



OHIO AUDITOR OF STATE
KEITH FABER



CITY OF MENTOR
LAKE COUNTY

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CITY OF MENTOR
LAKE COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Federal Assistance Listing	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
<i>Direct Program:</i>			
Community Development Block Grants/ Entitlement Grants	14.218	B-14-MC-39-0033	\$194
		B-17-MC-39-0033	9,866
		B-18-MC-39-0033	109
		B-19-MC-39-0033	12,152
		B-20-MC-39-0033	477,189
		B-20-MW-39-0033	33,290
Total - Community Development Block Grants/ Entitlement Grants			<u>532,800</u>
Total U.S. Department of Housing and Urban Development			<u>532,800</u>
U.S. DEPARTMENT OF JUSTICE			
<i>Direct Program:</i>			
Bulletproof Vest Partnership Program	16.607	2019-BUBX-19097526	5,855
		2020-BUBX-20021522	5,086
Total - Bulletproof Vest Partnership Program			<u>10,941</u>
<i>Passed through the Ohio Office of Criminal Justice Services:</i>			
Crime Victim Assistance	16.575	2021-VOCA-134153658	28,605
		2022-VOCA-134717683	6,236
Total - Crime Victim Assistance			<u>34,841</u>
Public Safety Partnership and Community Policing	16.710	2020CKWX0005	22,687
Total U.S. Department of Justice			<u>68,469</u>
U.S. DEPARTMENT OF HOMELAND SECURITY			
<i>Passed through Ohio Emergency Management Agency:</i>			
Disaster Grants- Public Assistance	97.036	FEMA-DR-4507-OH	80,410
<i>Passed through the Lake County Sheriff's Department:</i>			
Homeland Security Grant Program	97.067	EMW-2018-SS-00038	56,066
		EMW-2019-SS-00038	37,979
Total - Homeland Security Grant Program			<u>94,045</u>
Total U.S. Department of Homeland Security			<u>174,455</u>
U. S. DEPARTMENT OF ENVIRONMENTAL PROTECTION AGENCY			
<i>Passed through Ohio Environmental Protection Agency:</i>			
Nonpoint Source Implementation Grants	66.460	C9975500018	1,881
		C997550020	19,440
Total - Nonpoint Source Implementation Grants			<u>21,321</u>
Total U.S. Department of Environmental Protection Agency			<u>21,321</u>
U.S. Department of Transportation			
<i>Passed through the Ohio Department of Transportation:</i>			
<i>Highway Planning and Construction Cluster:</i>			
Highway Planning and Construction	20.205	PID111567	510,146
		PID 89258	35,497
Total- Highway Planning and Construction Cluster			<u>545,643</u>
<i>Passed through National Highway Traffic Safety Administration:</i>			
<i>Highway Safety Cluster:</i>			
State and Community Highway Safety	20.600	IDEP/STEP-2022-MENTOR POLICE DEPT-00008	316
Total - Highway Safety Cluster			<u>316</u>
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	IDEP/STEP-2022-MENTOR POLICE DEPT-00008	2,419
Total U.S. Department of Transportation			<u>548,378</u>
U.S. DEPARTMENT OF TREASURY			
<i>Direct Program:</i>			
COVID-19 Coronavirus State and Local Fiscal Recovery Fund	21.027		1,994,046
<i>Passed through Ohio Office of Budget and Management:</i>			
COVID-19 Coronavirus Relief Fund- Adult Day Service and Senior Center Provider Relief	21.019		55,780
Total U.S. Department of Treasury			<u>2,049,826</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<i>Passed through Ohio Department of Health and Human Services</i>			
COVID-19 Provider Relief Fund	93.498		46,494
Total U.S. Department of Health and Human Services			<u>46,494</u>
U.S. DEPARTMENT OF NATIONAL ENDOWMENT FOR THE HUMANITIES			
<i>Direct Program:</i>			
Promotion of the Art Partnership Agreements	45.025		9,903
Total U.S. Department of National Endowment for the Humanities			<u>9,903</u>
Total Expenditures of Federal Awards			<u>\$3,451,646</u>

The accompanying notes are an integral part of this schedule.

