

**CITY OF MENTOR
LAKE COUNTY, OHIO**

AUDIT REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2011**

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



Dave Yost • Auditor of State

City Council
City of Mentor
8500 Civic Center Boulevard
Mentor, Ohio 44060

We have reviewed the *Independent Auditor's Report* of the City of Mentor, Lake County, prepared by James G. Zupka, CPA, Inc., for the audit period January 1, 2011 through December 31, 2011. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost
Auditor of State

October 30, 2012

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**CITY OF MENTOR, OHIO
AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2011**

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JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

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Ohio Society of Certified Public Accountants

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Members of City Council and
Members of the Audit Committee
City of Mentor, Ohio

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Mentor, Lake County, Ohio, as of and for the year ended December 31, 2011, which collectively comprise the City of Mentor, Ohio's basic financial statements and have issued our report thereon dated July 12, 2012, wherein we noted that the City implemented Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and restated the December 31, 2010 fund balances of the governmental funds. 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.

Internal Control Over Financial Reporting

Management of the City of Mentor, Ohio, is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City of Mentor, Ohio's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Mentor, Ohio's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Mentor, Ohio's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.


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

Compliance and Other Matters

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

We noted certain matters that we reported to the management of the City of Mentor, Ohio, in a separate letter dated July 12, 2012.

This report is intended solely for the information and use of management, members of City Council, members of the Audit Committee, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


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

July 12, 2012

JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

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**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD
HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Members of City Council and
Members of the Audit Committee
City of Mentor, Ohio

Compliance

We have audited the City of Mentor, Lake County, Ohio's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City of Mentor, Ohio's major federal programs for the year ended December 31, 2011. The City of Mentor, Ohio's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of Mentor, Ohio's management. Our responsibility is to express an opinion on the City of Mentor, Ohio's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Mentor, Ohio's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City of Mentor, Ohio's compliance with those requirements.

In our opinion, the City of Mentor, Ohio, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011.

Internal Control Over Compliance

Management of the City of Mentor, Ohio, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City of Mentor, Ohio's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Mentor, Ohio's internal control over compliance.


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

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

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Mentor, Ohio, as of and for the year ended December 31, 2011, and have issued our report thereon dated July 12, 2012, which contained unqualified opinions on those financial statements, wherein we noted the City implemented Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and restated the December 31, 2010 fund balances of the governmental funds. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended solely for the information and use of management, members of City Council, members of the Audit Committee, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


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

July 12, 2012

CITY OF MENTOR, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Housing and Urban Development</u>			
<i>Passed Through the Ohio Department of Development</i>			
Community Development Block Grants/State's Program and Non-Entitlement Grants - Title III Neighborhood Stabilization Program	14.228	A-Z-08-258-1	\$ 255,017
Community Development Block Grants/Entitlement Grants	14.218	B-10-MC-39-0033	129,150
Community Development Block Grants/Entitlement Grants	14.218	B-09-MC-39-0033	1,324
<i>Total CFDA #14.218</i>			<u>130,474</u>
Total U.S. Department of Housing and Urban Development			<u>385,491</u>
<u>U.S. Department of Justice</u>			
<i>Passed Through the Ohio Office of Criminal Justice Services</i>			
Crime Victim Assistance	16.575	2009VAGENE531	3,120
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Grants to Units of Local Government	16.804	2009-SB-89-1740	2,618
<i>Direct Program</i>			
Bulletproof Vest Partnership Program	16.607	2006-BUBX-06134411	6,483
Edward Byrne Memorial Justice Assistance Grant (JAG) - Police Taser Program	16.738	2010-JG-LLE-5250	9,580
Total U.S. Department of Justice			<u>21,801</u>
<u>U.S. Department of Homeland Security</u>			
<i>Direct Program</i>			
Assistance to Firefighters Grant - Police Equipment Upgrade	97.044	EMW-2009-FR-00401	800,000
Total U.S. Department of Homeland Security			<u>800,000</u>
<u>U.S. Department of Transportation</u>			
<i>Passed Through the Ohio Department of Transportation</i>			
Highway Planning and Construction (Federal-Aid Highway Program) - Safe Route to School	20.205	Agreement No. 23699	27,826
Tyler Blvd. Resurfacing	20.205	E090(708)	363,302
Ohio Department of Public Safety Construction Zone	20.205	CZ-2011-43-00-00-01069-00	9,411
<i>Total CFDA #20.205</i>			<u>400,539</u>
<i>Passed Through National Highway Traffic Safety Administration</i>			
State and Community Highway Safety - Ohio Department of Public Safety (Jan.-Sept. 2011)	20.600	HEVO 2011-43-00-00-00355-00	32,447
Ohio Department of Public Safety (Oct. 2011-Sept. 2012)	20.600	HEVO 2012-43-00-00-00303-00	9,855
<i>Total CFDA #20.600</i>			<u>42,302</u>
Total U.S. Department of Transportation			<u>442,841</u>
<u>U.S. Department of Energy</u>			
<i>Direct Program</i>			
ARRA - Energy Efficiency and Conservation Block Grant Program	81.128	DE-FOA-0000013	151,411
Total U.S. Department of Energy			<u>151,411</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,801,544</u>

CITY OF MENTOR, OHIO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) summarizes activity of the City's federal award programs. The Schedule has been prepared on the GAAP basis of accounting.

NOTE 2: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS

The City has a revolving loan program (RLF) to provide low-interest loans to businesses. The U.S. Department of Housing and Urban Development (HUD) grants money for these loans to the City passed through the Ohio Department of Development. There were no loans made during 2011.

NOTE 3: MATCHING REQUIREMENTS

Certain federal programs require the City to contribute non-federal funds (matching funds) to support the federally-funded programs. The City met its matching requirements. The Schedule does not include the expenditures of non-federal matching funds.

**CITY OF MENTOR, OHIO
SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 & §.505
DECEMBER 31, 2011**

1. SUMMARY OF AUDITOR'S RESULTS

2011(i)	Type of Financial Statement Opinion	Unqualified
2011(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
2011(ii)	Were there any other significant deficiencies identified not considered to be material weaknesses reported at the financial statement level (GAGAS)?	No
2011(iii)	Was there any reported noncompliance at the financial statement level (GAGAS)?	No
2011(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2011(iv)	Were there any other significant internal control weaknesses reported for major federal programs?	No
2011(v)	Type of Major Programs' Compliance Opinions	Unqualified
2011(vi)	Are there any audit findings under .510?	No
2011(vii)	Major Programs (list): Highway Planning and Construction - CFDA #20.205 Assistance to Firefighters Grant - CFDA #97.044	
2011(viii)	Dollar Threshold: A/B Programs	Type A: \$300,000 Type B: All Others
2011(ix)	Low Risk Auditee?	No

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

**CITY OF MENTOR, OHIO
STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED DECEMBER 31, 2011**

The prior audit report, as of December 31, 2010, included no citations or instances of noncompliance. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

THE CITY OF MENTOR, OHIO



2011 COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the year ended December 31, 2011

CITY OF
MENTOR, OHIO



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

ISSUED BY THE DEPARTMENT OF FINANCE

DAVID W. MALINOWSKI, DIRECTOR
DEBORAH J. VANONE, ASSISTANT DIRECTOR

CITY OF MENTOR, OHIO

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CITY OF MENTOR, OHIO

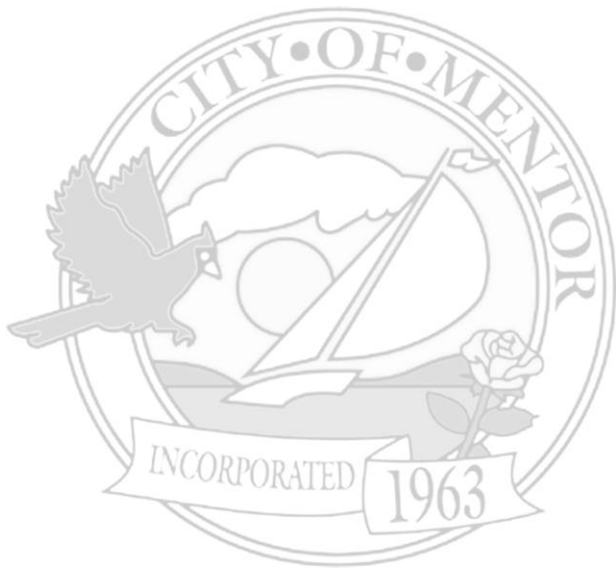
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CITY OF MENTOR, OHIO

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INTRODUCTORY SECTION



Bird watcher on Wake Robin

*the city of choice!*SM



City of Mentor

8500 Civic Center Boulevard
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440-255-1100
www.cityofmentor.com

Council-manager
government since 1963

June 27, 2012

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, 2011. This report, prepared by the Department of Finance, includes the basic financial statements that summarize the various operations related to the City's 2011 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 2011 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, 2011, 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

unqualified opinion that the City's financial statements for the fiscal year ended December 31, 2011 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, liabilities, 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 2011, its local economic activity experienced strong growth as reflected in a healthy eight and one-half (8.5%) 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 2011 Accomplishments

In terms of roadway infrastructure improvements, the City provided for the repair and/or resurfacing of 23 streets totaling approximately 9 miles. Capital investment 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; repair and resurfacing of the concrete curbs, and walls on the S.R. 615 bridge over the NS and CSX railroad tracks; and replacement of the safety forces 800 MHZ radio equipment. The City also performed sign inventory/GPS location, and evaluated the condition of more than 5,800 City owned signs. Drainage projects undertaken in 2011 included the continued field surveying and information mapping to assemble the required base maps as part of the Mentor City Stormwater Discharge Permit application to the Ohio EPA. Dredging was performed at the drainage ditch adjacent to S.R. 2 and Trillium Lane/Luoem Trail to improve flow and capacity. The City also continued its right-of-way improvement program, including installation of over 2,400 feet of new pipe. In addition, as part of a program to help residents alleviate drainage problems, 1,360 feet of pipe was installed benefitting 10 properties.

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 6,975 calls for service in 2011. 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 5,400 members of the community in 2011. 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 2011, the Department assisted in the negotiation of Mentor Incentive Grants (MIG) for Climax Metals, EYE Lighting, Progressive Insurance, Metal Seal Precision, Cardiovascular Consultants, STERIS Corporation and Angstrom Precision Metals which will result in investments of approximately \$32.8 million. The projects will result in \$38.5 million in retained or new payroll.

The Public Information Office (PIO) is responsible for promoting every City service that is provided to Mentor residents. It accomplishes this by outreach to the media, and by utilizing city resources including our print publications, Mentor Radio 1620, The Mentor Channel, and cityofmentor.com. PIO also oversees marketing campaigns targeted to the business and tourist sectors. To continue to engage our residents and expand our reach to the younger demographic we became more involved in Facebook, began using QR codes in our promotional pieces and launched a mobile version of our website. We broadcast over 2,980 hours of programming on the City's government access channel representing 72 original programs and 154 import programs. The City's Special Edition publication received a Bronze Award from Lake Communicators in the Publications/Newsletter category.

The Department of Parks, Recreation and Public Facilities had another busy year. Construction of a new Practice Center at Black Brook Golf Course was substantially completed during 2011. The grand opening occurred in Spring 2012. Work was completed on the Municipal Center roof and rebuilding of the front of the building outside the Finance Department. The aerial infrared study to find the number of deer per square mile was completed for the northeast section of the City. The 31st Annual Wildwood Fine Arts & Craft Festival was held with 860 people attending and 45 vendors participating. The Department hosted the first 2ba Healthy Kid Carnival at the Mentor Senior Center. Over 1,000 people attended. The City received a \$75,000 Nature Works grant to cover the installation of the new spray park at Civic Center Pool. For the first time the Recreation Division offered an aquatics admission deal through the social media giant Groupon. Just under 100,000 people used the pools during the summer. The Department offered 185 different camp opportunities. About 3,000 campers participated in these camps. 688 rentals were booked in Mentor's 12 rental facilities in 2011 with over 50,000 people attending a rental in one of our facilities. Membership at the Senior Center is at 5,227 members. The Senior Center Roof Replacement Project – Phase I was completed in 2011. The kitchen at the Senior Center was renovated and new commercial appliances were installed. A new Learn-to-Skate program was initiated that bridged the time from lessons to the Figure Skating Club. The Civic Ice Arena played host to many hockey and figure skating events. The most notable events included the USA Hockey 18U National Hockey Tournament, the Sunshine Figure Skating Competition, the Eastern Great Lakes Regional Skating Championships, and the Ohio Flames hosted their annual Ignite the Ice girl's tournament.

The Police Department continued its succession plan. Five sworn officers retired in 2011, necessitating several promotions and additional training, including new Sergeants completing a first line supervisor course at Northwestern University; an existing Sergeant completing the Police Staff and Command School put on by Northwestern University and held at the Ohio State Highway Patrol Academy; and a Captain completing the FBI National Academy in Quantico, VA. A new K-9 was purchased and trained in 2011. Funds are being budgeted to add a second K-9 in early 2012.

For the Future

The City's five-year (2012-2016) capital improvement program contains the following proposed expenditures:

Facility construction and improvements	\$ 6,776,109
Roadway construction and improvements	24,653,600
Traffic control	2,071,000
Sidewalk and bikeway improvements	4,196,400
Storm drainage	2,430,005
Park acquisition, development and improvement	5,849,000
Major capital equipment	5,960,895
Miscellaneous (Waste Collection)	<u>2,200,000</u>
	<u>\$ 54,137,009</u>

Of the proposed \$54,137,009 for the five-year period, \$13,502,100 (25%) is expected to be funded by the City. The remaining \$40,634,909 (75%) is expected to be funded primarily by Federal/State/County assistance.

Projects anticipated in 2012 include the following: continuation of major reconstruction including an additional lane to S.R. 2 between S.R. 306 interchange and S.R. 44 in Painesville; 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; repair and resurfacing of Bellflower Road with an asphalt overlay from Reynolds Road (S.R. 306) to Center Street (S.R. 615); acquisition of right of way to build a bike path system north of Norton Parkway for public use; improvements to the bike paths and sidewalks at Shore Middle School and Orchard Hollow Elementary Schools; implementation of a City-wide sidewalk replacement program; increased repair and resurfacing of local asphalt and concrete streets; and major facility improvements and system upgrades to reduce energy consumption. Other future improvements include storm drainage improvements at the Center Street Detention Basin located at S.R. 2 and Center Street and replacement of culverts under Garfield Road and Stoneybrook Lane.

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 does not plan to borrow additional money or enter into long-term financial undertakings during 2012.

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

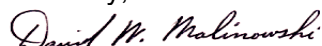
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Mentor for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2010. The Certificate of Achievement 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-seven consecutive years (fiscal years 1984-2010). 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, Director of Finance

CITY OF MENTOR, OHIO

PRINCIPAL CITY OFFICIALS DECEMBER 31, 2011

Mentor City Council

At-Large ----- Ray Kirchner
At-Large ----- Scott J. Marn
At-Large (effective January 7, 2011) ----- Janet A. Dowling
Ward 1, President ----- Robert M. Shiner
Ward 2 ----- Carolyn P. Bucey
Ward 3, Vice President ----- Edward R. Walsh
Ward 4 ----- Ronald L. Micchia

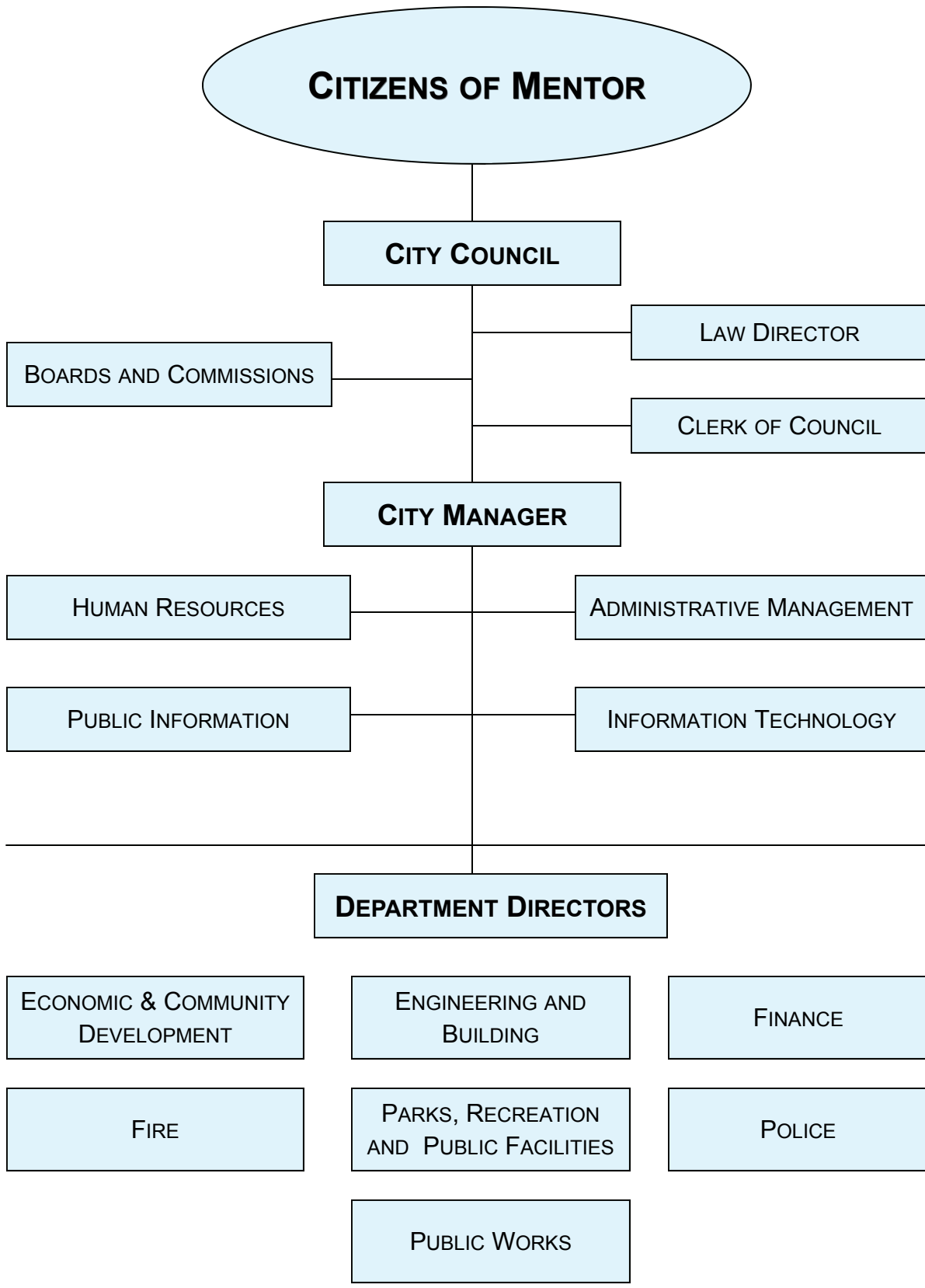
Judge, Mentor Municipal Court ----- John F. Trebets

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 ----- Daniel W. Llewellyn
Fire Chief ----- Richard L. Harvey
Director of Economic and Community Development ----- Ronald M. Traub

CITY OF MENTOR, OHIO

DEPARTMENT OF FINANCE STAFF DECEMBER 31, 2011

David W. Malinowski----- Director of Finance
Deborah J. Vanone-----Assistant Director
Shearin Ferguson-----Assistant Tax Admin./Accounting Project Mgr.
Diane L. Pauley ----- Purchasing/Accounting Coordinator
Jill T. Lehner ----- Payroll/Accounting Coordinator
Linda Martinc ----- Accounting Assistant
Barbara Young ----- Accounting Assistant
Hollie Bartone----- Accounting Assistant
Veronica Fetsko----- Accounting Assistant
Debra Hall ----- Accounting Assistant
Kris Hannan----- Office Assistant
Marie Samec----- Office Assistant
Barbara Brown (resigned August 12, 2011) ----- Office Assistant



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, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Davison

President

Jeffrey R. Emer

Executive Director

FINANCIAL SECTION



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JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

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(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 Dave Yost
Auditor of State
State of Ohio

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, as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Mentor, Ohio's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

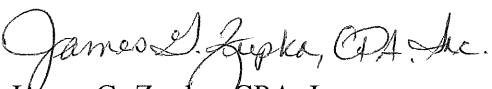
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Mentor, Ohio, as of December 31, 2011, and the respective changes in financial position, and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 9, the City implemented Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and restated the December 31, 2010 fund balances of the governmental funds.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 12, 2012, 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* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 13 through 26 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Mentor, Ohio's financial statements as a whole. 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 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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.


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

July 12, 2012

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, 2011. Please read this information in conjunction with the City's basic financial statements and footnotes.

FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at December 31, 2011 by approximately \$186.0 million (net assets). All of the net assets are accounted for as governmental activities. Of this amount, \$22.9 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's net assets decreased by \$1.3 million during 2011.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$18.4 million and is available for spending at the City's discretion. The unassigned fund balance equals 39.9 percent of total current year general fund expenditures.
- The City's total debt and other long-term obligations increased by \$3.3 million (10.2 percent) during the current fiscal year. The increase was primarily related to the issuance of bonds (\$4.4 million) used to retire a short-term note (\$2.7 million) and a liability for Workers' Compensation (\$1.8 million), offset against payments to retire bonds during the year (\$2.7 million) and payments for compensated absences (\$0.2 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 assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of 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 51 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 49 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 assets and changes in net assets.

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 Assets looks at the City as a whole. The following table provides a summary of the City's net assets for 2011 compared to 2010.

	Summary of Net Assets	
	<u>December 31, 2011</u>	<u>December 31, 2010</u>
Assets:		
Cash, Investments, receivables and other assets	\$ 61,919,872	\$ 59,917,704
Capital Assets	<u>170,155,266</u>	<u>173,783,916</u>
Total assets	232,075,138	233,701,620
Liabilities:		
Accounts payable, accrued liabilities, deferred revenues and other liabilities	10,037,136	13,722,165
Long-term obligations	<u>36,010,298</u>	<u>32,670,598</u>
Total liabilities	46,047,434	46,392,763
Net assets:		
Invested in capital assets, net of related debt	137,998,058	140,546,570
Restricted	25,126,574	24,981,189
Unrestricted	<u>22,903,072</u>	<u>21,781,098</u>
Total net assets	<u>\$ 186,027,704</u>	<u>\$ 187,308,857</u>

Total assets decreased \$1,626,482 from 2010 to 2011. The decrease was primarily due to an increase in cash and receivables (\$2.0 million) and a decrease in capital assets (\$3.6 million).

Total liabilities decreased by \$345,329. The decrease was primarily attributable to a decrease in accounts payable and accrued liabilities.

The result of decreased assets and decreased liabilities is a decrease in total net assets of \$1,281,153. A portion of the City's net assets (13.5 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets of \$22.9 million or (12.3 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 assets for the current and previous year, the following table provides details regarding the results of activities for those years.

