed to make annual reports easier to understand and more useful to the people who use governmental

financial information to make decisions. Financial information of the City is presented in the following format:

Basic Financial Statements:

1. *Government-wide financial statements* consist of a statement of net position and a statement of activities. These statements report all of the assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, expenses, and gains and losses of the City. Governmental activities are normally supported by taxes and intergovernmental revenues. Fiduciary funds of the City are not included in these government-wide financial statements.

   Interfund receivables and payables have been eliminated in the government-wide statement of net position. These eliminations minimize the duplicating effect on assets and deferred outflows of resources and liabilities and deferred inflows of resources within the governmental activities total column. Interfund services provided and used are not eliminated in the process of consolidation in the statement of activities. The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities.

   Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions, including special assessments that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

2. *Fund financial statements* consist of a series of statements focusing on information about the City's major governmental funds. Separate statements are presented for the governmental, proprietary and fiduciary funds.

   The City's major governmental funds are the General Fund and the Special Assessment Bond Retirement Fund.

   The General Fund is the primary operating fund of the City. It is used to account for all financial resources, except those required to be accounted for in other funds. Its revenues consist primarily of income and property taxes, investment income, shared revenues, charges for services, and fines and forfeitures.

   General Fund expenditures represent costs of general government; police; fire; streets and highways; parks, recreation and public facilities; economic and community development; engineering and building; and debt service. General Fund resources are also transferred annually to support other services which are accounted for in other separate funds.

   The Special Assessment Bond Retirement Fund is used to account for the accumulation of resources for the payment of special assessment long-term debt principal, interest, and related costs.

The City maintains proprietary funds, such as internal service funds, to report any activity that provides goods or services to other funds, departments or agencies or to other governments, on a cost-reimbursement basis.

Also maintained by the City are fiduciary funds, such as private-purpose trust funds and agency funds, used to account for either legal trust arrangements which benefit individuals, private organizations, or other governments or assets and deferred outflows of revenues held by the City as an agent for individuals, private organizations or other governments.

3. *The City's General Fund budget to actual statement* is presented as part of the basic financial statements.

4. Notes to the financial statements provide information that is essential to a user's understanding of the basic financial statements.

B. Financial reporting presentation

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets and deferred outflows of resources, liabilities and deferred inflows of resources, fund balance (net position), revenues, and expenditures (expenses). The fund types and classifications that exist under GAAP are as follows:

GOVERNMENTAL FUNDS

1. **General Fund** - The General Fund is the general operating fund of the City. It is used to account for all financial resources, except those required to be accounted for in another fund.

2. **Special Revenue Funds** - Special revenue funds are used 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. These funds include most federal and state grants.

3. **Debt Service Funds** - Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of general obligation and special assessment long-term debt principal, interest, and related costs.

4. **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 capital facilities and other capital assets.

5. **Permanent Funds** - Permanent funds are used for the purpose of accounting for and reporting resources that are legally restricted to the extent that earnings, and not

principal, may be used for purposes that support the reporting government's programs. During 2013, the City did not utilize any permanent funds.

PROPRIETARY FUNDS

1. **Enterprise Funds** - Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. During 2013, the City did not utilize any enterprise funds.

2. **Internal Service Funds** - Internal service funds are used to report activity for the financing of goods or services provided by one department to other departments or to other governments on a cost-reimbursement basis. During 2011, the City established, with Resolution No. 11-R-107, an internal service fund to be known as the Workers' Compensation Fund to account for the operation of the retrospective ratings plan for Workers' Compensation.

FIDUCIARY FUNDS

1. **Private-purpose Trust Funds** - Private-purpose trust funds are used to account for trust arrangements which benefit individuals, private organizations, or other governments. For accounting measurement purposes, the private-purpose trust funds are accounted for in essentially the same manner as proprietary funds. The City accounts for the cost of decorating specific graves as designated by individual donors in a Cemetery Bequest and Endowment Fund.

2. **Agency Funds** - Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. Agency funds are custodial in nature (assets and deferred outflows of resources equal liabilities and deferred inflows of revenues) and do not involve the measurement of results of operations. The City's agency fund accounts for the Mentor Municipal Court.

3. **Other Fiduciary Funds** - Other fiduciary funds include pension trust funds and investment trust funds. During 2013, the City did not utilize any such trust funds.

Fiduciary Funds are not included in the government-wide statements.

C. Measurement focus and basis of accounting

Except for budgetary purposes, the basis of accounting used by the City conforms to GAAP as applicable to governmental units. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities and deferred inflows of resources are incurred, regardless of when the related cash flows take

place. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include income taxes, property taxes, grants, shared revenue, and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the taxpayer's liability occurs and revenue from property taxes is recognized in the fiscal year for which the taxes are levied. On an accrual basis, revenue in the form of shared revenue is recognized when the provider government recognizes its liability to the City. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a cost reimbursement basis.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities and deferred inflows of resources of the current period. The City generally considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are generally recorded when the related fund liability and deferred inflows of resources are incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

In applying the susceptible-to-accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (i.e., collectible within the current year or within sixty days after year-end and available to pay obligations of the current period): income taxes, investment earnings, and shared revenues. Reimbursements due for federal or state funded projects are accrued as revenue at the time the expenditures are made or, when received in advance, deferred until expenditures are made. Property taxes and special assessments, though measurable, are not available to finance current period obligations. Therefore, property tax and special assessment receivables are recorded and deferred until they become available. Other revenues, including licenses, fees, fines and forfeitures and charges for services are recorded as revenue when received in cash because they are generally not measurable until actually received.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Budgetary Procedures

Budgetary Process: The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation ordinance. These budgetary documents are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources as certified. The tax budget and appropriation ordinance are prepared

under the direction of the City Manager and submitted to City Council for adoption. Budgeted expenditures represent original appropriations as modified by adjustments during the year. The primary level of budgetary control is at the departmental and object level. Budget revisions within appropriated amounts are subject to the approval of the City Manager. Changes in a department's total appropriation require action by City Council. For the year ended December 31, 2013, expenditures did not exceed appropriations in any individual department.

Tax Budget: A budget of estimated cash receipts and disbursements is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

Estimated Resources: The County Budget Commission certifies its actions to the City by September 1. As part of this process, the City receives the official certificate of estimated resources which states the projected cash receipts of each fund. On or about January 1, this certificate is amended to include actual unencumbered cash balances from the preceding year.

Appropriations: A temporary appropriation ordinance to control expenditures (expenses) may be passed on or about January 1 for the period through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance may be amended during the year as new information becomes available, provided that total appropriations do not exceed certified estimated resources, as amended. At the end of the fiscal year, all unexpended and unencumbered balances of operating appropriations revert to the fund from which the original appropriation was made, where they become available for future appropriation. Appropriations are adopted by City Council for all funds except the Municipal Court Fund (Agency Fund); however, the City is only required to report herein on the budget adopted for the General Fund.

GAAP/Budget Reconciliation: The City's budgetary process accounts for certain transactions on a basis other than accounting principles generally accepted in the United States of America (GAAP basis). The major difference between the budgetary basis and the GAAP basis is that financial transactions are recorded on a cash and encumbrance basis (budgetary basis) as opposed to when susceptible to accrual (GAAP).

A reconciliation of the General Fund's results of operations for 2013 reported on the budget basis versus the GAAP basis is as follows:

Net Change in Fund Balance		
Budget Basis	$	(8,176,523)
Adjustments:		
Revenue accruals		(158,119)
Advances in		(3,015,174)
Advances out		8,802,843
Expenditure accruals		(113,598)
Funds with separate legally adopted budgets		(82,008)
Encumbrances		3,950,987
GAAP Basis	$	1,208,408

Encumbrances: Encumbrance accounting, under which purchase orders, contracts, and other commitments for the future expenditure of funds are recorded in order to constrain a portion of the applicable appropriation, is utilized during the year for budget control purposes. Encumbrances outstanding at year-end are reported as expenditures under the City's budgetary basis of accounting.

The City honors the contracts represented by year-end encumbrances, and the related appropriations are carried forward to the succeeding year. For governmental fund financial statements reporting purposes, encumbrances outstanding at year-end are reported as restricted, committed, assigned or unassigned classifications of fund balance since they do not constitute expenditures, liabilities, or deferred inflows of resources.

The budget and actual expenditures included in the General Fund budgetary statement include all expenditures made during the year under the City's budgetary basis of accounting, including expenditures made in the current year that were encumbered and appropriated in the prior year.

As of December 31, 2013, the City's commitments for encumbrances in the governmental funds were as follows:

	Encumbrances Outstanding
General	$ 3,950,987
Nonmajor funds:	
Special revenue funds	2,148,340
Capital projects funds	2,848,573
Total	$ 8,947,900

E. Other Significant Accounting Policies

Cash and Investments: Cash resources of certain individual funds are combined to form a pool of cash and investments which is managed by the Director of Finance. Interest earned on pooled cash and investments is credited to the General Fund, (except in cases where state law or City ordinances require that the income be allocated to certain specific funds, utilizing a formula based on the month-end balance of each fund).

The City reports its investments at fair value based on quoted market values and recognizes the corresponding change in the fair value of the investments as investment earnings in the year in which the change occurs.

Inventory: Inventory is valued at cost using the first-in, first-out (FIFO) method and consists of expendable supplies held for consumption and items held for resale. The cost of inventory items is recorded as an expenditure in the governmental fund financial statements at the time individual inventory items are purchased. Reported inventories are equally offset by a nonspendable fund balance which indicates that they do not constitute "available spendable resources" even though they are a component of net position.

Capital Assets: Capital assets, which include land, construction in progress, land improvements, buildings (including renovations and improvements), equipment, and infrastructure assets are reported in the governmental activities column in the government-wide financial statements to the extent the City's capitalization threshold is met. The City defines capital assets as assets with an estimated useful life in excess of five years (except vehicles) and an individual cost of more than $5,000. Assets are recorded at historical cost or estimated historical cost, if historical cost is not available. Contributed capital assets are recorded at their estimated fair market value on the date contributed.

As permitted under the implementation provisions of GASB Statement No. 34, the historical cost of infrastructure assets acquired, significantly reconstructed or that received significant improvements prior to January 1, 1980 have not been included as part of governmental capital assets in the government-wide financial statements.

Costs for maintenance and repairs are expensed when incurred. However, costs for repairs and upgradings that materially add to the value or life of an asset and meet the above criteria are capitalized.

The City depreciates capital assets on a straight-line basis using the following estimated useful lives:

Land improvements	20
Buildings and improvements	20-40
Equipment	3-20
Infrastructure	25-50

Compensated Absences: The City accrues for accumulated, unpaid vacation and sick leave earned using the termination payment method specified under GASB Statement No. 16, *Accounting for Compensated Absences*. In the government-wide financial statements, the entire amount of unpaid vacation and sick leave is reported as a liability. A liability for accumulated, unpaid vacation and sick leave is accrued in the governmental fund financial statements only if the amount is currently due and payable at year end. These amounts are recorded as accrued payroll and employee benefits in the fund from which the employees who have accumulated leave are paid. The remaining portion of the liability is not reported in the governmental fund financial statements.

Normally, all vacation time is to be taken in the year available unless approval for carryover is obtained. City employees also earn sick leave which, if not taken, accumulates until retirement. Upon retirement, an employee with ten or more years of service is paid one-third of accumulated sick leave, subject to certain limitations, calculated at current wage rates.

Long-Term Obligations: In the government-wide statement of net position, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the bonds-outstanding method, which approximates the effective interest method. Losses on advance refundings are deferred and amortized over the life of the new debt, or the life of the advance refunded debt, whichever is shorter. Bonds payable are reported net of the applicable unamortized bond premium, discount or advance refunding losses. Bond issuance costs are reported as an expense in the period incurred.

In the governmental fund financial statements, bond premiums and discounts, as well as bond issuance costs, are recognized as revenues or expenditures during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

Fund Balances:

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 classification includes amounts that cannot be spent because they are not spendable in 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 loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

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.

Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of the City's Council. Those committed amounts cannot be used for any other purpose unless the City's Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts would represent intended uses established by City Council. State statute authorizes the Finance Director to assign fund balance for purchase orders; provided such amounts have been lawfully appropriated.

Unassigned – Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In the other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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.

The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	Special Assessment Bond Retirement	Other Governmental Funds	Total
Nonspendable				
Inventories	$ 435,774	$ -	$ -	$ 435,774
Prepaid items	132,075	-	-	132,075
Total Nonspendable	567,849	-	-	567,849
Restricted for				
Land held for resale	-	323,700	-	323,700
Parks and recreation	-	-	2,055,900	2,055,900
Safety forces	-	-	1,198,848	1,198,848
Streets and highways	-	-	1,140,543	1,140,543
Street lighting	-	-	305,040	305,040
Economic development	-	-	1,690,501	1,690,501
Debt service	-	-	312,834	312,834
Issue II	-	-	15,300	15,300
Other	-	-	1,406	1,406
Total Restricted	-	323,700	6,720,372	7,044,072
Committed to				
Payroll stabilization	2,402,465	-	-	2,402,465
Parks and recreation	-	-	161,942	161,942
Street trees	-	-	20,412	20,412
Total Committed	2,402,465	-	182,354	2,584,819
Assigned to				
Parks and recreation	117,282	-	-	117,282
Planned 2014 appropriations	5,647,254	-	-	5,647,254
Other purposes	3,335,434	-	-	3,335,434
Total Assigned	9,099,970	-	-	9,099,970
Unassigned (Deficit)	17,823,688	(188,430)	(1,534,679)	16,100,579
Total Fund Balances	$ 29,893,972	$ 135,270	$ 5,368,047	$ 35,397,289

Grants and Other Intergovernmental Revenues: Grants and assistance awards made on the basis of entitlement programs are recorded as intergovernmental receivables and revenues when entitlement occurs. Reimbursement-type grants are recorded as

intergovernmental receivables and revenues when the related expenditures (expenses) are incurred.

Interfund Transactions: During the course of normal operations, the City has numerous transactions between funds, including the allocation of centralized expenses and transfers of resources to provide services construct assets and service debt. Such transactions are generally reflected as transfers or direct expenses of the fund that is ultimately charged for such costs.

F. Recently Issued Accounting Pronouncements

For fiscal year 2013, the City has implemented Governmental Accounting Standard Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34* and Statement No. 66, *Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62.*

GASB Statement No. 61 requires reporting a component unit as if they were part of the primary government (that is, blending) in circumstances where the component unit's total debt outstanding is expected to be repaid entirely or almost entirely with resources of the primary government. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 66 resolves conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting and thereby enhance the usefulness of the financial reports. The implementation of this statement did not result in any change in the City's financial statements.

NOTE 3 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the City into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such 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 monies 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 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 monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, 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, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

4. Bonds and other obligations of the State of Ohio;

5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that the investments in securities described in this division are made only through eligible institutions;

6. The State Treasurer's investment pool (STAROhio). No derivative, securities, or investment "pools" with the exception of STAROhio are permitted. STAROhio is an investment pool professionally managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. The fund follows all state statutes from the Ohio Revised Code under the Uniform Depository Act. The fund is audited by the State of Ohio to ensure compliance with these laws;

7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed three million dollars face amount invested in the acceptances of any one bank at any time; and,

8. Under limited circumstances, consistent with the City's investment policy, three mutual funds which invest in corporate and GNMA bonds: Vanguard Short-Term Corporate Fund, Vanguard Intermediate-Term Corporate Fund, and Vanguard GNMA Fund.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it. Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution, by surety company bonds or by a single collateral pool established by the financial institution. In accordance with Chapter 135 of the Ohio Revised Code, any public depository receiving deposits pursuant to an award of City funds shall be required to pledge as security for repayment of all public moneys. Although the securities were held by the pledging financial institutions' trust department and all statutory requirements for the investments of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the City or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

At year-end, the carrying amount of the City's deposits including certificates of deposit was $3,984,248 and the bank balance was $4,796,989. Of the bank balance, $994,575 was covered by Federal depository insurance and $3,802,414 was uninsured. Of the remaining uninsured bank balance, $3,802,414 was collateralized with securities held by the pledging institution's agent or trust department, not in the City's name.

Investments

As of December 31, 2013, the City had the following investments:

	Fair Value	Maturity		
		Less than 1 year	1 to 2 years	Greater than 2 years
Vanguard Short-Term Corporate Bond Fund	$ 3,041,216	$ -	$ 3,041,216	$ -
Vanguard Intermediate-Term Corporate Bond Fund	4,098,242	-	-	4,098,242
Vanguard GNMA Fund	5,020,981	-	-	5,020,981
STAROhio	19,049,394	19,049,394	-	-
Total Portfolio	$ 31,209,833	$ 19,049,394	$ 3,041,216	$ 9,119,223

Interest Rate Risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The City's investment policy addresses interest rate risk requiring 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, thereby avoiding that need to sell securities on the open market prior to maturity and by investing operating funds primarily in short-term investments. The City investment policy also limits security purchases to those that mature five years unless the purchase is in shares of

the three Vanguard Corporate and GNMA Funds. The fair value of the STAROhio investment is equal to the value of the pool shares.

Custodial Credit Risk for investments is the risk that, in the event of the failure of the counter party to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. All financial institutions and broker/dealers who desire to become qualified for investment transactions with the City must meet a set of prescribed standards and be periodically reviewed.

Credit Risk is addressed by the City's general investment policy that the objective of investment activity is to maximize investment income while preserving principal and maintaining sufficient liquidity to meet cash flow requirements without having to sell securities before maturity. Investments in debt securities that mature in the future are not made unless it is reasonable to believe that the investment can be held until maturity.

The credit ratings assigned to the three mutual funds were obtained from Barclays Capital using ratings derived from Moody's Investors Service, Fitch Ratings, and Standard & Poor's. Approximately 75% to 80% of the portfolios are rated as follows: the Vanguard Short-Term Corporate Bond Fund and the Vanguard Intermediate-Term Corporate Bond Fund were rated A or better. The Vanguard GNMA Fund was rated AAA. The STAROhio investment was rated AAAm by S&P. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service.

Concentration of Credit Risk is defined by the Governmental Accounting Standards Board as five percent or more in the securities of a single issuer. The City's investment policy requires diversification of the portfolio but does not indicate specific percentage allocations. The following is the City's allocation as of December 31, 2013; Vanguard Short-Term Corporate Bond Fund – 9.7%, Vanguard Intermediate Term Corporate Bond Fund – 13.1%, Vanguard GNMA Fund – 16.1%, and STAROhio – 61.1%.

Reconciliation to Financial Statements: Total cash and investments are reported as follows:

Government-Wide Financial Statements	
Cash and investments	$ 35,146,937
Fund Financial Statements	
Cash and investments	31,109,705
Proprietary Fund Financial Statements	
Cash and investments	4,037,232
Statement of Fiduciary Net Position	
Cash	47,144
Total	$ 35,194,081

NOTE 4 – RECEIVABLES AND DEFERRED INFLOWS OF RESOURCES

Receivables consist of the following at December 31, 2013:

	Income Taxes	Property Taxes	Special Assess-ments	Other	Gross Receivables	Allowance for uncol-lectibles	Net
Governmental Activities							
Governmental Funds							
General Fund	$ 10,291,959	$ 780,192	$ -	$ 372,274	$ 11,444,425	$ (45,830)	$ 11,398,595
Special Assessment Bond Retirement Fund	-	-	14,206,312	-	14,206,312	(444,089)	13,762,223
Other Governmental Funds	-	4,102,287	58,536	73,494	4,234,317	(298,354)	3,935,963
Total Receivables	$ 10,291,959	$ 4,882,479	$ 14,264,848	$ 445,768	$ 29,885,054	$ (788,273)	$ 29,096,781

Governmental fund financial statements report deferred inflows of resources pertaining to receivables that are not considered to be available to liquidate liabilities of the current period. Revenue recognition is also deferred with respect to grant revenues that have been received, but all eligibility requirements have not been met. For purposes of the government-wide financial statements, the availability criteria is not considered in determining deferred inflows of resources.

The various components of deferred inflows of resources reported in the accompanying financial statements were as follows:

	Government-Wide Statement of Net Position	Governmental Funds Balance Sheet
Governmental Funds:		
General Fund:		
Property tax receivable	$ 703,469	$ 737,145
Income tax receivable	-	3,457,973
State shared revenue receivable	-	505,909
Total general fund	703,469	4,701,027
Special Assessment Bond Retirement Fund:		
Special assessment receivable	-	13,905,606
Other Governmental Funds:		
Property tax receivable	3,792,241	3,856,153
Special assessment receivable	-	8,555
State shared revenue receivable	-	949,311
Payments in lieu of taxes receivable	530,562	530,562
Total other governmental funds	4,322,803	5,344,581
Total deferred inflows of resources	$ 5,026,272	$ 23,951,214

NOTE 5 – MUNICIPAL COURT

The Mentor Municipal Court was created by Section 1901.2 of the Ohio Revised Code and has territorial jurisdiction over the City of Mentor and the City of Mentor-on-the-Lake. The Mentor Municipal Court has preliminary hearing jurisdiction in felony cases, original jurisdiction in civil cases when the amount in dispute does not exceed $15,000, original jurisdiction in traffic and non-traffic misdemeanor cases, and exclusive original jurisdiction in small claims cases.