**CITY OF MENTOR
LAKE COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2021**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Mentor (the City) under programs of the federal government for the year ended December 31, 2021. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D - MATCHING REQUIREMENTS

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

City of Mentor
Lake County
8500 Civic Center Boulevard
Mentor, Ohio 44060

To the City Council:

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Mentor, Lake County, Ohio (the City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 16, 2022, wherein we noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the City.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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



Keith Faber
Auditor of State
Columbus, Ohio

June 16, 2022

OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

City of Mentor
Lake County
8500 Civic Center Boulevard
Mentor, Ohio 44060

To the City Council:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the City of Mentor's (the City) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the City of Mentor's major federal program for the year ended December 31, 2021. The City of Mentor's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, The City of Mentor complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2021.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

The City's Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

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

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the City of Mentor (the City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated June 16, 2022, wherein we noted the financial impact of COVID-19 and the continuing emergency measures which may impact subsequent periods of the City. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Keith Faber
Auditor of State
Columbus, Ohio

June 16, 2022

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**CITY OF MENTOR
LAKE COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2021**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	➤ Coronavirus State and Local Fiscal Recovery Fund AL# 21.027
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	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



ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021

ISSUED BY THE DEPARTMENT OF FINANCE

DAVID W. MALINOWSKI, DIRECTOR
BONNIE L. LINGAFELTER, ASSISTANT DIRECTOR

CITY OF MENTOR, OHIO

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CITY OF MENTOR, OHIO

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City of Mentor

Council-manager
government since 1963

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

June 16, 2022

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

Introduction

We are pleased to present the Annual Comprehensive Financial Report of the City of Mentor (the “City”) for the year ended December 31, 2021. This report, prepared by the Department of Finance, includes the basic financial statements that summarize the various operations related to the City’s 2021 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 2021 was performed by the Auditor of the State of Ohio. 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, 2021, 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 Auditor of the State of Ohio concluded, based upon its audit, that there was a reasonable basis for rendering an unmodified opinion that the City’s financial statements for the

fiscal year ended December 31, 2021 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 47,450 residents according to the 2020 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, engineering and building, zoning code enforcements, street maintenance, traffic control, parks

and recreation, building inspection and planning and development.

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

Accounting and Financial Reporting

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

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 2021, its local economic activity continued to recover favorably from the impact of the COVID-19 global pandemic, as reflected in a very strong (22.66%) 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, despite the challenges of the COVID-19 pandemic, and in 2021 welcomed several new businesses to the City in the retail, restaurant, and manufacturing sectors. Job and salary growth were also evident as demonstrated in the increase in municipal income tax revenues. 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 continues to strengthen the City's economic base. The City ranks 7th in the number of manufacturers and 8th in manufacturing employment in Ohio according to the 2012 Economic Census of Manufacturing, and 6th in the State in sales volume according to the 2012 Economic Census of Retail Trade. Mentor recovered well from the COVID-19 global pandemic's instigated unemployment crisis, settling in at more predictable and normal ranges under 5% after the first few months of 2021, even moving towards a record low of 2.6% in November 2021. While the unemployment numbers represent the health and vibrancy of the Mentor area economy, employers in all sectors have expressed ongoing challenges in workforce development and recruitment, reflecting a recent national trend.

Current Projects and 2021 Accomplishments

In terms of roadway infrastructure improvements, the City provided for the repair and/or resurfacing of 21 streets. Capital improvement projects included: resurfacing Hopkins Road from Market Street to Mentor Avenue; resurfacing Garden and Maiden Lanes; completion of the Lake Overlook Drive reconstruction project between Forest Road and Corduroy Road; completion of the Mentor Avenue center turn lane and signal at Wayside Drive; on-going replacement of the bridge deck at I90/SR306 by the Ohio Department of Transportation; and completion of storm sewer improvements on Stockbridge Road and Dartmoor Road. Other improvements included the continuation of the city-wide sidewalk replacement program; and the transition of the City's road paint striping program to an "in-house" program. Major facility and property improvements included the completion of the construction of a new regional response facility; improvements at Presidents Park; and infrastructure improvements at the shoreline of the lagoons to lessen erosion impact to the nature preserve and marina.