Changes in Net Assets

	2011	2010
Revenues		
Program Revenues:		
Charges for Services	\$ 11,261,822	\$ 9,993,431
Operating grants and contributions	2,547,890	4,216,162
Capital grants and contributions	1,206,972	1,196,464
General Revenues:		
Municipal income taxes	32,647,234	30,895,408
Property taxes	5,287,479	5,926,393
Other local taxes	477,642	437,875
Payments in lieu of taxes	203,186	230,725
Shared revenues	6,285,208	7,115,438
Unrestricted investment earnings	790,645	982,759
Other	104,196	49,798
	60,812,274	61,044,453
 Total Revenues	 60,812,274	 61,044,453
 Expenses		
General government	7,191,527	7,232,734
Police	12,950,663	12,727,229
Fire	13,373,637	12,012,648
Streets and highways	14,651,958	17,822,415
Parks, recreation and public facilities	8,302,334	7,944,763
Economic and community development	2,128,528	1,953,020
Engineering and building	2,094,279	2,245,519
Interest and fiscal charges	1,400,501	1,519,472
	62,093,427	63,457,800
 Total Expenses	 62,093,427	 63,457,800
 Increases (Decreases) in net assets	 (1,281,153)	 (2,413,347)
 Net assets at beginning of year	 \$ 187,308,857	 \$ 189,722,204
 Net assets at end of year	 \$ 186,027,704	 \$ 187,308,857

The decrease in net assets of \$1.3 million in 2011 is a result of lower expenses in functional areas, particularly in streets and highways offset by less program revenues for operating grants and contributions as a result of the completion of federal stimulus programs and less shared revenues from the state combined with more revenue from collections of municipal income taxes. The decrease in net assets of \$2.4 million in 2010 is a result of higher expenses in functional areas, particularly in streets and highways and economic and community development offset by additional program revenues for operating grants and contributions as a result of the federal stimulus program and more revenue from 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, 2011, the City's governmental funds reported combined ending fund balances of \$32.0 million, an increase of \$8 million from the prior year. The unassigned amount of \$17.9 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 (\$5.1 million), 2) committed (\$1.4 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 \$1.6 million and expenditures of \$1.4 million related to special assessments for certain bonds issued in past years. The fund balance increased by approximately \$0.2 million as a result of revenue collected in excess of debt service payments.

The General Fund is the chief operating fund of the City. At December 31, 2011, the unassigned fund balance of the General Fund was \$18.4 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 39.9 percent of total General Fund expenditures at December 31, 2011.

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, 2011 and December 31, 2010

	<u>2011</u>	<u>2010 (restated)</u>
Revenues:		
Property taxes	\$ 1,898,291	\$ 1,534,314
Municipal income taxes	33,763,684	31,076,262
Intergovernmental	4,594,146	4,902,102
Charges for services	5,764,606	5,811,366
Fines and forfeitures	1,030,651	1,188,746
Licenses, permits and inspections	1,419,526	1,370,479
Investment income	755,666	957,312
Donations and other	<u>328,232</u>	<u>146,744</u>
 Total Revenues	 <u>49,554,802</u>	 <u>46,987,325</u>
 Expenditures:		
General government	6,644,191	6,935,779
Police	11,513,306	11,539,414
Fire	9,569,764	9,685,504
Streets and highways	8,190,904	7,153,861
Parks, recreation and public facilities	6,391,148	6,106,454
Economic and community development	1,681,364	1,276,071
Engineering and building	1,925,076	1,905,260
Capital outlay	245,104	572,236
Debt service - principal retirement	<u>22,927</u>	<u>22,927</u>
 Total Expenditures	 <u>46,183,784</u>	 <u>45,197,506</u>
 Excess (deficiency) of revenues over expenditures	 3,371,018	 1,789,819
 Other financing sources (uses):		
Transfers out	<u>-</u>	<u>(262,015)</u>
 Excess (deficiency) of revenues and other sources over expenditures and other uses	 3,371,018	 1,527,804
 Fund balance at beginning of year	 21,633,928	 20,069,258
 Change in reserve for inventory	 <u>(70,738)</u>	 <u>36,866</u>
 Fund balance at end of year	 <u>\$ 24,934,208</u>	 <u>\$ 21,633,928</u>

Analysis of General Fund Revenues

General Fund revenues totaled \$49.6 million in 2011, an increase of approximately 5.5% from 2010. A discussion of each of the major types of General Fund revenues follows.

Property Taxes

Taxes collected from real property in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year. Taxes collected from tangible personal property (other than public utility property) in one calendar year were levied in the same calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of the current calendar year, and at the rates determined in the preceding year. This tax was eliminated after collection year 2010. Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined 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:

<u>Tax Collection Year</u>	<u>Real Property</u>	<u>Tangible Personal Property (Other than Public Utility Property)</u>	<u>Public Utility Tangible Personal Property</u>	<u>Total Assessed Valuation</u>
		(in thousands)		
2010	1,477,191	888	36,653	1,514,732
2011	1,475,205	-	37,440	1,512,645

Property tax revenues increased by approximately 23.7% in 2011 principally due to reallocating 0.4 mills of available inside millage to the general fund from the general obligation bond retirement 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 \$2.7 million in 2011 versus the comparable amount in 2010 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 6.3% in 2011 primarily due to reductions in state shared revenues as a result of less grant collections for Parks operations and less Local Government Fund (LGF) revenue.

The State Local Government Fund (“LGF”) and Local Government Revenue Assistance Fund (“LGRA”) 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 2011, the City had LGF revenue of \$3.0 million.

Charges for Services

Revenue from charges for services decreased by \$46,760, approximately 0.8% in 2011 due to less revenue generated from pool admissions.

Licenses, permits and inspections

Revenue from licenses, permits, and inspections increased by \$49,047 during 2011 primarily due to increased revenue from cable TV franchise fees.

Investment Income

Investment income in 2011 was \$755,666, down from \$957,312 in 2010. The change was due to the following three factors. Firstly, the City had an average of \$28.0 million invested during 2011 versus \$25.3 million in 2010, which increased investment income by about \$50,000. Secondly, a lower effective yield on the portfolio of about 0.6% during 2011 caused a decrease of about \$160,000. Finally, the incremental change in the fair market value of the City's corporate bond funds caused the remaining decrease of \$90,000.

Analysis of General Fund Expenditures

General Fund expenditures and other uses totaled \$46.2 million in 2011, an increase of 1.59% from 2010. The amount of expenditures and other uses by function on a modified accrual basis for the year ended December 31, 2011, including the increases (decreases) over the prior year, are shown in the following table:

Expenditures and Other Uses	2011	Total	2010		Increase (Decrease) Over 2010	Change
			(restated)	Total		
(\$ Amounts in 000's)						
Current:						
General Government	\$ 6,644	14.39%	\$ 6,936	15.26%	\$ (292)	-4.21%
Police	11,513	24.93%	11,539	25.38%	(26)	-0.23%
Fire	9,570	20.72%	9,686	21.31%	(116)	-1.20%
Streets and highways	8,191	17.73%	7,154	15.73%	1,037	14.50%
Parks, recreation and public facilities	6,391	13.84%	6,106	13.43%	285	4.67%
Economic and community development	1,681	3.64%	1,276	2.81%	405	31.74%
Engineering and building	1,925	4.17%	1,905	4.19%	20	1.05%
Capital outlay	245	0.53%	572	1.26%	(327)	-57.17%
Debt Service - principal retirement	23	0.05%	23	0.05%	-	0.00%
Transfers out	-	0.00%	262	0.58%	(262)	-100.00%
Total expenditures and other financing uses	<u>\$ 46,183</u>	<u>100.00%</u>	<u>\$ 45,459</u>	<u>100.00%</u>	<u>\$ 724</u>	<u>1.59%</u>

Streets and highways expenditures were higher as a result of increasing the amount of expenditures in 2011 dedicated to street repair and maintenance. Expenditures for the function of economic and community development increased because of higher recorded expenditures for economic incentive grants during 2011.

Capital outlay decreased as a result of less vehicle purchases in the Police Department and less expenditures to upgrade pool facilities.

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

Employee Compensation and Labor Relations

As of December 31, 2011 and 2010, the City had approximately 349 and 358 full-time employees, respectively. As of December 31, 2011, approximately 218 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 – 59, the Ohio Patrolmen's Benevolent Assn., representing three units – 90, and the International Assn. of Firefighters Local 1845 – 69.

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 2012. 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:

<u>Year</u>	<u>Amount Paid</u>
2011	\$ 25,443,306
2010	25,057,817

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 14 and 15 to 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 14 and 15 to 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:

	<u>2011</u>	<u>2010</u>
	(in thousands)	
Paid by City to		
OPERS	\$ 1,973	\$ 2,009
OP&F	<u>2,551</u>	<u>2,601</u>
Total paid by City	<u>4,524</u>	<u>4,610</u>
 Paid by Employees to		
OPERS	1,409	1,435
OP&F	<u>1,179</u>	<u>1,201</u>
Total paid by Employees	<u>2,588</u>	<u>2,636</u>
 Total	<u>\$ 7,112</u>	<u>\$ 7,246</u>

The decrease in amounts paid to OPERS and OP&F during 2011 is primarily due to the reduction in staffing City-wide.

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 \$2.8 million, a 5.1 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 - \$1,300,000; Safety forces radio equipment upgrade - \$1,000,000; various grants - \$300,000) The General Fund will be reimbursed next year from revenue to be received from outside funding sources for advances that were not repaid in 2011.
- Arena repair and maintenance increased (\$150,000).

The difference between the final amended budget and actual expenditures for the City's General Fund expenditures was a positive \$3.8 million. The following functions reported favorable material variances:

- General government – The Finance Department incurred less expenditures for tax collection agency fees and claims (\$500,000); City Council and the Municipal Court incurred less expenditures for operational costs (\$300,000); and City Manager and Information Systems operational costs were less than estimated (\$500,000).
- Police – 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 (\$400,000); less expenditures

were used for waste collection (\$200,000) and maintenance and repair of certain infrastructure projects (\$300,000).

- Parks, recreation and public facilities – Employee compensation and benefits were under budget primarily because of unfilled positions during the year (\$200,000) and less expenditures for maintenance and repairs on facilities throughout the City (\$200,000).

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets: The City’s investment in capital assets as of December 31, 2011 equaled \$170.2 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 2011 was 2.1 percent. A summary of the City’s capital assets at December 31, 2011 and December 31, 2010 is as follows:

	2011	2010
	Capital Assets, Net of Accumulated Depreciation	Capital Assets, Net of Accumulated Depreciation
Land	\$ 63,033,230	\$ 63,033,230
Land improvements	1,021,162	930,621
Buildings and improvements	22,829,952	23,943,895
Equipment	7,608,316	8,024,344
Infrastructure	74,137,011	76,676,566
Construction in progress	<u>1,525,595</u>	<u>1,175,260</u>
Total	<u>\$ 170,155,266</u>	<u>\$ 173,783,916</u>

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 (\$2.0 million) offset by normal annual depreciation and asset disposals on existing equipment (\$2.4 million). Approximately \$1.0 million of asset disposals relate to radio equipment acquired through intergovernmental grant sources. An acquisition and retirement was recorded for the equipment, which belongs to the county government per the grant stipulations.
- Infrastructure – normal annual depreciation on existing roads, bridges, and other infrastructure (\$2.6 million) with little new construction.

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, 2011 the City had total bond and notes outstanding of \$32.2 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, 2011 is summarized below.

	<u>Balance January 1, 2011</u>	<u>Debt Issued</u>	<u>Debt Retired</u>	<u>Balance December 31, 2011</u>
		(in thousands)		
General Obligation Bonds	\$ 18,292	\$ 4,355	\$ (1,793)	\$ 20,854
Special Assessment Bonds	11,598	-	(867)	10,731
Unamortized Premium on Debt	19	15	(2)	32
Capital Projects Notes Payable and OWDA/OPWC Loans	<u>3,347</u>	<u>-</u>	<u>(2,775)</u>	<u>572</u>
Total Government Activities	<u>\$ 33,256</u>	<u>\$ 4,370</u>	<u>\$ (5,437)</u>	<u>\$ 32,189</u>

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 \$1.6 million in 2011 which represented 62% 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 38% 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, 2011 was:

Net General Bonded Debt	\$20,854,387
Ratio of Net Bonded Debt to Assessed Valuation	1.34%
Net General Bonded Debt Per Capita	\$ 430.80

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 \$158,827,754 and unvoted debt limit (5.5 percent) is

\$83,195,490. 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 2012 projects a year-end unencumbered balance of \$8.8 million. This includes estimated income tax collections of \$32.0 million which is 3.7% less than actual 2011 collections. For the five months through May 31, 2012, income tax collections were up 14.5% from the comparable 2011 period. The general fund unencumbered balance at May 31, 2012 was \$12.5 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



Great Lakes Mall – Renovated 2011

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CITY OF MENTOR, OHIO

STATEMENT OF NET ASSETS

December 31, 2011

ASSETS

Cash and investments	\$	27,350,874
Receivables, net of allowance for doubtful accounts		29,173,796
Due from other governments		4,158,071
Inventory		632,706
Prepaid expenses		43,869
Deferred charges		242,556
Land held for resale		318,000
Nondepreciable capital assets		64,558,825
Depreciable capital assets, net of accumulated depreciation		105,596,441
Total assets		<u>232,075,138</u>

LIABILITIES

Accounts payable and accrued liabilities		4,138,428
Deposits		226,775
Unearned revenues		5,671,933
Long-term obligations:		
Due within one year		3,417,950
Due in more than one year		32,592,348
Total liabilities		<u>46,047,434</u>

NET ASSETS

Invested in capital assets, net of related debt		137,998,058
Restricted for:		
Debt service		16,918,313
Capital projects		1,862,140
Streets and public safety		6,346,121
Unrestricted		22,903,072
Total net assets	\$	<u>186,027,704</u>

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

CITY OF MENTOR, OHIO
STATEMENT OF ACTIVITIES
Year Ended December 31, 2011

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Functions/Programs:					
Governmental Activities:					
General Government	\$ 7,191,527	\$ 2,517,264	\$ 190,468	\$ -	\$ (4,483,795)
Police	12,950,663	647,865	78,606	71,580	(12,152,612)
Fire	13,373,637	1,876,345	337,690	1,103,268	(10,056,334)
Streets and highways	14,651,958	1,251,159	374,048	31,884	(12,994,867)
Parks, recreation and public facilities	8,302,334	4,219,193	438,115	-	(3,645,026)
Economic and community development	2,128,528	79,196	1,128,963	-	(920,369)
Engineering and building	2,094,279	670,800	-	240	(1,423,239)
Interest and fiscal charges	1,400,501	-	-	-	(1,400,501)
Total governmental activities	<u>\$ 62,093,427</u>	<u>\$ 11,261,822</u>	<u>\$ 2,547,890</u>	<u>\$ 1,206,972</u>	<u>\$ (47,076,743)</u>
General revenues:					
Municipal income taxes					32,647,234
Property taxes levied for:					
General purpose					1,853,917
Special revenue					1,909,238
Debt service					1,524,324
Other local taxes					477,642
Payments in Lieu of Taxes					203,186
Shared revenues					6,285,208
Unrestricted investment earnings					790,645
Other					104,196
Total general revenues					<u>45,795,590</u>
Changes in net assets					(1,281,153)
Net assets at beginning of year					<u>187,308,857</u>
Net assets at end of year					<u>\$ 186,027,704</u>

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

CITY OF MENTOR, OHIO
BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2011

	General	Special Assessment Bond Retirement	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 15,969,023	\$ 7,861	\$ 9,873,990	\$ 25,850,874
Receivables, net	9,476,419	15,948,198	3,749,179	29,173,796
Due from other funds	3,489,043	-	337,191	3,826,234
Due from other governments	1,323,280	-	2,834,791	4,158,071
Inventory	632,706	-	-	632,706
Land held for resale	-	318,000	-	318,000
TOTAL ASSETS	<u>\$ 30,890,471</u>	<u>\$ 16,274,059</u>	<u>\$ 16,795,151</u>	<u>\$ 63,959,681</u>
LIABILITIES				
Accounts payable	\$ 431,344	\$ -	\$ 666,705	\$ 1,098,049
Accrued payroll and employee benefits	1,424,234	-	-	1,424,234
Accrued liabilities	2,905	-	-	2,905
Construction, security and bid deposits	226,775	-	-	226,775
Due to other funds	133,005	3,287	3,689,942	3,826,234
Due to other governments	-	49,283	-	49,283
Deferred revenue	3,738,000	16,087,700	5,521,709	25,347,409
Total liabilities	<u>5,956,263</u>	<u>16,140,270</u>	<u>9,878,356</u>	<u>31,974,889</u>
FUND BALANCES				
Nonspendable	632,706	-	-	632,706
Restricted	-	318,000	6,664,595	6,982,595
Committed	817,000	-	578,649	1,395,649
Assigned	5,080,438	-	-	5,080,438
Unassigned	18,404,064	(184,211)	(326,449)	17,893,404
Total Fund Balances	<u>24,934,208</u>	<u>133,789</u>	<u>6,916,795</u>	<u>31,984,792</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 30,890,471</u>	<u>\$ 16,274,059</u>	<u>\$ 16,795,151</u>	

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

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds. (See note 6.) 170,155,266

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 assets. (300,000)

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.

Deferred charges for bond refundings in 2004/2005 and 2009/2011 bond issuance costs	242,556	
Prepaid expenses	43,869	
Deferred revenues	<u>19,675,476</u>	19,961,901

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	(36,010,298)	
Internal service portion	1,800,000	
Accrued vacation	(1,453,224)	
Accrued interest	<u>(110,733)</u>	<u>(35,774,255)</u>

Net assets of governmental activities **\$186,027,704**

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, 2011

	General	Special Assessment Bond Retirement	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$ 1,898,291	\$ -	\$ 3,381,725	\$ 5,280,016
Municipal income taxes	33,763,684	-	-	33,763,684
Other local taxes	-	-	477,642	477,642
Payments in Lieu of Taxes	-	-	203,186	203,186
Intergovernmental	4,594,146	-	6,531,970	11,126,116
Charges for services	5,764,606	-	50,966	5,815,572
Fines and forfeitures	1,030,651	-	411,378	1,442,029
Licenses, permits, and inspections	1,419,526	-	-	1,419,526
Special assessments	-	1,572,556	974,068	2,546,624
Investment income	755,666	-	34,979	790,645
Donations and other	328,232	-	16,286	344,518
Total revenues	<u>49,554,802</u>	<u>1,572,556</u>	<u>12,082,200</u>	<u>63,209,558</u>
EXPENDITURES				
Current:				
General government	6,644,191	-	248,026	6,892,217
Police	11,513,306	-	520,755	12,034,061
Fire	9,569,764	-	1,815,918	11,385,682
Streets and highways	8,190,904	-	3,164,840	11,355,744
Parks, recreation and public facilities	6,391,148	-	722,896	7,114,044
Economic and community development	1,681,364	-	403,603	2,084,967
Engineering and building	1,925,076	-	84,977	2,010,053
Capital outlay	245,104	-	2,309,268	2,554,372
Debt service:				
Principal retirement	22,927	879,073	1,793,139	2,695,139
Interest and fiscal charges	-	543,934	821,304	1,365,238
Total expenditures	<u>46,183,784</u>	<u>1,423,007</u>	<u>11,884,726</u>	<u>59,491,517</u>
Excess (deficiency) of revenues over (under) expenditures	3,371,018	149,549	197,474	3,718,041
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	4,355,000	4,355,000
Premium on bonds	-	-	15,054	15,054
Transfers in	-	-	362,099	362,099
Transfers out	-	-	(362,099)	(362,099)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>4,370,054</u>	<u>4,370,054</u>
NET CHANGE IN FUND BALANCES	3,371,018	149,549	4,567,528	8,088,095
FUND BALANCES AT BEGINNING OF YEAR (restated)	21,633,928	(15,760)	2,349,267	23,967,435
CHANGE IN RESERVE FOR INVENTORY	<u>(70,738)</u>	<u>-</u>	<u>-</u>	<u>(70,738)</u>
FUND BALANCES AT END OF YEAR	<u>\$ 24,934,208</u>	<u>\$ 133,789</u>	<u>\$ 6,916,795</u>	<u>\$ 31,984,792</u>

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, 2011

Amount reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ 8,088,095
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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	\$ 2,605,804	
Current year depreciation	<u>(5,217,257)</u>	(2,611,453)

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.	(1,017,197)
--	-------------

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	(1,108,987)	
Intergovernmental	(1,323,965)	
Special Assessment	<u>(1,526,332)</u>	(3,959,284)

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 assets. 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 issuance costs, 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.	(1,631,429)
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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.	(300,000)
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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.	<u>150,115</u>
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Changes in net assets of governmental activities	<u><u>\$ (1,281,153)</u></u>
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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, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:				
Property taxes	\$ 2,081,400	\$ 2,081,400	\$ 1,898,291	\$ (183,109)
Municipal income tax	30,000,000	30,000,000	33,223,250	3,223,250
Intergovernmental	3,971,000	3,971,000	4,844,275	873,275
Charges for services	5,342,250	5,342,250	5,649,510	307,260
Fines and forfeitures	1,184,000	1,184,000	1,046,299	(137,701)
Licenses, permits and inspections	1,320,300	1,320,300	1,403,523	83,223
Investment income	400,000	400,000	603,935	203,935
Other	86,600	86,600	325,115	238,515
Total revenues	<u>44,385,550</u>	<u>44,385,550</u>	<u>48,994,198</u>	<u>4,608,648</u>
EXPENDITURES:				
Function:				
General government	8,898,955	7,910,694	6,626,073	1,284,621
Police	11,938,047	11,938,048	11,190,955	747,093
Fire	9,424,582	9,456,579	9,414,188	42,391
Streets and highways	8,830,054	9,330,056	8,455,189	874,867
Parks, recreation and public facilities	7,010,893	7,031,893	6,556,104	475,789
Economic and community development	2,627,483	2,627,483	2,527,970	99,513
Engineering and building	2,162,138	2,162,138	1,896,518	265,620
Total expenditures	<u>50,892,152</u>	<u>50,456,891</u>	<u>46,666,997</u>	<u>3,789,894</u>
Excess (deficiency) of revenues over expenditures	(6,506,602)	(6,071,341)	2,327,201	8,398,542
OTHER FINANCING SOURCES (USES):				
Advances in	5,100,000	5,100,000	4,807,191	(292,809)
Advances out	(1,650,000)	(4,369,759)	(4,369,759)	-
Transfers out	(2,250,000)	(2,775,412)	(2,775,412)	-
Total other financing sources (uses)	<u>1,200,000</u>	<u>(2,045,171)</u>	<u>(2,337,980)</u>	<u>(292,809)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(5,306,602)	(8,116,512)	(10,779)	8,105,733
Adjustment for prior year encumbrances	1,952,963	1,952,963	1,952,963	-
FUND BALANCES, BEGINNING OF YEAR	<u>10,265,953</u>	<u>10,265,953</u>	<u>10,265,953</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 6,912,314</u>	<u>\$ 4,102,404</u>	<u>\$ 12,208,137</u>	<u>\$ 8,105,733</u>

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

CITY OF MENTOR, OHIO
STATEMENT OF FUND NET ASSETS - PROPRIETARY FUND
WORKERS COMPENSATION FUND
December 31, 2011

ASSETS

Current assets:	
Cash and investments	\$ 1,500,000
Total assets	<u>1,500,000</u>

LIABILITIES

Current liabilities:	
Employee benefits payable	650,877
Noncurrent liabilities:	
Employee benefits payable	1,149,123
Total liabilities	<u>1,800,000</u>

NET ASSETS

Unrestricted	(300,000)
Total net assets	<u>\$ (300,000)</u>

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 ASSETS - PROPRIETARY FUND
WORKERS COMPENSATION FUND
Year Ended December 31, 2011

OPERATING REVENUES:	
Charges for services	\$ 1,500,000
Total operating revenues	<u>1,500,000</u>
OPERATING EXPENSES:	
Employee benefits	1,800,000
Total operating expenses	<u>1,800,000</u>
Net income (loss) from operations	(300,000)
CHANGE IN NET ASSETS	(300,000)
NET ASSETS AT BEGINNING OF YEAR	<u>-</u>
NET ASSETS AT END OF YEAR	<u>\$ (300,000)</u>

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, 2011

Cash flows from operating activities:	
Charges for services	\$ 1,500,000
Net cash provided by (used for) operating activities	<u>1,500,000</u>
Net increase (decrease) in cash and cash equivalents	1,500,000
Cash and cash equivalents at beginning of year	-
Cash and cash equivalents at end of year	<u>\$ 1,500,000</u>
Reconciliation of operating income (loss) to net cash from operating activities:	
Operating income (loss)	(\$300,000)
Changes in assets and liabilities:	
Increase (decrease) in accrued employee benefits	<u>1,800,000</u>
Total adjustments	<u>1,800,000</u>
Net cash provided by (used for) operating activities	<u>\$ 1,500,000</u>

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

CITY OF MENTOR, OHIO
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
December 31, 2011

	CEMETERY BEQUEST and ENDOWMENT PRIVATE-PURPOSE TRUST FUND	MUNICIPAL COURT AGENCY FUND
	<u> </u>	<u> </u>
ASSETS		
Cash	\$ 26,823	\$ 39,752
	<u> </u>	<u> </u>
LIABILITIES		
Deposits held and due to others	-	39,752
Total liabilities	-	\$ 39,752
	<u> </u>	<u> </u>
NET ASSETS		
Held in trust for decoration of specific graves	\$ 26,823	
	<u> </u>	

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

CITY OF MENTOR, OHIO
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
Year Ended December 31, 2011

	CEMETERY BEQUEST and ENDOWMENT PRIVATE- PURPOSE TRUST FUND
ADDITIONS	
Investment Income	\$ 472
Total additions	<u>472</u>
DEDUCTIONS	
General expenses	<u>1,450</u>
Total deductions	<u>1,450</u>
Change in net assets	(978)
Net assets - beginning of year	<u>27,801</u>
Net assets - end of year	<u><u>\$ 26,823</u></u>

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

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

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, 2011 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”). The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities unless those pronouncements conflict with or contradict GASB pronouncements.