The collection activities of the Municipal Court are accounted for in a separate Agency Fund in the accompanying basic financial statements. Fines and costs collected by the Municipal Court and related to the City of Mentor are recorded as revenue in the General Fund. The costs associated with the operations of the Municipal Court are borne by the City and recorded in the General Fund. Fines and costs collected for the State of Ohio, subdivisions thereof, and individuals, which have not been disbursed as of year-end, are recognized as liabilities in the Municipal Court Agency Fund.

NOTE 6 – CAPITAL ASSETS

Capital Asset Activity: Capital asset activity for the year ended December 31, 2013 was as follows:

	Restated Balance December 31, 2012	Additions	Deductions	Balance December 31, 2013
		(Amounts in 000's)		
Governmental Activities:				
Capital assets, not being depreciated:				
Land	$ 62,994	$ 43	$ (120)	$ 62,917
Construction in progress	2,429	937	(449)	2,917
Total capital assets, not being depreciated	65,423	980	(569)	65,834
Capital assets, being depreciated:				
Land improvements	6,932	31	-	6,963
Buildings and improvements	42,380	-	-	42,380
Equipment	20,834	1,880	(619)	22,095
Infrastructure	117,605	12	-	117,617
Cost	187,751	1,923	(619)	189,055
Less accumulated depreciation for:				
Land improvements	(6,055)	(106)	-	(6,161)
Buildings and improvements	(20,741)	(1,088)	-	(21,829)
Equipment	(14,332)	(1,201)	425	(15,108)
Infrastructure	(45,678)	(2,535)	-	(48,213)
Total accumulated depreciation	(86,806)	(4,930)	425	(91,311)
Total accumulated assets being depreciated, net	100,945	(3,007)	(194)	97,744
Capital Assets, net	$ 166,368	$ (2,027)	$ (763)	$ 163,578

Depreciation: Depreciation expense was charged to functions/programs of the government as follows:

	(Amounts in 000's)
Governmental Activities:	
General government	$ 141
Police	390
Fire	541
Streets and highways	2,866
Parks, recreation and public facilities	986
Economic and community development	2
Engineering and building	4
Total depreciation expense charged to governmental activities	$ 4,930

NOTE 7 – DEBT AND OTHER LONG-TERM OBLIGATIONS

A summary of the changes in the debt and other long-term obligations of the City during the year ended December 31, 2013 is as follows:

	Balance January 1, 2013	Additions	(Reductions)	Balance December 31, 2013	Due Within One Year
Governmental Activities					
General Obligation Bonds due through 2030 2% to 5%	$ 18,826,580	$ -	$ (2,127,364)	$ 16,699,216	$ 1,906,922
Special Assessment Bonds due through 2029, 2% to 7.15%	10,163,420	-	(592,636)	9,570,784	573,078
Unamortized Premium on Debt	29,403	-	(2,818)	26,585	2,731
Other obligations:					
Compensated absences	1,982,881	72,559	(54,301)	2,001,139	130,762
Claims and judgements	3,644,000	1,079,706	(603,706)	4,120,000	522,538
OWDA and OPWC loans	586,700	-	(38,388)	548,312	38,780
Total Debt and Long-Term Obligations	$ 35,232,984	$ 1,152,265	$ (3,419,213)	$ 32,966,036	$ 3,174,811

During 2007, the City finalized a 20 year, 3.00% interest rate loan through the Ohio Water Development Authority in the amount of $287,656. The outstanding principal balance at December 31, 2013 is $199,230. The City also made principal payments on its four existing Ohio Public Works Commission 20 year, 0% loans during 2013. The Chillicothe Road Widening & Resurfacing loan, the Hopkins Road Bridge development loan, the Kellogg Creek Culvert Improvement loan, and the Stoneybrook Culvert Improvement loan have outstanding December 31, 2013 principal amounts of $19,012, $255,275, $27,294, and $47,501 respectively.

General obligation bonds will be paid from certain ad valorem taxes and other revenue sources deposited into the debt service fund. The special assessment bonds and loans will be paid from the proceeds of special assessments levied against benefited property owners. In the event property owners would fail to pay the assessment, payment would be made by the City. Compensated absences will be paid from the funds in which the employee is paid.

Bonds payable at December 31, 2013 are comprised of the following issues:

Governmental Activities Obligations:	Amount of Original Issuance	Bonds Outstanding December 31, 2013
General unvoted obligations:		
2004 Various Purpose Refunding Bonds due in annual installments ranging from $260,000 to $622,364 through 2016 plus interest at rates varying between 2% to 5%	$ 5,808,974	$ 1,089,216
2005 Various Purpose Improvement and Refunding Bonds due in annual installments ranging from $200,000 to $1,410,000 through 2025 plus interest rates varying between 3.5% to 5%	15,210,000	8,465,000
2009 Various Purpose Bonds due in annual installments ranging from $130,000 to $260,000 through 2029 plus interest at rates varying between 2.0% and 4.5%	3,745,000	3,165,000
2011 Various Purpose Bonds due in annual installments ranging from $175,000 to $270,000 through 2030 plus interest rates varying between 2.0% and 3.375%	4,355,000	3,980,000
Total general obligation bonds	29,118,974	16,699,216
Special assessment obligations:		
1993 Various Purpose Improvement Bonds due in annual installments ranging from $17,136 to $46,795 through 2013, plus interest at rates varying between 5% to 5.65%	580,000	-
2002 Tyler Boulevard Extension Bonds due in annual installments ranging from $145,000 to $375,000 through 2022, plus interest at rates varying between 3% to 4.7%	4,850,000	2,790,000
2004 Various Purpose Refunding Bonds due in annual installments ranging from $260,000 to $622,364 through 2016 plus interest at rates varying between 2% to 5%	76,026	25,784
2008 Street Improvement Bonds due in annual installments ranging from $225,000 to $570,000 through 2028, plus interest at rates varying between 3.0% to 4.55%	7,505,000	6,250,000
2009 Various Purpose Bonds due in annual installments ranging from $130,000 to $260,000 through 2029 plus interest at rates varying between 2.0% and 4.5%	590,000	505,000
Total special assessment bonds	13,601,026	9,570,784
Total bonds	$ 42,720,000	$ 26,270,000

All bonds outstanding are backed by the full faith and credit of the City. It is the City's policy to pay debt service on the special assessment bonds from the related special assessment levies and any amounts being held in the Special Assessment Bond Retirement Fund, which are restricted for debt service.

The following is a summary of the City's future debt service requirements as of December 31, 2013:

	Governmental Activities						
Year Ending	General Obligation Bonds		Special Assessment Bonds		OWDA and OPWC Loans		
December 31	Principal	Interest	Principal	Interest	Principal	Interest	Total
2014	$ 1,906,922	$ 681,187	$ 573,078	$ 409,035	$ 38,780	$ 5,877	$ 3,614,879
2015	2,011,368	600,177	603,632	386,707	39,184	5,474	3,646,542
2016	2,105,926	509,459	634,074	362,925	39,600	5,058	3,657,042
2017	1,805,000	414,113	650,000	337,121	40,028	4,630	3,250,892
2018	755,000	332,388	680,000	311,031	40,469	4,188	2,123,076
2019-2023	4,175,000	1,226,125	3,600,000	1,087,411	209,447	13,841	10,311,824
2024-2028	3,190,000	451,818	2,790,000	397,469	129,094	2,090	6,960,471
2029-2030	750,000	36,900	40,000	1,800	11,710	-	840,410
	$ 16,699,216	$ 4,252,167	$ 9,570,784	$ 3,293,499	$ 548,312	$ 41,158	$ 34,405,136

Under the Ohio Revised Code, at December 31, 2013, the City legally could issue approximately $58.3 million of additional, unvoted, general obligation debt.

Conduit Debt: From time to time, the City has issued industrial revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from the payments received by the bond trustee on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The bonds do not constitute a debt or pledge of the faith and credit of the City and, accordingly, have not been reported in the accompanying financial statements.

As of December 31, 2013, there were three series of industrial revenue bonds outstanding. The aggregate principal amount payable for the three series was $2.1 million. The City also acts as a conduit for the Lake County Communities Energy Special Improvement District. As of December 31, 2013 there was one special assessed bond series outstanding with an aggregate principal amount payable of $4.9 million.

NOTE 8 – COMPLIANCE AND ACCOUNTABILITY

At December 31, 2013, the Internal Service Fund – Workers Compensation, the Special Revenue Funds – Community Development Block Grant 11-12, Safe Routes to School, and the Capital Project Funds – Plaza Boulevard Extension, Station Street Resurfacing, SR 306 Resurfacing, Hoose/Kings Hollow Improvement, Munson Road Resurfacing, State Grant – Other, Heisley Road Improvement – Phase III, Newell Creek Bikeway, I90/SR615 Interchange, and Federal Grants – Other had deficit fund balances of $82,768, $15,923, $5,869, $178,463, $260,821, $184,566, $212,678, $244,902, $22,726, $226,926, $86,050, $84,203, and $11,552, respectively. All deficits will be eliminated through transfers or the receipt of grant and bond proceeds during 2014. No other funds had deficit balances as of December 31, 2013.

NOTE 9 – RISK MANAGEMENT

Self Insurance: The City is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The City is self-insured for the cost of collision claims resulting from the use of City vehicles, except for fire and rescue vehicles that remain insured through a private insurance company. In accordance with GASB Statement No. 10, claims liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claims that meet these criteria are reported as liabilities in the government-wide statement of net position.

The process of estimating claims liabilities depends on many complex factors, such as inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses, regardless of whether allocated to specific claims. Estimated recoveries from subrogation or otherwise, are another component of the claims liability estimate.

The City's financial activity relating to its self-insured risk is accounted for in the General Fund. Changes in the estimated claims payable for self-insured risk (vehicle collision claims) during the years ended December 31, 2013 and 2012 were as follows:

	2013	2012
Estimated claims payable, January 1	$ -	$ -
Current year claims and changes in estimates	7,000	23,200
Claim payments	(7,000)	(23,200)
Change to estimated liability	-	-
Estimated claims payable, December 31	$ -	$ -

Insurance: The City purchases insurance policies in varying amounts for general liability, property damage, employee health care benefits, and law enforcement and public officials' liability, including errors and omissions of the City's safety forces. Otherwise, the City is generally self-insured. Included in the coverage is an excess umbrella liability limit of $10 million for each occurrence and annual aggregate. The City contracts with several different insurance companies, with either excellent or superior ratings. No material losses, including incurred but not reported losses, occurred in 2013. There was no significant decrease in any insurance coverages in 2013. In addition, there were no insurance settlements in excess of insurance coverage during the past three fiscal years.

The City provides the choice of two separate health insurance plans for its employees. These plans are provided by two different insurers through commercial insurance. Operating funds are charged a monthly rate per employee by type of coverage. The City has established a formal self-insurance program for liabilities arising from the City's participation in the Workers' Compensation Retrospective Rating Plan. This exposure is accounted for in the Workers Compensation Internal Service Fund, which is responsible for collecting interfund premiums from other City funds and departments, paying claim settlements, and purchasing other specified insurance policies.

The claims liability of $4,120,000 reported in the fund at December 31, 2013, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claim, be reported. Changes in the fund's claims liability amount in 2012 and 2013 were as follows:

	Balance at Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Balance at End of Year
2012	$ 1,800,000	$ 2,490,860	$ 646,860	$ 3,644,000
2013	3,644,000	1,079,706	603,706	4,120,000

NOTE 10 – CONTINGENCIES

The City participates in certain federally-assisted grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agencies should an audit be performed cannot be determined at this time, although the City expects any disallowance would be immaterial.

In addition, there are certain pending lawsuits in which the City is involved. The City's management, after consultation with the City's Law Director, is of the opinion that potential uninsured claims against the City are not material to the City's basic financial statements.

NOTE 11 – INTERFUND TRANSACTIONS AND BALANCES

Interfund Transactions: During the course of normal operations, the City records numerous transactions between funds including expenditures and transfers of resources to provide services, subsidize operations, and service debt. The City has the following types of transactions among funds:

1. Nonreciprocal interfund transfers – Flows of assets between funds without equivalent flows of assets in return and without a requirement for repayment. This includes transfers to subsidize various funds.

2. Nonreciprocal interfund reimbursements – Repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them.

For the year ended December 31, 2013 transfers ($471,982 related to debt, $34,428 related to grants and $471,250 related to fund closeouts) consisted of the following:

Transfers Out	Total	Transfers In: General Fund	Transfers In: Other Governmental Funds	Transfers In: Total Governmental Funds
Governmental Funds:				
General	$ (855,679)	$ -	$ -	$ -
Other governmental	(121,981)	-	977,660	977,660
Total	$ (977,660)	$ -	$ 977,660	$ 977,660

Interfund balances: Interfund balances at December 31, 2013 represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting records, and (3) payments between funds are made. All are expected to be paid within one year with the exception of an interfund loan from the General Obligation Bond Retirement Fund to the TIF Fund. In 2010, the City issued an internal treasury bond in the amount of $346,862 for the cost of constructing Sterling Court. The interfund loan will be reimbursed through the transfer of available TIF funds over a 20 year period.

Interfund receivable and payable balances as of December 31, 2013 are as follows:

Receivable Fund	Total	Payable Fund: Special Assessment Bond Retirement Fund	Payable Fund: Other Governmental Funds	Payable Fund: Total
Governmental Funds:				
General	$ 8,784,876	$ -	$ -	$ -
Special Assessment Bond Retirement	-	5,022	-	5,022
Other governmental	314,416	-	9,094,270	9,094,270
Total	$ 9,099,292	$ 5,022	$ 9,094,270	$ 9,099,292

NOTE 12 – TAXES

Income Taxes – A two percent City income tax is levied on substantially all income earned within the City. On March 6, 2012, the two percent income tax was renewed by the voters for a five year period through December 31, 2017. In addition, the residents of the City are required to pay City income tax on income they earn outside the City; however, full credit is allowed for all income taxes these residents pay to other municipalities. Employers within the City are required to withhold income tax on employee compensation and remit the tax to an intermediary collection agency (Regional Income Tax Agency) at least quarterly. Corporations and self-employed individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually with the collection agency. The collection agency remits taxes collected for the City each month, net of a charge for the cost of services and a credit for interest earned on amounts collected between remittances.

Property Taxes – Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property (other than public utility) in one calendar year are levied in October of the preceding calendar year on assessed values as of

January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revalued by appraisal every six years and, three years after each revaluation, all property values are reviewed and revised, as necessary, as part of a triennial update based on recent sales of properties. The last revaluation was completed in 2012. Real property taxes are payable annually or semi-annually. If paid annually, payment is due February 19; if paid semiannually, the first payment is due January 20, with the remainder payable July 17. In certain instances, State statute permits earlier or later payment dates to be established.

Public utility real and tangible personal property taxes collected in one calendar year are levied in October of the preceding calendar year on assessed values determined as of December 31 of that preceding year, the lien date.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Mentor. The County Auditor periodically remits to the City its portion of taxes collected with final settlement in June and December for taxes payable in the first and second halves of the year, respectively.

The assessed value upon which the 2012 levy (collected in 2013) was approximately $1.4 billion. Ohio law limits unvoted property taxation, combined for all overlapping taxing authorities, to 10 mills. The City's current share of the unvoted property tax is 3 mills of assessed value, and the City's total property tax levy, including all voted levies is 4.50 mills of assessed value.

NOTE 13 – DEFINED BENEFIT PENSION PLANS

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

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the Traditional and Combined plans. Members of the Member-Directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting https://www.opers.org/investments/cafr.shtml, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

The Ohio Revised Code provides statutory authority for employee and employer contributions. For years 2013, member and employer contribution rates were consistent across all three plans.

Plan members are required to contribute 10.0 percent of their annual covered salary to fund pension obligations. The 2013 employer contribution rate was 14.0 percent of covered payroll.

Contributions are authorized by State statute and the contribution rates are determined actuarially. The City's required contributions (including post-employment benefits) to OPERS for the years ended December 31, 2013, 2012, and 2011 were $1,975,250, $2,020,770, $1,972,675, respectively; 100 percent has been contributed for 2012 and 2011, 89 percent for 2013.

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

From January 1, 2013 thru July 1, 2013, plan members were required to contribute 10.0 percent of their annual covered salary. From July 2, 2013 thru December 31, 2013, plan members were required to contribute 10.75 percent of their annual covered salary. Throughout 2013, employers were required to contribute 19.5 percent and 24.0 percent respectively for police officers and firefighters. The City's contributions (including post-employment benefits) to OP&F for the years ending December 31, 2013, 2012, and 2011 were $2,649,804, $2,669,446, and $2,551,400, respectively, equal to the required payments for each year. The full amount has been contributed for police and firefighters for years 2012 and 2011, and 87 percent for 2013.

NOTE 14 – OTHER POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System: OPERS maintains a cost-sharing, multiple employer defined benefit post-employment health care plan. For qualifying members of the Traditional Pension and Combined Plans, this plan includes a medical plan, prescription drug program, and Medicare Part B premium reimbursement. Those belonging to the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code. The Ohio Revised Code provides statutory authority requiring public employers to fund post-retirement health care through their contributions to

OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2013, local government employer units contributed at 14.0 percent of covered payroll. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active members do not make contributions to the OPEB plan.

OPERS' Post employment Health Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits.

For 2013, the portion of employer contributions allocated to health care for members in the Traditional Plan was 1.0 percent. The portion of employer contributions allocated to health care for members in the Combined Plan was 1.0 percent during calendar year 2013. Effective January 1, 2014, the portion of employer contributions allocated to health care was raised to 2.0 percent for both plans, as recommended by the OPERS Actuary. The City's approximated contributions which were used to fund post-employment benefits were $141,033 for 2013, $577,334 for 2012, and $563,593 for 2011. The OPERS Retirement Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and coverage selected.

Changes made to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contributions toward the health care fund after the end of the transition period.

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

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement No. 45. 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 are codified in Chapter 742 of the Ohio Revised Code.

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, 19.50 percent and 24.00 percent of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50 percent of the covered payroll for police employer units and 24.00 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was 4.69 percent of covered payroll from January 1, 2013 thru May 31, 2013 and 2.85 percent of covered payroll from June 1, 2013 thru December 31, 2013. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Section 115 and 401(h).

The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. The portion of the City's contributions that was used to pay post-employment benefits for 2013, 2012, and 2011, was $229,625, $431,142, $415,886, for police and $202,880, $399,967, $379,186, for firefighters, respectively.

Social Security: Effective in August of 1992, all newly hired part-time firefighters were no longer eligible to be members of the OPERS retirement system. The part-time firefighters hired after this time contribute to social security, with a contribution rate of 4.2 percent.

NOTE 15 – PRIOR PERIOD ADJUSTMENT

The City changed its capital asset policy as of December 31, 2012. The capital asset threshold was increased to $5,000 per item. As a result of the change in policy, capital assets with a net book value of $565,669 were removed from the capital asset category as of December 31, 2012. The December 31, 2012 Financial Statements have been restated to reflect the change in policy.