The Fire Department continued to be one of the highest rated fire departments in the state with an ISO Class 2 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 8,832 calls for service in 2021. Its main focus is community risk reduction to prevent harm to the community and to always serve the public's best interest. In doing so, the department recognizes the importance of Public Education and presented many Safety Awareness Programs to the community. As a result of the COVID-19 pandemic, a significant commitment was dedicated to reducing and combating the transmission of the virus. The Fire Prevention Bureau continues to work closely with the business community on a daily basis.

The Planning and Development Department actively promoted the benefits of business location in the City, as the economic headwinds of the global COVID-19 pandemic subsided. In 2021, the Department administered, and Mentor City Council provided grant assistance to Sonny's Diamond Shine, which relocated from another Ohio community. The net impact of this grant is anticipated to result in \$17.9 million in investments, the retention or creation of at least 80 jobs and approximately \$7.4 million in new payroll by the end of 2022. The department continues to actively promote the international trade and export initiative within the City through intensive visits with Mentor companies and the attraction of new retail establishments.

The Public Information Office (PIO) is responsible for facilitating the City of Mentor's communication efforts. The department is accountable for resident and press inquiries as well as promoting the merits of the community. PIO develops and manages content for the 6 city websites, a variety of social media accounts, government access television channel & video streams, emergency/information radio station, and the City of Mentor App. The department also manages sponsorship and marketing programs for major City events including Mentor Rocks, Mentor CityFest, Headlands BeachFest, Mentor PerchFest, and more. PIO works in concert with Mentor Police & Fire, as well as the Lake County EMA, and other agencies on emergency, safety, and general awareness messages.

The Department of Parks, Recreation and Public Facilities had another busy year. Over 25,000 people attended the two pools that were open in 2021. The golf course had 37,717 rounds of golf played. Senior Center membership was over 4,000 members. The Natural Resources Division deer culling program in 2021 netted 102 deer being culled for a total of 3,280 pounds donated to the Greater Cleveland Food Bank. Fourteen special events were held at the Mentor Amphitheater, including the popular Mentor Rocks Concert Series.

The Police Department hired four officers in early 2021. Two of these officers attended the Ohio Highway Patrol Academy and the other two went straight into department field training. Through the training process, one of the four officers decided to resign from the department. In August, 2021 the department started another hiring initiative. A new entrance examination format was utilized. Interested candidates took the entrance exam online through a national testing group. This enabled us to reach a more diverse and potentially geographically broader pool of candidates. We plan on hiring three officers in early 2022 with another two later in the year. Members of the Department began the process of investigating vendors to possibly replace our current public safety software system (mobile, records management, dispatch, corrections) due to the current vendor contract expiring at the end of 2022.

For the Future

The City's five-year (2022-2026) capital improvement program contains the following proposed expenditures:

Facility construction and improvements	\$16,435,000
Roadway construction and improvements	31,581,400
Traffic control	787,000
Sidewalk and bikeway improvements	1,825,000
Storm drainage	2,743,800
Park acquisition, development and improvement	6,675,000
Major capital equipment	6,995,566
Miscellaneous	<u>2,850,000</u>
	<u>\$ 69,892,766</u>

Of the proposed \$69,892,766 for the five-year period, \$46,847,566 (67%) is expected to be funded by the City. The remaining \$23,045,200 (33%) is expected to be funded primarily by Federal/State/County assistance.