In evaluating how to define the governmental reporting entity, the City complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*, 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.

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

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 assets and a statement of activities. These statements report all of the assets, liabilities, 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 assets. These eliminations minimize the duplicating effect on assets and liabilities 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.

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

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 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, liabilities, fund balance (equity), 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.

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

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 2011, 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 2011, 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 equal liabilities) 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 2011, 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 are

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

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 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 is 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

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

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, 2011, 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 2011 reported on the budget basis versus the GAAP basis is as follows:

<u>Net Change in Fund Balance</u>	
Budget Basis	\$ (10,779)
Adjustments:	
Revenue accruals	442,391
Advances in	(4,807,191)
Advances out	4,369,759
Expenditure accruals	714,092
Funds with separate legally adopted budgets	782,900
Encumbrances	<u>1,879,846</u>
GAAP Basis	<u>\$ 3,371,018</u>

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

Encumbrances: Encumbrance accounting, under which purchase orders, contracts, and other commitments for the future expenditure of funds are recorded in order to reserve 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 or liabilities.

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, 2011, the City's commitments for encumbrances in the governmental funds were as follows:

	Encumbrances <u>Outstanding</u>
General	\$ 1,556,582
Nonmajor funds:	
Special revenue funds	766,302
Capital projects funds	<u>1,202,680</u>
Total	<u>\$ 3,525,564</u>

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 assets.

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

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 \$3,000. 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 assets, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as issuance costs, 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

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

applicable unamortized bond premium, discount or advance refunding losses. Bond issuance costs are reported as other assets and amortized over the term of the related debt.

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.

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.

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

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
<i>Nonspendable</i>				
Inventories	\$ 632,706	\$ -	\$ -	\$ 632,706
<i>Total Nonspendable</i>	<u>632,706</u>	<u>-</u>	<u>-</u>	<u>632,706</u>
<i>Restricted for</i>				
Land held for resale	-	318,000	-	318,000
Parks and recreation	-	-	2,188,058	2,188,058
Safety forces	-	-	1,096,164	1,096,164
Streets and highways	-	-	1,678,594	1,678,594
Street lighting	-	-	349,544	349,544
Economic development	-	-	618,924	618,924
Debt service	-	-	538,389	538,389
Issue II	-	-	193,382	193,382
Other	-	-	1,540	1,540
<i>Total Restricted</i>	<u>-</u>	<u>318,000</u>	<u>6,664,595</u>	<u>6,982,595</u>
<i>Committed to</i>				
Payroll stabilization	817,000	-	-	817,000
Parks and recreation	-	-	570,309	570,309
Street trees	-	-	8,340	8,340
<i>Total Committed</i>	<u>817,000</u>	<u>-</u>	<u>578,649</u>	<u>1,395,649</u>
<i>Assigned to</i>				
Parks and recreation	98,859	-	-	98,859
Planned 2012 appropriations	3,424,997	-	-	3,424,997
Other purposes	1,556,582	-	-	1,556,582
<i>Total Assigned</i>	<u>5,080,438</u>	<u>-</u>	<u>-</u>	<u>5,080,438</u>
<i>Unassigned (Deficit)</i>	18,404,064	(184,211)	(326,449)	17,893,404
Total Fund Balances	<u><u>\$ 24,934,208</u></u>	<u><u>\$ 133,789</u></u>	<u><u>\$ 6,916,795</u></u>	<u><u>\$ 31,984,792</u></u>

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

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 2011, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* and Statement No. 59, *Financial Instruments Omnibus*. GASB No. 54 establishes new categories for reporting fund balance and revises the definitions for governmental fund types. GASB No. 59 updates and improves guidance for financial reporting and disclosure requirements of certain financial instruments and external investment pools.

The implementation of GASB Statement No. 54 resulted in a reclassification of fund balances on the City's governmental fund financial statements. The implementation of GASB Statement No. 59 did not have an effect on 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;

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

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.

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

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 \$3,806,419 and the bank balance was \$4,712,187. Of the bank balance, \$1,000,000 was covered by Federal depository insurance and \$3,712,187 was uninsured. Of the remaining uninsured bank balance, \$3,712,187 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, 2011, 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	\$ 3,024,163	\$ -	\$ 3,024,163	\$ -
Vanguard Intermediate-Term Corporate Bond Fund	4,233,861	-	-	4,233,861
Vanguard GNMA Fund	5,334,190	-	-	5,334,190
STAROhio	11,018,816	11,018,816	-	-
Total Portfolio	<u>\$ 23,611,030</u>	<u>\$ 11,018,816</u>	<u>\$ 3,024,163</u>	<u>\$ 9,568,051</u>

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

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

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 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 equal to that of the U.S. government. 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, 2011; Vanguard Short-Term Corporate Bond Fund – 12.8%, Vanguard Intermediate Term Corporate Bond Fund – 17.9%, Vanguard GNMA Fund – 22.6%, and STAROhio – 46.7%.

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

<i>Government-Wide Financial Statements</i>	
Cash and investments	<u>\$ 27,350,874</u>
<i>Fund Financial Statements</i>	
Cash and investments	25,850,874
<i>Proprietary Fund Financial Statements</i>	
Cash and investments	1,500,000
<i>Statement of Fiduciary Net Assets</i>	
Cash	<u>66,575</u>
Total	<u>\$ 27,417,449</u>

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

NOTE 4 – RECEIVABLES AND DEFERRED REVENUE

Receivables consist of the following at December 31, 2011:

	<u>Income Taxes</u>	<u>Property Taxes</u>	<u>Special Assess- ments</u>	<u>Other</u>	<u>Gross Receivables</u>	<u>Allowance for uncol- lectibles</u>	<u>Net</u>
Governmental Activities							
Governmental Funds							
General Fund	\$ 7,591,342	\$ 1,593,468	\$ -	\$ 406,305	\$ 9,591,115	\$ (114,696)	\$ 9,476,419
Special Assessment Bond Retirement Fund	-	-	16,271,608	-	16,271,608	(323,410)	15,948,198
Other Governmental Funds	<u>-</u>	<u>3,849,135</u>	<u>74,596</u>	<u>67,640</u>	<u>3,991,371</u>	<u>(242,192)</u>	<u>3,749,179</u>
Total Receivables	<u>\$ 7,591,342</u>	<u>\$ 5,442,603</u>	<u>\$ 16,346,204</u>	<u>\$ 473,945</u>	<u>\$ 29,854,094</u>	<u>\$ (680,298)</u>	<u>\$ 29,173,796</u>

Governmental fund financial statements report deferred revenue 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 unearned revenue.

The various components of unearned revenue/deferred revenue reported in the accompanying financial statements were as follows:

	<u>Government-Wide Statement of Net Assets</u>	<u>Governmental Funds Balance Sheet</u>
Governmental Funds:		
General Fund:		
Property tax receivable	\$ 1,421,990	\$ 1,480,673
Income tax receivable	-	1,534,143
State shared revenue receivable	<u>-</u>	<u>723,184</u>
Total general fund	<u>1,421,990</u>	<u>3,738,000</u>
Special Assessment Bond Retirement Fund:		
Special assessment receivable	<u>-</u>	<u>16,087,700</u>
Other Governmental Funds:		
Property tax receivable	3,432,436	3,654,420
Special assessment receivable	810	28,505
State shared revenue receivable	-	1,022,087
Payments in lieu of taxes receivable	<u>816,697</u>	<u>816,697</u>
Total other governmental funds	<u>4,249,943</u>	<u>5,521,709</u>
Total Unearned Revenue/Deferred Revenue	<u>\$ 5,671,933</u>	<u>\$ 25,347,409</u>

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

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, 2011 was as follows:

	<u>Balance January 1, 2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2011</u>
	(Amounts in 000's)			
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 63,033	\$ -	\$ -	\$ 63,033
Construction in progress	1,175	567	(216)	1,526
Total capital assets, not being depreciated	<u>64,208</u>	<u>567</u>	<u>(216)</u>	<u>64,559</u>
Capital assets, being depreciated:				
Land improvements	6,860	221	-	7,081
Buildings and improvements	42,624	-	-	42,624
Equipment	24,728	2,015	(1,625)	25,118
Infrastructure	117,252	18	-	117,270
Cost	<u>191,464</u>	<u>2,254</u>	<u>(1,625)</u>	<u>192,093</u>
Less accumulated depreciation for:				
Land improvements	(5,929)	(131)	-	(6,060)
Buildings and improvements	(18,680)	(1,114)	-	(19,794)
Equipment	(16,704)	(1,414)	608	(17,510)
Infrastructure	(40,575)	(2,558)	-	(43,133)
Total accumulated depreciation	<u>(81,888)</u>	<u>(5,217)</u>	<u>608</u>	<u>(86,497)</u>
Total accumulated assets being depreciated, net	<u>109,576</u>	<u>(2,963)</u>	<u>(1,017)</u>	<u>105,596</u>
Capital Assets, net	<u>\$ 173,784</u>	<u>\$ (2,396)</u>	<u>\$ (1,233)</u>	<u>\$ 170,155</u>

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

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

	<u>(Amounts in 000's)</u>
Governmental Activities:	
General government	\$ 179
Police	489
Fire	562
Streets and highways	2,903
Parks, recreation and public facilities	1,077
Economic and community development	2
Engineering and building	<u>5</u>
 Total depreciation expense charged to governmental activities	 <u>\$ 5,217</u>

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, 2011 is as follows:

	<u>Balance January 1, 2011</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Balance December 31, 2011</u>	<u>Due Within One Year</u>
Governmental Activities					
General Obligation Bonds due through 2030 2% to 5%	\$ 18,292,526	\$ 4,355,000	\$ (1,793,139)	\$ 20,854,387	\$ 2,027,807
Special Assessment Bonds due through 2029, 2% to 7.15%	11,597,474	-	(866,861)	10,730,613	567,193
Unamortized Premium on Debt	19,243	15,054	(1,650)	32,647	3,244
Other obligations:					
Compensated absences	2,154,009	48,535	(182,101)	2,020,443	133,321
Claims and judgements	-	1,800,000	-	1,800,000	650,877
OWDA and OPWC loans	<u>607,346</u>	<u>-</u>	<u>(35,138)</u>	<u>572,208</u>	<u>35,508</u>
 Total Debt and Long-Term Obligations	 <u>\$ 32,670,598</u>	 <u>\$ 6,218,589</u>	 <u>\$ (2,878,889)</u>	 <u>\$ 36,010,298</u>	 <u>\$ 3,417,950</u>

During August 2011, the City issued \$4,355,000 of Various Purpose Bonds with interest rates of 2.00% to 3.375% for a 20 year term. The bonds were used to retire the City's \$2,740,000 Various Purpose Notes, Series 2010 issued on August 26, 2010 and maturing August 26, 2011. 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, 2011 is \$224,774. The City also made principal payments on its three existing Ohio Public Works Commission 20 year, 0% loans during 2011. The Chillicothe Road Widening & Resurfacing loan, the Hopkins Road Bridge development loan, and the Kellogg Creek Culvert Improvements loan have outstanding December 31, 2011 principal amounts of \$22,181, \$294,548, and \$30,705, 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

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

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, 2011 are comprised of the following issues:

	<u>Amount of Original Issuance</u>	<u>Bonds Outstanding December 31, 2011</u>
Governmental Activities Obligations:		
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	\$ 2,309,387
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	10,715,000
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	3,475,000
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%	<u>4,355,000</u>	<u>4,355,000</u>
Total general obligation bonds	<u>\$ 29,118,974</u>	<u>\$ 20,854,387</u>
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	90,000
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	3,255,000
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	40,613
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	6,790,000
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%	<u>590,000</u>	<u>555,000</u>
Total special assessment bonds	<u>\$ 13,601,026</u>	<u>\$ 10,730,613</u>
Total bonds	<u>\$ 42,720,000</u>	<u>\$ 31,585,000</u>

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.

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

The following is a summary of the City's future debt service requirements as of December 31, 2011:

Year Ending December 31	Governmental Activities							Total
	General Obligation Bonds		Special Assessment Bonds		OWDA and OPWC Loans			
	Principal	Interest	Principal	Interest	Principal	Interest		
2012	\$ 2,027,807	\$ 853,382	\$ 567,193	\$ 453,662	\$ 35,508	\$ 6,650	\$ 3,944,202	
2013	2,127,364	753,582	592,636	432,145	35,888	6,269	3,947,884	
2014	1,906,922	681,187	573,078	409,035	36,280	5,877	3,612,379	
2015	2,011,368	600,177	603,632	386,707	36,684	5,474	3,644,042	
2016	2,105,926	509,459	634,074	362,925	37,100	5,058	3,654,542	
2017-2021	5,000,000	1,572,313	3,610,000	1,403,720	192,188	18,600	11,796,821	
2022-2026	4,010,000	744,024	2,915,000	644,149	193,439	6,149	8,512,761	
2027-2031	1,665,000	145,006	1,235,000	87,418	5,121	-	3,137,545	
	<u>\$ 20,854,387</u>	<u>\$ 5,859,130</u>	<u>\$ 10,730,613</u>	<u>\$ 4,179,761</u>	<u>\$ 572,208</u>	<u>\$ 54,077</u>	<u>\$ 42,250,176</u>	

Under the Ohio Revised Code, at December 31, 2011, the City legally could issue approximately \$62.3 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, 2011, there were three series of industrial revenue bonds outstanding. The aggregate principal amount payable for the three series was \$3.3 million.

NOTE 8 – SHORT-TERM DEBT

A summary of the changes in the short-term debt of the City during the year ended December 31, 2011 is as follows:

	Balance January 1, 2011	Additions	(Reductions)	Balance December 31, 2011	Due Within One Year
Governmental Activities					
Capital projects notes payable	\$ 2,740,000	-	\$ (2,740,000)	-	-
Total Short-term Debt	<u>\$ 2,740,000</u>	<u>\$ -</u>	<u>\$ (2,740,000)</u>	<u>\$ -</u>	<u>\$ -</u>

During August 2010, the City issued \$2,740,000 of Various Purpose Bond Anticipation notes with an interest rate of 1.50% maturing August 26, 2011 for the purpose of financing the costs of

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

various roadway projects and building improvements. The portion of the notes relating to the Marina Roadway were retired with funds available from the Community Recreation Facilities Fund in 2011. The remaining notes were retired in 2011 with the proceeds of bonds issued on August 24, 2011 as described in Note 7.

NOTE 9 – COMPLIANCE AND ACCOUNTABILITY

A. Fund Deficits

At December 31, 2011, the Internal Service Fund – Workers Compensation, the Special Revenue Funds – ARRA DOE 09 and Safe Routes to School 10-11, and the Capital Project Funds – Police Renovation & Expansion, Marina Roadway and Market Street/Bellflower Concrete Repair had deficit fund balances of \$300,000, \$7,754, \$35,897, \$37,469, \$201,460 and \$43,869, respectively. All deficits will be eliminated through transfers or the receipt of grant and bond proceeds during 2012. No other funds had deficit balances as of December 31, 2011.

B. Restatement of Fund Balance

The implementation of GASB 54 had the following effect on fund balances of the General Fund and nonmajor governmental funds.

	<u>General Fund</u>	<u>Other Governmental Funds</u>
Fund Balance December 31, 2010	\$ 21,500,087	\$ 2,483,108
GASB 54 Change in Fund Structure	<u>133,841</u>	<u>(133,841)</u>
Adjusted Fund Balance December 31, 2010	<u>\$ 21,633,928</u>	<u>\$ 2,349,267</u>

NOTE 10 – 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. Liabilities include an amount for claims that have been incurred but not reported (“IBNRs”). Claims that meet these criteria are reported as liabilities in the government-wide statement of net assets.

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

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

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, 2011 and 2010 were as follows:

	<u>2011</u>	<u>2010</u>
Estimated claims payable, January 1	\$ -	\$ 50,000
Current year claims (including IBNRs) and changes in estimates	10,020	52,850
Claim payments	(10,020)	(52,850)
Change to estimated liability	<u>-</u>	<u>(50,000)</u>
Estimated claims payable, December 31	<u>\$ -</u>	<u>\$ -</u>

Insurance: The City purchases insurance policies in varying amounts for general liability, property damage, employee health care benefits (excluding dental 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 2011. There was no significant decrease in any insurance coverages in 2011. 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 participates in the State of Ohio Workers' Compensation retrospective rating program to provide workers' compensation benefits to its employees. During 2011, an internal service fund was established in the amount of \$1.8 million to account for current and future liabilities for workers' compensation claims.

NOTE 11 – 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.

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

NOTE 12 – 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, 2011 transfers (\$349,107 related to debt and \$12,992 related to fund closeouts) consisted of the following:

	<u>Transfers Out</u>	<u>Transfers In</u>
Governmental Funds:		
Other governmental	\$ 362,099	\$ 362,099

Interfund balances: Interfund balances at December 31, 2011 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, 2011 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>				<u>Total</u>
	<u>General Fund</u>	<u>Special Assessment Bond Retirement Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>	
Governmental Funds:					
General	\$ 3,489,043	\$ 133,005	\$ 3,287	\$ -	\$ 136,292
Other governmental	337,191	-	-	3,689,942	3,689,942
Total	<u>\$ 3,826,234</u>	<u>\$ 133,005</u>	<u>\$ 3,287</u>	<u>\$ 3,689,942</u>	<u>\$ 3,826,234</u>

NOTE 13 – TAXES

Income Taxes – A two percent City income tax is levied on substantially all income earned within the City. On November 6, 2007, the two percent income tax was renewed by the voters for a five year period through December 31, 2012, and on March 6, 2012, the voters renewed

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

the tax for another 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, public utility, and tangible personal 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 2009. Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 20; if paid semiannually, the first payment is due January 20, with the remainder payable June 20. In certain instances, State statute permits earlier or later payment dates to be established.

The taxation of all tangible personal property used in general businesses (excluding certain public utility tangible personal property) was phased out over four years, from tax year 2006 to tax year 2009. Previously, machinery and equipment and furniture and fixtures were generally taxed at 25% of true value, and inventory was taxed at 23%. The taxation of all tangible personal property used by telephone, telegraph, or interexchange telecommunications companies (“telecommunications property”) is also being phased out over tax years 2007 to 2011. Previously, telecommunications property was taxed at 25% or 46% of true value (depending on the type of equipment and when it was placed into service).

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 2011 levy (collected in 2012) was based was approximately \$1.5 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.

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

NOTE 14 – 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 that has elements of both a defined benefit and a defined contribution plan. Under the Combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to, but less than the Traditional pension plan benefit. Member contributions, whose investment is self-directed by the member, 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 that may be obtained by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

The Ohio Revised Code provides statutory authority for employee and employer contributions. For years 2009 through 2011, 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. For calendar years 2009 through 2011, the employer pension 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, 2011, 2010, and 2009 were \$1,972,675, \$2,009,309, \$2,020,487, respectively; 100 percent has been contributed for 2011, 2010, and 2009.

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.

Police and firefighters are required to contribute 10.0 percent of their annual covered salary to fund pension obligations and the City is required to contribute 19.50 percent for police and 24.0 percent for firefighters. Contributions are authorized by State statute. The City's contributions (including post-employment benefits) to the OP&F for police and firefighters were \$1,201,984 and \$1,349,416 for the year ended December 31, 2011, and \$1,216,198 and \$1,384,715 for the

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

year ended December 31, 2010, \$1,212,756 and \$1,390,390 for the year ended December 31, 2009, respectively, equal to the required payments for each year. The full amount has been contributed for police and firefighters for years 2011, 2010 and 2009.

NOTE 15 – 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 2011, local government employer units contributed at 14.0% of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for state and local employer units. 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, OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of post-employment health care benefits.

For 2011, the portion of employer contributions allocated to health care for members in the Traditional Plan was 4.0%. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05% during calendar year 2011. The City's approximated contributions which were used to fund post-employment benefits were \$563,593 for 2011, \$731,424 for 2010, and \$851,281 for 2009. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and coverage selected.

The OPERS Retirement Board adopted the Health Care Preservation Plan (HCPP) on September 9, 2004, and it was effective on January 1, 2007. Member and employer

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

contribution rates increased on January 1 of each year from 2006 to 2008. These rate increases allowed additional funds to be allocated to the health care plan.

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 survivor benefit check 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% and 24.00% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of the covered payroll for police employer units and 24.00% 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 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. For the year ended December 31, 2011, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Section 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 2011, 2010, and 2009 was \$415,886, \$420,991, \$419,800, for police and \$379,186, \$389,451, \$391,047, for firefighters, respectively.

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2011

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%.