Supplementary Information

CITY OF MENTOR 1963-2013

CITY OF MENTOR, OHIO
GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:				
Property taxes	$ 801,400	$ 801,400	$ 717,791	$ (83,609)
Municipal income tax	33,250,000	35,750,000	37,692,133	1,942,133
Intergovernmental	1,956,619	2,916,619	2,950,464	33,845
Charges for services	5,564,820	5,564,820	5,850,498	285,678
Fines and forfeitures	1,020,500	1,020,500	1,137,769	117,269
Licenses, permits and inspections	1,458,788	1,458,788	1,607,565	148,777
Investment income	400,000	400,000	412,803	12,803
Other	402,873	779,873	432,839	(347,034)
Total revenues	44,855,000	48,692,000	50,801,862	2,109,862
EXPENDITURES:				
GENERAL GOVERNMENT:				
Council:				
Employee compensation	170,875	170,875	159,095	11,780
Other	258,154	258,154	162,045	96,109
Total council	429,029	429,029	321,140	107,889
Court:				
Employee compensation	862,939	862,939	769,118	93,821
Other	454,307	454,307	381,823	72,484
Total court	1,317,246	1,317,246	1,150,941	166,305
City manager:				
Employee compensation	1,098,877	1,098,877	971,451	127,426
Other	1,322,397	1,362,398	1,159,131	203,267
Total city manager	2,421,274	2,461,275	2,130,582	330,693
Finance:				
Employee compensation	642,329	642,329	638,370	3,959
Other	1,981,802	1,981,802	1,354,446	627,356
Total finance	2,624,131	2,624,131	1,992,816	631,315
Legal:				
Employee compensation	357,080	357,080	349,231	7,849
Other	223,850	268,850	251,901	16,949
Total legal	580,930	625,930	601,132	24,798
Other	1,068,000	493,762	493,757	5
Total general government	8,440,610	7,951,373	6,690,368	1,261,005

Continued

CITY OF MENTOR, OHIO
GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance - Positive (Negative)
POLICE:				
Employee compensation	$ 8,689,723	$ 8,689,723	$ 8,384,254	$ 305,469
Other	4,100,944	4,100,944	3,907,565	193,379
Total police	12,790,667	12,790,667	12,291,819	498,848
FIRE:				
Employee compensation	6,946,391	6,946,391	6,670,326	276,065
Other	3,623,099	3,623,101	3,357,027	266,074
Total fire	10,569,490	10,569,492	10,027,353	542,139
STREETS AND HIGHWAYS:				
Employee compensation	3,894,654	3,894,654	3,743,656	150,998
Other	4,331,825	4,581,826	4,235,481	346,345
Total streets and highways	8,226,479	8,476,480	7,979,137	497,343
PARKS, RECREATION AND PUBLIC FACILITIES:				
Employee compensation	3,271,956	3,271,956	2,975,591	296,365
Other	4,813,346	4,855,345	4,063,358	791,987
Total parks, recreation and public facilities	8,085,302	8,127,301	7,038,949	1,088,352
ECONOMIC AND COMMUNITY DEVELOPMENT:				
Employee compensation	968,223	968,223	872,172	96,051
Other	3,364,381	3,664,379	3,575,164	89,215
Total economic and community development	4,332,604	4,632,602	4,447,336	185,266
ENGINEERING AND BUILDING				
Employee compensation	1,018,226	1,018,226	966,441	51,785
Other	1,404,449	2,404,449	1,051,796	1,352,653
Total engineering and building	2,422,675	3,422,675	2,018,237	1,404,438
Total expenditures	54,867,827	55,970,590	50,493,199	5,477,391
Excess (deficiency) of revenues over expenditures	(10,012,827)	(7,278,590)	308,663	7,587,253
OTHER FINANCING SOURCES (USES):				
Advances in	3,000,000	3,000,000	3,015,174	15,174
Advances out	-	(8,802,843)	(8,802,843)	-
Transfers out	(1,500,000)	(2,697,517)	(2,697,517)	-
Total other financing sources (uses)	1,500,000	(8,500,360)	(8,485,186)	15,174
NET CHANGE IN FUND BALANCE	(8,512,827)	(15,778,950)	(8,176,523)	7,602,427
Adjustment for prior year encumbrances	3,126,885	3,126,885	3,126,885	-
FUND BALANCES, BEGINNING OF YEAR	13,809,435	13,809,435	13,809,435	-
FUND BALANCES, END OF YEAR	$ 8,423,493	$ 1,157,370	$ 8,759,797	$ 7,602,427

CITY OF MENTOR, OHIO

SPECIAL ASSESSMENT BOND RETIREMENT FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Special assessments	$ 1,069,302	$ 1,066,176	$ (3,126)
EXPENDITURES:			
Debt service:			
Principal retirement	605,598	605,598	-
Interest and other charges	467,641	458,297	9,344
Total expenditures	1,073,239	1,063,895	9,344
Excess (deficiency) of revenues over expenditures	(3,937)	2,281	6,218
OTHER FINANCING SOURCES (USES):			
Advances out	(10,000)	(10,000)	-
Total other financing sources (uses)	(10,000)	(10,000)	-
NET CHANGE IN FUND BALANCE	(13,937)	(7,719)	6,218
FUND BALANCES, BEGINNING OF YEAR	17,061	17,061	-
FUND BALANCES, END OF YEAR	$ 3,124	$ 9,342	$ 6,218

CITY OF MENTOR, OHIO
NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are restricted or committed to expenditures for particular purposes. The City's special revenue funds are described below:

Street Fund	Required by the Ohio Revised Code to account for that portion of the motor vehicle registration fees and state gasoline tax restricted for the construction, maintenance, and repairs of streets and highways.
TIF Fund	To account for the monies received through tax increment financing to finance the construction of public infrastructure improvements which will benefit new commercial and industrial development.
Police Pension Fund	To accumulate property taxes levied toward partial payment of the current liability for police disability and pension benefits.
Fire Pension Fund	To accumulate property taxes levied toward partial payment of the current liability for fire fighters' disability and pension benefits.
Fire Levy Fund	To accumulate property taxes levied for the purpose of providing and maintaining fire equipment and for the payment of salaries and expenses of permanent and part-time firefighters.
Senior Citizens Services Levy Fund	To account for property taxes levied by Lake County and distributed to the City for the purpose of providing funding for senior citizen projects and operating costs of the City's Senior Citizens Center.
Community Recreation Facilities Fund	To provide funds for projects relating to recreational facilities.
Cemetery Fund	To account for monies received from the sale of cemetery lots and restricted for the enlargement, improvement, embellishment, and care of cemetery grounds.
Economic Development Fund	To account for monies paid to the City in conjunction with the Mentor Economic Assistance Corporation, as certified by the Small Business Administration.
Subdivision Street Tree Fund	To accumulate subdivision fees to be used for planting trees to beautify the City.
Street Lighting Fund	To accumulate street lighting assessment revenues levied for payment of current street lighting operating costs.
Court Computer Fund	To accumulate fees collected for computerization of the Mentor Municipal Court.

SPECIAL REVENUE FUNDS (Continued)

Court Special Projects Fund	To accumulate filing fees collected for special projects of the Mentor Municipal Court.
Enforcement and Education Fund	To account for fines received from the Mentor Municipal Court to be used by the Mentor Police Department to cover costs incurred in enforcing DUI laws and educating the public regarding such laws.
Court Probation Services Fund	To accumulate probation fees collected for the operation of Mentor Municipal Court's Probation Department.
Indigent Driver Alcohol Treatment Fund	To account for fines and fees received from the Mentor Municipal Court and the Ohio Department of Alcohol and Drug Addiction Services for the purpose of providing indigent drivers with alcohol and/or drug treatment.
Indigent Driver Alcohol Monitoring Fund	To account for fines and fees received from the Mentor Municipal Court and the Ohio Department of Alcohol and Drug Addiction Services for the purpose of providing indigent drivers with alcohol and/or drug monitoring devices.
Law Enforcement Trust Fund	To account for monies received from the seizure and sale of contraband and property used in criminal activity.
Payroll Stabilization Fund	To account for the accumulation of resources for termination benefits and for the payment of salaries during any fiscal year when the number of pay periods exceeds the usual and customary number of pay periods. This fund is combined with General Fund on a GAAP basis as a result of the implementation of GASB-S54.
Police Canine Fund	To account for monies received for the Police Department's canine unit.
Seat Belt Grant Fund	To account for monies received from the Ohio Department of Highway Safety for the encouragement of seat belt use.
VOCA Victims Assistance Grant 12-13 Fund	To account for monies received from the Crime Victims Assistance Office to assist victims of crime.
CDBG NSP 09-13 Fund	To account for monies received from the U.S. Department of Housing and Urban Development for neighborhood stabilization.
Community Development Block Grant 11-12 Fund	To account for monies received from the U.S. Department of Housing and Urban Development for various community development block grant programs.
Forfeited Property–U.S. Department of Justice Fund	To account for shared federally forfeited property proceeds received from the U.S. Department of Justice.

SPECIAL REVENUE FUNDS (Continued)

Safe Routes to School Fund	To account for monies received from an ODOT grant for bike path and sidewalk improvements to promote walking and biking to schools.
Council Donation Fund	To account for donations from various sources and individuals to be used to support specific purposes or programs provided by City Council.
Police Donation Fund	To account for donations from various sources and individuals to be used to support specific purposes or programs provided by the Police Department.
Fire Donation Fund	To account for donations from various sources and individuals to be used to support specific purposes or programs provided by the Fire Department.
Senior Citizens Donation Fund	To account for donations and user fees from various sources and individuals to be used to support specific purposes provided by the Mentor Senior Citizens Center. This fund is combined with General Fund on a GAAP basis as a result of the implementation of GASB-S54.
Parks and Recreation Donation Fund	To account for donations from various sources and individuals to be used to support specific purposes or programs provided by the Parks and Recreation Department.
Cultural Donation Fund	To account for donations and user fees from various sources and individuals to be used to support specific purposes or programs provided by the Wildwood Cultural Center. This fund is combined with General Fund on a GAAP basis as a result of the implementation of GASB-S54.
Beautification Donation Fund	To account for donations and user fees from various sources and individuals to be used to support specific purposes or programs provided by the City of Mentor's Beautification Commission. This fund is combined with General Fund on a GAAP basis as a result of the implementation of GASB-S54.
Local Grant Fund	To account for the financing of various small local grants.

DEBT SERVICE FUNDS

General Obligation Bond Retirement Fund	To accumulate property taxes levied toward payment of outstanding general obligation debt.

CAPITAL PROJECT FUNDS

Plaza Boulevard Extension Fund	To account for the financing of the extension of Plaza Boulevard between Mentor Avenue and St. Clair Avenue.

CAPITAL PROJECT FUNDS (Continued)

Police Renovation and Expansion Fund	To account for the financing of the space expansion and renovation of the Police Department.
Energy Program Fund	To account for the financing of replacing and upgrading of older, inefficient equipment throughout the City to reduce energy usage and costs.
Market Street/Bellflower Concrete Repair Fund	To account for the financing of the reconstruction of damaged pavement along Bellflower Road and Market Street.
Stoneybrook Improvement Fund	To account for the financing of the replacement of roadway culverts under Garfield Road and Stoneybrook Lane, along with stream erosion protection at various locations and overflow spillway repair at the SR84 and Garfield Road retention pond for Newell Creek.
Station Street Resurfacing Fund	To account for the financing of an asphalt resurfacing of Station Street from Center Street to Jackson Street.
SR 306 Resurfacing Fund	To account for the financing of an asphalt resurfacing of portions of SR306 from just south of Kirtland Road to SR84.
Hoose/Kings Hollow Improvement Fund	To account for the financing of asphalt resurfacing on Hoose Road from King Memorial Road to the Concord Township line and King Memorial Road from Hoose Road to Bringman Court, as well as replacing a culvert on Hoose Road.
Munson Road Resurfacing Fund	To account for the financing of pavement repairs and asphalt resurfacing on Munson Road from Center Street to Andrews Road.
State Grants – Other Fund	To account for the financing of various small state grants.
Heisley Road Improvement – Phase III Fund	To account for the financing of the widening of Heisley Road to four through lanes between Jackson Street and Mentor Avenue.
Corduroy Bikeway Connector Fund	To account for the financing of the widening and resurfacing of Jordan Drive from Corduroy Road to Rambler Drive along with bikes lanes.
Newell Creek Bikeway Fund	To account for the financing of a bike path system north of the Norton Parkway.
I90/SR615 Interchange Fund	To account for the financing of an enhancement of the I90/SR615 interchange as part of the City Gateway project.
Safe Routes to School – Infrastructure Fund	To account for the financing of infrastructure improvements, enforcement and education projects resulting from a school travel plan developed in 2008 to promote walking and biking to school.

CAPITAL PROJECT FUNDS (Continued)

Federal Grants – Other Fund	To account for the financing of various small federal grants.

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2013

	Special Revenue Funds			
	Street	TIF	Police Pension	Fire Pension
ASSETS & DEFERRED OUTFLOWS OF RESOURCES				
Assets				
Cash and investments	$ 1,436,498	$ 1,604,853	$ 38,755	$ 38,755
Receivables, net	-	-	356,175	356,175
Due from other funds	-	-	-	-
Due from other governments	1,097,329	530,562	22,474	22,474
Total Assets	2,533,827	2,135,415	417,404	417,404
Total Assets & Deferred Outflows of Resources	$ 2,533,827	$ 2,135,415	$ 417,404	$ 417,404
LIABILITIES & DEFERRED INFLOWS OF RESOURCES				
Liabilities				
Accounts payable	$ 263,409	$ 15,376	$ -	$ -
Due to other funds	500,000	312,177	-	-
Total Liabilities	763,409	327,553	-	-
Deferred Inflows of Resources				
Property tax	-	-	350,254	350,254
PILOT	-	530,562	-	-
Unavailable revenue - delinquent property tax	-	-	5,921	5,921
Unavailable revenue - shared revenue	707,945	-	22,474	22,474
Unavailable revenue - special assessments	-	-	-	-
Total Deferred Inflows of Resources	707,945	530,562	378,649	378,649
Total Liabilities & Deferrred Inflows of Resources	1,471,354	858,115	378,649	378,649
FUND BALANCES				
Restricted	1,062,473	1,277,300	38,755	38,755
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	1,062,473	1,277,300	38,755	38,755
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 2,533,827	$ 2,135,415	$ 417,404	$ 417,404

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2013

	Special Revenue Funds			
	Fire Levy	Senior Citizens Services Levy	Community Recreation Facilities	Cemetery
ASSETS & DEFERRED OUTFLOWS OF RESOURCES				
Assets				
Cash and investments	$ 60,272	$ 326,504	$ 697,047	$ 443,679
Receivables, net	1,005,816	-	42,658	-
Due from other funds	873	-	-	-
Due from other governments	54,073	-	-	-
Total Assets	1,121,034	326,504	739,705	443,679
Total Assets & Deferred Outflows of Resources	$ 1,121,034	$ 326,504	$ 739,705	$ 443,679
LIABILITIES & DEFERRED INFLOWS OF RESOURCES				
Liabilities				
Accounts payable	$ -	$ 3,409	$ 127,763	$ 12,672
Due to other funds	-	-	450,000	-
Total Liabilities	-	3,409	577,763	12,672
Deferred Inflows of Resources				
Property tax	990,205	-	-	-
PILOT	-	-	-	-
Unavailable revenue - delinquent property tax	16,484	-	-	-
Unavailable revenue - shared revenue	54,073	-	-	-
Unavailable revenue - special assessments	-	-	-	-
Total Deferred Inflows of Resources	1,060,762	-	-	-
Total Liabilities & Deferrred Inflows of Resources	1,060,762	3,409	577,763	12,672
FUND BALANCES				
Restricted	60,272	323,095	-	431,007
Committed	-	-	161,942	-
Unassigned	-	-	-	-
Total Fund Balances	60,272	323,095	161,942	431,007
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 1,121,034	$ 326,504	$ 739,705	$ 443,679

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2013

	Special Revenue Funds			
	Economic Development	Subdivision Street Tree	Street Lighting	Court Computer
ASSETS & DEFERRED OUTFLOWS OF RESOURCES				
Assets				
Cash and investments	$ 29,609	$ 20,412	$ 489,338	$ 171,570
Receivables, net	-	-	7,189	5,682
Due from other funds	-	-	1,366	-
Due from other governments	-	-	-	-
Total Assets	29,609	20,412	497,893	177,252
Total Assets & Deferred Outflows of Resources	$ 29,609	$ 20,412	$ 497,893	$ 177,252
LIABILITIES & DEFERRED INFLOWS OF RESOURCES				
Liabilities				
Accounts payable	$ 8,206	$ -	$ 184,298	$ -
Due to other funds	-	-	-	-
Total Liabilities	8,206	-	184,298	-
Deferred Inflows of Resources				
Property tax	-	-	-	-
PILOT	-	-	-	-
Unavailable revenue - delinquent property tax	-	-	-	-
Unavailable revenue - shared revenue	-	-	-	-
Unavailable revenue - special assessments	-	-	8,555	-
Total Deferred Inflows of Resources	-	-	8,555	-
Total Liabilities & Deferrred Inflows of Resources	8,206	-	192,853	-
FUND BALANCES				
Restricted	21,403	-	305,040	177,252
Committed	-	20,412	-	-
Unassigned	-	-	-	-
Total Fund Balances	21,403	20,412	305,040	177,252
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 29,609	$ 20,412	$ 497,893	$ 177,252

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2013

	Special Revenue Funds			
	Court Special Projects	Enforcement and Education	Court Probation Services	Indigent Driver Alcohol Treatment
ASSETS & DEFERRED OUTFLOWS OF RESOURCES				
Assets				
Cash and investments	$ 310,281	$ 15,466	$ 158,617	$ 49,038
Receivables, net	11,364	1,066	10,275	853
Due from other funds	-	-	-	-
Due from other governments	-	-	-	7,500
Total Assets	321,645	16,532	168,892	57,391
Total Assets & Deferred Outflows of Resources	$ 321,645	$ 16,532	$ 168,892	$ 57,391
LIABILITIES & DEFERRED INFLOWS OF RESOURCES				
Liabilities				
Accounts payable	$ -	$ -	$ -	$ -
Due to other funds	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources				
Property tax	-	-	-	-
PILOT	-	-	-	-
Unavailable revenue - delinquent property tax	-	-	-	-
Unavailable revenue - shared revenue	-	-	-	7,500
Unavailable revenue - special assessments	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	7,500
Total Liabilities & Deferrred Inflows of Resources	-	-	-	7,500
FUND BALANCES				
Restricted	321,645	16,532	168,892	49,891
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	321,645	16,532	168,892	49,891
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 321,645	$ 16,532	$ 168,892	$ 57,391

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2013

	Special Revenue Funds			
	Indigent Driver Alcohol Monitoring	Law Enforcement Trust	Police Canine	Seat Belt Grant
ASSETS & DEFERRED OUTFLOWS OF RESOURCES				
Assets				
Cash and investments	$ 125,365	$ 41,289	$ 10,905	$ 8,975
Receivables, net	1,096	500	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Total Assets	126,461	41,789	10,905	8,975
Total Assets & Deferred Outflows of Resources	$ 126,461	$ 41,789	$ 10,905	$ 8,975
LIABILITIES & DEFERRED INFLOWS OF RESOURCES				
Liabilities				
Accounts payable	$ -	$ -	$ -	$ -
Due to other funds	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources				
Property tax	-	-	-	-
PILOT	-	-	-	-
Unavailable revenue - delinquent property tax	-	-	-	-
Unavailable revenue - shared revenue	-	-	-	-
Unavailable revenue - special assessments	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Total Liabilities & Deferrred Inflows of Resources	-	-	-	-
FUND BALANCES				
Restricted	126,461	41,789	10,905	8,975
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	126,461	41,789	10,905	8,975
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 126,461	$ 41,789	$ 10,905	$ 8,975

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2013

	Special Revenue Funds		
	VOCA Victims Assistance Grant 12-13	CDBG NSP 09-13	Community Development Block Grant 11-12
ASSETS & DEFERRED OUTFLOWS OF RESOURCES			
Assets			
Cash and investments	$ 436	$ 391,798	$ 143,337
Receivables, net	-	-	-
Due from other funds	-	-	-
Due from other governments	-	-	-
Total Assets	436	391,798	143,337
Total Assets & Deferred Outflows of Resources	$ 436	$ 391,798	$ 143,337
LIABILITIES & DEFERRED INFLOWS OF RESOURCES			
Liabilities			
Accounts payable	$ -	$ -	$ -
Due to other funds	-	-	159,260
Total Liabilities	-	-	159,260
Deferred Inflows of Resources			
Property tax	-	-	-
PILOT	-	-	-
Unavailable revenue - delinquent property tax	-	-	-
Unavailable revenue - shared revenue	-	-	-
Unavailable revenue - special assessments	-	-	-
Total Deferred Inflows of Resources	-	-	-
Total Liabilities & Deferrred Inflows of Resources	-	-	159,260
FUND BALANCES			
Restricted	436	391,798	-
Committed	-	-	-
Unassigned	-	-	(15,923)
Total Fund Balances	436	391,798	(15,923)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 436	$ 391,798	$ 143,337

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2013

	Special Revenue Funds			
	Forfeited Property - U.S. Department of Justice	Safe Routes to School	Council Donation	Police Donation
ASSETS & DEFERRED OUTFLOWS OF RESOURCES				
Assets				
Cash and investments	$ 122,392	$ 27,407	$ 906	$ 11,291
Receivables, net	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Total Assets	122,392	27,407	906	11,291
Total Assets & Deferred Outflows of Resources	$ 122,392	$ 27,407	$ 906	$ 11,291
LIABILITIES & DEFERRED INFLOWS OF RESOURCES				
Liabilities				
Accounts payable	$ -	$ -	$ -	$ -
Due to other funds	-	33,276	-	-
Total Liabilities	-	33,276	-	-
Deferred Inflows of Resources				
Property tax	-	-	-	-
PILOT	-	-	-	-
Unavailable revenue - delinquent property tax	-	-	-	-
Unavailable revenue - shared revenue	-	-	-	-
Unavailable revenue - special assessments	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Total Liabilities & Deferrred Inflows of Resources	-	33,276	-	-
FUND BALANCES				
Restricted	122,392	-	906	11,291
Committed	-	-	-	-
Unassigned	-	(5,869)	-	-
Total Fund Balances	122,392	(5,869)	906	11,291
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 122,392	$ 27,407	$ 906	$ 11,291