Projects anticipated in 2022 include the following: Rehabilitating Brooksdale Road; resurfacing Forest Road and Woodridge Lane; replacing the bridge deck on the Hendricks Road bridge over SR2 by the Ohio Department of Transportation; rehabilitating Market Street from the Hopkins Road to Center Street; and the repair and/or resurfacing of 31 streets. Other improvements include the continuation of the city-wide sidewalk replacement program; storm sewer improvements in the vicinity of Chillicothe and Fairlawn Roads; and culvert repairs under Mentor

Avenue in the vicinity of Claridge House Apartments. Major facility and property improvements include planning for the construction of a new fire station to replace existing fire station #3; improvements to the Wildwood Cultural Center property, including the construction of a new storage building; improvements at the Mentor Cemetery, including the creation of a promenade to enhance the Veterans' Memorial experience; continued site development for the new Springbrook Garden Park with the construction of a four season structure including restrooms; and continued infrastructure improvements at the shoreline of the lagoons to lessen erosion impact to the nature preserve and marina, as well as the construction of a fuel system, concession building, and additional floating docks at the marina.

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 anticipate issuing any additional debt in 2022.

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 Annual Comprehensive Financial Report for the fiscal year ended December 31, 2020. 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 Annual Comprehensive Financial Report, whose contents conform to program standards. Such report 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 thirty-seven consecutive years (fiscal years 1984-2020). 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, 2021

Mentor City Council

At-Large ----- Janet A. Dowling
At-Large ----- Raymond J. Kirchner
At-Large ----- Scott J. Marn
Ward 1 ----- Sean P. Blake
Ward 2, Vice President ----- Matthew E. Donovan
Ward 3, President ----- Bruce R. Landeg
Ward 4 ----- John A. Krueger

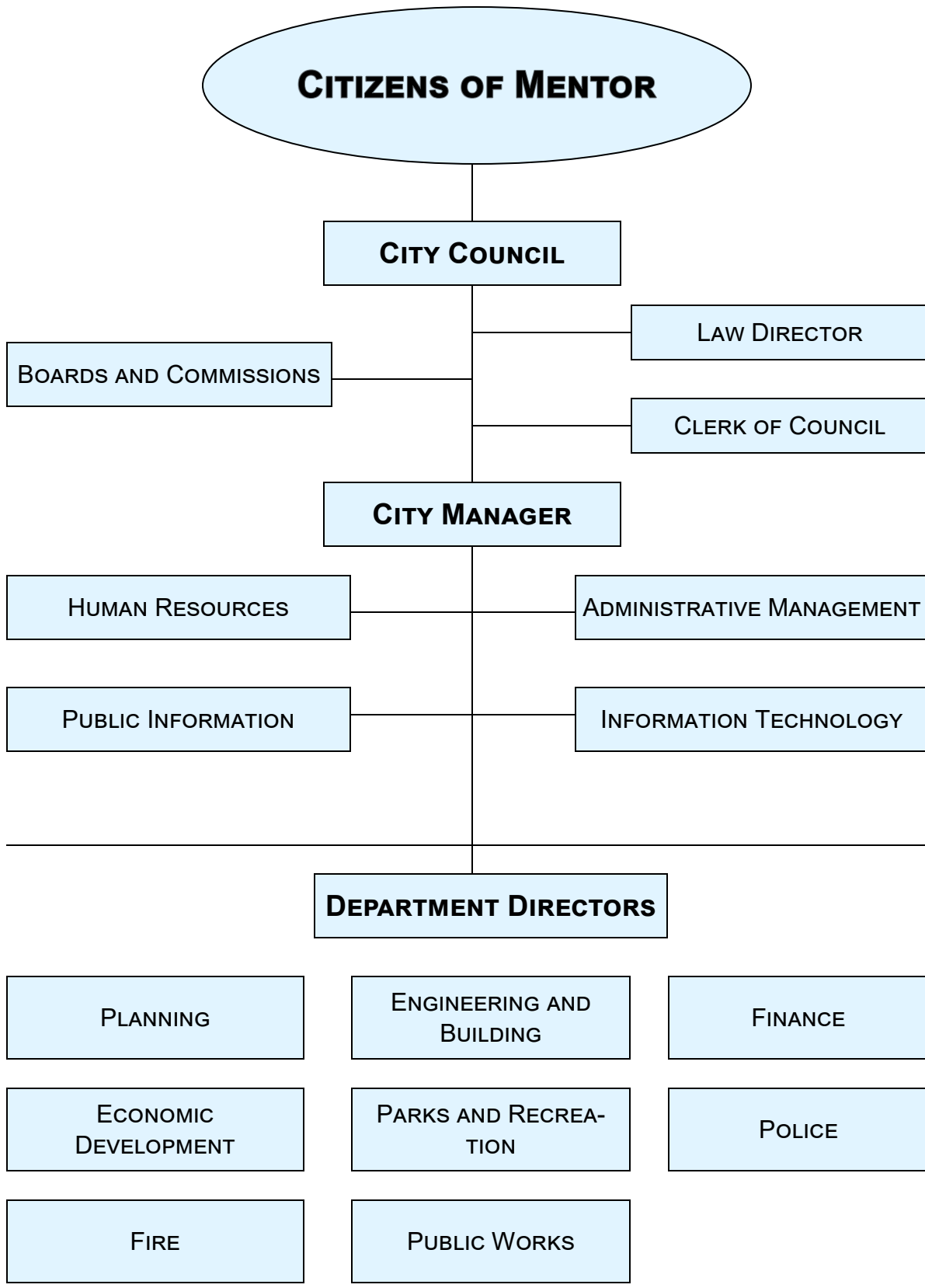
Judge, Mentor Municipal Court ----- John F. Trebets