SUPPLEMENTARY INFORMATION



President James A. Garfield's Home

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CITY OF MENTOR, OHIO
GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:				
Property taxes	\$ 2,081,400	\$ 2,081,400	\$ 1,898,291	\$ (183,109)
Municipal income tax	30,000,000	30,000,000	33,223,250	3,223,250
Intergovernmental	3,971,000	3,971,000	4,844,275	873,275
Charges for services	5,342,250	5,342,250	5,649,510	307,260
Fines and forfeitures	1,184,000	1,184,000	1,046,299	(137,701)
Licenses, permits and inspections	1,320,300	1,320,300	1,403,523	83,223
Investment income	400,000	400,000	603,935	203,935
Other	86,600	86,600	325,115	238,515
Total revenues	<u>44,385,550</u>	<u>44,385,550</u>	<u>48,994,198</u>	<u>4,608,648</u>
EXPENDITURES:				
GENERAL GOVERNMENT:				
Council:				
Employee compensation	218,736	218,736	166,378	52,358
Other	273,740	273,740	156,882	116,858
Total council	<u>492,476</u>	<u>492,476</u>	<u>323,260</u>	<u>169,216</u>
Court:				
Employee compensation	868,558	868,558	832,077	36,481
Other	457,686	457,686	369,704	87,982
Total court	<u>1,326,244</u>	<u>1,326,244</u>	<u>1,201,781</u>	<u>124,463</u>
City manager:				
Employee compensation	1,051,664	1,051,664	1,001,558	50,106
Other	1,278,883	1,278,883	950,028	328,855
Total city manager	<u>2,330,547</u>	<u>2,330,547</u>	<u>1,951,586</u>	<u>378,961</u>
Finance:				
Employee compensation	729,753	729,753	709,540	20,213
Other	1,863,968	1,863,968	1,426,283	437,685
Total finance	<u>2,593,721</u>	<u>2,593,721</u>	<u>2,135,823</u>	<u>457,898</u>
Legal:				
Employee compensation	343,472	343,472	341,384	2,088
Other	317,495	317,495	165,506	151,989
Total legal	<u>660,967</u>	<u>660,967</u>	<u>506,890</u>	<u>154,077</u>
Other	<u>1,495,000</u>	<u>506,739</u>	<u>506,733</u>	<u>6</u>
Total general government	<u>8,898,955</u>	<u>7,910,694</u>	<u>6,626,073</u>	<u>1,284,621</u>

Continued

CITY OF MENTOR, OHIO
GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
POLICE:				
Employee compensation	\$ 8,319,148	\$ 8,319,148	\$ 8,001,645	\$ 317,503
Other	<u>3,618,899</u>	<u>3,618,900</u>	<u>3,189,310</u>	<u>429,590</u>
Total police	<u>11,938,047</u>	<u>11,938,048</u>	<u>11,190,955</u>	<u>747,093</u>
FIRE:				
Employee compensation	6,133,215	6,284,294	6,284,271	23
Other	<u>3,291,367</u>	<u>3,172,285</u>	<u>3,129,917</u>	<u>42,368</u>
Total fire	<u>9,424,582</u>	<u>9,456,579</u>	<u>9,414,188</u>	<u>42,391</u>
STREETS AND HIGHWAYS:				
Employee compensation	3,344,281	3,844,281	3,512,735	331,546
Other	<u>5,485,773</u>	<u>5,485,775</u>	<u>4,942,454</u>	<u>543,321</u>
Total streets and highways	<u>8,830,054</u>	<u>9,330,056</u>	<u>8,455,189</u>	<u>874,867</u>
PARKS, RECREATION AND PUBLIC FACILITIES:				
Employee compensation	2,931,769	2,931,769	2,710,708	221,061
Other	<u>4,079,124</u>	<u>4,100,124</u>	<u>3,845,396</u>	<u>254,728</u>
Total parks, recreation and public facilities	<u>7,010,893</u>	<u>7,031,893</u>	<u>6,556,104</u>	<u>475,789</u>
ECONOMIC AND COMMUNITY DEVELOPMENT:				
Employee compensation	571,380	571,380	546,128	25,252
Other	<u>2,056,103</u>	<u>2,056,103</u>	<u>1,981,842</u>	<u>74,261</u>
Total economic and community development	<u>2,627,483</u>	<u>2,627,483</u>	<u>2,527,970</u>	<u>99,513</u>
ENGINEERING AND BUILDING				
Employee compensation	1,393,605	1,393,605	1,336,882	56,723
Other	<u>768,533</u>	<u>768,533</u>	<u>559,636</u>	<u>208,897</u>
Total engineering and building	<u>2,162,138</u>	<u>2,162,138</u>	<u>1,896,518</u>	<u>265,620</u>
Total expenditures	<u>50,892,152</u>	<u>50,456,891</u>	<u>46,666,997</u>	<u>3,789,894</u>
Excess (deficiency) of revenues over expenditures	(6,506,602)	(6,071,341)	2,327,201	8,398,542
OTHER FINANCING SOURCES (USES):				
Advances in	5,100,000	5,100,000	4,807,191	(292,809)
Advances out	(1,650,000)	(4,369,759)	(4,369,759)	-
Transfers out	<u>(2,250,000)</u>	<u>(2,775,412)</u>	<u>(2,775,412)</u>	<u>-</u>
Total other financing sources (uses)	<u>1,200,000</u>	<u>(2,045,171)</u>	<u>(2,337,980)</u>	<u>(292,809)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(5,306,602)	(8,116,512)	(10,779)	8,105,733
Adjustment for prior year encumbrances	1,952,963	1,952,963	1,952,963	-
FUND BALANCES, BEGINNING OF YEAR	<u>10,265,953</u>	<u>10,265,953</u>	<u>10,265,953</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 6,912,314</u>	<u>\$ 4,102,404</u>	<u>\$ 12,208,137</u>	<u>\$ 8,105,733</u>

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, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Special assessments	\$ 1,603,146	\$ 1,572,556	\$ (30,590)
EXPENDITURES:			
Debt service:			
Principal retirement	879,111	879,073	38
Interest and other charges	551,758	543,934	7,824
Total expenditures	<u>1,430,869</u>	<u>1,423,007</u>	<u>7,862</u>
Excess (deficiency) of revenues over expenditures	172,277	149,549	(22,728)
OTHER FINANCING SOURCES (USES):			
Advances out	(165,000)	(165,000)	-
Total other financing sources (uses)	<u>(165,000)</u>	<u>(165,000)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	7,277	(15,451)	(22,728)
FUND BALANCES, BEGINNING OF YEAR	<u>23,315</u>	<u>23,315</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 30,592</u>	<u>\$ 7,864</u>	<u>\$ (22,728)</u>

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.
ARRA JAG Grant 09-13 Fund	To account for monies received as part of the Federal Recovery Act/Stimulus Program to provide for police overtime and equipment.
ARRA CDBG-R 09 Fund	To account for monies received as part of the Federal Recovery Act/Stimulus Program for single family housing rehabilitation/energy improvements, primarily used for furnaces and hot water tanks.
ARRA DOE 09 Fund	To account for monies received as part of the Federal Recovery Act/Stimulus Program to purchase/install energy efficient material and equipment.

SPECIAL REVENUE FUNDS (Continued)

VOCA Victims Assistance Grant 10-11 Fund	To account for monies received from the Crime Victims Assistance Office to assist victims of crime.
VOCA Victims Assistance Grant 11-12 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 09-10 Fund	To account for monies received from the U.S. Department of Housing and Urban Development for various community development block grant programs.
Community Development Block Grant 10-11 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.
Radio Equipment Upgrade Fund	To account for monies received from several regional grants to replace the 800 MHZ radio equipment used by the safety forces.
Safe Routes to School 10-11 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.
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.

SPECIAL REVENUE FUNDS (Continued)

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.
IBIM Festival Fund	To account for revenue received from the It's Better in Mentor Festival to cover the cost of operating the festival. This fund is combined with General Fund on a GAAP basis as a result of the implementation of GASB-S54.

DEBT SERVICE FUNDS

General Obligation Bond Retirement Fund	To accumulate property taxes levied toward payment of outstanding general obligation debt.
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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.
Police Renovation and Expansion Fund	To account for the financing of the space expansion and renovation of the Police Department.
Marina Roadway Fund	To account for the financing of the repair and resurfacing of the roads and parking areas in the marina.
Muni Center Roof Fund	To account for the financing of City Hall structural improvements, including roof repair.
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.
ODNR Lagoons Fund	To account for monies received from ODNR for Lagoons shoreline protection maintenance and bulkhead repairs.
Center Street Bridge Repair Fund	To account for the financing of the repair and resurfacing of the sidewalks and parapet walls on the SR615 bridge over the railroad tracks.
Plaza Boulevard Resurfacing Fund	To account for the financing of the resurfacing of Plaza Boulevard.
Plains Road Improvement Fund	To account for the financing of the widening and reconstruction, along with bike lanes, on Plains Road.

CAPITAL PROJECT FUNDS (Continued)

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.

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.

ARRA Tyler Resurfacing Fund

To account for monies received as part of the Federal Recovery Act/Stimulus Program to repair and resurface Tyler Boulevard from SR615 to SR306.

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.

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2011

Special Revenue Funds

	Street	TIF	Police Pension	Fire Pension
ASSETS				
Cash and investments	\$ 1,025,501	\$ 623,690	\$ -	\$ -
Receivables, net	-	-	409,751	409,751
Due from other funds	-	-	-	-
Due from other governments	1,101,353	816,697	46,988	46,988
TOTAL ASSETS	<u>\$ 2,126,854</u>	<u>\$ 1,440,387</u>	<u>\$ 456,739</u>	<u>\$ 456,739</u>
LIABILITIES				
Accounts payable	\$ 46,587	\$ -	\$ -	\$ -
Due to other funds	-	335,805	-	-
Deferred revenue	721,128	816,697	456,739	456,739
Total liabilities	<u>767,715</u>	<u>1,152,502</u>	<u>456,739</u>	<u>456,739</u>
FUND BALANCES				
Restricted	1,359,139	287,885	-	-
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>1,359,139</u>	<u>287,885</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,126,854</u>	<u>\$ 1,440,387</u>	<u>\$ 456,739</u>	<u>\$ 456,739</u>

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2011

	<u>Special Revenue Funds</u>			
	<u>Fire Levy</u>	<u>Senior Citizens Services Levy</u>	<u>Community Recreation Facilities</u>	<u>Cemetery</u>
ASSETS				
Cash and investments	\$ -	\$ 300,319	\$ 533,373	\$ 422,795
Receivables, net	1,034,987	-	36,936	-
Due from other funds	576	-	-	-
Due from other governments	102,676	-	-	-
TOTAL ASSETS	<u>\$ 1,138,239</u>	<u>\$ 300,319</u>	<u>\$ 570,309</u>	<u>\$ 422,795</u>
LIABILITIES				
Accounts payable	\$ -	\$ 3,402	\$ -	\$ -
Due to other funds	-	-	-	-
Deferred revenue	1,138,239	-	-	-
Total liabilities	<u>1,138,239</u>	<u>3,402</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted	-	296,917	-	422,795
Committed	-	-	570,309	-
Unassigned	-	-	-	-
Total Fund Balances	<u>-</u>	<u>296,917</u>	<u>570,309</u>	<u>422,795</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,138,239</u>	<u>\$ 300,319</u>	<u>\$ 570,309</u>	<u>\$ 422,795</u>

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2011

Special Revenue Funds

	Economic Development	Subdivision Street Tree	Street Lighting	Court Computer
ASSETS				
Cash and investments	\$ 58,398	\$ 8,340	\$ 525,451	\$ 178,030
Receivables, net	-	-	27,695	6,055
Due from other funds	-	-	810	-
Due from other governments	-	-	-	-
TOTAL ASSETS	\$ 58,398	\$ 8,340	\$ 553,956	\$ 184,085
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ 175,907	\$ -
Due to other funds	-	-	-	-
Deferred revenue	-	-	28,505	-
Total liabilities	-	-	204,412	-
FUND BALANCES				
Restricted	58,398	-	349,544	184,085
Committed	-	8,340	-	-
Unassigned	-	-	-	-
Total Fund Balances	58,398	8,340	349,544	184,085
TOTAL LIABILITIES AND FUND BALANCES	\$ 58,398	\$ 8,340	\$ 553,956	\$ 184,085

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2011

Special Revenue Funds

	Court Special Projects	Enforcement and Education	Court Probation Services	Indigent Driver Alcohol Treatment
ASSETS				
Cash and investments	\$ 230,993	\$ 23,002	\$ 138,592	\$ 47,277
Receivables, net	12,056	546	9,347	929
Due from other funds	-	-	-	-
Due from other governments	-	-	-	2,500
TOTAL ASSETS	<u>\$ 243,049</u>	<u>\$ 23,548</u>	<u>\$ 147,939</u>	<u>\$ 50,706</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Deferred revenue	-	-	-	2,500
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,500</u>
FUND BALANCES				
Restricted	243,049	23,548	147,939	48,206
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>243,049</u>	<u>23,548</u>	<u>147,939</u>	<u>48,206</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 243,049</u>	<u>\$ 23,548</u>	<u>\$ 147,939</u>	<u>\$ 50,706</u>

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2011

Special Revenue Funds

	Indigent Driver Alcohol Monitoring	Law Enforcement Trust	Police Canine	Seat Belt Grant
ASSETS				
Cash and investments	\$ 80,932	\$ 25,864	\$ 21,449	\$ 8,294
Receivables, net	1,009	762	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
TOTAL ASSETS	\$ 81,941	\$ 26,626	\$ 21,449	\$ 8,294
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Deferred revenue	-	-	-	-
Total liabilities	-	-	-	-
FUND BALANCES				
Restricted	81,941	26,626	21,449	8,294
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	81,941	26,626	21,449	8,294
TOTAL LIABILITIES AND FUND BALANCES	\$ 81,941	\$ 26,626	\$ 21,449	\$ 8,294

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2011

Special Revenue Funds

	ARRA JAG Grant 09-13	ARRA CDBG-R 09	ARRA DOE 09	VOCA Victims Assistance Grant 10-11
ASSETS				
Cash and investments	\$ 7,855	\$ 16,354	\$ 107,246	\$ -
Receivables, net	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
TOTAL ASSETS	\$ 7,855	\$ 16,354	\$ 107,246	\$ -
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	7,855	8,600	115,000	-
Deferred revenue	-	-	-	-
Total liabilities	7,855	8,600	115,000	-
FUND BALANCES				
Restricted	-	7,754	-	-
Committed	-	-	-	-
Unassigned	-	-	(7,754)	-
Total Fund Balances	-	7,754	(7,754)	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 7,855	\$ 16,354	\$ 107,246	\$ -

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2011

	Special Revenue Funds			
	VOCA Victims Assistance Grant 11-12	CDBG NSP 09-13	Community Development Block Grant 09-10	Community Development Block Grant 10-11
ASSETS				
Cash and investments	\$ 520	\$ 347,848	\$ 177,618	\$ 168,528
Receivables, net	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	97,592	-	69,618
TOTAL ASSETS	\$ 520	\$ 445,440	\$ 177,618	\$ 238,146
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ 17,444
Due to other funds	-	210,000	177,618	191,255
Deferred revenue	-	-	-	-
Total liabilities	-	210,000	177,618	208,699
FUND BALANCES				
Restricted	520	235,440	-	29,447
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	520	235,440	-	29,447
TOTAL LIABILITIES AND FUND BALANCES	\$ 520	\$ 445,440	\$ 177,618	\$ 238,146

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2011

	<u>Special Revenue Funds</u>			
	Forfeited Property - U.S. Department of Justice	Radio Equipment Upgrade	Safe Routes to School 10- 11	Council Donation
ASSETS				
Cash and investments	\$ 92,512	\$ 1,106,994	\$ 38,843	\$ 1,540
Receivables, net	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	446,268	-	-
TOTAL ASSETS	<u>\$ 92,512</u>	<u>\$ 1,553,262</u>	<u>\$ 38,843</u>	<u>\$ 1,540</u>
LIABILITIES				
Accounts payable	\$ -	\$ 361,299	\$ -	\$ -
Due to other funds	-	1,000,000	74,740	-
Deferred revenue	-	-	-	-
Total liabilities	<u>-</u>	<u>1,361,299</u>	<u>74,740</u>	<u>-</u>
FUND BALANCES				
Restricted	92,512	191,963	-	1,540
Committed	-	-	-	-
Unassigned	-	-	(35,897)	-
Total Fund Balances	<u>92,512</u>	<u>191,963</u>	<u>(35,897)</u>	<u>1,540</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 92,512</u>	<u>\$ 1,553,262</u>	<u>\$ 38,843</u>	<u>\$ 1,540</u>

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2011

	<u>Special Revenue Funds</u>		<u>Total Special Revenue Funds</u>	<u>Debt Service Fund</u>
	<u>Police Donation</u>	<u>Fire Donation</u>		<u>General Obligation Bond Retirement</u>
ASSETS				
Cash and investments	\$ 8,873	\$ 17,159	\$ 6,344,190	\$ 202,584
Receivables, net	-	-	1,949,824	1,799,355
Due from other funds	-	-	1,386	335,805
Due from other governments	-	-	2,730,680	101,807
TOTAL ASSETS	<u>\$ 8,873</u>	<u>\$ 17,159</u>	<u>\$ 11,026,080</u>	<u>\$ 2,439,551</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ 604,639	\$ -
Due to other funds	-	-	2,120,873	-
Deferred revenue	-	-	3,620,547	1,901,162
Total liabilities	<u>-</u>	<u>-</u>	<u>6,346,059</u>	<u>1,901,162</u>
FUND BALANCES				
Restricted	8,873	17,159	4,145,023	538,389
Committed	-	-	578,649	-
Unassigned	-	-	(43,651)	-
Total Fund Balances	<u>8,873</u>	<u>17,159</u>	<u>4,680,021</u>	<u>538,389</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 8,873</u>	<u>\$ 17,159</u>	<u>\$ 11,026,080</u>	<u>\$ 2,439,551</u>

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2011

	Capital Project Funds			
	Plaza Boulevard Extension	Police Renovation and Expansion	Marina Roadway	Muni Center Roof
ASSETS				
Cash and investments	\$ 133,204	\$ -	\$ 3,540	\$ -
Receivables, net	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
TOTAL ASSETS	<u>\$ 133,204</u>	<u>\$ -</u>	<u>\$ 3,540</u>	<u>\$ -</u>
LIABILITIES				
Accounts payable	\$ 1,231	\$ -	\$ -	\$ -
Due to other funds	-	37,469	205,000	-
Deferred revenue	-	-	-	-
Total liabilities	<u>1,231</u>	<u>37,469</u>	<u>205,000</u>	<u>-</u>
FUND BALANCES				
Restricted	131,973	-	-	-
Committed	-	-	-	-
Unassigned	-	(37,469)	(201,460)	-
Total Fund Balances	<u>131,973</u>	<u>(37,469)</u>	<u>(201,460)</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 133,204</u>	<u>\$ -</u>	<u>\$ 3,540</u>	<u>\$ -</u>

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2011

	Capital Project Funds			
	Energy Program	Market Street/ Bellflower Concrete Repair	ODNR Lagoons	Center Street Bridge Repair
ASSETS				
Cash and investments	\$ 1,468,346	\$ 720,431	\$ -	\$ 14,799
Receivables, net	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
TOTAL ASSETS	<u>\$ 1,468,346</u>	<u>\$ 720,431</u>	<u>\$ -</u>	<u>\$ 14,799</u>
LIABILITIES				
Accounts payable	\$ -	\$ 1,300	\$ -	\$ -
Due to other funds	-	763,000	-	-
Deferred revenue	-	-	-	-
Total liabilities	<u>-</u>	<u>764,300</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted	1,468,346	-	-	14,799
Committed	-	-	-	-
Unassigned	-	(43,869)	-	-
Total Fund Balances	<u>1,468,346</u>	<u>(43,869)</u>	<u>-</u>	<u>14,799</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,468,346</u>	<u>\$ 720,431</u>	<u>\$ -</u>	<u>\$ 14,799</u>

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2011

	Capital Project Funds			
	Plaza Boulevard Resurfacing	Plains Road Improvement	Stoneybrook Improvement	Heisley Road Improvement- Phase III
ASSETS				
Cash and investments	\$ -	\$ 40,508	\$ 526,132	\$ 14,008
Receivables, net	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	2,304	-	-
TOTAL ASSETS	\$ -	\$ 42,812	\$ 526,132	\$ 14,008
LIABILITIES				
Accounts payable	\$ -	\$ 24,648	\$ 8,113	\$ 13,233
Due to other funds	-	-	357,600	-
Deferred revenue	-	-	-	-
Total liabilities	-	24,648	365,713	13,233
FUND BALANCES				
Restricted	-	18,164	160,419	775
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	-	18,164	160,419	775
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ 42,812	\$ 526,132	\$ 14,008

Continued

CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2011

	<u>Capital Project Funds</u>			
	ARRA Tyler Resurfacing	Corduoy Bikeway Connector	Total Capital Project Funds	Total All Nonmajor Funds
ASSETS				
Cash and investments	\$ -	\$ 406,248	\$ 3,327,216	\$ 9,873,990
Receivables, net	-	-	-	3,749,179
Due from other funds	-	-	-	337,191
Due from other governments	-	-	2,304	2,834,791
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 406,248</u>	<u>\$ 3,329,520</u>	<u>\$ 16,795,151</u>
LIABILITIES				
Accounts payable	\$ -	\$ 13,541	\$ 62,066	\$ 666,705
Due to other funds	-	206,000	1,569,069	3,689,942
Deferred revenue	-	-	-	5,521,709
Total liabilities	<u>-</u>	<u>219,541</u>	<u>1,631,135</u>	<u>9,878,356</u>
FUND BALANCES				
Restricted	-	186,707	1,981,183	6,664,595
Committed	-	-	-	578,649
Unassigned	-	-	(282,798)	(326,449)
Total Fund Balances	<u>-</u>	<u>186,707</u>	<u>1,698,385</u>	<u>6,916,795</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 406,248</u>	<u>\$ 3,329,520</u>	<u>\$ 16,795,151</u>

CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2011

	<u>Special Revenue Funds</u>			
	<u>Street</u>	<u>TIF</u>	<u>Police Pension</u>	<u>Fire Pension</u>
REVENUES				
Property taxes	\$ -	\$ -	\$ 433,517	\$ 433,517
Other local taxes	-	-	-	-
Payments in Lieu of Taxes	-	203,186	-	-
Intergovernmental	2,518,820	-	50,746	50,746
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Investment income	17,236	-	-	-
Donations and other	4,580	-	-	-
Total revenues	<u>2,540,636</u>	<u>203,186</u>	<u>484,263</u>	<u>484,263</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Police	-	-	484,263	-
Fire	-	-	-	484,263
Streets and highways	1,681,804	-	-	-
Parks, recreation and public facilities	-	-	-	-
Economic and community development	-	1,923	-	-
Engineering and building	-	-	-	-
Capital outlay	288,003	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other expenditures	-	-	-	-
Total expenditures	<u>1,969,807</u>	<u>1,923</u>	<u>484,263</u>	<u>484,263</u>
Excess (deficiency) of revenues over (under) expenditures	570,829	201,263	-	-
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	-
Premium on bonds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(26,666)	-	-
Total other financing sources (uses)	<u>-</u>	<u>(26,666)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	570,829	174,597	-	-
FUND BALANCES AT BEGINNING OF YEAR (Restated)	<u>788,310</u>	<u>113,288</u>	<u>-</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	<u>\$ 1,359,139</u>	<u>\$ 287,885</u>	<u>\$ -</u>	<u>\$ -</u>

Continued

CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2011

	<u>Special Revenue Funds</u>			
	<u>Fire Levy</u>	<u>Senior Citizens Services Levy</u>	<u>Community Recreation Facilities</u>	<u>Cemetery</u>
REVENUES				
Property taxes	\$ 1,039,460	\$ -	\$ -	\$ -
Other local taxes	-	-	477,642	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	111,969	145,757	-	-
Charges for services	-	-	-	33,600
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Donations and other	-	-	-	-
Total revenues	<u>1,151,429</u>	<u>145,757</u>	<u>477,642</u>	<u>33,600</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Police	-	-	-	-
Fire	962,384	-	-	-
Streets and highways	-	-	-	-
Parks, recreation and public facilities	-	141,238	140,108	22,880
Economic and community development	-	-	-	-
Engineering and building	-	-	-	-
Capital outlay	375,183	-	40,511	20,692
Debt service:				
Principal retirement	-	-	-	-
Interest and other expenditures	-	-	-	-
Total expenditures	<u>1,337,567</u>	<u>141,238</u>	<u>180,619</u>	<u>43,572</u>
Excess (deficiency) of revenues over (under) expenditures	(186,138)	4,519	297,023	(9,972)
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	-
Premium on bonds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(225,000)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(225,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(186,138)	4,519	72,023	(9,972)
FUND BALANCES AT BEGINNING OF YEAR (Restated)	<u>186,138</u>	<u>292,398</u>	<u>498,286</u>	<u>432,767</u>
FUND BALANCES AT END OF YEAR	<u>\$ -</u>	<u>\$ 296,917</u>	<u>\$ 570,309</u>	<u>\$ 422,795</u>