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2013

	Special Revenue Funds			
	Fire Donation	Parks and Recreation Donation	Local Grant	Total Special Revenue Funds
ASSETS & DEFERRED OUTFLOWS OF RESOURCES				
Assets				
Cash and investments	$ 4,605	$ 1,031	$ 500	$ 6,780,931
Receivables, net	-	-	-	1,798,849
Due from other funds	-	-	-	2,239
Due from other governments	-	-	-	1,734,412
Total Assets	4,605	1,031	500	10,316,431
Total Assets & Deferred Outflows of Resources	$ 4,605	$ 1,031	$ 500	$ 10,316,431
LIABILITIES & DEFERRED INFLOWS OF RESOURCES				
Liabilities				
Accounts payable	$ -	$ -	$ -	$ 615,133
Due to other funds	-	-	-	1,454,713
Total Liabilities	-	-	-	2,069,846
Deferred Inflows of Resources				
Property tax	-	-	-	1,690,713
PILOT	-	-	-	530,562
Unavailable revenue - delinquent property tax	-	-	-	28,326
Unavailable revenue - shared revenue	-	-	-	814,466
Unavailable revenue - special assessments	-	-	-	8,555
Total Deferred Inflows of Resources	-	-	-	3,072,622
Total Liabilities & Deferrred Inflows of Resources	-	-	-	5,142,468
FUND BALANCES				
Restricted	4,605	1,031	500	5,013,401
Committed	-	-	-	182,354
Unassigned	-	-	-	(21,792)
Total Fund Balances	4,605	1,031	500	5,173,963
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 4,605	$ 1,031	$ 500	$ 10,316,431

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2013

	Debt Service Fund	Capital Project Funds		
	General Obligation Bond Retirement	Plaza Boulevard Extension	Police Renovation and Expansion	Energy Program
ASSETS & DEFERRED OUTFLOWS OF RESOURCES				
Assets				
Cash and investments	$ 300,657	$ 3,794,653	$ -	$ 1,300,767
Receivables, net	2,137,114	-	-	-
Due from other funds	312,177	-	-	-
Due from other governments	134,845	90,148	-	-
Total Assets	2,884,793	3,884,801	-	1,300,767
Total Assets & Deferred Outflows of Resources	$ 2,884,793	$ 3,884,801	$ -	$ 1,300,767
LIABILITIES & DEFERRED INFLOWS OF RESOURCES				
Liabilities				
Accounts payable	$ -	$ 23,264	$ -	$ -
Due to other funds	300,000	4,040,000	-	-
Total Liabilities	300,000	4,063,264	-	-
Deferred Inflows of Resources				
Property tax	2,101,528	-	-	-
PILOT	-	-	-	-
Unavailable revenue - delinquent property tax	35,586	-	-	-
Unavailable revenue - shared revenue	134,845	-	-	-
Unavailable revenue - special assessments	-	-	-	-
Total Deferred Inflows of Resources	2,271,959	-	-	-
Total Liabilities & Deferrred Inflows of Resources	2,571,959	4,063,264	-	-
FUND BALANCES				
Restricted	312,834	-	-	1,300,767
Committed	-	-	-	-
Unassigned	-	(178,463)	-	-
Total Fund Balances	312,834	(178,463)	-	1,300,767
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 2,884,793	$ 3,884,801	$ -	$ 1,300,767

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2013

	Capital Project Funds			
	Market Street/ Bellflower Concrete Repair	Stoneybrook Improvement	Station Street Resurfacing	SR 306 Resurfacing
ASSETS & DEFERRED OUTFLOWS OF RESOURCES				
Assets				
Cash and investments	$ -	$ 36,300	$ 175,868	$ 287,258
Receivables, net	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	1,689	81,242
Total Assets	-	36,300	177,557	368,500
Total Assets & Deferred Outflows of Resources	$ -	$ 36,300	$ 177,557	$ 368,500
LIABILITIES & DEFERRED INFLOWS OF RESOURCES				
Liabilities				
Accounts payable	$ -	$ -	$ 18,378	$ 253,066
Due to other funds	-	21,000	420,000	300,000
Total Liabilities	-	21,000	438,378	553,066
Deferred Inflows of Resources				
Property tax	-	-	-	-
PILOT	-	-	-	-
Unavailable revenue - delinquent property tax	-	-	-	-
Unavailable revenue - shared revenue	-	-	-	-
Unavailable revenue - special assessments	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Total Liabilities & Deferrred Inflows of Resources	-	21,000	438,378	553,066
FUND BALANCES				
Restricted	-	15,300	-	-
Committed	-	-	-	-
Unassigned	-	-	(260,821)	(184,566)
Total Fund Balances	-	15,300	(260,821)	(184,566)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ -	$ 36,300	$ 177,557	$ 368,500

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2013

	Capital Project Funds			
	Hoose/Kings Hollow Improvement	Munson Road Resurfacing	State Grant - Other	Heisley Road Improvement-Phase III
ASSETS & DEFERRED OUTFLOWS OF RESOURCES				
Assets				
Cash and investments	$ 559,391	$ 418,607	$ 49,868	$ 215,099
Receivables, net	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	160,414	-	-	-
Total Assets	719,805	418,607	49,868	215,099
Total Assets & Deferred Outflows of Resources	$ 719,805	$ 418,607	$ 49,868	$ 215,099
LIABILITIES & DEFERRED INFLOWS OF RESOURCES				
Liabilities				
Accounts payable	$ 352,483	$ 3,509	$ 14,672	$ 57,025
Due to other funds	580,000	660,000	57,922	385,000
Total Liabilities	932,483	663,509	72,594	442,025
Deferred Inflows of Resources				
Property tax	-	-	-	-
PILOT	-	-	-	-
Unavailable revenue - delinquent property tax	-	-	-	-
Unavailable revenue - shared revenue	-	-	-	-
Unavailable revenue - special assessments	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Total Liabilities & Deferrred Inflows of Resources	932,483	663,509	72,594	442,025
FUND BALANCES				
Restricted	-	-	-	-
Committed	-	-	-	-
Unassigned	(212,678)	(244,902)	(22,726)	(226,926)
Total Fund Balances	(212,678)	(244,902)	(22,726)	(226,926)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 719,805	$ 418,607	$ 49,868	$ 215,099

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2013

	Capital Project Funds			
	Corduroy Bikeway Connector	Newell Creek Bikeway	I90/SR615 Interchange	Safe Routes to School-Infrastructure
ASSETS & DEFERRED OUTFLOWS OF RESOURCES				
Assets				
Cash and investments	$ 84,309	$ 115,000	$ 797	$ 15,434
Receivables, net	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	163,276
Total Assets	84,309	115,000	797	178,710
Total Assets & Deferred Outflows of Resources	$ 84,309	$ 115,000	$ 797	$ 178,710
LIABILITIES & DEFERRED INFLOWS OF RESOURCES				
Liabilities				
Accounts payable	$ 6,239	$ 1,050	$ -	$ -
Due to other funds	-	200,000	85,000	178,710
Total Liabilities	6,239	201,050	85,000	178,710
Deferred Inflows of Resources				
Property tax	-	-	-	-
PILOT	-	-	-	-
Unavailable revenue - delinquent property tax	-	-	-	-
Unavailable revenue - shared revenue	-	-	-	-
Unavailable revenue - special assessments	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Total Liabilities & Deferrred Inflows of Resources	6,239	201,050	85,000	178,710
FUND BALANCES				
Restricted	78,070	-	-	-
Committed	-	-	-	-
Unassigned	-	(86,050)	(84,203)	-
Total Fund Balances	78,070	(86,050)	(84,203)	-
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 84,309	$ 115,000	$ 797	$ 178,710

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2013

	Capital Project Fund		
	Federal Grants-Other	Total Capital Project Funds	Total All Nonmajor Funds
ASSETS & DEFERRED OUTFLOWS OF RESOURCES			
Assets			
Cash and investments	$ 392,325	$ 7,445,676	$ 14,527,264
Receivables, net	-	-	3,935,963
Due from other funds	-	-	314,416
Due from other governments	8,048	504,817	2,374,074
Total Assets	400,373	7,950,493	21,151,717
Total Assets & Deferred Outflows of Resources	$ 400,373	$ 7,950,493	$ 21,151,717
LIABILITIES & DEFERRED INFLOWS OF RESOURCES			
Liabilities			
Accounts payable	$ -	$ 729,686	$ 1,344,819
Due to other funds	411,925	7,339,557	9,094,270
Total Liabilities	411,925	8,069,243	10,439,089
Deferred Inflows of Resources			
Property tax	-	-	3,792,241
PILOT	-	-	530,562
Unavailable revenue - delinquent property tax	-	-	63,912
Unavailable revenue - shared revenue	-	-	949,311
Unavailable revenue - special assessments	-	-	8,555
Total Deferred Inflows of Resources	-	-	5,344,581
Total Liabilities & Deferrred Inflows of Resources	411,925	8,069,243	15,783,670
FUND BALANCES			
Restricted	-	1,394,137	6,720,372
Committed	-	-	182,354
Unassigned	(11,552)	(1,512,887)	(1,534,679)
Total Fund Balances	(11,552)	(118,750)	5,368,047
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 400,373	$ 7,950,493	$ 21,151,717

CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2013

	Special Revenue Funds			
	Street	TIF	Police Pension	Fire Pension
REVENUES				
Property taxes	$ -	$ -	$ 368,605	$ 368,605
Other local taxes	-	-	-	-
Payments in Lieu of Taxes	-	407,065	-	-
Intergovernmental	2,543,034	-	46,575	46,575
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Licenses, permits, and inspections	-	-	-	-
Special assessments	-	-	-	-
Investment income	15,884	-	-	-
Donations and other	-	-	-	-
Total revenues	2,558,918	407,065	415,180	415,180
EXPENDITURES				
Current:				
General government	-	-	-	-
Police	-	-	412,774	-
Fire	-	-	-	412,774
Streets and highways	1,929,381	-	-	-
Parks, recreation and public facilities	-	-	-	-
Economic and community development	-	3,791	-	-
Engineering and building	298,992	-	-	-
Capital outlay	353,914	15,376	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other expenditures	-	-	-	-
Total expenditures	2,582,287	19,167	412,774	412,774
Excess (deficiency) of revenues over (under) expenditures	(23,369)	387,898	2,406	2,406
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	(26,665)	-	-
Total other financing sources (uses)	-	(26,665)	-	-
NET CHANGE IN FUND BALANCES	(23,369)	361,233	2,406	2,406
FUND BALANCES AT BEGINNING OF YEAR	1,085,842	916,067	36,349	36,349
FUND BALANCES AT END OF YEAR	**$ 1,062,473**	**$ 1,277,300**	**$ 38,755**	**$ 38,755**

Continued

CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2013

	Special Revenue Funds			
	Fire Levy	Senior Citizens Services Levy	Community Recreation Facilities	Cemetery
REVENUES				
Property taxes	$ 1,003,360	$ -	$ -	$ -
Other local taxes	-	-	544,058	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	109,674	190,299	-	-
Charges for services	-	-	-	30,975
Fines and forfeitures	-	-	-	-
Licenses, permits, and inspections	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Donations and other	-	-	250	-
Total revenues	1,113,034	190,299	544,308	30,975
EXPENDITURES				
Current:				
General government	-	-	-	-
Police	-	-	-	-
Fire	614,554	-	-	-
Streets and highways	-	-	-	-
Parks, recreation and public facilities	-	120,302	865,712	13,562
Economic and community development	-	-	-	-
Engineering and building	-	-	-	-
Capital outlay	484,401	11,591	250,034	20,068
Debt service:				
Principal retirement	-	-	-	-
Interest and other expenditures	-	-	-	-
Total expenditures	1,098,955	131,893	1,115,746	33,630
Excess (deficiency) of revenues over (under) expenditures	14,079	58,406	(571,438)	(2,655)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	14,079	58,406	(571,438)	(2,655)
FUND BALANCES AT BEGINNING OF YEAR	46,193	264,689	733,380	433,662
FUND BALANCES AT END OF YEAR	**$ 60,272**	**$ 323,095**	**$ 161,942**	**$ 431,007**

Continued

CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2013

	Special Revenue Funds			
	Economic Development	Subdivision Street Tree	Street Lighting	Court Computer
REVENUES				
Property taxes	$ -	$ -	$ -	$ -
Other local taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	24,322	-	-	-
Fines and forfeitures	-	-	-	75,985
Licenses, permits, and inspections	-	20,540	-	-
Special assessments	-	-	1,138,054	-
Investment income	-	-	-	-
Donations and other	-	-	-	-
Total revenues	24,322	20,540	1,138,054	75,985
EXPENDITURES				
Current:				
General government	-	-	-	64,830
Police	-	-	-	-
Fire	-	-	-	-
Streets and highways	-	185	1,206,531	-
Parks, recreation and public facilities	-	-	-	-
Economic and community development	40,705	-	-	-
Engineering and building	-	-	-	-
Capital outlay	-	-	-	11,655
Debt service:				
Principal retirement	-	-	-	-
Interest and other expenditures	-	-	-	-
Total expenditures	40,705	185	1,206,531	76,485
Excess (deficiency) of revenues over (under) expenditures	(16,383)	20,355	(68,477)	(500)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	(16,383)	20,355	(68,477)	(500)
FUND BALANCES AT BEGINNING OF YEAR	37,786	57	373,517	177,752
FUND BALANCES AT END OF YEAR	**$ 21,403**	**$ 20,412**	**$ 305,040**	**$ 177,252**

Continued

CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2013

	Special Revenue Funds			
	Court Special Projects	Enforcement and Education	Court Probation Services	Indigent Driver Alcohol Treatment
REVENUES				
Property taxes	$ -	$ -	$ -	$ -
Other local taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	-	-	-	6,844
Charges for services	-	-	-	-
Fines and forfeitures	151,952	5,501	92,577	11,401
Licenses, permits, and inspections	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Donations and other	-	-	-	-
Total revenues	151,952	5,501	92,577	18,245
EXPENDITURES				
Current:				
General government	11,728	-	84,345	22,454
Police	-	7,699	-	-
Fire	-	-	-	-
Streets and highways	-	-	-	-
Parks, recreation and public facilities	-	-	-	-
Economic and community development	-	-	-	-
Engineering and building	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other expenditures	-	-	-	-
Total expenditures	11,728	7,699	84,345	22,454
Excess (deficiency) of revenues over (under) expenditures	140,224	(2,198)	8,232	(4,209)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(95,316)	-	-	-
Total other financing sources (uses)	(95,316)	-	-	-
NET CHANGE IN FUND BALANCES	44,908	(2,198)	8,232	(4,209)
FUND BALANCES AT BEGINNING OF YEAR	276,737	18,730	160,660	54,100
FUND BALANCES AT END OF YEAR	**$ 321,645**	**$ 16,532**	**$ 168,892**	**$ 49,891**

Continued

CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2013

	Special Revenue Funds			
	Indigent Driver Alcohol Monitoring	Law Enforcement Trust	Police Canine	Seat Belt Grant
REVENUES				
Property taxes	$ -	$ -	$ -	$ -
Other local taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	26,093	6,470	-	-
Licenses, permits, and inspections	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Donations and other	-	-	775	-
Total revenues	26,093	6,470	775	-
EXPENDITURES				
Current:				
General government	12,321	-	-	-
Police	-	-	76	566
Fire	-	-	-	-
Streets and highways	-	-	-	-
Parks, recreation and public facilities	-	-	-	-
Economic and community development	-	-	-	-
Engineering and building	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other expenditures	-	-	-	-
Total expenditures	12,321	-	76	566
Excess (deficiency) of revenues over (under) expenditures	13,772	6,470	699	(566)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	13,772	6,470	699	(566)
FUND BALANCES AT BEGINNING OF YEAR	112,689	35,319	10,206	9,541
FUND BALANCES AT END OF YEAR	**$ 126,461**	**$ 41,789**	**$ 10,905**	**$ 8,975**

Continued

CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2013

	Special Revenue Funds		
	VOCA Victims Assistance Grant 12-13	CDBG NSP 09-13	Community Development Block Grant 11-12
REVENUES			
Property taxes	$ -	$ -	$ -
Other local taxes	-	-	-
Payments in Lieu of Taxes	-	-	-
Intergovernmental	2,621	82,204	136,698
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Licenses, permits, and inspections	-	-	-
Special assessments	-	-	-
Investment income	-	3,808	-
Donations and other	-	-	-
Total revenues	2,621	86,012	136,698
EXPENDITURES			
Current:			
General government	-	-	-
Police	2,621	-	-
Fire	-	-	-
Streets and highways	-	-	-
Parks, recreation and public facilities	-	-	-
Economic and community development	-	24,987	145,295
Engineering and building	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and other expenditures	-	-	-
Total expenditures	2,621	24,987	145,295
Excess (deficiency) of revenues over (under) expenditures	-	61,025	(8,597)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	33,230	-
Transfers out	-	-	-
Total other financing sources (uses)	-	33,230	-
NET CHANGE IN FUND BALANCES	-	94,255	(8,597)
FUND BALANCES AT BEGINNING OF YEAR	436	297,543	(7,326)
FUND BALANCES AT END OF YEAR	**$ 436**	**$ 391,798**	**$ (15,923)**

Continued

CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2013

	Special Revenue Funds			
	Forfeited Property - U.S. Department of Justice	Safe Routes to School	Council Donation	Police Donation
REVENUES				
Property taxes	$ -	$ -	$ -	$ -
Other local taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	25,985	14,698	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Licenses, permits, and inspections	-	-	-	-
Special assessments	-	-	-	-
Investment income	1,080	-	-	-
Donations and other	-	-	-	2,692
Total revenues	27,065	14,698	-	2,692
EXPENDITURES				
Current:				
General government	-	-	300	-
Police	-	3,716	-	1,409
Fire	-	-	-	-
Streets and highways	-	-	-	-
Parks, recreation and public facilities	-	15,708	-	-
Economic and community development	-	-	-	-
Engineering and building	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other expenditures	-	-	-	-
Total expenditures	-	19,424	300	1,409
Excess (deficiency) of revenues over (under) expenditures	27,065	(4,726)	(300)	1,283
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	27,065	(4,726)	(300)	1,283
FUND BALANCES AT BEGINNING OF YEAR	95,327	(1,143)	1,206	10,008
FUND BALANCES AT END OF YEAR	**$ 122,392**	**$ (5,869)**	**$ 906**	**$ 11,291**

Continued

CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2013

	Special Revenue Funds			
	Fire Donation	Parks and Recreation Donation	Local Grant	Total Special Revenue Funds
REVENUES				
Property taxes	$ -	$ -	$ -	$ 1,740,570
Other local taxes	-	-	-	544,058
Payments in Lieu of Taxes	-	-	-	407,065
Intergovernmental	-	-	-	3,205,207
Charges for services	-	-	-	55,297
Fines and forfeitures	-	-	-	369,979
Licenses, permits, and inspections	-	-	-	20,540
Special assessments	-	-	-	1,138,054
Investment income	-	-	-	20,772
Donations and other	100	1,031	500	5,348
Total revenues	100	1,031	500	7,506,890
EXPENDITURES				
Current:				
General government	-	-	-	195,978
Police	-	-	-	428,861
Fire	6,879	-	-	1,034,207
Streets and highways	-	-	-	3,136,097
Parks, recreation and public facilities	-	-	-	1,015,284
Economic and community development	-	-	-	214,778
Engineering and building	-	-	-	298,992
Capital outlay	-	-	-	1,147,039
Debt service:				
Principal retirement	-	-	-	-
Interest and other expenditures	-	-	-	-
Total expenditures	6,879	-	-	7,471,236
Excess (deficiency) of revenues over (under) expenditures	(6,779)	1,031	500	35,654
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	33,230
Transfers out	-	-	-	(121,981)
Total other financing sources (uses)	-	-	-	(88,751)
NET CHANGE IN FUND BALANCES	(6,779)	1,031	500	(53,097)
FUND BALANCES AT BEGINNING OF YEAR	11,384	-	-	5,227,060
FUND BALANCES AT END OF YEAR	**$ 4,605**	**$ 1,031**	**$ 500**	**$ 5,173,963**

Continued

CITY OF MENTOR, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2013

	Debt Service Fund	Capital Project Funds		
	General Obligation Bond Retirement	Plaza Boulevard Extension	Police Renovation and Expansion	Energy Program
REVENUES				
Property taxes	$ 2,288,668	$ -	$ -	$ -
Other local taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	289,186	90,148	-	16,817
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Licenses, permits, and inspections	-	-	-	-
Special assessments	-	-	-	-
Investment income	14,591	-	-	-
Donations and other	-	-	-	-
Total revenues	2,592,445	90,148	-	16,817
EXPENDITURES				
Current:				
General government	-	1	-	-
Police	-	-	-	-
Fire	-	-	-	-
Streets and highways	-	-	-	-
Parks, recreation and public facilities	-	-	-	96,578
Economic and community development	-	-	-	-
Engineering and building	-	-	-	-
Capital outlay	-	332,991	-	-
Debt service:				
Principal retirement	2,127,364	-	-	-
Interest and other expenditures	799,819	-	-	-
Total expenditures	2,927,183	332,992	-	96,578
Excess (deficiency) of revenues over (under) expenditures	(334,738)	(242,844)	-	(79,761)
OTHER FINANCING SOURCES (USES)				
Transfers in	471,982	-	37,469	-
Transfers out	-	-	-	-
Total other financing sources (uses)	471,982	-	37,469	-
NET CHANGE IN FUND BALANCES	137,244	(242,844)	37,469	(79,761)
FUND BALANCES AT BEGINNING OF YEAR	175,590	64,381	(37,469)	1,380,528
FUND BALANCES AT END OF YEAR	**$ 312,834**	**$ (178,463)**	**$ -**	**$ 1,300,767**