Law Director ----- Joseph P. Szeman
Clerk of Council ----- Julie A. Schiavoni
City Manager ----- Kenneth J. Filipiak
Assistant City Manager ----- Anthony J. Zampedro
Director of Economic Development & International Trade ----- Kevin D. Malecek
Director of Finance ----- David W. Malinowski
Director of Public Works ----- Matthew S. Schweikert
Director of Parks and Recreation ----- Kenneth S. Kaminski
City Engineer ----- David A. Swiger
Chief of Police ----- Kenneth K. Gunsch
Fire Chief ----- Robert M. Searles
Planning Director ----- Kathleen M. Mitchell

CITY OF MENTOR, OHIO

**DEPARTMENT OF FINANCE
STAFF DECEMBER 31, 2021**

David W. Malinowski-----Director of Finance
Bonnie L. Lingafelter-----Assistant Director
Lorraine K. Myllykoski-----Accounting Supervisor
Jill T. Lehner-----Accounting Coordinator
Veronica Fetsko-----Sr. Accounting Assistant
Barbara Young-----Sr. Accounting Assistant
Marie Samec-----Accounting Assistant
Betsy Oddo-----Accounting Assistant
Christine English-----Accounting Assistant
Gina Aliberti-----Office Assistant





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Mentor
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO

OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

INDEPENDENT AUDITOR'S REPORT

City of Mentor
Lake County
8500 Civic Center Boulevard
Mentor, Ohio 44060

To the City Council:

Report on the Audit of the Financial Statements

Opinions

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 (the City), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, Lake County, Ohio as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 17 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the City. We did not modify our opinion regarding this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis*, and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we will also issue our report dated June 16, 2022, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

June 16, 2022

CITY OF MENTOR, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS UNAUDITED

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, 2021. Please read this information in conjunction with the City's basic financial statements and footnotes.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at December 31, 2021 by approximately \$161.3 million (net position). All of the net position is accounted for as governmental activities. Of this amount, \$58.7 million (unrestricted net position prior to reporting the net pension and OPEB liability) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's net position increased by \$31.8 million during 2021.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$46.1 million and is available for spending at the City's discretion. The unassigned fund balance equals 84.5 percent of total current year general fund expenditures.
- The City's total debt and other long-term obligations decreased by \$24.4 million (20.4 percent) during the current fiscal year. The decrease was primarily related to the net effect of the retirement of bonds (\$2.7 million), decrease in unamortized premium on debt (\$0.1 million), loans issued (\$0.1 million), decreased compensated absence liability (\$0.4 million) and reduction to net pension/OPEB liability (\$21.2 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 position presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only