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CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2011

	<u>Special Revenue Funds</u>			
	Economic Development	Subdivision Street Tree	Street Lighting	Court Computer
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	17,366	-	-	-
Fines and forfeitures	-	-	-	82,562
Special assessments	-	-	974,068	-
Investment income	-	-	-	-
Donations and other	-	-	-	-
Total revenues	<u>17,366</u>	<u>-</u>	<u>974,068</u>	<u>82,562</u>
EXPENDITURES				
Current:				
General government	-	-	-	61,278
Police	-	-	-	-
Fire	-	-	-	-
Streets and highways	-	3,480	1,215,315	-
Parks, recreation and public facilities	-	-	-	-
Economic and community development	25,553	-	-	-
Engineering and building	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other expenditures	-	-	-	-
Total expenditures	<u>25,553</u>	<u>3,480</u>	<u>1,215,315</u>	<u>61,278</u>
Excess (deficiency) of revenues over (under) expenditures	(8,187)	(3,480)	(241,247)	21,284
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	-
Premium on bonds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(8,187)	(3,480)	(241,247)	21,284
FUND BALANCES AT BEGINNING OF YEAR (Restated)	<u>66,585</u>	<u>11,820</u>	<u>590,791</u>	<u>162,801</u>
FUND BALANCES AT END OF YEAR	<u>\$ 58,398</u>	<u>\$ 8,340</u>	<u>\$ 349,544</u>	<u>\$ 184,085</u>

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CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2011

	<u>Special Revenue Funds</u>			
	<u>Court Special Projects</u>	<u>Enforcement and Education</u>	<u>Court Probation Services</u>	<u>Indigent Driver Alcohol Treatment</u>
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	-	-	-	14,827
Charges for services	-	-	-	-
Fines and forfeitures	164,830	6,434	112,880	5,598
Special assessments	-	-	-	-
Investment income	-	-	-	-
Donations and other	-	-	-	-
Total revenues	<u>164,830</u>	<u>6,434</u>	<u>112,880</u>	<u>20,425</u>
EXPENDITURES				
Current:				
General government	601	-	85,911	13,450
Police	-	2,032	-	-
Fire	-	-	-	-
Streets and highways	-	-	-	-
Parks, recreation and public facilities	-	-	-	-
Economic and community development	-	-	-	-
Engineering and building	-	-	-	-
Capital outlay	-	-	38,739	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other expenditures	-	-	-	-
Total expenditures	<u>601</u>	<u>2,032</u>	<u>124,650</u>	<u>13,450</u>
Excess (deficiency) of revenues over (under) expenditures	164,229	4,402	(11,770)	6,975
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	-
Premium on bonds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	<u>(97,441)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(97,441)</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	66,788	4,402	(11,770)	6,975
FUND BALANCES AT BEGINNING OF YEAR (Restated)	<u>176,261</u>	<u>19,146</u>	<u>159,709</u>	<u>41,231</u>
FUND BALANCES AT END OF YEAR	<u>\$ 243,049</u>	<u>\$ 23,548</u>	<u>\$ 147,939</u>	<u>\$ 48,206</u>

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CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2011

	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	-	-	-	2,368
Charges for services	-	-	-	-
Fines and forfeitures	33,688	5,386	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Donations and other	-	-	6,655	-
Total revenues	<u>33,688</u>	<u>5,386</u>	<u>6,655</u>	<u>2,368</u>
EXPENDITURES				
Current:				
General government	4,803	-	-	-
Police	-	14,299	5,438	2,309
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	<u>4,803</u>	<u>14,299</u>	<u>5,438</u>	<u>2,309</u>
Excess (deficiency) of revenues over (under) expenditures	28,885	(8,913)	1,217	59
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	-
Premium on bonds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	28,885	(8,913)	1,217	59
FUND BALANCES AT BEGINNING OF YEAR (Restated)	<u>53,056</u>	<u>35,539</u>	<u>20,232</u>	<u>8,235</u>
FUND BALANCES AT END OF YEAR	<u><u>\$ 81,941</u></u>	<u><u>\$ 26,626</u></u>	<u><u>\$ 21,449</u></u>	<u><u>\$ 8,294</u></u>

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CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2011

	Special Revenue Funds			
	ARRA JAG Grant 09-13	ARRA CDBG-R 09	ARRA DOE 09	VOCA Victims Assistance Grant 10-11
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	2,618	9,635	153,234	2,340
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Donations and other	-	-	-	-
Total revenues	<u>2,618</u>	<u>9,635</u>	<u>153,234</u>	<u>2,340</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Police	2,618	-	-	3,120
Fire	-	-	-	-
Streets and highways	-	-	-	-
Parks, recreation and public facilities	-	-	151,411	-
Economic and community development	-	-	-	-
Engineering and building	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other expenditures	-	-	-	-
Total expenditures	<u>2,618</u>	<u>-</u>	<u>151,411</u>	<u>3,120</u>
Excess (deficiency) of revenues over (under) expenditures	-	9,635	1,823	(780)
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	-
Premium on bonds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	9,635	1,823	(780)
FUND BALANCES AT BEGINNING OF YEAR (Restated)	<u>-</u>	<u>(1,881)</u>	<u>(9,577)</u>	<u>780</u>
FUND BALANCES AT END OF YEAR	<u>\$ -</u>	<u>\$ 7,754</u>	<u>\$ (7,754)</u>	<u>\$ -</u>

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CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2011

	Special Revenue Funds			
	VOCA Victims Assistance Grant 11-12	CDBG NSP 09-13	Community Development Block Grant 09-10	Community Development Block Grant 10-11
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	520	947,144	1,357	170,827
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	590	-	-
Donations and other	-	-	-	-
Total revenues	<u>520</u>	<u>947,734</u>	<u>1,357</u>	<u>170,827</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Streets and highways	-	-	-	-
Parks, recreation and public facilities	-	-	-	-
Economic and community development	-	228,209	1,324	146,594
Engineering and building	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other expenditures	-	-	-	-
Total expenditures	<u>-</u>	<u>228,209</u>	<u>1,324</u>	<u>146,594</u>
Excess (deficiency) of revenues over (under) expenditures	520	719,525	33	24,233
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	-
Premium on bonds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	520	719,525	33	24,233
FUND BALANCES AT BEGINNING OF YEAR (Restated)	<u>-</u>	<u>(484,085)</u>	<u>(33)</u>	<u>5,214</u>
FUND BALANCES AT END OF YEAR	<u><u>\$ 520</u></u>	<u><u>\$ 235,440</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 29,447</u></u>

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CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2011

	Special Revenue Funds			
	Forfeited Property - U.S. Department of Justice	Radio Equipment Upgrade	Safe Routes to School 10- 11	Council Donation
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	2,872	1,440,768	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Investment income	1,544	-	-	-
Donations and other	-	-	-	1,000
Total revenues	<u>4,416</u>	<u>1,440,768</u>	<u>-</u>	<u>1,000</u>
EXPENDITURES				
Current:				
General government	-	-	-	1,174
Police	-	-	4,554	-
Fire	-	366,805	-	-
Streets and highways	-	-	-	-
Parks, recreation and public facilities	-	-	23,271	-
Economic and community development	-	-	-	-
Engineering and building	-	-	-	-
Capital outlay	-	994,500	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other expenditures	-	-	-	-
Total expenditures	<u>-</u>	<u>1,361,305</u>	<u>27,825</u>	<u>1,174</u>
Excess (deficiency) of revenues over (under) expenditures	4,416	79,463	(27,825)	(174)
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	-
Premium on bonds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	4,416	79,463	(27,825)	(174)
FUND BALANCES AT BEGINNING OF YEAR (Restated)	<u>88,096</u>	<u>112,500</u>	<u>(8,072)</u>	<u>1,714</u>
FUND BALANCES AT END OF YEAR	<u>\$ 92,512</u>	<u>\$ 191,963</u>	<u>\$ (35,897)</u>	<u>\$ 1,540</u>

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CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2011

	Special Revenue Funds		Total Special Revenue Funds	Debt Service Fund
	Police Donation	Fire Donation		General Obligation Bond Retirement
REVENUES				
Property taxes	\$ -	\$ -	\$ 1,906,494	\$ 1,475,231
Other local taxes	-	-	477,642	-
Payments in Lieu of Taxes	-	-	203,186	-
Intergovernmental	-	-	5,626,548	175,863
Charges for services	-	-	50,966	-
Fines and forfeitures	-	-	411,378	-
Special assessments	-	-	974,068	-
Investment income	-	-	19,370	15,609
Donations and other	3,621	190	16,046	-
Total revenues	<u>3,621</u>	<u>190</u>	<u>9,685,698</u>	<u>1,666,703</u>
EXPENDITURES				
Current:				
General government	-	-	167,217	1,375
Police	2,122	-	520,755	-
Fire	-	2,466	1,815,918	-
Streets and highways	-	-	2,900,599	-
Parks, recreation and public facilities	-	-	478,908	-
Economic and community development	-	-	403,603	-
Engineering and building	-	-	-	-
Capital outlay	-	-	1,757,628	-
Debt service:				
Principal retirement	-	-	-	1,793,139
Interest and other expenditures	-	-	-	794,703
Total expenditures	<u>2,122</u>	<u>2,466</u>	<u>8,044,628</u>	<u>2,589,217</u>
Excess (deficiency) of revenues over (under) expenditures	1,499	(2,276)	1,641,070	(922,514)
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	-
Premium on bonds	-	-	-	15,054
Transfers in	-	-	-	137,099
Transfers out	-	-	(349,107)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(349,107)</u>	<u>152,153</u>
NET CHANGE IN FUND BALANCES	1,499	(2,276)	1,291,963	(770,361)
FUND BALANCES AT BEGINNING OF YEAR (Restated)	<u>7,374</u>	<u>19,435</u>	<u>3,388,058</u>	<u>1,308,750</u>
FUND BALANCES AT END OF YEAR	<u>\$ 8,873</u>	<u>\$ 17,159</u>	<u>\$ 4,680,021</u>	<u>\$ 538,389</u>

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CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2011

	Capital Project Funds			
	Plaza Boulevard Extension	Police Renovation and Expansion	Marina Roadway	Muni Center Roof
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Donations and other	240	-	-	-
Total revenues	<u>240</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
General government	9,876	-	106	2,472
Police	-	-	-	-
Fire	-	-	-	-
Streets and highways	-	-	-	-
Parks, recreation and public facilities	-	-	-	2,976
Economic and community development	-	-	-	-
Engineering and building	-	-	-	-
Capital outlay	333,210	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other expenditures	3,922	-	4,126	1,942
Total expenditures	<u>347,008</u>	<u>-</u>	<u>4,232</u>	<u>7,390</u>
Excess (deficiency) of revenues over (under) expenditures	(346,768)	-	(4,232)	(7,390)
OTHER FINANCING SOURCES (USES)				
Bonds issued	541,000	-	-	140,000
Premium on bonds	-	-	-	-
Transfers in	-	-	225,000	-
Transfers out	-	-	-	(3,588)
Total other financing sources (uses)	<u>541,000</u>	<u>-</u>	<u>225,000</u>	<u>136,412</u>
NET CHANGE IN FUND BALANCES	194,232	-	220,768	129,022
FUND BALANCES AT BEGINNING OF YEAR (Restated)	<u>(62,259)</u>	<u>(37,469)</u>	<u>(422,228)</u>	<u>(129,022)</u>
FUND BALANCES AT END OF YEAR	<u>\$ 131,973</u>	<u>\$ (37,469)</u>	<u>\$ (201,460)</u>	<u>\$ -</u>

Continued

CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2011

	Capital Project Funds			
	Energy Program	Market Street/ Bellflower Concrete Repair	ODNR Lagoons	Center Street Bridge Repair
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	-	-	264,000	54,000
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Donations and other	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>264,000</u>	<u>54,000</u>
EXPENDITURES				
Current:				
General government	31,580	-	-	4,149
Police	-	-	-	-
Fire	-	-	-	-
Streets and highways	-	-	50,801	213,440
Parks, recreation and public facilities	230,074	-	10,938	-
Economic and community development	-	-	-	-
Engineering and building	-	43,869	-	22,496
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other expenditures	-	-	-	1,961
Total expenditures	<u>261,654</u>	<u>43,869</u>	<u>61,739</u>	<u>242,046</u>
Excess (deficiency) of revenues over (under) expenditures	(261,654)	(43,869)	202,261	(188,046)
OTHER FINANCING SOURCES (USES)				
Bonds issued	1,730,000	-	-	228,000
Premium on bonds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>1,730,000</u>	<u>-</u>	<u>-</u>	<u>228,000</u>
NET CHANGE IN FUND BALANCES	1,468,346	(43,869)	202,261	39,954
FUND BALANCES AT BEGINNING OF YEAR (Restated)	<u>-</u>	<u>-</u>	<u>(202,261)</u>	<u>(25,155)</u>
FUND BALANCES AT END OF YEAR	<u><u>\$ 1,468,346</u></u>	<u><u>\$ (43,869)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 14,799</u></u>

Continued

CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2011

	Capital Project Funds			
	Plaza Boulevard Resurfacing	Plains Road Improvement	Stoneybrook Improvement	Heisley Road Improvement- Phase III
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Other local taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	39,627	7,590	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Investment income	-	-	-	-
Donations and other	-	-	-	-
Total revenues	<u>39,627</u>	<u>7,590</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
General government	6,828	9,711	3,851	7,023
Police	-	-	-	-
Fire	-	-	-	-
Streets and highways	-	-	-	-
Parks, recreation and public facilities	-	-	-	-
Economic and community development	-	-	-	-
Engineering and building	17,044	-	-	-
Capital outlay	-	29,970	50,730	118,275
Debt service:				
Principal retirement	-	-	-	-
Interest and other expenditures	3,641	6,194	-	4,815
Total expenditures	<u>27,513</u>	<u>45,875</u>	<u>54,581</u>	<u>130,113</u>
Excess (deficiency) of revenues over (under) expenditures	12,114	(38,285)	(54,581)	(130,113)
OTHER FINANCING SOURCES (USES)				
Bonds issued	374,000	532,000	215,000	385,000
Premium on bonds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(9,404)	-	-	-
Total other financing sources (uses)	<u>364,596</u>	<u>532,000</u>	<u>215,000</u>	<u>385,000</u>
NET CHANGE IN FUND BALANCES	376,710	493,715	160,419	254,887
FUND BALANCES AT BEGINNING OF YEAR (Restated)	<u>(376,710)</u>	<u>(475,551)</u>	<u>-</u>	<u>(254,112)</u>
FUND BALANCES AT END OF YEAR	<u>\$ -</u>	<u>\$ 18,164</u>	<u>\$ 160,419</u>	<u>\$ 775</u>

Continued

CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2011

	<u>Capital Project Funds</u>			Total All Nonmajor Funds
	ARRA Tyler Resurfacing	Corduroy Bikeway Connector	Total Capital Project Funds	
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ 3,381,725
Other local taxes	-	-	-	477,642
Payments in Lieu of Taxes	-	-	-	203,186
Intergovernmental	364,342	-	729,559	6,531,970
Charges for services	-	-	-	50,966
Fines and forfeitures	-	-	-	411,378
Special assessments	-	-	-	974,068
Investment income	-	-	-	34,979
Donations and other	-	-	240	16,286
Total revenues	<u>364,342</u>	<u>-</u>	<u>729,799</u>	<u>12,082,200</u>
EXPENDITURES				
Current:				
General government	-	3,838	79,434	248,026
Police	-	-	-	520,755
Fire	-	-	-	1,815,918
Streets and highways	-	-	264,241	3,164,840
Parks, recreation and public facilities	-	-	243,988	722,896
Economic and community development	-	-	-	403,603
Engineering and building	1,568	-	84,977	84,977
Capital outlay	-	19,455	551,640	2,309,268
Debt service:				
Principal retirement	-	-	-	1,793,139
Interest and other expenditures	-	-	26,601	821,304
Total expenditures	<u>1,568</u>	<u>23,293</u>	<u>1,250,881</u>	<u>11,884,726</u>
Excess (deficiency) of revenues over (under) expenditures	362,774	(23,293)	(521,082)	197,474
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	210,000	4,355,000	4,355,000
Premium on bonds	-	-	-	15,054
Transfers in	-	-	225,000	362,099
Transfers out	-	-	(12,992)	(362,099)
Total other financing sources (uses)	<u>-</u>	<u>210,000</u>	<u>4,567,008</u>	<u>4,370,054</u>
NET CHANGE IN FUND BALANCES	362,774	186,707	4,045,926	4,567,528
FUND BALANCES AT BEGINNING OF YEAR (Restated)	<u>(362,774)</u>	<u>-</u>	<u>(2,347,541)</u>	<u>2,349,267</u>
FUND BALANCES AT END OF YEAR	<u>\$ -</u>	<u>\$ 186,707</u>	<u>\$ 1,698,385</u>	<u>\$ 6,916,795</u>

CITY OF MENTOR, OHIO
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Year Ended December 31, 2011

	<u>Balance</u> <u>January 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>December 31, 2011</u>
<u>Municipal Court Fund:</u>				
ASSETS:				
Cash	\$ 52,880	\$ 1,500,051	\$ 1,513,179	\$ 39,752
LIABILITIES:				
Deposits held and due to others	\$ 52,880	\$ 1,500,051	\$ 1,513,179	\$ 39,752

CITY OF MENTOR, OHIO
STREET FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 2,653,632	\$ 2,503,267	\$ (150,365)
Investment income	22,000	17,236	(4,764)
Other	-	4,580	4,580
Total revenues	<u>2,675,632</u>	<u>2,525,083</u>	<u>(150,549)</u>
EXPENDITURES:			
Engineering and building	84,270	-	84,270
Streets and highways			
Employee compensation	100,000	100,000	-
Other	2,853,505	2,283,185	570,320
Total expenditures	<u>3,037,775</u>	<u>2,383,185</u>	<u>654,590</u>
Excess (deficiency) of revenues over expenditures	(362,143)	141,898	504,041
OTHER FINANCING SOURCES (USES):			
Advances in	685,000	685,000	-
Advances out	(685,000)	(685,000)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(362,143)	141,898	504,041
Adjustment for prior year encumbrances	212,740	212,740	-
FUND BALANCES, BEGINNING OF YEAR	<u>301,369</u>	<u>301,369</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 151,966</u>	<u>\$ 656,007</u>	<u>\$ 504,041</u>

CITY OF MENTOR, OHIO**TIF FUND****SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL****(NON-GAAP BUDGETARY BASIS)**

Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Payments in Lieu of Taxes	\$ 300,000	\$ 203,186	\$ (96,814)
EXPENDITURES:			
Economic and community development	2,000	1,923	77
Excess (deficiency) of revenues over expenditures	298,000	201,263	(96,737)
OTHER FINANCING SOURCES (USES):			
Advances out	(11,060)	(11,057)	3
Transfers out	(27,000)	(26,666)	334
Total other financing sources (uses)	(38,060)	(37,723)	337
Excess (deficiency) of revenues and other sources over expenditures and other uses	259,940	163,540	(96,400)
FUND BALANCES, BEGINNING OF YEAR	460,149	460,149	-
FUND BALANCES, END OF YEAR	<u>\$ 720,089</u>	<u>\$ 623,689</u>	<u>\$ (96,400)</u>

CITY OF MENTOR, OHIO
POLICE PENSION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 50,600	\$ 50,746	\$ 146
Property taxes	<u>436,000</u>	<u>433,517</u>	<u>(2,483)</u>
Total revenues	<u>486,600</u>	<u>484,263</u>	<u>(2,337)</u>
EXPENDITURES:			
Police	<u>484,263</u>	<u>484,263</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	2,337	-	(2,337)
FUND BALANCES, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 2,337</u>	<u>\$ -</u>	<u>\$ (2,337)</u>

CITY OF MENTOR, OHIO
FIRE PENSION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 50,600	\$ 50,746	\$ 146
Property taxes	<u>436,000</u>	<u>433,517</u>	<u>(2,483)</u>
Total revenues	<u>486,600</u>	<u>484,263</u>	<u>(2,337)</u>
EXPENDITURES:			
Fire	<u>484,263</u>	<u>484,263</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	2,337	-	(2,337)
FUND BALANCES, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 2,337</u>	<u>\$ -</u>	<u>\$ (2,337)</u>

CITY OF MENTOR, OHIO
FIRE LEVY FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 115,425	\$ 111,969	\$ (3,456)
Property taxes	1,195,575	1,039,460	(156,115)
Total revenues	<u>1,311,000</u>	<u>1,151,429</u>	<u>(159,571)</u>
EXPENDITURES:			
Fire			
Employee compensation	948,920	948,920	-
Other	388,647	388,647	-
Total expenditures	<u>1,337,567</u>	<u>1,337,567</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(26,567)	(186,138)	(159,571)
OTHER FINANCING SOURCES (USES):			
Advances in	195,000	195,000	-
Advances out	(195,000)	(195,000)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(26,567)	(186,138)	(159,571)
Adjustment for prior year encumbrances	186,138	186,138	-
FUND BALANCES, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 159,571</u>	<u>\$ -</u>	<u>\$ (159,571)</u>

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, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 170,000	\$ 145,757	\$ (24,243)
EXPENDITURES:			
Parks, recreation and public facilities			
Employee compensation	50,000	48,378	1,622
Other	297,841	145,487	152,354
Total expenditures	<u>347,841</u>	<u>193,865</u>	<u>153,976</u>
Excess (deficiency) of revenues over expenditures	(177,841)	(48,108)	129,733
Adjustment for prior year encumbrances	41,841	41,841	-
FUND BALANCES, BEGINNING OF YEAR	<u>256,967</u>	<u>256,967</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 120,967</u>	<u>\$ 250,700</u>	<u>\$ 129,733</u>

CITY OF MENTOR, OHIO
COMMUNITY RECREATION FACILITIES FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Other local taxes	\$ 432,000	\$ 479,506	\$ 47,506
EXPENDITURES:			
Parks, recreation and public facilities	229,271	185,369	43,902
Excess (deficiency) of revenues over expenditures	202,729	294,137	91,408
OTHER FINANCING SOURCES (USES):			
Transfers out	(240,000)	(225,000)	15,000
Total other financing sources (uses)	(240,000)	(225,000)	15,000
Excess (deficiency) of revenues and other sources over expenditures and other uses	(37,271)	69,137	106,408
Adjustment for prior year encumbrances	39,000	39,000	-
FUND BALANCES, BEGINNING OF YEAR	420,486	420,486	-
FUND BALANCES, END OF YEAR	<u>\$ 422,215</u>	<u>\$ 528,623</u>	<u>\$ 106,408</u>

CITY OF MENTOR, OHIO
CEMETERY FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Charges for services	\$ 40,000	\$ 33,600	\$ (6,400)
EXPENDITURES:			
Parks, recreation and public facilities			
Employee compensation	22,000	22,000	-
Other	<u>242,200</u>	<u>21,572</u>	<u>220,628</u>
Total expenditures	<u>264,200</u>	<u>43,572</u>	<u>220,628</u>
Excess (deficiency) of revenues over expenditures	(224,200)	(9,972)	214,228
FUND BALANCES, BEGINNING OF YEAR	<u>432,767</u>	<u>432,767</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u><u>\$ 208,567</u></u>	<u><u>\$ 422,795</u></u>	<u><u>\$ 214,228</u></u>

CITY OF MENTOR, OHIO
ECONOMIC DEVELOPMENT FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Charges for services	\$ 12,000	\$ 17,366	\$ 5,366
EXPENDITURES:			
Economic and community development	52,212	26,115	26,097
Excess (deficiency) of revenues over expenditures	(40,212)	(8,749)	31,463
Adjustment for prior year encumbrances	2,212	2,212	-
FUND BALANCES, BEGINNING OF YEAR	64,373	64,373	-
FUND BALANCES, END OF YEAR	<u>\$ 26,373</u>	<u>\$ 57,836</u>	<u>\$ 31,463</u>