Continued

CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2013

	Capital Project Funds			
	Market Street/ Bellflower Concrete Repair	Stoneybrook Improvement	Station Street Resurfacing	SR 306 Resurfacing
REVENUES				
Property taxes	$ -	$ -	$ -	$ -
Other local taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	-	-	115,752	81,242
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Licenses, permits, and inspections	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Donations and other	-	-	-	-
Total revenues	-	-	115,752	81,242
EXPENDITURES				
Current:				
General government	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Streets and highways	26,382	-	223,523	246,187
Parks, recreation and public facilities	-	-	-	-
Economic and community development	-	-	-	-
Engineering and building	-	-	16,691	19,621
Capital outlay	-	12,034	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other expenditures	-	-	-	-
Total expenditures	26,382	12,034	240,214	265,808
Excess (deficiency) of revenues over (under) expenditures	(26,382)	(12,034)	(124,462)	(184,566)
OTHER FINANCING SOURCES (USES)				
Transfers in	433,781	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	433,781	-	-	-
NET CHANGE IN FUND BALANCES	407,399	(12,034)	(124,462)	(184,566)
FUND BALANCES AT BEGINNING OF YEAR	(407,399)	27,334	(136,359)	-
FUND BALANCES AT END OF YEAR	**$ -**	**$ 15,300**	**$ (260,821)**	**$ (184,566)**

Continued

CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2013

	Capital Project Funds			
	Hoose/Kings Hollow Improvement	Munson Road Resurfacing	State Grant - Other	Heisley Road Improvement- Phase III
REVENUES				
Property taxes	$ -	$ -	$ -	$ -
Other local taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	160,414	297,500	8,772	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Licenses, permits, and inspections	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Donations and other	-	-	-	-
Total revenues	160,414	297,500	8,772	-
EXPENDITURES				
Current:				
General government	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Streets and highways	320,052	499,903	20,340	-
Parks, recreation and public facilities	-	-	11,158	-
Economic and community development	-	-	-	-
Engineering and building	53,040	42,499	-	-
Capital outlay	-	-	-	102,067
Debt service:				
Principal retirement	-	-	-	-
Interest and other expenditures	-	-	-	-
Total expenditures	373,092	542,402	31,498	102,067
Excess (deficiency) of revenues over (under) expenditures	(212,678)	(244,902)	(22,726)	(102,067)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	(212,678)	(244,902)	(22,726)	(102,067)
FUND BALANCES AT BEGINNING OF YEAR	-	-	-	(124,859)
FUND BALANCES AT END OF YEAR	**$ (212,678)**	**$ (244,902)**	**$ (22,726)**	**$ (226,926)**

Continued

CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2013

	Capital Project Funds			
	Corduroy Bikeway Connector	Newell Creek Bikeway	I90/SR615 Interchange	Safe Routes to School - Infrastructure
REVENUES				
Property taxes	$ -	$ -	$ -	$ -
Other local taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	-	-	-	163,276
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Licenses, permits, and inspections	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Donations and other	-	-	-	-
Total revenues	-	-	-	163,276
EXPENDITURES				
Current:				
General government	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Streets and highways	-	-	-	-
Parks, recreation and public facilities	-	-	-	-
Economic and community development	-	-	-	-
Engineering and building	-	-	-	-
Capital outlay	28,915	1,050	-	163,276
Debt service:				
Principal retirement	-	-	-	-
Interest and other expenditures	-	-	-	-
Total expenditures	28,915	1,050	-	163,276
Excess (deficiency) of revenues over (under) expenditures	(28,915)	(1,050)	-	-
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	(28,915)	(1,050)	-	-
FUND BALANCES AT BEGINNING OF YEAR	106,985	(85,000)	(84,203)	-
FUND BALANCES AT END OF YEAR	**$ 78,070**	**$ (86,050)**	**$ (84,203)**	**$ -**

Continued

CITY OF MENTOR, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2013

	Capital Project Fund		
	Federal Grants-Other	Total Capital Project Funds	Total All Nonmajor Funds
REVENUES			
Property taxes	$ -	$ -	$ 4,029,238
Other local taxes	-	-	544,058
Payments in Lieu of Taxes	-	-	407,065
Intergovernmental	75,520	1,009,441	4,503,834
Charges for services	-	-	55,297
Fines and forfeitures	-	-	369,979
Licenses, permits, and inspections	-	-	20,540
Special assessments	-	-	1,138,054
Investment income	-	-	35,363
Donations and other	-	-	5,348
Total revenues	75,520	1,009,441	11,108,776
EXPENDITURES			
Current:			
General government	-	1	195,979
Police	33,325	33,325	462,186
Fire	8,600	8,600	1,042,807
Streets and highways	36,000	1,372,387	4,508,484
Parks, recreation and public facilities	240	107,976	1,123,260
Economic and community development	-	-	214,778
Engineering and building	1,153	133,004	431,996
Capital outlay	11,977	652,310	1,799,349
Debt service:			
Principal retirement	-	-	2,127,364
Interest and other expenditures	-	-	799,819
Total expenditures	91,295	2,307,603	12,706,022
Excess (deficiency) of revenues over (under) expenditures	(15,775)	(1,298,162)	(1,597,246)
OTHER FINANCING SOURCES (USES)			
Transfers in	1,198	472,448	977,660
Transfers out	-	-	(121,981)
Total other financing sources (uses)	1,198	472,448	855,679
NET CHANGE IN FUND BALANCES	(14,577)	(825,714)	(741,567)
FUND BALANCES AT BEGINNING OF YEAR	3,025	706,964	6,109,614
FUND BALANCES AT END OF YEAR	**$ (11,552)**	**$ (118,750)**	**$ 5,368,047**

CITY OF MENTOR, OHIO
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Year Ended December 31, 2013

	Balance January 1, 2013	Additions	Deletions	Balance December 31, 2013
Municipal Court Fund:				
ASSETS:				
Cash	$ 27,295	$ 1,261,125	$ 1,265,777	$ 22,643
LIABILITIES:				
Deposits held and due to others	$ 27,295	$ 1,261,125	$ 1,265,777	$ 22,643

CITY OF MENTOR, OHIO
STREET FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ 2,513,000	$ 2,532,697	$ 19,697
Investment income	15,000	15,884	884
Total revenues	2,528,000	2,548,581	20,581
EXPENDITURES:			
Engineering and building	256,742	249,842	6,900
Streets and highways	3,359,492	2,998,273	361,219
Total expenditures	3,616,234	3,248,115	368,119
Excess (deficiency) of revenues over expenditures	(1,088,234)	(699,534)	388,700
OTHER FINANCING SOURCES (USES):			
Advances in	-	500,000	500,000
Transfers in	666,600	-	(666,600)
Advances out	(800,000)	(800,000)	-
Total other financing sources (uses)	(133,400)	(300,000)	(166,600)
NET CHANGE IN FUND BALANCE	(1,221,634)	(999,534)	222,100
Adjustment for prior year encumbrances	528,991	528,991	-
FUND BALANCES, BEGINNING OF YEAR	1,114,220	1,114,220	-
FUND BALANCES, END OF YEAR	$ 421,577	$ 643,677	$ 222,100

CITY OF MENTOR, OHIO

TIF FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Payments in Lieu of Taxes	$ 660,000	$ 407,065	$ (252,935)
EXPENDITURES:			
Economic and community development	10,000	3,791	6,209
Streets and highways	1,000,000	1,000,000	-
Total expenditures	1,010,000	1,003,791	6,209
Excess (deficiency) of revenues over expenditures	(350,000)	(596,726)	(246,726)
OTHER FINANCING SOURCES (USES):			
Advances out	(12,074)	(12,074)	-
Transfers out	(26,700)	(26,665)	35
Total other financing sources (uses)	(38,774)	(38,739)	35
NET CHANGE IN FUND BALANCE	(388,774)	(635,465)	(246,691)
FUND BALANCES, BEGINNING OF YEAR	1,240,318	1,240,318	-
FUND BALANCES, END OF YEAR	$ 851,544	$ 604,853	$ (246,691)

CITY OF MENTOR, OHIO
POLICE PENSION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ 47,700	$ 46,575	$ (1,125)
Property taxes	365,400	368,605	3,205
Total revenues	413,100	415,180	2,080
EXPENDITURES:			
Police	413,100	412,774	326
NET CHANGE IN FUND BALANCE	-	2,406	2,406
FUND BALANCES, BEGINNING OF YEAR	36,349	36,349	-
FUND BALANCES, END OF YEAR	$ 36,349	$ 38,755	$ 2,406

CITY OF MENTOR, OHIO

FIRE PENSION FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ 47,700	$ 46,575	$ (1,125)
Property taxes	365,400	368,605	3,205
Total revenues	413,100	415,180	2,080
EXPENDITURES:			
Fire	413,100	412,774	326
NET CHANGE IN FUND BALANCE	-	2,406	2,406
FUND BALANCES, BEGINNING OF YEAR	36,349	36,349	-
FUND BALANCES, END OF YEAR	$ 36,349	$ 38,755	$ 2,406

CITY OF MENTOR, OHIO

FIRE LEVY FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ 115,000	$ 109,674	$ (5,326)
Property taxes	971,231	1,003,360	32,129
Total revenues	1,086,231	1,113,034	26,803
EXPENDITURES:			
Fire			
Employee compensation	599,000	599,000	-
Other	502,401	499,955	2,446
Total expenditures	1,101,401	1,098,955	2,446
Excess (deficiency) of revenues over expenditures	(15,170)	14,079	29,249
OTHER FINANCING SOURCES (USES):			
Advances out	(490,000)	(490,000)	-
Total other financing sources (uses)	(490,000)	(490,000)	-
NET CHANGE IN FUND BALANCE	(505,170)	(475,921)	29,249
Adjustment for prior year encumbrances	484,401	484,401	-
FUND BALANCES, BEGINNING OF YEAR	51,792	51,792	-
FUND BALANCES, END OF YEAR	$ 31,023	$ 60,272	$ 29,249

CITY OF MENTOR, OHIO

SENIOR CITIZENS SERVICES LEVY FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ 180,000	$ 190,299	$ 10,299
EXPENDITURES:			
Parks, recreation and public facilities			
Employee compensation	15,000	15,000	-
Other	428,381	133,154	295,227
Total expenditures	443,381	148,154	295,227
NET CHANGE IN FUND BALANCE	(263,381)	42,145	305,526
Adjustment for prior year encumbrances	46,881	46,881	-
FUND BALANCES, BEGINNING OF YEAR	221,123	221,123	-
FUND BALANCES, END OF YEAR	$ 4,623	$ 310,149	$ 305,526

CITY OF MENTOR, OHIO
COMMUNITY RECREATION FACILITIES FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Donations and other	$ 110,000	$ 250	$ (109,750)
Other local taxes	432,000	544,777	112,777
Total revenues	542,000	545,027	3,027
EXPENDITURES:			
Parks, recreation and public facilities	1,178,075	1,148,765	29,310
Excess (deficiency) of revenues over expenditures	(636,075)	(603,738)	32,337
OTHER FINANCING SOURCES (USES):			
Advances in	-	450,000	450,000
Total other financing sources (uses)	-	450,000	450,000
NET CHANGE IN FUND BALANCE	(636,075)	(153,738)	482,337
Adjustment for prior year encumbrances	73,075	73,075	-
FUND BALANCES, BEGINNING OF YEAR	617,238	617,238	-
FUND BALANCES, END OF YEAR	$ 54,238	$ 536,575	$ 482,337

CITY OF MENTOR, OHIO
CEMETERY FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Charges for services	$ 22,050	$ 30,975	$ 8,925
EXPENDITURES:			
Parks, recreation and public facilities			
Employee compensation	22,000	13,562	8,438
Other	320,000	7,600	312,400
Total expenditures	342,000	21,162	320,838
NET CHANGE IN FUND BALANCE	(319,950)	9,813	329,763
FUND BALANCES, BEGINNING OF YEAR	433,662	433,662	-
FUND BALANCES, END OF YEAR	$ 113,712	$ 443,475	$ 329,763

CITY OF MENTOR, OHIO
ECONOMIC DEVELOPMENT FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Charges for services	$ 17,777	$ 24,322	$ 6,545
EXPENDITURES:			
Economic and community development	63,288	48,430	14,858
NET CHANGE IN FUND BALANCE	(45,511)	(24,108)	21,403
Adjustment for prior year encumbrances	19,589	19,589	-
FUND BALANCES, BEGINNING OF YEAR	25,922	25,922	-
FUND BALANCES, END OF YEAR	$ -	$ 21,403	$ 21,403

CITY OF MENTOR, OHIO
SUBDIVISION STREET TREE FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Licenses, permits and inspections	$ 15,000	$ 20,540	$ 5,540
EXPENDITURES:			
Streets and highways	15,000	185	14,815
NET CHANGE IN FUND BALANCE	-	20,355	20,355
FUND BALANCES, BEGINNING OF YEAR	57	57	-
FUND BALANCES, END OF YEAR	$ 57	$ 20,412	$ 20,355

CITY OF MENTOR, OHIO
STREET LIGHTING FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Special assessments	$ 1,030,000	$ 1,138,054	$ 108,054
EXPENDITURES:			
Streets and highways	1,249,342	1,115,182	134,160
NET CHANGE IN FUND BALANCE	(219,342)	22,872	242,214
Adjustment for prior year encumbrances	89,742	89,742	-
FUND BALANCES, BEGINNING OF YEAR	283,775	283,775	-
FUND BALANCES, END OF YEAR	$ 154,175	$ 396,389	$ 242,214

CITY OF MENTOR, OHIO
COURT COMPUTER FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Fines and forfeitures	$ 80,000	$ 74,933	$ (5,067)
EXPENDITURES:			
General government			
Employee compensation	46,350	39,619	6,731
Other	151,440	72,848	78,592
Total expenditures	197,790	112,467	85,323
NET CHANGE IN FUND BALANCE	(117,790)	(37,534)	80,256
Adjustment for prior year encumbrances	17,375	17,375	-
FUND BALANCES, BEGINNING OF YEAR	153,311	153,311	-
FUND BALANCES, END OF YEAR	$ 52,896	$ 133,152	$ 80,256

CITY OF MENTOR, OHIO
COURT SPECIAL PROJECTS FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Fines and forfeitures	$ 145,000	$ 149,820	$ 4,820
EXPENDITURES:			
General government	195,618	32,824	162,794
Excess (deficiency) of revenues over expenditures	(50,618)	116,996	167,614
OTHER FINANCING SOURCES (USES):			
Transfers out	(100,000)	(95,316)	4,684
Total other financing sources (uses)	(100,000)	(95,316)	4,684
NET CHANGE IN FUND BALANCE	(150,618)	21,680	172,298
Adjustment for prior year encumbrances	5,118	5,118	-
FUND BALANCES, BEGINNING OF YEAR	262,387	262,387	-
FUND BALANCES, END OF YEAR	$ 116,887	$ 289,185	$ 172,298

CITY OF MENTOR, OHIO

ENFORCEMENT AND EDUCATION FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Fines and forfeitures	$ 6,000	$ 4,732	$ (1,268)
EXPENDITURES:			
Police	14,350	7,832	6,518
NET CHANGE IN FUND BALANCE	(8,350)	(3,100)	5,250
Adjustment for prior year encumbrances	350	350	-
FUND BALANCES, BEGINNING OF YEAR	18,083	18,083	-
FUND BALANCES, END OF YEAR	$ 10,083	$ 15,333	$ 5,250

CITY OF MENTOR, OHIO
COURT PROBATION SERVICES FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Fines and forfeitures	$ 110,000	$ 88,071	$ (21,929)
EXPENDITURES:			
General government			
Employee compensation	30,000	29,227	773
Other	184,286	60,681	123,605
Total expenditures	214,286	89,908	124,378
NET CHANGE IN FUND BALANCE	(104,286)	(1,837)	102,449
Adjustment for prior year encumbrances	3,552	3,552	-
FUND BALANCES, BEGINNING OF YEAR	151,339	151,339	-
FUND BALANCES, END OF YEAR	$ 50,605	$ 153,054	$ 102,449

CITY OF MENTOR, OHIO

INDIGENT DRIVER ALCOHOL TREATMENT FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Fines and forfeitures	$ 10,000	$ 11,150	$ 1,150
Intergovernmental	20,000	6,844	(13,156)
Total revenues	30,000	17,994	(12,006)
EXPENDITURES:			
General government	50,000	29,392	20,608
NET CHANGE IN FUND BALANCE	(20,000)	(11,398)	8,602
FUND BALANCES, BEGINNING OF YEAR	60,436	60,436	-
FUND BALANCES, END OF YEAR	$ 40,436	$ 49,038	$ 8,602

CITY OF MENTOR, OHIO

INDIGENT DRIVER ALCOHOL MONITORING FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Fines and forfeitures	$ 30,000	$ 27,926	$ (2,074)
EXPENDITURES:			
General government	50,142	12,321	37,821
NET CHANGE IN FUND BALANCE	(20,142)	15,605	35,747
Adjustment for prior year encumbrances	142	142	-
FUND BALANCES, BEGINNING OF YEAR	109,618	109,618	-
FUND BALANCES, END OF YEAR	$ 89,618	$ 125,365	$ 35,747

CITY OF MENTOR, OHIO

LAW ENFORCEMENT TRUST FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Fines and forfeitures	$ 4,400	$ 6,489	$ 2,089
EXPENDITURES:			
Police	20,000	-	20,000
NET CHANGE IN FUND BALANCE	(15,600)	6,489	22,089
FUND BALANCES, BEGINNING OF YEAR	34,800	34,800	-
FUND BALANCES, END OF YEAR	$ 19,200	$ 41,289	$ 22,089

CITY OF MENTOR, OHIO
PAYROLL STABILIZATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:	$ -	$ -	$ -
EXPENDITURES:			
Economic and community development	1,800	1,798	2
Fire	54,000	31,010	22,990
General government	58,450	2,952	55,498
Parks, recreation and public facilities	37,720	13,833	23,887
Police	205,960	49	205,911
Streets and highways	135,000	27,961	107,039
Engineering and building	8,870	7,549	1,321
Total expenditures	501,800	85,152	416,648
Excess (deficiency) of revenues over expenditures	(501,800)	(85,152)	416,648
OTHER FINANCING SOURCES (USES):			
Transfers in	655,667	241,839	(413,828)
Total other financing sources (uses)	655,667	241,839	(413,828)
NET CHANGE IN FUND BALANCE	153,867	156,687	2,820
FUND BALANCES, BEGINNING OF YEAR	2,245,778	2,245,778	-
FUND BALANCES, END OF YEAR	$ 2,399,645	$ 2,402,465	$ 2,820

CITY OF MENTOR, OHIO
POLICE CANINE FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Donations and other	$ -	$ 775	$ 775
EXPENDITURES:			
Police	7,000	76	6,924
Total expenditures	7,000	76	6,924
NET CHANGE IN FUND BALANCE	(7,000)	699	7,699
FUND BALANCES, BEGINNING OF YEAR	10,206	10,206	-
FUND BALANCES, END OF YEAR	$ 3,206	$ 10,905	$ 7,699

CITY OF MENTOR, OHIO
SEAT BELT GRANT FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:	$ -	$ -	$ -
EXPENDITURES:			
Police	6,000	566	5,434
NET CHANGE IN FUND BALANCE	(6,000)	(566)	5,434
FUND BALANCES, BEGINNING OF YEAR	9,541	9,541	-
FUND BALANCES, END OF YEAR	$ 3,541	$ 8,975	$ 5,434

CITY OF MENTOR, OHIO

VOCA VICTIMS ASSISTANCE GRANT 12-13 FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ 2,185	$ 2,621	$ 436
EXPENDITURES:			
Police	2,621	2,621	-
NET CHANGE IN FUND BALANCE	(436)	-	436
FUND BALANCES, BEGINNING OF YEAR	436	436	-
FUND BALANCES, END OF YEAR	$ -	$ 436	$ 436

CITY OF MENTOR, OHIO
CDBG NSP 09-13 FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ 20,536	$ 82,204	$ 61,668
Investment income	-	3,808	3,808
Total revenues	20,536	86,012	65,476
EXPENDITURES:			
Economic and community development			
Employee compensation	10,000	-	10,000
Other	308,079	24,987	283,092
Total expenditures	318,079	24,987	293,092
Excess (deficiency) of revenues over expenditures	(297,543)	61,025	358,568
OTHER FINANCING SOURCES (USES):			
Transfers in	33,230	33,230	-
Total other financing sources (uses)	33,230	33,230	-
NET CHANGE IN FUND BALANCE	(264,313)	94,255	358,568
Adjustment for prior year encumbrances	5,142	5,142	-
FUND BALANCES, BEGINNING OF YEAR	292,401	292,401	-
FUND BALANCES, END OF YEAR	$ 33,230	$ 391,798	$ 358,568