result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statement of activities distinguishes functions of the City that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the City principally include: general government; police; fire; streets and highways; parks and recreation; planning and 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, the Special Assessment Bond Retirement Fund, and the Recreation Center Fund which are considered to be major funds. Data from the other 48 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 two proprietary funds known as internal service funds to account for the operation of the retrospective workers' compensation program and also to account for its medical self-insurance 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 accounting used for fiduciary funds is much like that used for proprietary funds.

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.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain other information that the City believes readers will find useful. After the notes to the financial statements, the required supplementary information and notes to the required supplementary information related to the net pension liability and the net OPEB liability/asset, the combining statements referred to earlier in connection with non-major governmental and proprietary funds are presented, as well as individual detailed budgetary comparisons for non-major funds.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Statement of Net Position looks at the City as a whole. The following table provides a summary of the City's net position for 2021 compared to 2020.

Summary of Net Position

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
Assets		
Current and other assets	\$ 99,433,810	\$ 86,961,806
Net Pension Asset	122,878	99,597
Net OPEB Asset	1,590,737	-
Capital Assets	180,049,490	176,323,800
Total Assets	<u>281,196,915</u>	<u>263,385,203</u>
Deferred Outflows of Resources		
Deferral on Refunding	238,802	265,023
Pension	7,544,653	8,516,725
OPEB	4,230,584	5,691,652
Total Deferred Outflows of Resources	<u>12,014,039</u>	<u>14,473,400</u>
Liabilities		
Current and other liabilities	6,288,925	5,363,632
Long term liabilities:		
Due within one year	3,129,015	2,996,323
Due in more than one year:		
Net Pension Liability	52,323,122	59,862,896
Net OPEB Liability	6,054,282	19,663,238
Other Amounts	34,068,989	37,474,225
Total Liabilities	<u>101,864,333</u>	<u>125,360,314</u>
Deferred Inflows of Resources		
Property Taxes	6,635,370	6,022,836
Payment in Lieu of Taxes	1,575,000	1,500,000
OPEB	8,671,663	5,007,314
Pension	13,174,871	10,528,070
Total Deferred Inflows of Resources	<u>30,056,904</u>	<u>23,058,220</u>
Net Position		
Net Investment in Capital Assets	150,114,307	145,643,444
Restricted	19,240,201	17,802,619
Unrestricted	(8,064,791)	(34,005,994)
Total Net Position	<u>\$ 161,289,717</u>	<u>\$ 129,440,069</u>

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2021 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement 27." Beginning in 2019, the City adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net pension and subtracting the net pension and OPEB asset and deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a

funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability (asset) and the net OPEB liability to equal the City's proportionate share of each plan's collective:

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

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

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

In accordance with GASB 68 and GASB 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability (asset) and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

Net position at December 31, 2021 increased by \$31,849,648.

Total assets and deferred outflows of resources increased \$15,352,351 from 2020 to 2021. The increase was primarily caused by an increase in capital assets, pension/OPEB assets, and other assets of \$17.8 million and a net decrease in deferred outflows of pension and OPEB resources of \$2.5 million.

Total liabilities and deferred inflows of resources decreased by \$16,497,297. The decrease was primarily attributable to a \$6.3 million increase in pension/OPEB deferred inflows, a \$0.7 million increase in property tax/PILOT deferred inflows, a \$21.1 million decrease in pension/OPEB liabilities, and a \$2.4 million net decrease to current and other long-term liabilities, mostly related to paying down bonds in 2021.

The result of increased assets and deferred outflows of resources and decreased liabilities and deferred inflows of revenues is an increase in total net position of \$31,849,648. A portion of the City's net position (11.9 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is a deficit of \$8.1 million. The deficit is primarily the result of the City's implementation of Governmental Accounting Standards Board Statement No. 68, "Accounting and Financial Reporting for Pension – an Amendment of GASB Statement 27" (GASB 68) and GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions".