CITY OF MENTOR, OHIO
SUBDIVISION STREET TREE FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Licenses, permits and inspections	\$ 5,000	\$ -	\$ (5,000)
EXPENDITURES:			
Streets and highways	11,821	3,680	8,141
Excess (deficiency) of revenues over expenditures	(6,821)	(3,680)	3,141
FUND BALANCES, BEGINNING OF YEAR	<u>11,820</u>	<u>11,820</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 4,999</u>	<u>\$ 8,140</u>	<u>\$ 3,141</u>

CITY OF MENTOR, OHIO
STREET LIGHTING FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Special assessments	\$ 930,000	\$ 974,068	\$ 44,068
EXPENDITURES:			
Streets and highways	1,334,725	1,263,103	71,622
Excess (deficiency) of revenues over expenditures	(404,725)	(289,035)	115,690
Adjustment for prior year encumbrances	99,725	99,725	-
FUND BALANCES, BEGINNING OF YEAR	<u>491,066</u>	<u>491,066</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 186,066</u>	<u>\$ 301,756</u>	<u>\$ 115,690</u>

CITY OF MENTOR, OHIO
COURT COMPUTER FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Fines and forfeitures	\$ 90,000	\$ 82,147	\$ (7,853)
EXPENDITURES:			
General government			
Employee compensation	46,350	39,962	6,388
Other	85,065	22,043	63,022
Total expenditures	<u>131,415</u>	<u>62,005</u>	<u>69,410</u>
Excess (deficiency) of revenues over expenditures	(41,415)	20,142	61,557
FUND BALANCES, BEGINNING OF YEAR	<u>157,161</u>	<u>157,161</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 115,746</u>	<u>\$ 177,303</u>	<u>\$ 61,557</u>

CITY OF MENTOR, OHIO
COURT SPECIAL PROJECTS FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Fines and forfeitures	\$ 180,000	\$ 164,008	\$ (15,992)
EXPENDITURES:			
General government	108,429	4,201	104,228
Excess (deficiency) of revenues over expenditures	71,571	159,807	88,236
OTHER FINANCING SOURCES (USES):			
Transfers out	(100,000)	(97,441)	2,559
Total other financing sources (uses)	(100,000)	(97,441)	2,559
Excess (deficiency) of revenues and other sources over expenditures and other uses	(28,429)	62,366	90,795
Adjustment for prior year encumbrances	3,129	3,129	-
FUND BALANCES, BEGINNING OF YEAR	165,027	165,027	-
FUND BALANCES, END OF YEAR	<u>\$ 139,727</u>	<u>\$ 230,522</u>	<u>\$ 90,795</u>

CITY OF MENTOR, OHIO
ENFORCEMENT AND EDUCATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Fines and forfeitures	\$ 6,000	\$ 6,383	\$ 383
EXPENDITURES:			
Police	21,808	2,383	19,425
Excess (deficiency) of revenues over expenditures	(15,808)	4,000	19,808
Adjustment for prior year encumbrances	178	178	-
FUND BALANCES, BEGINNING OF YEAR	<u>18,473</u>	<u>18,473</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 2,843</u>	<u>\$ 22,651</u>	<u>\$ 19,808</u>

CITY OF MENTOR, OHIO
COURT PROBATION SERVICES FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Fines and forfeitures	\$ 120,000	\$ 111,628	\$ (8,372)
EXPENDITURES:			
General government			
Employee compensation	28,297	28,297	-
Other	138,410	100,010	38,400
Total expenditures	<u>166,707</u>	<u>128,307</u>	<u>38,400</u>
Excess (deficiency) of revenues over expenditures	(46,707)	(16,679)	30,028
Adjustment for prior year encumbrances	782	782	-
FUND BALANCES, BEGINNING OF YEAR	<u>153,432</u>	<u>153,432</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 107,507</u>	<u>\$ 137,535</u>	<u>\$ 30,028</u>

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, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Fines and forfeitures	\$ 12,000	\$ 12,928	\$ 928
Intergovernmental	<u>10,000</u>	<u>14,827</u>	<u>4,827</u>
Total revenues	<u>22,000</u>	<u>27,755</u>	<u>5,755</u>
EXPENDITURES:			
General government	<u>30,000</u>	<u>19,750</u>	<u>10,250</u>
Excess (deficiency) of revenues over expenditures	(8,000)	8,005	16,005
FUND BALANCES, BEGINNING OF YEAR	<u>39,272</u>	<u>39,272</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 31,272</u>	<u>\$ 47,277</u>	<u>\$ 16,005</u>

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, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Fines and forfeitures	\$ 30,000	\$ 34,163	\$ 4,163
EXPENDITURES:			
General government	30,000	4,803	25,197
Excess (deficiency) of revenues over expenditures	-	29,360	29,360
FUND BALANCES, BEGINNING OF YEAR	51,572	51,572	-
FUND BALANCES, END OF YEAR	<u>\$ 51,572</u>	<u>\$ 80,932</u>	<u>\$ 29,360</u>

CITY OF MENTOR, OHIO
LAW ENFORCEMENT TRUST FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Fines and forfeitures	\$ 4,400	\$ 5,507	\$ 1,107
EXPENDITURES:			
Police	14,499	14,299	200
Excess (deficiency) of revenues over expenditures	(10,099)	(8,792)	1,307
Adjustment for prior year encumbrances	999	999	-
FUND BALANCES, BEGINNING OF YEAR	<u>33,657</u>	<u>33,657</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 24,557</u>	<u>\$ 25,864</u>	<u>\$ 1,307</u>

CITY OF MENTOR, OHIO
PAYROLL STABILIZATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:	\$ -	\$ -	\$ -
EXPENDITURES:			
Fire	135,643	121,549	14,094
General government	1,895	1,895	-
Parks, recreation and public facilities	43,346	33,346	10,000
Police	226,655	223,372	3,283
Streets and highways	75,790	66,580	9,210
Engineering and building	16,670	11,670	5,000
Total expenditures	<u>499,999</u>	<u>458,412</u>	<u>41,587</u>
Excess (deficiency) of revenues over expenditures	(499,999)	(458,412)	41,587
OTHER FINANCING SOURCES (USES):			
Advances in	93,005	93,005	-
Transfers in	1,223,995	1,275,412	51,417
Total other financing sources (uses)	<u>1,317,000</u>	<u>1,368,417</u>	<u>51,417</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	817,001	910,005	93,004
FUND BALANCES, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 817,001</u>	<u>\$ 910,005</u>	<u>\$ 93,004</u>

CITY OF MENTOR, OHIO
POLICE CANINE FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Donations and other	\$ 169	\$ 6,655	\$ 6,486
EXPENDITURES:			
Police:			
Employee compensation	10,000	3,512	6,488
Other	10,231	1,926	8,305
Total expenditures	<u>20,231</u>	<u>5,438</u>	<u>14,793</u>
Excess (deficiency) of revenues over expenditures	(20,062)	1,217	21,279
FUND BALANCES, BEGINNING OF YEAR	<u>20,232</u>	<u>20,232</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 170</u>	<u>\$ 21,449</u>	<u>\$ 21,279</u>

CITY OF MENTOR, OHIO
SEAT BELT GRANT FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 2,200	\$ 2,368	\$ 168
EXPENDITURES:			
Police	5,000	2,309	2,691
Excess (deficiency) of revenues over expenditures	(2,800)	59	2,859
FUND BALANCES, BEGINNING OF YEAR	<u>8,235</u>	<u>8,235</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 5,435</u>	<u>\$ 8,294</u>	<u>\$ 2,859</u>

CITY OF MENTOR, OHIO
ARRA JAG GRANT 09-13 FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 10,473	\$ 2,618	\$ (7,855)
EXPENDITURES:			
Police			
Employee compensation	5,959	2,146	3,813
Other	1,897	472	1,425
Total expenditures	<u>7,856</u>	<u>2,618</u>	<u>5,238</u>
Excess (deficiency) of revenues over expenditures	2,617	-	(2,617)
OTHER FINANCING SOURCES (USES):			
Advances in	-	10,472	10,472
Advances out	<u>(33,773)</u>	<u>(33,773)</u>	<u>-</u>
Total other financing sources (uses)	<u>(33,773)</u>	<u>(23,301)</u>	<u>10,472</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(31,156)	(23,301)	7,855
FUND BALANCES, BEGINNING OF YEAR	<u>31,157</u>	<u>31,157</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 1</u>	<u>\$ 7,856</u>	<u>\$ 7,855</u>

CITY OF MENTOR, OHIO
ARRA CDBG-R 09 FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 8,600	\$ 9,635	\$ 1,035
EXPENDITURES:			
Economic and community development	6,719	-	6,719
Excess (deficiency) of revenues over expenditures	1,881	9,635	7,754
OTHER FINANCING SOURCES (USES):			
Advances in	-	8,600	8,600
Advances out	(47,861)	(47,861)	-
Total other financing sources (uses)	(47,861)	(39,261)	8,600
Excess (deficiency) of revenues and other sources over expenditures and other uses	(45,980)	(29,626)	16,354
Adjustment for prior year encumbrances	6,719	6,719	-
FUND BALANCES, BEGINNING OF YEAR	39,261	39,261	-
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ 16,354</u>	<u>\$ 16,354</u>

CITY OF MENTOR, OHIO
ARRA DOE 09 FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 399,564	\$ 153,234	\$ (246,330)
EXPENDITURES:			
Parks, recreation and public facilities	216,891	155,790	61,101
Streets and highways	41,766	-	41,766
Total expenditures	<u>258,657</u>	<u>155,790</u>	<u>102,867</u>
Excess (deficiency) of revenues over expenditures	140,907	(2,556)	(143,463)
OTHER FINANCING SOURCES (USES):			
Advances in	-	115,000	115,000
Advances out	(334,173)	(334,173)	-
Total other financing sources (uses)	<u>(334,173)</u>	<u>(219,173)</u>	<u>115,000</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(193,266)	(221,729)	(28,463)
Adjustment for prior year encumbrances	148,221	148,221	-
FUND BALANCES, BEGINNING OF YEAR	<u>176,375</u>	<u>176,375</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 131,330</u>	<u>\$ 102,867</u>	<u>\$ (28,463)</u>

CITY OF MENTOR, OHIO
VOCA VICTIMS ASSISTANCE GRANT 10-11 FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 3,120	\$ 2,600	\$ (520)
EXPENDITURES:			
Police	3,120	3,120	-
Excess (deficiency) of revenues over expenditures	-	(520)	(520)
OTHER FINANCING SOURCES (USES):			
Advances in	3,120	-	(3,120)
Total other financing sources (uses)	3,120	-	(3,120)
Excess (deficiency) of revenues and other sources over expenditures and other uses	3,120	(520)	(3,640)
FUND BALANCES, BEGINNING OF YEAR	520	520	-
FUND BALANCES, END OF YEAR	<u>\$ 3,640</u>	<u>\$ -</u>	<u>\$ (3,640)</u>

CITY OF MENTOR, OHIO
VOCA VICTIMS ASSISTANCE GRANT 11-12 FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ -	\$ 520	\$ 520
EXPENDITURES:			
Police	-	-	-
Excess (deficiency) of revenues over expenditures	-	520	520
FUND BALANCES, BEGINNING OF YEAR	-	-	-
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ 520</u>	<u>\$ 520</u>

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, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 996,937	\$ 849,552	\$ (147,385)
Investment income	-	590	590
Total revenues	<u>996,937</u>	<u>850,142</u>	<u>(146,795)</u>
EXPENDITURES:			
Economic and community development			
Employee compensation	48,510	19,902	28,608
Other	405,521	247,624	157,897
Total expenditures	<u>454,031</u>	<u>267,526</u>	<u>186,505</u>
Excess (deficiency) of revenues over expenditures	542,906	582,616	39,710
OTHER FINANCING SOURCES (USES):			
Advances in	-	210,000	210,000
Advances out	(911,308)	(911,308)	-
Total other financing sources (uses)	<u>(911,308)</u>	<u>(701,308)</u>	<u>210,000</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(368,402)	(118,692)	249,710
FUND BALANCES, BEGINNING OF YEAR	<u>454,031</u>	<u>454,031</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 85,629</u>	<u>\$ 335,339</u>	<u>\$ 249,710</u>

CITY OF MENTOR, OHIO
COMMUNITY DEVELOPMENT BLOCK GRANT 09-10 FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 6,489	\$ 1,357	\$ (5,132)
EXPENDITURES:			
Economic and community development	6,457	1,323	5,134
Excess (deficiency) of revenues over expenditures	32	34	2
OTHER FINANCING SOURCES (USES):			
Advances in	-	177,618	177,618
Advances out	(177,618)	(177,618)	-
Total other financing sources (uses)	(177,618)	-	177,618
Excess (deficiency) of revenues and other sources over expenditures and other uses	(177,586)	34	177,620
Adjustment for prior year encumbrances	6,457	6,457	-
FUND BALANCES, BEGINNING OF YEAR	171,128	171,128	-
FUND BALANCES, END OF YEAR	<u>\$ (1)</u>	<u>\$ 177,619</u>	<u>\$ 177,620</u>

CITY OF MENTOR, OHIO
COMMUNITY DEVELOPMENT BLOCK GRANT 10-11 FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 310,805	\$ 106,423	\$ (204,382)
EXPENDITURES:			
Economic and community development			
Employee compensation	5,319	5,319	-
Other	281,573	185,503	96,070
Total expenditures	<u>286,892</u>	<u>190,822</u>	<u>96,070</u>
Excess (deficiency) of revenues over expenditures	23,913	(84,399)	(108,312)
OTHER FINANCING SOURCES (USES):			
Advances in	191,255	191,255	-
Total other financing sources (uses)	<u>191,255</u>	<u>191,255</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	215,168	106,856	(108,312)
FUND BALANCES, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 215,168</u>	<u>\$ 106,856</u>	<u>\$ (108,312)</u>

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, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ -	\$ 2,872	\$ 2,872
Investment income	<u>600</u>	<u>1,544</u>	<u>944</u>
Total revenues	<u>600</u>	<u>4,416</u>	<u>3,816</u>
EXPENDITURES:			
Police	<u>78,580</u>	<u>-</u>	<u>78,580</u>
Excess (deficiency) of revenues over expenditures	(77,980)	4,416	82,396
FUND BALANCES, BEGINNING OF YEAR	<u>88,096</u>	<u>88,096</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u><u>\$ 10,116</u></u>	<u><u>\$ 92,512</u></u>	<u><u>\$ 82,396</u></u>

CITY OF MENTOR, OHIO
RADIO EQUIPMENT UPGRADE FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 1,450,000	\$ 1,107,000	\$ (343,000)
EXPENDITURES:			
Fire	1,900,000	1,641,337	258,663
Excess (deficiency) of revenues over expenditures	(450,000)	(534,337)	(84,337)
OTHER FINANCING SOURCES (USES):			
Advances in	-	1,000,000	1,000,000
Note proceeds	450,000	-	(450,000)
Advances out	(1,000,000)	(1,000,000)	-
Total other financing sources (uses)	(550,000)	-	550,000
Excess (deficiency) of revenues and other sources over expenditures and other uses	(1,000,000)	(534,337)	465,663
Adjustment for prior year encumbrances	1,000,000	1,000,000	-
FUND BALANCES, BEGINNING OF YEAR	-	-	-
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ 465,663</u>	<u>\$ 465,663</u>

CITY OF MENTOR, OHIO
SAFE ROUTES TO SCHOOL 10-11 FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 77,714	\$ -	\$ (77,714)
EXPENDITURES:			
Parks, recreation and public facilities			
Employee compensation	25,430	15,822	9,608
Other	36,668	7,450	29,218
Police			
Employee compensation	3,730	3,730	-
Other	840	824	16
Total expenditures	<u>66,668</u>	<u>27,826</u>	<u>38,842</u>
Excess (deficiency) of revenues over expenditures	11,046	(27,826)	(38,872)
OTHER FINANCING SOURCES (USES):			
Advances in	-	74,740	74,740
Advances out	(74,740)	(74,740)	-
Total other financing sources (uses)	<u>(74,740)</u>	<u>-</u>	<u>74,740</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(63,694)	(27,826)	35,868
Adjustment for prior year encumbrances	22	22	-
FUND BALANCES, BEGINNING OF YEAR	<u>66,647</u>	<u>66,647</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 2,975</u>	<u>\$ 38,843</u>	<u>\$ 35,868</u>

CITY OF MENTOR, OHIO
COUNCIL DONATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Donations and other	\$ -	\$ 1,000	\$ 1,000
EXPENDITURES:			
General government	1,500	1,174	326
Excess (deficiency) of revenues over expenditures	(1,500)	(174)	1,326
FUND BALANCES, BEGINNING OF YEAR	<u>1,714</u>	<u>1,714</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 214</u>	<u>\$ 1,540</u>	<u>\$ 1,326</u>

CITY OF MENTOR, OHIO
POLICE DONATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Donations and other	<u>\$ 500</u>	<u>\$ 3,621</u>	<u>\$ 3,121</u>
EXPENDITURES:			
Police	<u> 2,500</u>	<u> 2,122</u>	<u> 378</u>
Excess (deficiency) of revenues over expenditures	<u>(2,000)</u>	<u> 1,499</u>	<u> 3,499</u>
FUND BALANCES, BEGINNING OF YEAR	<u> 7,374</u>	<u> 7,374</u>	<u> -</u>
FUND BALANCES, END OF YEAR	<u><u> 5,374</u></u>	<u><u> 8,873</u></u>	<u><u> 3,499</u></u>

CITY OF MENTOR, OHIO
FIRE DONATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Donations and other	\$ 3,000	\$ 190	\$ (2,810)
EXPENDITURES:			
Fire	15,000	2,589	12,411
Excess (deficiency) of revenues over expenditures	(12,000)	(2,399)	9,601
FUND BALANCES, BEGINNING OF YEAR	<u>19,435</u>	<u>19,435</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 7,435</u>	<u>\$ 17,036</u>	<u>\$ 9,601</u>

CITY OF MENTOR, OHIO
SENIOR CITIZENS DONATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Charges for services	\$ 3,400	\$ 2,873	\$ (527)
EXPENDITURES:			
Parks, recreation and public facilities	5,514	1,501	4,013
Excess (deficiency) of revenues over expenditures	(2,114)	1,372	3,486
Adjustment for prior year encumbrances	514	514	-
FUND BALANCES, BEGINNING OF YEAR	<u>17,097</u>	<u>17,097</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 15,497</u>	<u>\$ 18,983</u>	<u>\$ 3,486</u>

CITY OF MENTOR, OHIO
CULTURAL DONATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Charges for services	\$ 21,000	\$ 20,704	\$ (296)
Donations and other	<u>4,000</u>	<u>2,417</u>	<u>(1,583)</u>
Total revenues	<u>25,000</u>	<u>23,121</u>	<u>(1,879)</u>
EXPENDITURES:			
Parks, recreation and public facilities			
Employee compensation	5,000	3,756	1,244
Other	<u>82,639</u>	<u>21,587</u>	<u>61,052</u>
Total expenditures	<u>87,639</u>	<u>25,343</u>	<u>62,296</u>
Excess (deficiency) of revenues over expenditures	(62,639)	(2,222)	60,417
Adjustment for prior year encumbrances	439	439	-
FUND BALANCES, BEGINNING OF YEAR	<u>94,955</u>	<u>94,955</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 32,755</u>	<u>\$ 93,172</u>	<u>\$ 60,417</u>

CITY OF MENTOR, OHIO
BEAUTIFICATION DONATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Charges for services	\$ 1,000	\$ 1,074	\$ 74
Donations and other	-	700	700
Total revenues	<u>1,000</u>	<u>1,774</u>	<u>774</u>
EXPENDITURES:			
Parks, recreation and public facilities	<u>2,100</u>	<u>1,503</u>	<u>597</u>
Excess (deficiency) of revenues over expenditures	(1,100)	271	1,371
FUND BALANCES, BEGINNING OF YEAR	<u>1,216</u>	<u>1,216</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 116</u>	<u>\$ 1,487</u>	<u>\$ 1,371</u>

CITY OF MENTOR, OHIO
IBIM FESTIVAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Charges for services	\$ 91,000	\$ 90,445	\$ (555)
EXPENDITURES:			
Parks, recreation and public facilities			
Employee compensation	40,000	39,314	686
Other	91,399	85,533	5,866
Total expenditures	<u>131,399</u>	<u>124,847</u>	<u>6,552</u>
Excess (deficiency) of revenues over expenditures	(40,399)	(34,402)	5,997
OTHER FINANCING SOURCES (USES):			
Advances in	40,000	40,000	-
Total other financing sources (uses)	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(399)	5,598	5,997
FUND BALANCES, BEGINNING OF YEAR	<u>19,619</u>	<u>19,619</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 19,220</u>	<u>\$ 25,217</u>	<u>\$ 5,997</u>

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, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 182,600	\$ 175,863	\$ (6,737)
Investment income	-	15,609	15,609
Property taxes	1,483,000	1,475,231	(7,769)
Total revenues	<u>1,665,600</u>	<u>1,666,703</u>	<u>1,103</u>
EXPENDITURES:			
Debt service:			
Principal retirement	1,815,253	1,804,196	11,057
Interest and other charges	818,605	796,078	22,527
Total expenditures	<u>2,633,858</u>	<u>2,600,274</u>	<u>33,584</u>
Excess (deficiency) of revenues over expenditures	(968,258)	(933,571)	34,687
OTHER FINANCING SOURCES (USES):			
Advances in	-	11,057	11,057
Bond premium	-	15,054	15,054
Transfers in	126,666	137,099	10,433
Total other financing sources (uses)	<u>126,666</u>	<u>163,210</u>	<u>36,544</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(841,592)	(770,361)	71,231
FUND BALANCES, BEGINNING OF YEAR	<u>1,308,750</u>	<u>1,308,750</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 467,158</u>	<u>\$ 538,389</u>	<u>\$ 71,231</u>

CITY OF MENTOR, OHIO
PLAZA BOULEVARD EXTENSION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:	\$ -	\$ 240	\$ 240
EXPENDITURES:			
Debt service:			
Principal retirement	404,000	404,000	-
Interest and other charges	6,100	6,060	40
General government	10,020	9,877	143
Streets and highways	366,998	354,231	12,767
Engineering and building	57,110	55,055	2,055
Total expenditures	<u>844,228</u>	<u>829,223</u>	<u>15,005</u>
Excess (deficiency) of revenues over expenditures	(844,228)	(828,983)	15,245
OTHER FINANCING SOURCES (USES):			
Advances in	85,000	-	(85,000)
Note proceeds	410,350	-	(410,350)
Bond proceeds	-	541,000	541,000
Advances out	(83,750)	(83,749)	1
Total other financing sources (uses)	<u>411,600</u>	<u>457,251</u>	<u>45,651</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(432,628)	(371,732)	60,896
Adjustment for prior year encumbrances	47,628	47,628	-
FUND BALANCES, BEGINNING OF YEAR	<u>385,000</u>	<u>385,000</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ 60,896</u>	<u>\$ 60,896</u>

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, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:	\$ -	\$ -	\$ -
EXPENDITURES:	-	-	-
OTHER FINANCING SOURCES (USES):			
Advances in	37,500	37,469	(31)
Advances out	(37,469)	(37,469)	-
Total other financing sources (uses)	<u>31</u>	<u>-</u>	<u>(31)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	31	-	(31)
FUND BALANCES, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 31</u>	<u>\$ -</u>	<u>\$ (31)</u>