CITY OF MENTOR, OHIO

COMMUNITY DEVELOPMENT BLOCK GRANT 11-12 FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ 211,051	$ 136,698	$ (74,353)
EXPENDITURES:			
Economic and community development			
Employee compensation	6,140	6,140	-
Other	204,928	155,444	49,484
Total expenditures	211,068	161,584	49,484
Excess (deficiency) of revenues over expenditures	(17)	(24,886)	(24,869)
OTHER FINANCING SOURCES (USES):			
Advances in	165,619	159,260	(6,359)
Advances out	(222,331)	(157,714)	64,617
Total other financing sources (uses)	(56,712)	1,546	58,258
NET CHANGE IN FUND BALANCE	(56,729)	(23,340)	33,389
Adjustment for prior year encumbrances	25,449	25,449	-
FUND BALANCES, BEGINNING OF YEAR	132,283	132,283	-
FUND BALANCES, END OF YEAR	$ 101,003	$ 134,392	$ 33,389

CITY OF MENTOR, OHIO

FORFEITED PROPERTY - U.S. DEPARTMENT OF JUSTICE FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ -	$ 25,985	$ 25,985
Investment income	1,100	1,080	(20)
Total revenues	1,100	27,065	25,965
EXPENDITURES:			
Police	63,500	-	63,500
NET CHANGE IN FUND BALANCE	(62,400)	27,065	89,465
FUND BALANCES, BEGINNING OF YEAR	95,327	95,327	-
FUND BALANCES, END OF YEAR	$ 32,927	$ 122,392	$ 89,465

CITY OF MENTOR, OHIO
SAFE ROUTES TO SCHOOL FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ 60,000	$ 25,900	$ (34,100)
EXPENDITURES:			
Parks, recreation and public facilities			
Employee compensation	16,576	10,486	6,090
Other	8,824	5,221	3,603
Police			
Employee compensation	8,950	3,110	5,840
Other	2,250	606	1,644
Total expenditures	36,600	19,423	17,177
Excess (deficiency) of revenues over expenditures	23,400	6,477	(16,923)
OTHER FINANCING SOURCES (USES):			
Advances in	-	33,276	33,276
Advances out	(19,500)	(19,500)	-
Total other financing sources (uses)	(19,500)	13,776	33,276
NET CHANGE IN FUND BALANCE	3,900	20,253	16,353
Adjustment for prior year encumbrances	74	74	-
FUND BALANCES, BEGINNING OF YEAR	7,081	7,081	-
FUND BALANCES, END OF YEAR	$ 11,055	$ 27,408	$ 16,353

CITY OF MENTOR, OHIO
COUNCIL DONATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:	$ -	$ -	$ -
EXPENDITURES:			
General government	600	300	300
NET CHANGE IN FUND BALANCE	(600)	(300)	300
FUND BALANCES, BEGINNING OF YEAR	1,206	1,206	-
FUND BALANCES, END OF YEAR	$ 606	$ 906	$ 300

CITY OF MENTOR, OHIO

POLICE DONATION FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Donations and other	$ 1,000	$ 2,692	$ 1,692
EXPENDITURES:			
Police	6,500	1,429	5,071
NET CHANGE IN FUND BALANCE	(5,500)	1,263	6,763
FUND BALANCES, BEGINNING OF YEAR	10,008	10,008	-
FUND BALANCES, END OF YEAR	$ 4,508	$ 11,271	$ 6,763

CITY OF MENTOR, OHIO

FIRE DONATION FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Donations and other	$ 618	$ 100	$ (518)
EXPENDITURES:			
Fire	11,482	7,150	4,332
NET CHANGE IN FUND BALANCE	(10,864)	(7,050)	3,814
FUND BALANCES, BEGINNING OF YEAR	11,384	11,384	-
FUND BALANCES, END OF YEAR	$ 520	$ 4,334	$ 3,814

CITY OF MENTOR, OHIO

PARKS AND RECREATION DONATION FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Donations and other	$ 656	$ 1,031	$ 375
EXPENDITURES:			
Parks, recreation and public facilities	656	656	-
NET CHANGE IN FUND BALANCE	-	375	375
FUND BALANCES, BEGINNING OF YEAR	-	-	-
FUND BALANCES, END OF YEAR	$ -	$ 375	$ 375

CITY OF MENTOR, OHIO

SENIOR CITIZENS DONATION FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Charges for services	$ 1,850	$ 4,371	$ 2,521
EXPENDITURES:			
Parks, recreation and public facilities	6,300	998	5,302
NET CHANGE IN FUND BALANCE	(4,450)	3,373	7,823
FUND BALANCES, BEGINNING OF YEAR	22,190	22,190	-
FUND BALANCES, END OF YEAR	$ 17,740	$ 25,563	$ 7,823

CITY OF MENTOR, OHIO
CULTURAL DONATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Charges for services	$ 21,000	$ 24,409	$ 3,409
Donations and other	4,000	9,100	5,100
Total revenues	25,000	33,509	8,509
EXPENDITURES:			
Parks, recreation and public facilities			
Employee compensation	5,000	5,000	-
Other	82,640	31,308	51,332
Total expenditures	87,640	36,308	51,332
NET CHANGE IN FUND BALANCE	(62,640)	(2,799)	59,841
Adjustment for prior year encumbrances	440	440	-
FUND BALANCES, BEGINNING OF YEAR	92,464	92,464	-
FUND BALANCES, END OF YEAR	$ 30,264	$ 90,105	$ 59,841

CITY OF MENTOR, OHIO
BEAUTIFICATION DONATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Charges for services	$ -	$ 120	$ 120
EXPENDITURES:			
Parks, recreation and public facilities	400	102	298
NET CHANGE IN FUND BALANCE	(400)	18	418
FUND BALANCES, BEGINNING OF YEAR	1,596	1,596	-
FUND BALANCES, END OF YEAR	$ 1,196	$ 1,614	$ 418

CITY OF MENTOR, OHIO
LOCAL GRANT FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Other	$ 500	$ 500	$ -
EXPENDITURES:			
Parks, recreation and public facilities	500	-	500
NET CHANGE IN FUND BALANCE	-	500	500
FUND BALANCES, BEGINNING OF YEAR	-	-	-
FUND BALANCES, END OF YEAR	$ -	$ 500	$ 500

CITY OF MENTOR, OHIO

GENERAL OBLIGATION BOND RETIREMENT FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ 122,500	$ 289,186	$ 166,686
Investment income	-	14,591	14,591
Property taxes	2,607,515	2,288,668	(318,847)
Total revenues	2,730,015	2,592,445	(137,570)
EXPENDITURES:			
Debt service:			
Principal retirement	2,139,438	2,139,438	-
Interest and other charges	803,173	799,819	3,354
Total expenditures	2,942,611	2,939,257	3,354
Excess (deficiency) of revenues over expenditures	(212,596)	(346,812)	(134,216)
OTHER FINANCING SOURCES (USES):			
Advances in	-	312,074	312,074
Transfers in	128,966	471,982	343,016
Total other financing sources (uses)	128,966	784,056	655,090
NET CHANGE IN FUND BALANCE	(83,630)	437,244	520,874
FUND BALANCES, BEGINNING OF YEAR	175,590	175,590	-
FUND BALANCES, END OF YEAR	$ 91,960	$ 612,834	$ 520,874

CITY OF MENTOR, OHIO

PLAZA BOULEVARD EXTENSION FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:	$ -	$ -	$ -
EXPENDITURES:			
Streets and highways	3,854,043	1,778,966	2,075,077
Engineering and building	208,269	80,319	127,950
Total expenditures	4,062,312	1,859,285	2,203,027
Excess (deficiency) of revenues over expenditures	(4,062,312)	(1,859,285)	2,203,027
OTHER FINANCING SOURCES (USES):			
Advances in	1,650,000	4,040,000	2,390,000
Note proceeds	2,381,060	-	(2,381,060)
Total other financing sources (uses)	4,031,060	4,040,000	8,940
NET CHANGE IN FUND BALANCE	(31,252)	2,180,715	2,211,967
Adjustment for prior year encumbrances	62,312	62,312	-
FUND BALANCES, BEGINNING OF YEAR	8,940	8,940	-
FUND BALANCES, END OF YEAR	$ 40,000	$ 2,251,967	$ 2,211,967

CITY OF MENTOR, OHIO

POLICE RENOVATION AND EXPANSION FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:	$ -	$ -	$ -
EXPENDITURES:	-	-	-
OTHER FINANCING SOURCES (USES):			
Transfers in	37,500	37,469	(31)
Advances out	(37,500)	(37,500)	-
Total other financing sources (uses)	-	(31)	(31)
NET CHANGE IN FUND BALANCE	-	(31)	(31)
FUND BALANCES, BEGINNING OF YEAR	31	31	-
FUND BALANCES, END OF YEAR	$ 31	$ -	$ (31)

CITY OF MENTOR, OHIO
ENERGY PROGRAM FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ -	$ 16,817	$ 16,817
EXPENDITURES:			
Parks, recreation and public facilities	1,381,000	99,615	1,281,385
Excess (deficiency) of revenues over expenditures	(1,381,000)	(82,798)	1,298,202
OTHER FINANCING SOURCES (USES):			
Advances in	472	-	(472)
Total other financing sources (uses)	472	-	(472)
NET CHANGE IN FUND BALANCE	(1,380,528)	(82,798)	1,297,730
Adjustment for prior year encumbrances	5,000	5,000	-
FUND BALANCES, BEGINNING OF YEAR	1,375,530	1,375,530	-
FUND BALANCES, END OF YEAR	$ 2	$ 1,297,732	$ 1,297,730

CITY OF MENTOR, OHIO

MARKET STREET/BELLFLOWER CONCRETE REPAIR FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ -	$ -	$ -
EXPENDITURES:			
Streets and highways	74,254	74,253	1
Excess (deficiency) of revenues over expenditures	(74,254)	(74,253)	1
OTHER FINANCING SOURCES (USES):			
Transfers in	460,000	433,781	(26,219)
Advances out	(460,000)	(460,000)	-
Total other financing sources (uses)	-	(26,219)	(26,219)
NET CHANGE IN FUND BALANCE	(74,254)	(100,472)	(26,218)
Adjustment for prior year encumbrances	99,901	99,901	-
FUND BALANCES, BEGINNING OF YEAR	571	571	-
FUND BALANCES, END OF YEAR	$ 26,218	$ -	$ (26,218)

CITY OF MENTOR, OHIO
STONEYBROOK IMPROVEMENT FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ 14,400	$ -	$ (14,400)
EXPENDITURES:			
Streets and highways	48,061	12,034	36,027
Engineering and building	72	72	-
Total expenditures	48,133	12,106	36,027
Excess (deficiency) of revenues over expenditures	(33,733)	(12,106)	21,627
OTHER FINANCING SOURCES (USES):			
Advances in	-	21,000	21,000
Transfers in	20,800	-	(20,800)
Advances out	(36,000)	(36,000)	-
Total other financing sources (uses)	(15,200)	(15,000)	200
NET CHANGE IN FUND BALANCE	(48,933)	(27,106)	21,827
Adjustment for prior year encumbrances	48,133	48,133	-
FUND BALANCES, BEGINNING OF YEAR	15,201	15,201	-
FUND BALANCES, END OF YEAR	$ 14,401	$ 36,228	$ 21,827

CITY OF MENTOR, OHIO

STATION STREET RESURFACING FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ 182,400	$ 180,712	$ (1,688)
EXPENDITURES:			
Streets and highways	417,708	417,708	-
Engineering and building	25,177	21,858	3,319
Total expenditures	442,885	439,566	3,319
Excess (deficiency) of revenues over expenditures	(260,485)	(258,854)	1,631
OTHER FINANCING SOURCES (USES):			
Advances in	-	420,000	420,000
Transfers in	322,600	-	(322,600)
Advances out	(485,000)	(485,000)	-
Total other financing sources (uses)	(162,400)	(65,000)	97,400
NET CHANGE IN FUND BALANCE	(422,885)	(323,854)	99,031
Adjustment for prior year encumbrances	422,885	422,885	-
FUND BALANCES, BEGINNING OF YEAR	292	292	-
FUND BALANCES, END OF YEAR	$ 292	$ 99,323	$ 99,031

CITY OF MENTOR, OHIO

SR306 RESURFACING FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:	$ -	$ -	$ -
EXPENDITURES:			
Streets and highways	260,000	257,250	2,750
Engineering and building	40,000	25,000	15,000
Total Expenditures	300,000	282,250	17,750
Excess (deficiency) of revenues over expenditures	(300,000)	(282,250)	17,750
OTHER FINANCING SOURCES (USES):			
Advances in	300,000	300,000	-
Total other financing sources (uses)	300,000	300,000	-
NET CHANGE IN FUND BALANCE	-	17,750	17,750
FUND BALANCES, BEGINNING OF YEAR	-	-	-
FUND BALANCES, END OF YEAR	$ -	$ 17,750	$ 17,750

CITY OF MENTOR, OHIO

HOOSE/KINGS HOLLOW IMPROVEMENT FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:	$ -	$ -	$ -
EXPENDITURES:			
Streets and highways	497,500	497,434	66
Engineering and building	82,500	75,000	7,500
Total expenditures	580,000	572,434	7,566
Excess (deficiency) of revenues over expenditures	(580,000)	(572,434)	7,566
OTHER FINANCING SOURCES (USES):			
Advances in	580,000	580,000	-
Total other financing sources (uses)	580,000	580,000	-
NET CHANGE IN FUND BALANCE	-	7,566	7,566
FUND BALANCES, BEGINNING OF YEAR	-	-	-
FUND BALANCES, END OF YEAR	$ -	$ 7,566	$ 7,566

CITY OF MENTOR, OHIO
MUNSON ROAD RESURFACING
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ -	$ 297,500	$ 297,500
EXPENDITURES:			
Streets and highways	613,000	600,220	12,780
Engineering and building	47,000	45,000	2,000
Total expenditures	660,000	645,220	14,780
Excess (deficiency) of revenues over expenditures	(660,000)	(347,720)	312,280
OTHER FINANCING SOURCES (USES):			
Advances in	660,000	660,000	-
Total other financing sources (uses)	660,000	660,000	-
NET CHANGE IN FUND BALANCE	-	312,280	312,280
FUND BALANCES, BEGINNING OF YEAR	-	-	-
FUND BALANCES, END OF YEAR	$ -	$ 312,280	$ 312,280

CITY OF MENTOR, OHIO
STATE GRANTS - OTHER FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ 10,980	$ 8,772	$ (2,208)
EXPENDITURES:			
Parks, recreation and public facilities			
Employee compensation	2,000	2,000	-
Other	12,640	9,158	3,482
Streets and highways			
Employee compensation	4,638	3,328	1,310
Other	49,624	43,464	6,160
Total expenditures	68,902	57,950	10,952
Excess (deficiency) of revenues over expenditures	(57,922)	(49,178)	8,744
OTHER FINANCING SOURCES (USES):			
Advances in	57,922	57,922	-
Total other financing sources (uses)	57,922	57,922	-
NET CHANGE IN FUND BALANCE	-	8,744	8,744
FUND BALANCES, BEGINNING OF YEAR	-	-	-
FUND BALANCES, END OF YEAR	$ -	$ 8,744	$ 8,744

CITY OF MENTOR, OHIO

HEISLEY ROAD IMPROVEMENT - PHASE III FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ 610,000	$ -	$ (610,000)
EXPENDITURES:			
Streets and highways	165,007	161,675	3,332
Engineering and building	101,167	101,167	-
Total expenditures	266,174	262,842	3,332
Excess (deficiency) of revenues over expenditures	343,826	(262,842)	(606,668)
OTHER FINANCING SOURCES (USES):			
Advances in	670,000	385,000	(285,000)
Advances out	(150,000)	(150,000)	-
Total other financing sources (uses)	520,000	235,000	(285,000)
NET CHANGE IN FUND BALANCE	863,826	(27,842)	(891,668)
Adjustment for prior year encumbrances	6,167	6,167	-
FUND BALANCES, BEGINNING OF YEAR	25,008	25,008	-
FUND BALANCES, END OF YEAR	$ 895,001	$ 3,333	$ (891,668)

CITY OF MENTOR, OHIO

CORDUROY BIKEWAY CONNECTOR FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ 600,000	$ -	$ (600,000)
EXPENDITURES:			
Engineering and building	121,278	53,209	68,069
Excess (deficiency) of revenues over expenditures	478,722	(53,209)	(531,931)
OTHER FINANCING SOURCES (USES):			
Bond proceeds	312,000	-	(312,000)
Total other financing sources (uses)	312,000	-	(312,000)
NET CHANGE IN FUND BALANCE	790,722	(53,209)	(843,931)
Adjustment for prior year encumbrances	43,209	43,209	-
FUND BALANCES, BEGINNING OF YEAR	78,070	78,070	-
FUND BALANCES, END OF YEAR	$ 912,001	$ 68,070	$ (843,931)

CITY OF MENTOR, OHIO
NEWELL CREEK BIKEWAY FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ 200,000	$ -	$ (200,000)
EXPENDITURES:			
Streets and highways	115,000	14,800	100,200
Total expenditures	115,000	14,800	100,200
Excess (deficiency) of revenues over expenditures	85,000	(14,800)	(99,800)
OTHER FINANCING SOURCES (USES):			
Advances in	200,000	200,000	-
Transfers in	85,000	-	(85,000)
Advances out	(85,000)	(85,000)	-
Total other financing sources (uses)	200,000	115,000	(85,000)
NET CHANGE IN FUND BALANCE	285,000	100,200	(184,800)
FUND BALANCES, BEGINNING OF YEAR	-	-	-
FUND BALANCES, END OF YEAR	$ 285,000	$ 100,200	$ (184,800)

CITY OF MENTOR, OHIO

I90/SR615 INTERCHANGE FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ 440,000	$ -	$ (440,000)
EXPENDITURES:			
Engineering and building	797	797	-
Excess (deficiency) of revenues over expenditures	439,203	(797)	(440,000)
OTHER FINANCING SOURCES (USES):			
Advances in	-	85,000	85,000
Transfers in	85,000	-	(85,000)
Advances out	(85,000)	(85,000)	-
Total other financing sources (uses)	-	-	-
NET CHANGE IN FUND BALANCE	439,203	(797)	(440,000)
Adjustment for prior year encumbrances	797	797	-
FUND BALANCES, BEGINNING OF YEAR	-	-	-
FUND BALANCES, END OF YEAR	$ 440,000	$ -	$ (440,000)

CITY OF MENTOR, OHIO

SAFE ROUTES TO SCHOOL - INFRASTRUCTURE FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ 178,710	$ -	$ (178,710)
EXPENDITURES:			
Streets and highways	178,709	163,276	15,433
Excess (deficiency) of revenues over expenditures	1	(163,276)	(163,277)
OTHER FINANCING SOURCES (USES):			
Advances in	-	178,710	178,710
Advances out	(178,710)	(178,710)	-
Total other financing sources (uses)	(178,710)	-	178,710
NET CHANGE IN FUND BALANCE	(178,709)	(163,276)	15,433
Adjustment for prior year encumbrances	178,709	178,709	-
FUND BALANCES, BEGINNING OF YEAR	1	1	-
FUND BALANCES, END OF YEAR	$ 1	$ 15,434	$ 15,433

CITY OF MENTOR, OHIO

FEDERAL GRANTS - OTHER FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

(NON-GAAP BUDGETARY BASIS)

Year Ended December 31, 2013

	Final Budget	Actual	Variance - Positive (Negative)
REVENUES:			
Intergovernmental	$ 386,025	$ 70,497	$ (315,528)
EXPENDITURES:			
Fire	8,600	8,600	-
Parks, recreation and public facilities	240	240	-
Police			
Employee compensation	32,400	20,425	11,975
Other	39,317	24,877	14,440
Streets and highways	375,896	36,000	339,896
Engineering and building	15,000	15,000	-
Total expenditures	471,453	105,142	366,311
Excess (deficiency) of revenues over expenditures	(85,428)	(34,645)	50,783
OTHER FINANCING SOURCES (USES):			
Advances in	427,175	432,675	5,500
Transfers in	18,000	1,198	(16,802)
Advances out	(20,750)	(20,750)	-
Total other financing sources (uses)	424,425	413,123	(11,302)
NET CHANGE IN FUND BALANCE	338,997	378,478	39,481
FUND BALANCES, BEGINNING OF YEAR	-	-	-
FUND BALANCES, END OF YEAR	$ 338,997	$ 378,478	$ 39,481

Statistical Information

CITY OF MENTOR 1963-2013

Statistical Section

This part of the City of Mentor'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 **Page**

Financial Trends
These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time. **156 – 161**

Revenue Capacity
These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property and sales taxes. **162 – 166**

Debt Capacity
These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future. **167 – 171**

Demographic and Economic Information
These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place and to help make comparisons over time and with other governments. **172 – 173**

Operating Information
The schedules contain information about the city's operations and resources to help the reader understand how the city's financial information relates to the services the city provides and the activities it performs. **174 - 176**

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF MENTOR, OHIO

Net Position By Components

Last Ten Fiscal Years

(Accrual Basis of Accounting)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
GOVERNMENTAL ACTIVITIES										
Net Investment in Capital Assets	$ 136,760,173	$ 137,357,473	$ 137,998,058	$ 140,546,570	$ 143,332,857	$ 143,782,111	$ 146,853,882	$ 146,106,516	$ 144,331,191	$ 142,321,257
Restricted -										
Debt Service	14,265,124	15,246,640	16,918,313	19,193,569	20,799,179	21,055,145	10,061,284	10,308,462	8,416,626	9,440,732
Capital Projects	1,516,773	820,719	1,862,140	896,332	-	655,800	814,484	1,045,244	608,301	580,697
Streets and Public Safety	8,464,341	7,766,991	6,346,121	4,891,288	5,272,319	4,883,112	6,007,323	5,681,478	5,202,402	4,081,130
Unrestricited (Deficit)	26,367,394	26,679,496	22,903,072	21,781,098	20,317,849	21,036,657	19,617,839	18,237,072	19,891,696	19,705,506
Total Governmental Net Position	$ 187,373,805	$ 187,871,319	$ 186,027,704	$ 187,308,857	$ 189,722,204	$ 191,412,825	$ 183,354,812	$ 181,378,772	$ 178,450,216	$ 176,129,322

CITY OF MENTOR, OHIO
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	$ 2,591,441	$ 2,859,205	$ 2,517,264	$ 2,473,236	$ 2,518,135	$ 2,247,383	$ 2,583,475	$ 2,083,099	$ 1,953,882	$ 1,898,955
Police	629,535	722,001	647,865	136,909	201,537	59,522	67,362	56,520	65,584	76,841
Fire	1,937,513	2,027,511	1,876,345	1,442,054	1,002,270	1,208,016	920,458	8,050	5,683	6,756
Streets & Highways	1,424,203	1,365,463	1,251,159	1,080,564	1,094,893	1,174,704	1,166,350	1,043,860	1,157,879	1,066,234
Parks, Recreation & Public Facilities	4,472,734	4,483,983	4,219,193	4,192,731	4,202,393	4,050,431	3,952,388	4,001,727	3,734,490	2,782,247
Economic & Community Development	142,889	117,985	79,196	60,462	64,594	51,657	55,100	49,475	56,716	38,722
Engineering & Building	790,052	744,530	670,800	607,475	493,255	535,210	524,788	597,664	546,780	670,619
Subtotal - Charges for Services	11,988,367	12,320,678	11,261,822	9,993,431	9,577,077	9,326,923	9,269,921	7,840,395	7,521,014	6,540,374
Operating Grants and Contributions:										
General Government	505,247	43,264	190,468	45,317	43,077	107,462	78,008	54,788	47,636	58,818
Police	90,591	165,764	78,606	140,216	71,067	56,516	165,507	57,709	6,657	84,477
Fire	13,982	19,551	337,690	221,667	48,748	43,180	37,335	64,437	102,094	37,262
Streets & Highways	749,191	548,119	374,048	3,416,057	281,441	601,810	225,653	687,388	220,387	367,239
Parks, Recreation & Public Facilities	254,010	340,684	438,115	191,134	299,751	264,543	88,085	35,710	251,235	88,050
Economic & Community Development	218,902	613,097	1,128,963	201,388	155,132	239,008	347,998	97,492	128,553	186,515
Engineering & Building	-	-	-	383	-	-	-	-	-	-
Subtotal - Operating Grants and Contributions	1,831,923	1,730,479	2,547,890	4,216,162	899,216	1,312,519	942,586	997,524	756,562	822,361
Capital Grants and Contributions:										
General Government	-	-	-	-	-	-	-	-	-	-
Police	9,700	3,570	71,580	986,000	6,640	7,000	65,725	24,925	38,303	41,122
Fire	-	119,600	1,103,268	-	-	-	8,314	-	-	-
Streets & Highways	335,588	-	31,884	70,464	352,618	11,149,879	223,566	3,387,422	2,543,371	8,809,265
Parks, Recreation & Public Facilities	-	-	-	140,000	69,432	50,364	154,830	1,860,118	1,450,489	55,000
Economic & Community Development	-	-	-	-	-	-	-	-	51,839	44,581
Engineering & Building	-	-	240	-	-	-	-	-	-	45,943
Interest and Fiscal Charges	-	-	-	-	582,594	293,916	317,452	370,755	481,875	524,071
Subtotal - Capital Grants and Contributions	345,288	123,170	1,206,972	1,196,464	1,011,284	11,501,159	769,887	5,643,220	4,565,877	9,519,982
Total Governmental Program Revenues	14,165,578	14,174,327	15,016,684	15,406,057	11,487,577	22,140,601	10,982,394	14,481,139	12,843,453	16,882,717

CITY OF MENTOR, OHIO
Changes in Net Position (continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Expenses										
Governmental Activities:										
General Government	$ 6,969,458	$ 7,270,605	$ 7,191,527	$ 7,232,734	$ 7,185,265	$ 7,889,366	$ 7,300,405	$ 7,550,150	$ 7,201,492	$ 6,998,884
Police	13,430,646	13,646,699	12,950,663	12,727,229	12,350,647	12,274,557	11,680,006	11,276,837	10,759,750	10,604,664
Fire	12,293,472	13,068,938	13,373,637	12,012,648	11,842,353	11,790,289	11,093,519	10,674,056	10,251,159	9,502,396
Streets and Highways	16,074,733	15,442,708	14,651,958	17,822,415	13,816,327	16,405,625	13,482,845	14,120,600	12,062,550	13,880,008
Parks, Recreation & Public Facilities	9,124,443	8,504,180	8,302,334	7,944,763	7,860,266	7,763,173	9,225,254	8,406,060	8,382,989	7,641,284
Economic & Community Development	2,394,608	2,688,382	2,128,528	1,953,020	764,306	1,680,361	1,821,134	1,336,892	1,247,418	1,336,548
Engineering & Building	2,316,314	1,680,518	2,094,279	2,245,519	2,057,180	2,191,074	2,131,217	1,748,986	1,678,511	1,833,510
Interest and Fiscal Charges	1,256,411	1,562,337	1,400,501	1,519,472	1,535,426	1,577,022	1,538,100	1,636,342	1,285,841	1,583,354
Total Governmental Activities Expenses	63,860,085	63,864,367	62,093,427	63,457,800	57,411,770	61,571,467	58,272,480	56,749,923	52,869,710	53,380,648
Net (Expense)/Revenue										
Total Governmental Net Expense	(49,694,507)	(49,690,040)	(47,076,743)	(48,051,743)	(45,924,193)	(39,430,866)	(47,290,086)	(42,268,784)	(40,026,257)	(36,497,931)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes:										
Municipal Income Taxes Levied	38,577,994	37,914,960	32,647,234	30,895,408	29,690,527	32,831,801	32,267,383	29,885,930	28,019,315	27,729,472
Property Taxes Levied										
General Purposes	708,495	1,453,136	1,853,917	1,637,370	1,784,878	1,943,948	1,795,300	2,111,122	2,011,037	1,569,225
Special Revenue	1,666,403	1,861,131	1,909,238	2,203,325	2,165,635	2,215,269	2,219,417	2,179,159	2,062,913	2,041,450
Debt Service	2,195,300	1,884,994	1,524,324	2,085,698	2,018,418	1,901,892	2,072,165	1,508,048	1,436,550	1,854,132
Other Local Taxes	544,058	514,501	477,642	437,875	443,167	424,852	786,290	754,113	733,874	775,571
Payments in Lieu of Taxes	407,065	662,591	203,186	230,725	232,416	-	-	-	-	-
Shared Revenues	5,673,886	6,419,066	6,285,208	7,115,438	6,872,454	7,692,358	8,314,320	7,272,144	7,402,225	7,093,817
Other Grants and Contributions	-	-	-	-	20,047	79,068	163,737	298,564	55,458	63,216
Unrestricted Investment Earnings	(100,371)	684,403	790,645	982,759	982,064	307,232	1,124,560	920,404	583,428	510,565
Note Premium	-	-	-	-	-	-	-	86,954	-	-
Other	89,862	138,873	104,196	49,798	23,966	92,459	522,954	180,902	42,351	44,351
Total Governmental General Revenues and Other Changes in Net Position	49,762,692	51,533,655	45,795,590	45,638,396	44,233,572	47,488,879	49,266,126	45,197,340	42,347,151	41,681,799
Change in Net Position										
Governmental Activities	68,185	1,843,615	(1,281,153)	(2,413,347)	(1,690,621)	8,058,013	1,976,040	2,928,556	2,320,894	5,183,868
Total Governmental Change in Net Position	$ 68,185	$ 1,843,615	$ (1,281,153)	$ (2,413,347)	$ (1,690,621)	$ 8,058,013	$ 1,976,040	$ 2,928,556	$ 2,320,894	$ 5,183,868

CITY OF MENTOR, OHIO

Fund Balances, Governmental Funds
Last Four Fiscal Years
(Modified Accrual Basis of Accounting)

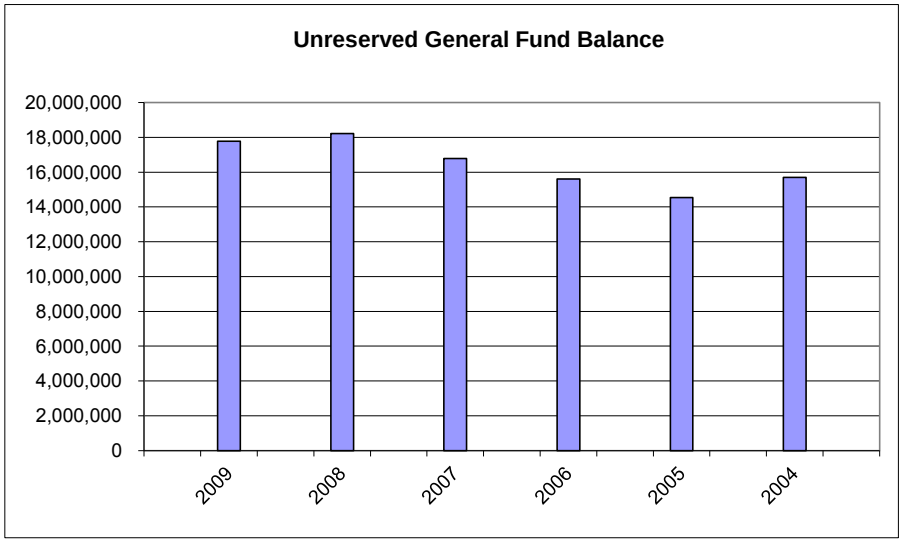
	2013	2012	2011	2010
General Fund				
Nonspendable	567,849	690,160	632,706	703,444
Committed	2,402,465	2,245,778	817,000	-
Assigned	9,099,970	8,366,041	5,080,438	5,041,996
Unassigned	17,823,688	17,581,342	18,404,064	15,888,488
Total General Fund	29,893,972	28,883,321	24,934,208	21,633,928
All Other Governmental Funds				
Restricted	7,044,072	6,583,635	6,982,595	4,828,350
Committed	182,354	733,437	578,649	510,106
Unassigned	(1,723,109)	(1,074,469)	(510,660)	(3,004,949)
Total All Other Governmental Funds	5,503,317	6,242,603	7,050,584	2,333,507
Total Governmental Funds	35,397,289	35,125,924	31,984,792	23,967,435

Note: The City implemented GASB 54 in 2011

CITY OF MENTOR, OHIO

Fund Balances, Governmental Funds
Prior Six Fiscal Years
(Modified Accrual Basis of Accounting)

	2009	2008	2007	2006	2005	2004
General Fund						
Reserved	$ 2,162,956	$ 1,462,499	$ 1,215,466	$ 1,582,283	$ 1,351,276	$ 1,973,554
Unreserved	17,781,308	18,215,631	16,777,646	15,613,237	14,530,983	15,707,167
Total General Fund	19,944,264	19,678,130	17,993,112	17,195,520	15,882,259	17,680,721
All Other Governmental Funds						
Reserved	2,460,771	2,848,063	2,349,192	2,125,908	1,330,417	1,249,201
Unreserved, Reported in:						
Special Revenue Funds	3,587,542	3,008,409	4,145,223	4,455,878	4,137,732	3,222,412
Debt Service Fund						
Capital Projects Funds	(715,738)	(4,300,077)	168,097	(753,927)	(705,498)	(515,057)
Total All Other Governmental Funds	5,332,575	1,556,395	6,662,512	5,827,859	4,762,651	3,956,556
Total Governmental Funds	$ 25,276,839	$ 21,234,525	$ 24,655,624	$ 23,023,379	$ 20,644,910	$ 21,637,277



CITY OF MENTOR, OHIO

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Revenues										
Property Taxes	$ 4,747,029	$ 5,205,509	$ 5,280,016	$ 5,653,190	$ 5,968,931	$ 6,061,110	$ 6,086,882	$ 5,798,328	$ 5,510,500	$ 5,464,463
Municipal Income Taxes	38,062,383	36,506,741	33,763,684	31,076,262	29,691,413	32,960,086	31,346,263	29,944,652	28,735,602	26,813,889
Other Local Taxes	544,058	514,501	477,642	437,902	443,137	424,852	786,290	754,522	733,464	775,571
Payments in Lieu of Taxes	407,065	662,591	203,186	230,725	232,416	-	-	-	-	-
Intergovernmental	7,446,129	8,529,405	11,126,116	11,246,323	8,454,989	8,698,588	9,117,427	10,330,679	11,009,784	14,808,365
Charges for Services	5,934,695	5,994,561	5,815,572	5,867,129	5,418,323	5,478,221	5,040,814	4,049,658	3,796,645	2,793,584
Fines and Forfeitures	1,543,065	1,525,995	1,442,029	1,652,512	1,521,951	1,434,560	1,455,174	1,435,683	1,430,104	1,460,402
Licenses, Permits and Inspections	1,621,125	1,562,892	1,419,526	1,382,489	1,380,055	1,191,262	1,594,216	1,253,441	1,076,848	1,169,226
Special Assessments	2,204,230	2,095,209	2,546,624	2,206,866	2,314,723	1,874,013	2,114,952	2,136,312	3,004,125	2,336,570
Investment Income	(100,371)	684,403	790,645	982,759	1,002,111	386,300	1,288,297	1,218,968	647,026	576,607
Donations and Other	447,287	778,324	344,518	171,152	143,618	352,944	726,317	293,426	292,745	1,796,499
Total Revenues	62,856,695	64,060,131	63,209,558	60,907,309	56,571,667	58,861,936	59,556,632	57,215,669	56,236,843	57,995,176
Expenditures										
Current:										
General Government	6,698,211	6,850,550	6,892,217	7,045,850	7,111,144	7,742,983	7,181,507	7,058,856	7,089,759	6,848,689
Security of Persons and Property:										
Police	12,719,594	12,477,041	12,034,061	12,076,194	11,847,987	11,710,603	11,200,112	10,535,879	10,278,880	9,967,486
Fire	11,284,756	11,778,452	11,385,682	11,329,917	11,141,863	10,991,511	10,487,605	9,961,438	9,617,904	8,917,993
Streets & Highways	12,408,097	11,864,164	11,355,744	14,580,839	10,618,043	12,137,320	9,577,178	9,217,664	9,516,798	9,716,845
Parks, Recreation and Public Facilities	7,996,907	7,239,371	7,114,044	6,813,566	6,786,499	6,556,010	8,054,630	7,771,902	7,187,975	6,428,368
Economic & Community Development	2,387,632	2,652,103	2,084,967	1,946,043	754,252	1,718,496	1,824,162	1,312,148	1,238,926	1,309,906
Engineering and Building	2,304,524	1,728,800	2,010,053	2,214,863	2,030,867	2,127,362	2,104,396	1,650,631	1,596,813	1,791,941
Capital Outlay	2,571,347	2,383,744	2,554,372	2,201,521	2,881,089	5,743,075	5,020,964	10,406,978	12,913,502	9,739,603
Debt Service:										
Principal Retirement	2,758,388	2,630,509	2,695,139	2,549,781	2,307,726	1,997,389	8,971,061	8,816,885	9,400,000	2,010,000
Interest and Fiscal Charges	1,258,117	1,365,090	1,365,238	1,495,005	1,499,620	1,429,490	1,510,150	1,609,446	1,488,260	1,684,862
Total Expenditures	62,387,573	60,969,824	59,491,517	62,253,579	56,979,090	62,154,239	65,931,765	68,341,827	70,328,817	58,415,693
Excess of Revenues Over (Under) Expenditures	469,122	3,090,307	3,718,041	(1,346,270)	(407,423)	(3,292,303)	(6,375,133)	(11,126,158)	(14,091,974)	(420,517)
Other Financing Sources (Uses)										
Issuance of Bonds	-	-	4,355,000	-	4,335,000	7,505,000	-	-	15,541,714	5,948,605
Payment to Refunded Bonds Escrow Agent	-	-	-	-	-	-	-	-	(9,009,278)	(5,850,913)
Issuance of Notes/OPWC Loans	-	50,000	-	-	34,116	-	7,949,653	13,473,842	6,496,148	188,111
Premium on Bonds	-	-	15,054	-	-	-	-	-	-	-
Transfers In	977,660	908,428	362,099	711,190	543,863	663,300	1,381,859	859,454	1,586,576	1,134,349
Transfers Out	(977,660)	(908,428)	(362,099)	(711,190)	(543,863)	(663,300)	(1,381,859)	(859,454)	(1,586,576)	(1,134,349)
Other	-	-	-	-	21,485	49,498	18,851	86,954	-	-
Total Other Financing Sources (Uses)	-	50,000	4,370,054	-	4,390,601	7,554,498	7,968,504	13,560,796	13,028,584	285,803
Net Change in Fund Balances	$ 469,122	$ 3,140,307	$ 8,088,095	$ (1,346,270)	$ 3,983,178	$ 4,262,195	$ 1,593,371	$ 2,434,638	$ (1,063,390)	$ (134,714)
Debt Service as a Percentage of Noncapital Expenditures	6.7%	6.8%	7.1%	6.8%	7.0%	5.9%	17.2%	17.9%	19.1%	7.3%

CITY OF MENTOR, OHIO

Assessed Valuation and Estimated Actual Values of Taxable Property
Last Ten Fiscal Years

Tax Year/ Collection Year	Assessed Value: Real Property	Assessed Value: Other Real Estate & Public Utility Property	Assessed Value: Tangible Personal Property	Assessed Value: Total Taxable Assessed Value	Total Direct Tax Rate	Total Estimated Actual Real Property Taxable Value	Assessed Value as a Percentage of Actual Value
2003/2004	$ 1,390,301,500	$ 36,951,470	$ 158,265,924	$ 1,585,518,894	4.50	$ 3,972,290,000	39.91%
2004/2005	1,405,566,960	36,934,900	152,470,740	1,594,972,600	4.50	4,015,905,600	39.72%
2005/2006	1,422,713,440	35,045,410	122,792,273	1,580,551,123	4.50	4,064,895,543	38.88%
2006/2007	1,562,461,290	35,571,190	93,005,399	1,691,037,879	4.50	4,464,175,114	37.88%
2007/2008	1,579,845,340	32,454,480	64,709,171	1,677,008,991	4.50	4,513,843,829	37.15%
2008/2009	1,603,670,200	34,261,250	1,776,147	1,639,707,597	4.50	4,581,914,857	35.79%
2009/2010	1,477,190,810	36,652,720	888,073	1,514,731,603	4.50	4,220,545,171	35.89%
2010/2011	1,475,204,850	37,440,430	-	1,512,645,280	4.50	4,214,871,000	35.89%
2011/2012	1,469,235,210	38,586,070	-	1,507,821,280	4.50	4,197,814,886	35.92%
2012/2013	1,321,408,400	41,671,040	-	1,363,079,440	4.50	3,775,452,571	36.10%

Note: The current assessed valuation is computed at approximately the following percentages of estimated true value: real property - 35%, public utility personal property - 100%, 88%, or 25%, and tangible personal property - 18.75%.