CITY OF MENTOR, OHIO
MARINA ROADWAY FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ -	\$ -	\$ -
EXPENDITURES:			
Debt service:			
Principal retirement	425,000	425,000	-
Interest and other charges	6,400	6,375	25
General government	1,000	106	894
Total expenditures	<u>432,400</u>	<u>431,481</u>	<u>919</u>
Excess (deficiency) of revenues over expenditures	(432,400)	(431,481)	919
OTHER FINANCING SOURCES (USES):			
Advances in	-	205,000	205,000
Note proceeds	190,000	-	(190,000)
Transfers in	240,000	225,000	(15,000)
Total other financing sources (uses)	<u>430,000</u>	<u>430,000</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(2,400)	(1,481)	919
FUND BALANCES, BEGINNING OF YEAR	<u>5,021</u>	<u>5,021</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 2,621</u>	<u>\$ 3,540</u>	<u>\$ 919</u>

CITY OF MENTOR, OHIO
MUNI CENTER ROOF FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ -	\$ -	\$ -
EXPENDITURES:			
Debt service:			
Principal retirement	200,000	200,000	-
Interest and other charges	3,000	3,000	-
General government	2,472	2,472	-
Parks, recreation and public facilities	72,802	72,802	-
Total expenditures	<u>278,274</u>	<u>278,274</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(278,274)	(278,274)	-
OTHER FINANCING SOURCES (USES):			
Bond proceeds	140,000	140,000	-
Transfers out	(3,588)	(3,588)	-
Total other financing sources (uses)	<u>136,412</u>	<u>136,412</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(141,862)	(141,862)	-
Adjustment for prior year encumbrances	72,802	72,802	-
FUND BALANCES, BEGINNING OF YEAR	<u>69,060</u>	<u>69,060</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MENTOR, OHIO
ENERGY PROGRAM FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ -	\$ -	\$ -
EXPENDITURES:			
General government	35,000	31,580	3,420
Parks, recreation and public facilities	1,695,000	242,471	1,452,529
Total expenditures	<u>1,730,000</u>	<u>274,051</u>	<u>1,455,949</u>
Excess (deficiency) of revenues over expenditures	(1,730,000)	(274,051)	1,455,949
OTHER FINANCING SOURCES (USES):			
Bond proceeds	1,730,000	1,730,000	-
Total other financing sources (uses)	<u>1,730,000</u>	<u>1,730,000</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	1,455,949	1,455,949
FUND BALANCES, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ 1,455,949</u>	<u>\$ 1,455,949</u>

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, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ -	\$ -	\$ -
EXPENDITURES:			
Streets and highways	675,000	659,581	15,419
Engineering and building	88,000	87,141	859
Total expenditures	<u>763,000</u>	<u>746,722</u>	<u>16,278</u>
Excess (deficiency) of revenues over expenditures	(763,000)	(746,722)	16,278
OTHER FINANCING SOURCES (USES):			
Advances in	763,000	763,000	-
Total other financing sources (uses)	<u>763,000</u>	<u>763,000</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	16,278	16,278
FUND BALANCES, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ 16,278</u>	<u>\$ 16,278</u>

CITY OF MENTOR, OHIO
ODNR LAGOONS FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 264,000	\$ 264,000	\$ -
EXPENDITURES:			
Parks, recreation and public facilities	10,938	10,938	-
Streets and highways			
Employee compensation	20,488	20,488	-
Other	30,313	30,313	-
Total expenditures	<u>61,739</u>	<u>61,739</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	202,261	202,261	-
OTHER FINANCING SOURCES (USES):			
Advances out	<u>(202,261)</u>	<u>(202,261)</u>	<u>-</u>
Total other financing sources (uses)	<u>(202,261)</u>	<u>(202,261)</u>	<u>-</u>
FUND BALANCES, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MENTOR, OHIO
CENTER STREET BRIDGE REPAIR FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 54,000	\$ 54,000	\$ -
EXPENDITURES:			
Debt service:			
Principal retirement	202,000	202,000	-
Interest and other charges	3,030	3,030	-
General government	4,210	4,149	61
Streets and highways	226,990	226,990	-
Engineering and building	22,509	22,497	12
Total expenditures	<u>458,739</u>	<u>458,666</u>	<u>73</u>
Excess (deficiency) of revenues over expenditures	(404,739)	(404,666)	73
OTHER FINANCING SOURCES (USES):			
Bond proceeds	228,000	228,000	-
Advances out	(110,000)	(110,000)	-
Total other financing sources (uses)	<u>118,000</u>	<u>118,000</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(286,739)	(286,666)	73
Adjustment for prior year encumbrances	230,905	230,905	-
FUND BALANCES, BEGINNING OF YEAR	<u>70,560</u>	<u>70,560</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 14,726</u>	<u>\$ 14,799</u>	<u>\$ 73</u>

CITY OF MENTOR, OHIO
PLAZA BOULEVARD RESURFACING FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 110,354	\$ 39,627	\$ (70,727)
EXPENDITURES:			
Debt service:			
Principal retirement	375,000	375,000	-
Interest and other charges	5,625	5,625	-
General government	6,828	6,828	-
Streets and highways	28,997	28,996	1
Engineering and building	17,046	17,046	-
Total expenditures	<u>433,496</u>	<u>433,495</u>	<u>1</u>
Excess (deficiency) of revenues over expenditures	(323,142)	(393,868)	(70,726)
OTHER FINANCING SOURCES (USES):			
Note proceeds	371,892	-	(371,892)
Bond proceeds	-	374,000	374,000
Advances out	(335,500)	(335,500)	-
Transfers out	(9,404)	(9,404)	-
Total other financing sources (uses)	<u>26,988</u>	<u>29,096</u>	<u>2,108</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(296,154)	(364,772)	(68,618)
Adjustment for prior year encumbrances	55,425	55,425	-
FUND BALANCES, BEGINNING OF YEAR	<u>309,347</u>	<u>309,347</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 68,618</u>	<u>\$ -</u>	<u>\$ (68,618)</u>

CITY OF MENTOR, OHIO
PLAINS ROAD IMPROVEMENT FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 49,900	\$ 5,286	\$ (44,614)
EXPENDITURES:			
Debt service:			
Principal retirement	638,000	638,000	-
Interest and other charges	10,000	9,570	430
General government	9,860	9,711	149
Streets and highways	59,012	53,860	5,152
Engineering and building	16,620	7,322	9,298
Total expenditures	<u>733,492</u>	<u>718,463</u>	<u>15,029</u>
Excess (deficiency) of revenues over expenditures	(683,592)	(713,177)	(29,585)
OTHER FINANCING SOURCES (USES):			
Note proceeds	607,000	-	(607,000)
Bond proceeds	-	532,000	532,000
Advances out	(25,000)	(25,000)	-
Total other financing sources (uses)	<u>582,000</u>	<u>507,000</u>	<u>(75,000)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(101,592)	(206,177)	(104,585)
Adjustment for prior year encumbrances	166,734	166,734	-
FUND BALANCES, BEGINNING OF YEAR	<u>54,472</u>	<u>54,472</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 119,614</u>	<u>\$ 15,029</u>	<u>\$ (104,585)</u>

CITY OF MENTOR, OHIO
STONEYBROOK IMPROVEMENT FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ -	\$ -	\$ -
EXPENDITURES:			
General government	3,851	3,851	-
Streets and highways	300,847	300,847	-
Engineering and building	56,000	56,000	-
Total expenditures	<u>360,698</u>	<u>360,698</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(360,698)	(360,698)	-
OTHER FINANCING SOURCES (USES):			
Advances in	357,600	357,600	-
Bond proceeds	215,000	215,000	-
Total other financing sources (uses)	<u>572,600</u>	<u>572,600</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	211,902	211,902	-
FUND BALANCES, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 211,902</u>	<u>\$ 211,902</u>	<u>\$ -</u>

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, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 610,000	\$ -	\$ (610,000)
EXPENDITURES:			
Debt service:			
Principal retirement	496,000	496,000	-
Interest and other charges	7,440	7,440	-
General government	7,030	7,022	8
Engineering and building	134,492	134,492	-
Total expenditures	<u>644,962</u>	<u>644,954</u>	<u>8</u>
Excess (deficiency) of revenues over expenditures	(34,962)	(644,954)	(609,992)
OTHER FINANCING SOURCES (USES):			
Note proceeds	510,000	-	(510,000)
Bond proceeds	-	385,000	385,000
Total other financing sources (uses)	<u>510,000</u>	<u>385,000</u>	<u>(125,000)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	475,038	(259,954)	(734,992)
Adjustment for prior year encumbrances	225,301	225,301	-
FUND BALANCES, BEGINNING OF YEAR	<u>34,661</u>	<u>34,661</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 735,000</u>	<u>\$ 8</u>	<u>\$ (734,992)</u>

CITY OF MENTOR, OHIO
ARRA TYLER RESURFACING FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 406,326	\$ 364,342	\$ (41,984)
EXPENDITURES:			
Streets and highways	331,114	331,114	-
Engineering and building			
Employee compensation	1,568	1,568	-
Other	30,620	30,620	-
Total expenditures	<u>363,302</u>	<u>363,302</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	43,024	1,040	(41,984)
OTHER FINANCING SOURCES (USES):			
Advances out	<u>(388,739)</u>	<u>(388,739)</u>	<u>-</u>
Total other financing sources (uses)	<u>(388,739)</u>	<u>(388,739)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(345,715)	(387,699)	(41,984)
Adjustment for prior year encumbrances	361,992	361,992	-
FUND BALANCES, BEGINNING OF YEAR	<u>25,707</u>	<u>25,707</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 41,984</u>	<u>\$ -</u>	<u>\$ (41,984)</u>

CITY OF MENTOR, OHIO
CORDUROY BIKEWAY CONNECTOR FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:	\$ -	\$ -	\$ -
EXPENDITURES:			
General government	3,900	3,838	62
Engineering and building	<u>202,100</u>	<u>128,092</u>	<u>74,008</u>
Total expenditures	<u>206,000</u>	<u>131,930</u>	<u>74,070</u>
Excess (deficiency) of revenues over expenditures	(206,000)	(131,930)	74,070
OTHER FINANCING SOURCES (USES):			
Advances in	206,000	206,000	-
Bond proceeds	<u>-</u>	<u>210,000</u>	<u>210,000</u>
Total other financing sources (uses)	<u>206,000</u>	<u>416,000</u>	<u>210,000</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	284,070	284,070
FUND BALANCES, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ 284,070</u>	<u>\$ 284,070</u>



STATISTICAL SECTION



Mentor Headlands Beach

*the city of choice!*SM

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.

<u>Contents</u>	<u>Page</u>
<i>Financial Trends</i> 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
<i>Revenue Capacity</i> 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
<i>Debt Capacity</i> 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
<i>Demographic and Economic Information</i> 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
<i>Operating Information</i> 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. The city implemented Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

CITY OF MENTOR, OHIO
Net Assets By Components
Last Nine Fiscal Years
(Accrual Basis of Accounting)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
GOVERNMENTAL ACTIVITIES									
Invested in Capital Assets, Net of Related Debt	\$ 137,998,058	\$ 140,546,570	\$ 143,332,857	\$ 143,782,111	\$ 146,853,882	\$ 146,106,516	\$ 144,331,191	\$ 142,321,257	\$ 137,537,568
Restricted -									
Debt Service	16,918,313	19,193,569	20,799,179	21,055,145	10,061,284	10,308,462	8,416,626	9,440,732	9,869,233
Capital Projects	1,862,140	896,332	-	655,800	814,484	1,045,244	608,301	580,697	526,096
Streets and Public Safety	6,346,121	4,891,288	5,272,319	4,883,112	6,007,323	5,681,478	5,202,402	4,081,130	4,304,140
Unrestricted (Deficit)	<u>22,903,072</u>	<u>21,781,098</u>	<u>20,317,849</u>	<u>21,036,657</u>	<u>19,617,839</u>	<u>18,237,072</u>	<u>19,891,696</u>	<u>19,705,506</u>	<u>18,708,417</u>
<i>Total Governmental Net Assets</i>	<u>\$ 186,027,704</u>	<u>\$ 187,308,857</u>	<u>\$ 189,722,204</u>	<u>\$ 191,412,825</u>	<u>\$ 183,354,812</u>	<u>\$ 181,378,772</u>	<u>\$ 178,450,216</u>	<u>\$ 176,129,322</u>	<u>\$ 170,945,454</u>

Note: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

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

	2011	2010	2009	2008	2007	2006	2005	2004	2003
Program Revenues									
Governmental Activities:									
Charges for Services:									
General Government	\$2,517,264	\$2,473,236	\$2,518,135	\$2,247,383	\$2,583,475	\$2,083,099	\$1,953,882	\$1,898,955	\$1,887,632
Police	647,865	136,909	201,537	59,522	67,362	56,520	65,584	76,841	89,162
Fire	1,876,345	1,442,054	1,002,270	1,208,016	920,458	8,050	5,683	6,756	43,782
Streets & Highways	1,251,159	1,080,564	1,094,893	1,174,704	1,166,350	1,043,860	1,157,879	1,066,234	1,143,244
Parks, Recreation & Public Facilities	4,219,193	4,192,731	4,202,393	4,050,431	3,952,388	4,001,727	3,734,490	2,782,247	2,686,242
Economic & Community Development	79,196	60,462	64,594	51,657	55,100	49,475	56,716	38,722	49,142
Engineering & Building	670,800	607,475	493,255	535,210	524,788	597,664	546,780	670,619	660,744
<i>Subtotal - Charges for Services</i>	<u>11,261,822</u>	<u>9,993,431</u>	<u>9,577,077</u>	<u>9,326,923</u>	<u>9,269,921</u>	<u>7,840,395</u>	<u>7,521,014</u>	<u>6,540,374</u>	<u>6,559,948</u>
Operating Grants and Contributions:									
General Government	190,468	45,317	43,077	107,462	78,008	54,788	47,636	58,818	49,124
Police	78,606	140,216	71,067	56,516	165,507	57,709	6,657	84,477	100,731
Fire	337,690	221,667	48,748	43,180	37,335	64,437	102,094	37,262	88,218
Streets & Highways	374,048	3,416,057	281,441	601,810	225,653	687,388	220,387	367,239	341,133
Parks, Recreation & Public Facilities	438,115	191,134	299,751	264,543	88,085	35,710	251,235	88,050	71,606
Economic & Community Development	1,128,963	201,388	155,132	239,008	347,998	97,492	128,553	186,515	162,339
Engineering & Building	-	383	-	-	-	-	-	-	275,111
<i>Subtotal - Operating Grants and Contributions</i>	<u>2,547,890</u>	<u>4,216,162</u>	<u>899,216</u>	<u>1,312,519</u>	<u>942,586</u>	<u>997,524</u>	<u>756,562</u>	<u>822,361</u>	<u>1,088,262</u>
Capital Grants and Contributions:									
General Government	-	-	-	-	-	-	-	-	-
Police	71,580	986,000	6,640	7,000	65,725	24,925	38,303	41,122	55,420
Fire	1,103,268	-	-	-	8,314	-	-	-	100,000
Streets & Highways	31,884	70,464	352,618	11,149,879	223,566	3,387,422	2,543,371	8,809,265	5,430,713
Parks, Recreation & Public Facilities	-	140,000	69,432	50,364	154,830	1,860,118	1,450,489	55,000	1,974,932
Economic & Community Development	-	-	-	-	-	-	51,839	44,581	180,374
Engineering & Building	240	-	-	-	-	-	-	45,943	0
Interest and Other Charges	-	-	582,594	293,916	317,452	370,755	481,875	524,071	542,586
<i>Subtotal - Capital Grants and Contributions</i>	<u>1,206,972</u>	<u>1,196,464</u>	<u>1,011,284</u>	<u>11,501,159</u>	<u>769,887</u>	<u>5,643,220</u>	<u>4,565,877</u>	<u>9,519,982</u>	<u>8,284,025</u>
<i>Total Governmental Program Revenues</i>	<u>15,016,684</u>	<u>15,406,057</u>	<u>11,487,577</u>	<u>22,140,601</u>	<u>10,982,394</u>	<u>14,481,139</u>	<u>12,843,453</u>	<u>16,882,717</u>	<u>15,932,235</u>

Continued

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

	2011	2010	2009	2008	2007	2006	2005	2004	2003
Expenses									
Governmental Activities:									
General Government	7,191,527	7,232,734	7,185,265	7,889,366	7,300,405	7,550,150	7,201,492	6,998,884	7,545,494
Police	12,950,663	12,727,229	12,350,647	12,274,557	11,680,006	11,276,837	10,759,750	10,604,664	10,013,387
Fire	13,373,637	12,012,648	11,842,353	11,790,289	11,093,519	10,674,056	10,251,159	9,502,396	9,070,349
Streets and Highways	14,651,958	17,822,415	13,816,327	16,405,625	13,482,845	14,120,600	12,062,550	13,880,008	12,170,074
Parks, Recreation & Public Facilities	8,302,334	7,944,763	7,860,266	7,763,173	9,225,254	8,406,060	8,382,989	7,641,284	7,187,899
Economic & Community Development	2,128,528	1,953,020	764,306	1,680,361	1,821,134	1,336,892	1,247,418	1,336,548	1,229,646
Engineering & Building	2,094,279	2,245,519	2,057,180	2,191,074	2,131,217	1,748,986	1,678,511	1,833,510	1,882,276
Interest and Other Charges	1,400,501	1,519,472	1,535,426	1,577,022	1,538,100	1,636,342	1,285,841	1,583,354	1,710,007
<i>Total Governmental Activities Expenses</i>	<u>62,093,427</u>	<u>63,457,800</u>	<u>57,411,770</u>	<u>61,571,467</u>	<u>58,272,480</u>	<u>56,749,923</u>	<u>52,869,710</u>	<u>53,380,648</u>	<u>50,809,132</u>
Net (Expense)/Revenue									
<i>Total Governmental Net Expense</i>	<u>\$ (47,076,743)</u>	<u>\$ (48,051,743)</u>	<u>\$ (45,924,193)</u>	<u>\$ (39,430,866)</u>	<u>\$ (47,290,086)</u>	<u>\$ (42,268,784)</u>	<u>\$ (40,026,257)</u>	<u>\$ (36,497,931)</u>	<u>\$ (34,876,897)</u>
General Revenues and Other Changes in Net Assets									
Governmental Activities									
Taxes:									
Municipal Income Taxes Levied	32,647,234	30,895,408	29,690,527	32,831,801	32,267,383	29,885,930	28,019,315	27,729,472	26,338,127
Property Taxes Levied									
General Purposes	1,853,917	1,637,370	1,784,878	1,943,948	1,795,300	2,111,122	2,011,037	1,569,225	1,306,313
Special Revenue	1,909,238	2,203,325	2,165,635	2,215,269	2,219,417	2,179,159	2,062,913	2,041,450	1,941,861
Debt Service	1,524,324	2,085,698	2,018,418	1,901,892	2,072,165	1,508,048	1,436,550	1,854,132	1,634,249
Other Local Taxes	477,642	437,875	443,167	424,852	786,290	754,113	733,874	775,571	732,210
Payments in Lieu of Taxes	203,186	230,725	232,416	-	-	-	-	-	-
Shared Revenues	6,285,208	7,115,438	6,872,454	7,692,358	8,314,320	7,272,144	7,402,225	7,093,817	6,914,549
Other Grants and Contributions	-	-	20,047	79,068	163,737	298,564	55,458	63,216	59,612
Unrestricted Investment Earnings	790,645	982,759	982,064	307,232	1,124,560	920,404	583,428	510,565	680,325
Note Premium	-	-	-	-	-	86,954	-	-	-
Other	104,196	49,798	23,966	92,459	522,954	180,902	42,351	44,351	412,295
<i>Total Governmental General Revenues and Other Changes in Net Assets</i>	<u>45,795,590</u>	<u>45,638,396</u>	<u>44,233,572</u>	<u>47,488,879</u>	<u>49,266,126</u>	<u>45,197,340</u>	<u>42,347,151</u>	<u>41,681,799</u>	<u>40,019,541</u>
Change in Net Assets									
<i>Total Governmental Change in Net Assets</i>	<u>\$ (1,281,153)</u>	<u>\$ (2,413,347)</u>	<u>\$ (1,690,621)</u>	<u>\$ 8,058,013</u>	<u>\$ 1,976,040</u>	<u>\$ 2,928,556</u>	<u>\$ 2,320,894</u>	<u>\$ 5,183,868</u>	<u>\$ 5,142,644</u>

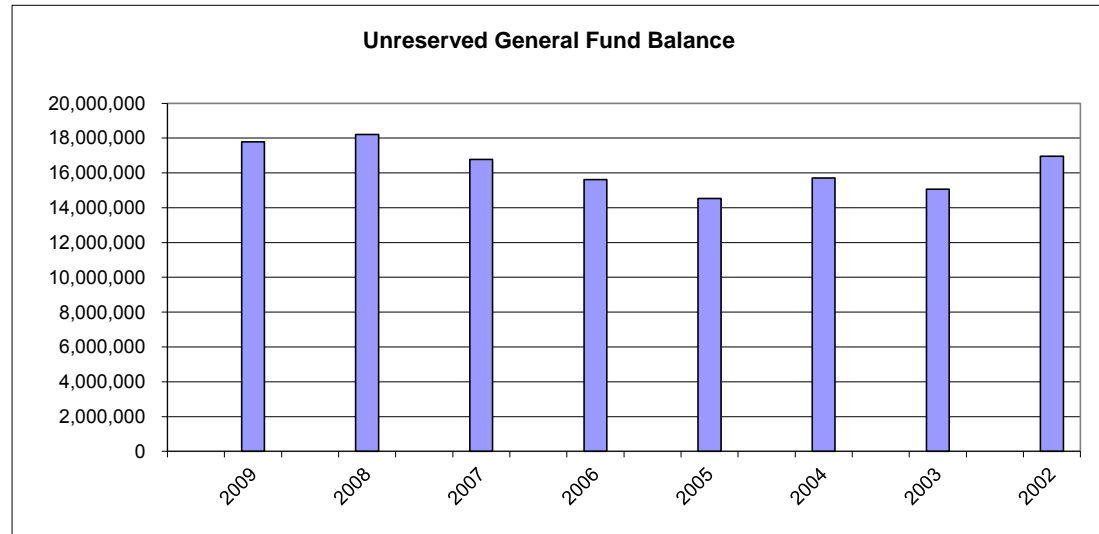
Note: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

CITY OF MENTOR, OHIO
Fund Balances, Governmental Funds
Last Two Fiscal Years
(Modified Accrual Basis of Accounting)

	<u>2011</u>	<u>2010</u>
General Fund		
Nonspendable	632,706	703,444
Committed	817,000	-
Assigned	5,080,438	5,041,996
Unassigned	<u>18,404,064</u>	<u>15,888,488</u>
Total General Fund	<u>24,934,208</u>	<u>21,633,928</u>
All Other Governmental Funds		
Restricted	6,982,595	4,828,350
Committed	578,649	510,106
Unassigned	<u>(510,660)</u>	<u>(3,004,949)</u>
Total All Other Governmental Funds	<u>7,050,584</u>	<u>2,333,507</u>
Total Governmental Funds	<u><u>31,984,792</u></u>	<u><u>23,967,435</u></u>

CITY OF MENTOR, OHIO
Fund Balances, Governmental Funds
Prior Eight Fiscal Years
(Modified Accrual Basis of Accounting)

	2009	2008	2007	2006	2005	2004	2003	2002
General Fund								
Reserved	\$2,162,956	\$1,462,499	\$1,215,466	\$1,582,283	\$1,351,276	\$1,973,554	\$3,031,581	\$3,995,269
Unreserved	17,781,308	18,215,631	16,777,646	15,613,237	14,530,983	15,707,167	15,057,255	16,965,404
Total General Fund	19,944,264	19,678,130	17,993,112	17,195,520	15,882,259	17,680,721	18,088,836	20,960,673
All Other Governmental Funds								
Reserved	2,460,771	2,848,063	2,349,192	2,125,908	1,330,417	1,249,201	1,129,438	2,331,255
Unreserved, Reported in:								
Special Revenue Funds	3,587,542	3,008,409	4,145,223	4,455,878	4,137,732	3,222,412	2,830,931	2,276,450
Debt Service Fund								
Capital Projects Funds	(715,738)	(4,300,077)	168,097	(753,927)	(705,498)	(515,057)	(369,719)	(998,715)
Total All Other Governmental Funds	5,332,575	1,556,395	6,662,512	5,827,859	4,762,651	3,956,556	3,590,650	3,608,990
Total Governmental Funds	\$25,276,839	\$21,234,525	\$24,655,624	\$23,023,379	\$20,644,910	\$21,637,277	\$21,679,486	\$24,569,663



CITY OF MENTOR, OHIO
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Revenues										
Property Taxes	\$5,280,016	\$5,653,190	\$5,968,931	\$6,061,110	\$6,086,882	\$5,798,328	\$5,510,500	\$5,464,463	\$4,962,416	\$4,900,827
Municipal Income Taxes	33,763,684	31,076,262	29,691,413	32,960,086	31,346,263	29,944,652	28,735,602	26,813,889	26,435,708	26,686,076
Other Local Taxes	477,642	437,902	443,137	424,852	786,290	754,522	733,464	775,571	732,210	739,099
Payments in Lieu of Taxes	203,186	230,725	232,416	-	-	-	-	-	-	-
Intergovernmental	11,126,116	11,246,323	8,454,989	8,698,588	9,117,427	10,330,679	11,009,784	14,808,365	13,042,568	10,139,016
Charges for Services	5,815,572	5,867,129	5,418,323	5,478,221	5,040,814	4,049,658	3,796,645	2,793,584	2,835,243	2,740,706
Fines and Forfeitures	1,442,029	1,652,512	1,521,951	1,434,560	1,455,174	1,435,683	1,430,104	1,460,402	1,457,235	1,360,790
Licenses, Permits and Inspections	1,419,526	1,382,489	1,380,055	1,191,262	1,594,216	1,253,441	1,076,848	1,169,226	1,110,261	1,082,882
Special Assessments	2,546,624	2,206,866	2,314,723	1,874,013	2,114,952	2,136,312	3,004,125	2,336,570	2,337,359	1,958,849
Investment Income	790,645	982,759	1,002,111	386,300	1,288,297	1,218,968	647,026	576,607	758,196	1,580,682
Donations and Other	344,518	171,152	143,618	352,944	726,317	293,426	292,745	1,796,499	763,324	186,451
Total Revenues	63,209,558	60,907,309	56,571,667	58,861,936	59,556,632	57,215,669	56,236,843	57,995,176	54,434,520	51,375,378
Expenditures										
Current:										
General Government	6,892,217	7,045,850	7,111,144	7,742,983	7,181,507	7,058,856	7,089,759	6,848,689	7,387,217	6,620,824
Security of Persons and Property:										
Police	12,034,061	12,076,194	11,847,987	11,710,603	11,200,112	10,535,879	10,278,880	9,967,486	9,499,252	8,851,538
Fire	11,385,682	11,329,917	11,141,863	10,991,511	10,487,605	9,961,438	9,617,904	8,917,993	8,584,765	8,159,466
Streets & Highways	11,355,744	14,580,839	10,618,043	12,137,320	9,577,178	9,217,664	9,516,798	9,716,845	9,201,015	7,846,277
Parks, Recreation and Public Facilities	7,114,044	6,813,566	6,786,499	6,556,010	8,054,630	7,771,902	7,187,975	6,428,368	6,016,077	6,412,685
Economic & Community Development	2,084,967	1,946,043	754,252	1,718,496	1,824,162	1,312,148	1,238,926	1,309,906	1,217,252	1,213,590
Engineering and Building	2,010,053	2,214,863	2,030,867	2,127,362	2,104,396	1,650,631	1,596,813	1,791,941	1,807,059	1,920,058
Capital Outlay	2,554,372	2,201,521	2,881,089	5,743,075	5,020,964	10,406,978	12,913,502	9,739,603	10,201,726	8,454,079
Other	-	-	-	-	-	-	-	-	-	-
Debt Service:										
Principal Retirement	2,695,139	2,549,781	2,307,726	1,997,389	8,971,061	8,816,885	9,400,000	2,010,000	1,930,000	1,700,000
Interest and Other Expenditures	1,365,238	1,495,005	1,499,620	1,429,490	1,510,150	1,609,446	1,488,260	1,684,862	1,719,536	1,899,233
Total Expenditures	59,491,517	62,253,579	56,979,090	62,154,239	65,931,765	68,341,827	70,328,817	58,415,693	57,563,899	53,077,750
<i>Excess of Revenues Over</i> <i>(Under) Expenditures</i>	<u>3,718,041</u>	<u>(1,346,270)</u>	<u>(407,423)</u>	<u>(3,292,303)</u>	<u>(6,375,133)</u>	<u>(11,126,158)</u>	<u>(14,091,974)</u>	<u>(420,517)</u>	<u>(3,129,379)</u>	<u>(1,702,372)</u>
Other Financing Sources (Uses)										
Issuance of Bonds	4,355,000	-	4,335,000	7,505,000	-	-	15,541,714	5,948,605	-	4,850,738
Payment to Refunded Bonds Escrow Agent	-	-	-	-	-	-	(9,009,278)	(5,850,913)	-	-
Issuance of Notes/OPWC Loans	-	-	34,116	-	7,949,653	13,473,842	6,496,148	188,111	-	-
Premium on Bonds	15,054	-	-	-	-	-	-	-	-	-
Transfers In	362,099	711,190	543,863	663,300	1,381,859	859,454	1,586,576	1,134,349	500,181	1,367,547
Transfers Out	(362,099)	(711,190)	(543,863)	(663,300)	(1,381,859)	(859,454)	(1,586,576)	(1,134,349)	(500,181)	(1,367,547)
Other	-	-	21,485	49,498	18,851	86,954	-	-	-	-
Total Other Financing Sources (Uses)	4,370,054	-	4,390,601	7,554,498	7,968,504	13,560,796	13,028,584	285,803	-	4,850,738
Net Change in Fund Balances	\$8,088,095	(\$1,346,270)	\$3,983,178	\$4,262,195	\$1,593,371	\$2,434,638	(\$1,063,390)	(\$134,714)	(\$3,129,379)	\$3,148,366
Debt Service as a Percentage of Noncapital Expenditures	7.2%	6.8%	7.0%	5.9%	17.2%	17.9%	19.1%	7.3%	7.7%	8.1%

CITY OF MENTOR, OHIO
*Assessed Valuation and Estimated Actual Values of Taxable Property
 Last Ten Fiscal Years*

Tax Year/ Collection Year	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
	Real Property	Other Real Estate & Public Utility Property	Tangible Personal Property				
2001/2002	\$ 1,169,553,690	\$ 38,507,980	\$ 177,900,785	\$ 1,385,962,455	4.50	\$ 3,341,581,971	41.48%
2002/2003	1,189,075,230	36,151,460	170,313,459	1,395,540,149	4.50	3,397,357,800	41.08%
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%

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

<u>Tax Year/ Collection Year</u>	<u>City of Mentor Direct Rates</u>				<u>Mentor Exempted Village School District ¹</u>	<u>Lake County</u>	<u>Total</u>
	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Total</u>			
2001/2002	\$ 1.10	\$ 2.10	\$ 1.30	\$ 4.50	\$ 67.42	\$ 15.70	\$ 87.62
2002/2003	1.10	2.10	1.30	4.50	67.40	15.70	87.60
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

¹Includes Mentor Public Library

SOURCE: Office of the Lake County Auditor

CITY OF MENTOR, OHIO
Principal Property Tax Payers
Current Year and Nine Years Ago

<u>Taxpayer</u>	<u>2011</u>		<u>2002</u>	
	<u>Taxable Assessed Value</u>	<u>Percentage of Total City Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Percentage of Total City Taxable Assessed Value</u>
Simon Property Group Ltd Partnership	\$ 27,595,230	1.82%	\$ 20,547,720	1.70%
Cleveland Electric Illuminating Co.	20,961,070	1.39%	19,857,970	1.64%
Aqua Ohio/Consumers Ohio Water	13,330,210	0.88%	6,668,730	0.55%
Steris Corporation	8,743,720	0.58%	7,735,370	0.64%
Points East	7,307,240	0.48%	6,151,250	0.51%
First Interstate	4,579,600	0.30%	3,446,690	0.29%
Lake Hospital Systems Inc.	4,126,310	0.27%	-	0.00%
FI Mentor Commons LTD	3,989,360	0.26%	3,717,760	0.31%
Deepwood North Co.	3,785,250	0.25%	3,584,460	0.30%
McKay Real Estate Corp.	3,492,550	0.23%	-	0.00%
Michaels, Inc.	3,259,690	0.22%	-	0.00%
Lincoln Electric Co.	3,125,590	0.21%	-	0.00%
Avery International Corp.	-	0.00%	3,469,110	0.29%
Ohio Bell Telephone Company	-	0.00%	7,231,740	0.60%
Euclid Clinic Foundation	-	0.00%	4,005,170	0.33%
Summerville at Mentor, Inc.	-	0.00%	3,760,740	0.31%
Total Principal Taxpayers	<u>\$ 104,295,820</u>		<u>\$ 90,176,710</u>	
Total Real City Property (including other real estate and public utility property)	<u>\$1,512,645,280</u>		<u>\$ 1,208,061,670</u>	

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

<u>Tax Levy Year</u>	<u>Net Tax Levy</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Outstanding Accumulated Delinquent Taxes*</u>	<u>Total Collections Including Delinquencies</u>	<u>Percentage of Total Collections to Net Levy</u>
		<u>Amount</u>	<u>Percentage of Levy</u>			
2001	\$ 4,678,297	\$ 4,545,230	97.2%	\$ 147,110	\$ 4,647,946	99.4%
2002	4,723,775	4,610,929	97.6%	107,612	4,785,800	100.0%
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%

* 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)

<u>Tax Year</u>	<u>Total Tax Collected</u>	<u>Tax from Withholding</u>	<u>Tax from Net Profit</u>	<u>Tax from Individuals</u>	<u>Tax Rate</u>
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%
2003	26,725,365	20,781,998	2,905,964	3,037,403	2.0%
2002	26,476,937	20,067,463	3,303,399	3,106,075	2.0%

CITY OF MENTOR, OHIO
Top Ten Income Tax Withholders
Current Year and Nine Years Ago

<u>2011</u>		<u>2002</u>	
<u>Rank</u>	<u>Name</u>	<u>Rank</u>	<u>Name</u>
1	Mentor Exempted Village Schools	1	Mentor Exempted Village Schools
2	Avery Dennison	2	Steris Corporation
3	Steris Corporation	3	Jim Brown Chevy
4	City of Mentor	4	Lake County Auditor
5	Lake County Auditor	5	City of Mentor
6	Classic Group	6	PCC Airfoils
7	PCC Airfoils	7	Lincoln Electric
8	Lincoln Electric	8	Parker Hannifan Group
9	Component Repair Technologies	9	Avery Dennison
10	US Endoscopy Group	10	Euclid Clinic Foundation

Source: City of Mentor, Finance Department

CITY OF MENTOR, OHIO
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Year	Governmental Activities			Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	General Obligation Bonds	Special Assessment Bonds	Bond Anticipation Notes and Other Loans Payable			
2002	19,335,015	10,184,985	30,000	29,550,000	2.39%	588
2003	18,160,824	9,439,176	20,000	27,620,000	2.23%	549
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

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 on page 172 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
2002	50,278	1,385,962,455	19,335,015	222,000	19,113,015	1.38%	380.15
2003	50,278	1,395,540,149	18,160,824	173,787	17,987,037	1.29%	357.75
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

SOURCES: ¹ U.S. Bureau of Census 1990, 2000 and 2010

² Office of the Lake County Auditor

CITY OF MENTOR, OHIO

Direct and Overlapping Debt

December 31, 2011

	General Obligation Bonded Debt Outstanding	Percentage Applicable to City of Mentor	Amount Applicable to Taxpayers of City of Mentor
Direct:			
City of Mentor	<u>\$ 20,854,387</u>	100.00%	<u>\$ 20,854,387</u>
Overlapping:			
Mentor Exempted Village School District and Mentor Public Library	2,841,333	82.85%	2,354,044
Lake County	<u>14,930,000</u>	23.59%	<u>3,521,987</u>
Total Overlapping	<u>17,771,333</u>		<u>5,876,031</u>
TOTAL	<u>\$ 38,625,720</u>		<u>\$ 26,730,418</u>

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

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Overall Legal Debt Limit (10.5 % of Assessed Valuation)	\$ 158,827,754	\$ 159,046,818	\$ 172,169,298	\$ 176,085,944	\$ 177,558,977	\$ 165,957,868	\$ 167,472,123	\$ 166,479,484	\$ 146,531,716	\$ 145,526,058
Net Debt Within 10.5% Limitations	<u>20,854,387</u>	<u>15,552,526</u>	<u>19,991,107</u>	<u>21,286,131</u>	<u>19,244,376</u>	<u>20,684,065</u>	<u>22,190,430</u>	<u>16,904,957</u>	<u>18,007,037</u>	<u>19,143,015</u>
Legal Debt Margin Within 10.5% Limitation	<u>\$ 137,973,367</u>	<u>\$ 143,494,292</u>	<u>\$ 152,178,191</u>	<u>\$ 154,799,813</u>	<u>\$ 158,314,601</u>	<u>\$ 145,273,803</u>	<u>\$ 145,281,693</u>	<u>\$ 149,574,527</u>	<u>\$ 128,524,679</u>	<u>\$ 126,383,043</u>
Total Net Debt Applicable to the 10.5% Limit as a Percentage of the Debt Limit	13.13%	9.78%	11.61%	12.09%	10.84%	12.46%	13.25%	10.15%	12.29%	13.15%
Unvoted Debt Limitation - 5.5% of Assessed Valuation	83,195,490	83,310,238	90,183,918	92,235,495	93,007,083	86,930,312	\$ 87,723,493	87,203,539	76,754,708	76,227,935
Debt Within 5.5% Limitations	<u>20,854,387</u>	<u>15,552,526</u>	<u>19,991,107</u>	<u>21,286,131</u>	<u>19,244,376</u>	<u>20,684,065</u>	<u>22,190,430</u>	<u>16,904,957</u>	<u>18,007,037</u>	<u>19,143,015</u>
Legal Debt Margin Within 5.5% Limitations	<u>\$ 62,341,103</u>	<u>\$ 67,757,712</u>	<u>\$ 70,192,811</u>	<u>\$ 70,949,364</u>	<u>\$ 73,762,707</u>	<u>\$ 66,246,247</u>	<u>\$ 65,533,063</u>	<u>\$ 70,298,582</u>	<u>\$ 58,747,671</u>	<u>\$ 57,084,920</u>
Total Debt Applicable to the 5.5% Limit as a Percentage of the Debt Limit	25.07%	18.67%	22.17%	23.08%	20.69%	23.79%	25.30%	19.39%	23.46%	25.11%

LEGAL DEBT MARGIN CALCULATION FOR 2011

Assessed Valuation	\$ 1,512,645,280
Overall Debt Limitation - 10.5% of Assessed Valuation	158,827,754
Gross Indebtedness	32,157,208
Less: OWDA/OPWC	572,208
Special Assessment Bonds & Notes	<u>10,730,613</u>
Net Debt Within 10.5% Limitations-General Obligation Bonds	<u>20,854,387</u>
Legal Debt Margin Within 10.5% Limitation	<u>\$ 137,973,367</u>
Unvoted Debt Limitation - 5.5% of Assessed Valuation	83,195,490
Gross Indebtedness Authorized by Council	20,854,387
Less Debt Outside Limitations-Voted	<u>-</u>
Debt Within 5.5% Limitations	<u>20,854,387</u>
Legal Debt Margin Within 5.5% Limitation	<u>\$ 62,341,103</u>

CITY OF MENTOR, OHIO

Pledged-Revenue Coverage

Last Ten Fiscal Years

SPECIAL ASSESSMENT BONDS

<u>Year</u>	<u>Special Assessment Collections</u>	<u>Debt Service</u>		<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	
2002	933,375	569,381	461,534	0.91
2003	1,283,958	745,809	635,123	0.93
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

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	Population¹	Total Personal Income²	Per Capita Personal Income¹	Median Household Income¹	Unemployment Rate³
2002	50,278	1,236,436,576	24,592	65,322	4.0%
2003	50,278	1,236,436,576	24,592	65,322	4.9%
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%

SOURCES:

¹ U.S. Bureau of Census 1990, 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

<u>Employer</u>	<u>2011</u>			<u>2002</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Mentor Public Schools	999	1	2.96%	1,202	1	4.27%
Steris Corp.	980	2	2.91%	700	3	2.48%
City of Mentor ¹	816	3	2.42%	788	2	2.80%
Deepwood/Lake County MRDD	460	4	1.37%	500	5	1.77%
Avery Dennison	450	5	1.34%	-	-	-
PCC Airfoil	425	6	1.26%	480	6	1.70%
U.S. Endoscopy	385	7	1.14%	-	-	-
Component Repair Technologies	375	8	1.11%	-	-	-
Lincoln Electric	357	9	1.06%	515	4	1.83%
Beech Technologies	250	10	0.74%	-	-	-
JC Penney Co.	-	-	-	310	10	1.10%
Mag-Nif, Co.	-	-	-	350	9	1.24%
Sear's Roebuck & Co.	-	-	-	375	8	1.33%
Super K-Mart	-	-	-	400	7	1.42%
Total Employees within the City:			<u>33,696</u>			<u>28,173</u>

¹Includes Part-time and Seasonal Employees

SOURCE:

City of Mentor, Department of Economic Development
 US Census Data from 2004 and 2000

CITY OF MENTOR, OHIO

Full-Time City Government Employees by Function/Program

Last Ten Fiscal Years

Function/Program	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Government										
Council	2	2	2	2	2	2	2	2	2	2
Finance	10	10	11	13	12	13	12	14	14	14
City Manager/Personnel	14	14	15	15	14	16	16	15	15	14
Law	2	2	2	2	2	2	2	2	2	2
Engineering/Building*	19	19	20	21	21	17	17	18	19	21
Court	21	21	21	22	22	21	20	21	21	18
Security of Persons and Property										
Police	110	110	112	112	111	112	109	112	108	108
Fire	76	76	76	79	79	79	79	78	71	73
Public Health Services										
Cemetery	3	3	4	5	5	4	5	5	5	5
Parks, Recreation & Public Facilities	24	24	23	23	35	37	37	34	36	38
Economic & Community Development										
Economic Development/Planning*	8	8	8	7	9	12	12	11	12	12
Streets & Highways	69	69	72	75	62	64	62	65	63	65
Totals:	358	358	366	376	374	379	373	377	368	372

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

*the city of choice!*SM



CITY OF MENTOR, OHIO
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Governmental										
General Government										
Council - Ordinances & Resolutions	124	138	143	149	160	174	139	140	203	144
Personnel - Civil Service Exams (taken)	136	29	421	0	312	38	415	19	576	0
Court - Number of Cases	10,962	12,506	12,069	11,515	10,364	10,410	11,427	11,821	11,168	11,283
Finance										
Number of A/P Checks Processed	9,034	9,593	9,002	9,976	9,918	11,963	12,119	12,103	12,236	11,887
Number of Purchase Orders Issued	4,364	4,074	4,215	4,477	4,394	4,322	4,764	4,704	5,005	5,605
Security of Persons and Property										
Police										
Criminal Arrests	2,241	2,433	2,390	2,417	2,516	2,890	2,366	2,400	2,175	2,275
Traffic Citations	6,838	7,974	7,319	6,525	7,161	7,557	8,659	8,960	8,851	9,120
Parking Citations	1,341	1,718	1,588	1,083	1,082	1,425	998	1,276	1,452	1,748
Fire - Total Number of Calls	6,975	6,579	6,513	6,467	6,423	6,063	6,190	5,827	5,925	6,036
Building & Engineering										
Building Permits Issued	3,194	2,576	2,296	2,558	2,613	2,966	2,845	3,013	3,072	2,946
Inspections - Residential	4,363	4,211	4,691	4,235	5,688	6,299	6,577	6,575	7,358	7,474
Inspections - Commercial	3,106	4,220	3,957	4,154	4,478	4,960	4,259	4,512	3,545	3,281
Parks, Recreation & Public Facilities										
Pools - Attendance	99,696	102,570	83,426	101,133	92,588	101,653	112,449	100,017	109,995	125,293
Senior Center - Program Participants	5,227	5,583	5,439	5,189	4,808	4,210	3,876	3,528	3,598	3,532
Golf Course - Rounds of Golf	35,720	40,168	40,897	41,019	41,284	41,361	35,562	N/A	N/A	N/A
Marina - Dock Rentals	528	519	500	510	521	503	510	494	484	470
Arena - Tournaments/Special Events	12	13	9	9	9	10	6	6	6	4
Arena - Number of Admissions	18,853	12,291	12,609	13,736	20,099	25,010	20,400	20,600	20,660	20,565
Cemetery - Number of Internments	204	227	211	239	227	238	238	233	244	250
Streets and Highways										
Streets Resurfaced (miles)	0.3	2.6	3.9	2.1	8.0	4.3	5.8	7.0	8.0	6.7
Concrete Pavement Replacements (cu yd)	130	57	596	526	400	410	400	300	700	200
Hazardous Ditch Enclosures (In ft)	-	1,900	2,385	6,551	2,580	9,200	10,200	8,000	10,000	12,000
Drainage Assistance Projects (In ft)	1,360	1,519	5,407	4,224	7,948	4,753	10,300	7,800	4,500	2,500

SOURCE: Various Mentor Departments

CITY OF MENTOR, OHIO
Capital Assets Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Government										
Square Footage of Municipal Center	52,465	52,465	52,465	52,465	45,313	45,313	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	47	46	46	50	47	45	45	44	44	46
ATV	1	1	1	0	0	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	54,308
Vehicles	41	41	41	41	39	38	39	39	38	35
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	1
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	7	7	7
Number of Tennis Courts	17	17	17	17	17	17	17	17	17	17
Number of Skateboarding Areas	2	2	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	10	10
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	0	0	0
Number of Marinas	1	1	1	1	1	1	1	1	1	1
Vehicles	15	15	15	49	49	48	45	43	46	46
Square Footage of PRPF Facilities	261,502	261,502	261,502	261,502	261,502	261,502	269,032	259,370	258,046	258,046
Streets & Highways										
Streets (miles)	241.0	241.0	241.0	241.0	241.0	240.0	228.3	227.6	227.0	226.3
Number of Streetlights (per light bill)	5,408	5,254	5,254	5,254	5,254	5,247	5,209	5,209	5,209	5,179
Number of Traffic Signals	710	707	707	707	707	860	851	846	832	823
Number of Pedestrian Signals	472	470	470	470	470	366	362	360	356	350
Number of Signalized Intersections	86	85	85	85	85	83	81	80	79	78
Service Vehicles	67	70	70	70	70	67	64	66	68	67
Square Footage Buildings	72,053	72,053	72,053	72,053	72,053	72,053	72,053	72,053	72,053	99,840

SOURCE: Various Mentor Departments



Dave Yost • Auditor of State

CITY OF MENTOR

LAKE COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
NOVEMBER 13, 2012**