Source:
Lake County Auditor Schedule A - Estimate of Property Tax Revenue

CITY OF MENTOR, OHIO

Property Tax Rates - Direct and Overlapping Governments
(Per $1,000 of Assessed Valuations)
Last Ten Fiscal Years

	City of Mentor Direct Rates						
Tax Year/ Collection Year	General Fund	Special Revenue Funds	Debt Service Funds	Total	Mentor Exempted Village School District [1]	Lake County	Total
2003/2004	1.10	2.10	1.30	4.50	70.25	15.70	90.45
2004/2005	1.40	2.10	1.00	4.50	78.09	15.70	98.29
2005/2006	1.40	2.10	1.00	4.50	77.905	15.70	98.105
2006/2007	1.10	2.10	1.30	4.50	77.305	15.70	97.505
2007/2008	1.20	2.10	1.20	4.50	77.325	15.80	97.625
2008/2009	1.10	2.10	1.30	4.50	77.990	15.80	98.290
2009/2010	1.00	2.10	1.40	4.50	78.740	15.80	99.040
2010/2011	1.40	2.10	1.00	4.50	78.710	15.80	99.010
2011/2012	1.10	2.10	1.30	4.50	78.060	15.80	98.360
2012/2013	0.60	2.10	1.80	4.50	79.800	15.30	99.600

[1]Includes Mentor Public Library

SOURCE: Office of the Lake County Auditor

CITY OF MENTOR, OHIO

Principal Property Tax Payers
Current Year and Nine Years Ago

	2013		2004	
Taxpayer	**Taxable Assessed Value**	**Percentage of Total City Taxable Assessed Value**	**Taxable Assessed Value**	**Percentage of Total City Taxable Assessed Value**
Cleveland Electric Illuminating Co.	$ 23,475,790	1.72%	$ 17,706,920	1.24%
Mall at Great Lake LLC/Simon Property	22,571,720	1.66%	25,900,140	1.81%
Aqua Ohio/Consumers Ohio Water	14,789,940	1.09%	7,427,290	0.52%
Points East	7,301,410	0.54%	7,013,210	0.49%
Steris Corporation	5,298,210	0.39%	6,391,840	0.45%
First Interstate	3,853,140	0.28%	3,929,240	0.28%
Lake Hospital Systems Inc.	3,463,500	0.25%	-	0.00%
FI Mentor Commons LTD	3,243,420	0.24%		0.00%
Optimus Erie Common LLC	3,182,560	0.23%	-	0.00%
F I Mentor II LTD	2,899,430	0.21%	4,238,230	0.30%
Michaels, Inc.	2,800,000	0.21%	-	0.00%
Emerivent Mentor LLC	2,823,940	0.21%	-	0.00%
Ohio Bell Telephone Company	-	0.00%	7,488,380	0.52%
Euclid Clinic Foundation	-	0.00%	4,565,890	0.32%
Summerville at Mentor, Inc.	-	0.00%	4,300,780	0.30%
Deepwood North Company	-	0.00%	4,086,290	0.29%
Royal Applicance Manufacturing Company	-	0.00%	3,768,630	0.26%
Osair, Inc	-	0.00%		0.00%
Total Principal Taxpayers	$ 95,703,060		$ 96,816,840	
Total Real City Property (including other real estate and public utility property)	$ 1,363,079,440		$ 1,427,252,970	

SOURCE: Office of the Lake County Auditor

CITY OF MENTOR, OHIO

Property Tax Levies and Collections
Real and Public Utility Property Only
Last Ten Fiscal Years

Tax Levy Year	Net Tax Levy	Collected within the Fiscal Year of the Levy		Outstanding Accumulated Delinquent Taxes*	Total Collections Including Delinquencies	Percentage of Total Collections to Net Levy
		Amount	Percentage of Levy			
2003	$ 5,347,501	$ 5,234,725	97.9%	$ 78,982	$ 5,333,773	99.7%
2004	5,425,592	5,276,946	97.3%	99,690	5,385,319	99.3%
2005	5,482,289	5,339,406	97.4%	130,219	5,453,739	99.5%
2006	5,877,893	5,752,493	97.9%	194,089	5,803,632	98.7%
2007	5,948,522	5,815,383	97.8%	213,030	5,976,631	100.0%
2008	6,054,841	5,837,249	96.4%	315,279	5,972,604	98.6%
2009	5,700,055	5,500,109	96.5%	366,748	5,660,057	99.3%
2010	5,941,550	5,705,335	96.0%	236,363	5,846,045	98.4%
2011	6,113,523	6,091,491	99.6%	463,310	6,265,608	100.0%
2012	5,650,475	5,498,724	97.3%	392,423	5,819,122	100.0%

* The County does not maintain delinquency information by year.

SOURCE: Office of the Lake County Auditor

CITY OF MENTOR, OHIO

Income Tax Revenue Base and Collections
Last Ten Fiscal Years
(Cash Basis)

Tax Year	Total Tax Collected	Tax from Withholding	Tax from Net Profit	Tax from Individuals	Tax Rate
2013	$ 37,692,133	$ 27,516,312	$ 6,879,021	$ 3,296,800	2.0%
2012	36,100,204	26,173,532	6,685,108	3,241,564	2.0%
2011	33,223,250	24,915,470	5,070,758	3,237,022	2.0%
2010	30,612,474	23,214,076	4,252,395	3,146,003	2.0%
2009	30,666,110	23,605,928	3,515,344	3,544,838	2.0%
2008	32,250,399	24,971,625	3,636,082	3,642,692	2.0%
2007	32,543,861	24,292,274	4,491,647	3,759,940	2.0%
2006	29,365,084	22,249,149	3,936,038	3,179,897	2.0%
2005	28,106,051	21,728,282	3,278,374	3,099,395	2.0%
2004	26,935,407	20,527,930	3,261,179	3,146,298	2.0%

CITY OF MENTOR, OHIO

Top Ten Income Tax Withholders
Current Year and Nine Years Ago

2013		2004	
Rank	**Name**	**Rank**	**Name**
1	Steris Corporation	1	Mentor Exempted Village Schools
2	Avery Dennison Corp	2	Steris Corporation
3	Mentor Exempted Village Schools	3	Jim Brown Chevy
4	Lincoln Electric	4	Lake County Auditor
5	PCC Airfoils	5	City of Mentor
6	City of Mentor	6	PCC Airfoils
7	Jim Brown Chevy	7	Lincoln Electric
8	Lake County Auditor	8	Parker Hannifan Group
9	Component Repair Technologies	9	Avery Dennison
10	Parker Hannifin Corp	10	Euclid Clinic Foundation

Source: City of Mentor, Finance Department

CITY OF MENTOR, OHIO

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities					
Year	General Obligation Bonds	Special Assessment Bonds	Bond Anticipation Notes and Other Loans Payable	Total Primary Government	Percentage of Personal Income [1]	Per Capita [1]
2004	$ 17,147,894	$ 8,657,106	$ 198,111	$ 26,003,111	2.10%	$ 517
2005	22,103,974	6,996,026	404,572	29,504,572	2.39%	587
2006	20,684,064	6,235,935	7,246,830	34,166,829	2.76%	680
2007	19,244,376	5,560,624	8,335,122	33,140,122	2.68%	659
2008	17,770,131	12,574,869	4,760,736	35,105,736	2.84%	698
2009	19,991,107	12,413,893	642,126	33,047,126	2.67%	657
2010	18,310,006	11,599,237	3,347,346	33,256,589	2.87%	705
2011	20,854,387	10,730,613	572,208	32,157,208	2.26%	682
2012	18,826,580	10,163,420	586,700	29,576,700	1.99%	627
2013	16,699,216	9,570,784	548,312	26,818,312	1.79%	569

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

[1] See the schedule of Demographic and Economic Statistics for personal income and population data.

CITY OF MENTOR, OHIO

Ratios of Net General Bonded Debt to Assessed Valuation and Net Bonded Debt per Capita
Last Ten Fiscal Years

Year	Population [1]	Assessed Value [2]	Gross General Bond Debt	Less Balance in General Bond Retirement Fund	Total	Percentage of Net General Bonded Debt to Assessed Value	Net General Bonded Debt Per Capita
2004	50,278	$ 1,585,518,894	$ 17,147,894	$ 441,048	$ 16,706,846	1.05%	$ 332.29
2005	50,278	1,594,972,600	22,103,974	318,116	21,785,858	1.37%	433.31
2006	50,278	1,580,551,123	20,684,064	390,167	20,293,897	1.28%	403.63
2007	50,278	1,691,037,879	19,244,376	775,925	18,468,451	1.09%	367.33
2008	50,278	1,677,008,991	17,770,131	1,062,796	16,707,335	1.00%	332.30
2009	50,278	1,639,707,597	19,991,107	1,521,782	18,469,325	1.13%	367.34
2010	47,159	1,514,731,603	18,310,006	1,308,750	17,001,256	1.12%	360.51
2011	47,159	1,512,645,280	20,854,387	538,389	20,315,998	1.34%	430.80
2012	47,159	1,507,821,280	18,826,580	175,590	18,650,990	1.24%	395.49
2013	47,159	1,363,079,440	16,699,216	312,834	16,386,382	1.20%	347.47

SOURCES: [1] U.S. Bureau of Census 2000 and 2010
[2] Office of the Lake County Auditor

CITY OF MENTOR, OHIO

Direct and Overlapping Debt

December 31, 2013

	Debt Outstanding	Percentage Applicable to City of Mentor	Amount Applicable to Taxpayers of City of Mentor
Direct:			
City of Mentor	$ 26,818,312	100.00%	$ 26,818,312
Overlapping:			
Mentor Exempted Village School District and Mentor Public Library	1,361,667	82.85%	1,128,141
Lake County	13,430,000	23.80%	3,196,340
Total Overlapping	14,791,667		4,324,481
TOTAL	$ 41,609,979		$ 31,142,793

Note: The method to calculate the overlap is determined, on a percentage basis, by dividing the amount of assessed valuation of the political subdivision's territory that is within the boundaries of the City by the total assessed valuation of the political subdivision.

SOURCES

City of Mentor, Finance Department

Mentor Exempted Village School District

Office of the Lake County Auditor

CITY OF MENTOR, OHIO
Legal Debt Margin
Last Ten Fiscal Years

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Overall Legal Debt Limit (10.5 % of Assessed Valuation)	$ 143,123,341	$ 158,321,234	$ 158,827,754	$ 159,046,818	$ 172,169,298	$ 176,085,944	$ 177,558,977	$ 165,957,868	$ 167,472,123	$ 166,479,484
Net Debt Within 10.5% Limitations	16,699,216	18,826,580	20,854,387	15,552,526	19,991,107	21,286,131	19,244,376	20,684,065	22,190,430	16,904,957
Legal Debt Margin Within 10.5% Limitation	$ 126,424,125	$ 139,494,654	$ 137,973,367	$ 143,494,292	$ 152,178,191	$ 154,799,813	$ 158,314,601	$ 145,273,803	$ 145,281,693	$ 149,574,527
Total Net Debt Applicable to the 10.5% Limit as a Percentage of the Debt Limit	11.67%	11.89%	13.13%	9.78%	11.61%	12.09%	10.84%	12.46%	13.25%	10.15%
Unvoted Debt Limitation - 5.5% of Assessed Valuation	74,969,369	82,930,170	83,195,490	83,310,238	90,183,918	92,235,495	93,007,083	86,930,312	87,723,493	87,203,539
Debt Within 5.5% Limitations	16,699,216	18,826,580	20,854,387	15,552,526	19,991,107	21,286,131	19,244,376	20,684,065	22,190,430	16,904,957
Legal Debt Margin Within 5.5% Limitations	$ 58,270,153	$ 64,103,590	$ 62,341,103	$ 67,757,712	$ 70,192,811	$ 70,949,364	$ 73,762,707	$ 66,246,247	$ 65,533,063	$ 70,298,582
Total Debt Applicable to the 5.5% Limit as a Percentage of the Debt Limit	22.27%	22.70%	25.07%	18.67%	22.17%	23.08%	20.69%	23.79%	25.30%	19.39%

LEGAL DEBT MARGIN CALCULATION FOR 2013

Assessed Valuation		$ 1,363,079,440
Overall Debt Limitation - 10.5% of Assessed Valuation		143,123,341
Gross Indebtedness		26,818,312
Less:	*OWDA/OPWC*	548,312
	Special Assessment Bonds & Notes	9,570,784
Net Debt Within 10.5% Limitations-General Obligation Bonds		16,699,216
Legal Debt Margin Within 10.5% Limitation		$ 126,424,125
Unvoted Debt Limitation - 5.5% of Assessed Valuation		74,969,369
Gross Indebtedness Authorized by Council		16,699,216
Less Debt Outside Limitations-Voted		-
Debt Within 5.5% Limitations		16,699,216
Legal Debt Margin Within 5.5% Limitation		$ 58,270,153

CITY OF MENTOR, OHIO

Pledged-Revenue Coverage

Last Ten Fiscal Years

SPECIAL ASSESSMENT BONDS

Year	Special Assessment Collections	Debt Service		Coverage
		Principal	Interest	
2004	$ 1,270,784	$ 781,320	$ 587,907	0.93
2005	1,886,609	1,661,080	414,421	0.91
2006	1,117,069	760,091	412,086	0.95
2007	1,032,323	680,772	357,849	0.99
2008	771,433	490,755	310,154	0.96
2009	1,266,401	750,976	680,205	0.88
2010	1,196,808	816,419	545,253	0.88
2011	1,572,556	866,861	497,061	1.15
2012	1,053,137	567,193	453,662	1.03
2013	1,066,176	592,636	432,144	1.04

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

CITY OF MENTOR, OHIO

Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population[1]	Total Personal Income[2]	Per Capita Personal Income[1]	Median Household Income[1]	Unemployment Rate[3]
2004	50,278	$ 1,236,436,576	$ 24,592	$ 65,322	4.7%
2005	50,278	1,236,436,576	24,592	65,322	4.5%
2006	50,278	1,236,436,576	24,592	65,322	4.2%
2007	50,278	1,236,436,576	24,592	65,322	4.6%
2008	50,278	1,236,436,576	24,592	65,322	7.1%
2009	50,278	1,236,436,576	24,592	65,322	7.8%
2010	47,159	1,159,734,128	24,592	65,322	6.9%
2011	47,159	1,422,126,804	30,156	62,546	5.8%
2012	47,159	1,485,649,977	31,503	65,044	5.4%
2013	47,159	1,499,231,769	31,791	65,446	5.2%

SOURCES:

[1] U.S. Bureau of Census 2000 and 2010

[2] Computation of per capita personal income multiplied by population

[3] Local Area Employment Statistics

CITY OF MENTOR, OHIO

Principal Employers

Current Year and Nine Years Ago

	2013			2004		
Employer	**Employees**	**Rank**	**Percentage of Total City Employment**	**Employees**	**Rank**	**Percentage of Total City Employment**
Steris/U.S. Endoscopy	1,500	1	4.45%	700	3	2.48%
Mentor Public Schools	992	2	2.94%	960	1	3.41%
City of Mentor [1]	842	3	2.50%	886	2	3.14%
Avery Dennison	665	4	1.97%	-	-	-
Deepwood	460	5	1.37%	355	7	1.26%
PCC Airfoils	443	6	1.31%	480	5	1.70%
Classic Auto Group	425	7	1.26%	-	-	-
Component Repair Technologies	394	8	1.17%	-	-	-
Lincoln Electric	376	9	1.12%	515	4	1.83%
NHVS International	325	10	0.96%	-	-	-
Mag-Nif, Co.	-	-	-	350	8	1.24%
Sear's Roebuck & Co.	-	-	-	375	6	1.33%
SourceOne Healthcare Tech	-	-	-	300	9	1.06%
Super K-Mart	-	-	-	300	10	1.06%
		-				
Total Employees within the City:	33,696			28,173		

[1]Includes Part-time and Seasonal Employees

SOURCE:

City of Mentor, Department of Economic Development

US Census Data from 2004 and 2010

CITY OF MENTOR, OHIO

Full-Time City Government Employees by Function/Program

Last Ten Fiscal Years

Function/Program	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Government										
Council	1	1	1	2	2	2	2	2	2	2
Finance	11	12	12	10	11	13	12	13	12	14
City Manager/Personnel	13	13	13	14	15	15	14	16	16	15
Law	2	2	2	2	2	2	2	2	2	2
Engineering/Building*	12	13	18	19	20	21	21	17	17	18
Court	20	20	22	21	21	22	22	21	20	21
Security of Persons and Property										
Police	110	105	107	110	112	112	111	112	109	112
Fire	73	73	75	76	76	79	79	79	79	78
Public Health Services										
Cemetery	3	3	3	3	4	5	5	4	5	5
Parks, Recreation & Public Facilities	22	22	23	24	23	23	35	37	37	34
Economic & Community Development										
Economic Development/Planning*	14	13	9	8	8	7	9	12	12	11
Streets & Highways	67	65	64	69	72	75	62	64	62	65
Totals:	348	342	349	358	366	376	374	379	373	377

Note: Planning moved to the Engineering & Building Department in 2007. Parks employees moved to the Public Works Department in 2008.

Source: City of Mentor Finance Department

CITY OF MENTOR, OHIO

Operating Indicators by Function/Program

Last Ten Fiscal Years

Function/Program	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental										
General Government										
Council - Ordinances & Resolutions	122	138	124	138	143	149	160	174	139	140
Personnel - Civil Service Exams (taken)	134	158	136	29	421	0	312	38	415	19
Court - Number of Cases	10,733	10,968	10,962	12,506	12,069	11,515	10,364	10,410	11,427	11,821
Finance										
Number of A/P Checks Processed	11,156	8,885	9,034	9,593	9,002	9,976	9,918	11,963	12,119	12,103
Number of Purchase Orders Issued	3,521	3,997	4,364	4,074	4,215	4,477	4,394	4,322	4,764	4,704
Security of Persons and Property										
Police										
Criminal Arrests	3,514	3,281	2,241	2,433	2,390	2,417	2,516	2,890	2,366	2,400
Traffic Citations	7,028	6,617	6,838	7,974	7,319	6,525	7,161	7,557	8,659	8,960
Parking Citations	601	814	1,341	1,718	1,588	1,083	1,082	1,425	998	1,276
Fire - Total Number of Calls	7,148	7,264	6,975	6,579	6,513	6,467	6,423	6,063	6,190	5,827
Building & Engineering										
Building Permits Issued	3,431	3,336	3,194	2,576	2,296	2,558	2,613	2,966	2,845	3,013
Inspections - Residential	5,025	4,742	4,363	4,211	4,691	4,235	5,688	6,299	6,577	6,575
Inspections - Commercial	2,972	3,719	3,106	4,220	3,957	4,154	4,478	4,960	4,259	4,512
Parks, Recreation & Public Facilities										
Pools - Attendance	81,196	98,506	99,696	102,570	83,426	101,133	92,588	101,653	112,449	100,017
Senior Center - Program Participants	4,782	4,592	5,227	5,583	5,439	5,189	4,808	4,210	3,876	3,528
Golf Course - Rounds of Golf	31,536	39,354	35,720	40,168	40,897	41,019	41,284	41,361	35,562	N/A
Marina - Dock Rentals	539	539	528	519	500	510	521	503	510	494
Arena - Tournaments/Special Events	10	10	12	13	9	9	9	10	6	6
Arena - Number of Admissions	19,543	18,500	18,853	12,291	12,609	13,736	20,099	25,010	20,400	20,600
Cemetery - Number of Internments	229	200	204	227	211	239	227	238	238	233
Streets and Highways										
Streets Resurfaced (miles)	7.7	7.5	0.3	2.6	3.9	2.1	8.0	4.3	5.8	7.0
Concrete Pavement Replacements (cu yd)	1,504	608	130	57	596	526	400	410	400	300
Hazardous Ditch Enclosures (ln ft)	-	-	-	1,900	2,385	6,551	2,580	9,200	10,200	8,000
Drainage Assistance Projects (ln ft)	2,868	1,200	1,360	1,519	5,407	4,224	7,948	4,753	10,300	7,800

SOURCE: Various Mentor Departments

CITY OF MENTOR, OHIO

Capital Assets Statistics by Function/Program

Last Ten Fiscal Years

Function/Program	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Government										
Square Footage of Municipal Center	52,465	52,465	52,465	52,465	52,465	52,465	45,313	45,313	45,313	45,313
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Square Footage of Buildings	35,997	35,997	35,997	35,997	35,997	35,997	35,997	35,997	35,997	35,997
Vehicles	46	47	47	46	46	50	47	45	45	44
ATV	1	1	1	1	1	0	0	0	0	0
Fire										
Stations	5	5	5	5	5	5	5	5	5	5
Square Footage of Buildings	56,308	56,308	56,308	56,308	56,308	56,308	56,308	56,308	56,308	56,308
Vehicles	41	41	41	41	41	41	39	38	39	39
Recreation										
Number of Parks	11	11	11	11	11	11	11	11	11	11
Number of Dog Parks	1	1	1	1	1	1	1	1	1	1
Number of Spray Parks	2	2	2	2	2	2	2	2	2	2
Number of Pools	3	3	3	3	3	3	3	3	3	3
Number of Ice Rinks	2	2	2	2	2	2	2	2	2	2
Number of Community Centers	6	6	6	6	6	6	6	6	6	7
Number of Tennis Courts	15	15	17	17	17	17	17	17	17	17
Number of Skateboarding Areas	1	1	2	2	2	2	2	2	2	2
Number of Baseball Diamonds	19	19	19	19	19	19	19	19	19	19
Number of Soccer Fields	12	12	12	12	12	12	12	12	12	12
Number of Basketball Courts	5	5	5	5	5	5	5	5	5	5
Number of Golf Courses	1	1	1	1	1	1	1	1	1	0
Number of Marinas	1	1	1	1	1	1	1	1	1	1
Number of Pickle Ball Courts	6	6	0	0	0	0	0	0	0	0
Vehicles	15	15	15	15	15	49	49	48	45	43
Square Footage of PRPF Facilities	261,502	261,502	261,502	261,502	261,502	261,502	261,502	261,502	269,032	259,370
Streets & Highways										
Streets (miles)	241	241	241.0	241.0	241.0	241.0	241.0	240.0	228.3	227.6
Number of Streetlights (per light bill)	5,408	5,408	5,408	5,254	5,254	5,254	5,254	5,247	5,209	5,209
Number of Traffic Signals	710	710	710	707	707	707	707	860	851	846
Number of Pedestrian Signals	472	472	472	470	470	470	470	366	362	360
Number of Signalized Intersections	86	86	86	85	85	85	85	83	81	80
Service Vehicles	67	67	67	70	70	70	70	67	64	66
Square Footage Buildings	72,053	72,053	72,053	72,053	72,053	72,053	72,053	72,053	72,053	72,053

SOURCE: Various Mentor Departments