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

Changes in Net Position

	2021	2020
Revenues		
Program Revenues:		
Charges for services	\$ 17,603,131	\$ 15,266,564
Operating grants and contributions	8,210,213	11,636,633
Capital grants and contributions	747,588	139,428
General Revenues:		
Municipal income taxes	57,232,996	45,156,058
Property taxes	6,344,612	6,410,175
Other local taxes	616,953	414,970
Payments in lieu of taxes	1,609,142	1,424,996
Grants and entitlements not restricted to specific programs	2,996,836	2,345,051
Unrestricted investment earnings	313,620	1,040,605
Other	300,352	3,674,600
Total Revenues	95,975,443	87,509,080
Expenses		
General government	7,105,750	10,770,438
Police	14,967,783	17,440,032
Fire	14,100,041	15,656,031
Streets and highways	14,056,422	20,180,026
Parks and recreation	6,753,870	8,673,636
Planning and development	3,930,190	4,106,953
Engineering and building	2,313,406	3,174,855
Interest and fiscal charges	898,333	931,875
Total Expenses	64,125,795	80,933,846
Change in net position	31,849,648	6,575,234
Net position at beginning of year	\$ 129,440,069	\$ 122,864,835
Net position at end of year	\$ 161,289,717	\$ 129,440,069

The provisions of GASB Statements 68 and 75 require the City to recognize a pension/OPEB adjustment that decreases expenses by \$14,018,457 in 2021 and increases expenses by \$4,485,721 in 2020. As a result, it is difficult to ascertain the true operational cost of services and the changes in cost of services from year to year. The table below shows the total cost of services by function with the GASB Statements 68 and 75 pension and OPEB costs removed.

	Governmental Activities	
	2021	2020
Program Expenses		
General Government	\$ 10,443,611	\$ 10,194,071
Police	17,188,073	16,233,703
Fire	14,434,569	14,345,342
Streets and highways	17,445,705	19,564,044
Parks and recreation	9,893,681	8,180,442
Planning and development	4,667,128	3,978,456
Engineering and building	3,173,152	3,020,192
Interest and fiscal charges	898,333	931,875
Total Expenses	\$ 78,144,252	\$ 76,448,125

In addition to the impact on net position as a result of the pension/OPEB adjustments, the increase in net position of \$31.8 million in 2021 is a result of lower expenses in the streets and highways function due to delays on projects, and higher expenses in most functional areas, particularly parks and recreation due to the impact of restored services resulting from the recovery of operations since the on-set of the COVID-19 pandemic. Program revenues and General revenues were about \$8.5 million higher primarily due to less program revenues received from outside grant agencies and contractors on infrastructure projects, offsetting increases to program revenues for charges for services and a significant increase in general revenues generated from income tax collections.

FINANCIAL ANALYSIS OF THE CITY'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, 2021, the City's governmental funds reported combined ending fund balances of \$65.2 million, an increase of \$11.1 million from the prior year. The unassigned amount of \$36.8 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 (\$12.6 million), 2) committed (\$1.8 million), 3) restricted (\$12.8 million), or 4) nonspendable (\$1.2 million).

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

- The City recorded revenues of \$1.1 million and expenditures of \$1.1 million related to special assessments for certain bonds issued in past years. The fund balance was materially unchanged with a minor increase from the previous year.
- The Recreation Center Fund was a newly established fund during 2021 for the \$5.2 million purchase of the property.

The General Fund is the chief operating fund of the City. At December 31, 2021, the unassigned fund balance of the General Fund was \$46.1 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 84.4 percent of total General Fund expenditures at December 31, 2021.

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, 2021 and December 31, 2020

	<u>2021</u>	<u>2020</u>
Revenues:		
Property taxes	\$ 1,731,006	\$ 1,736,414
Municipal income taxes	57,259,999	45,550,954
Intergovernmental	2,378,676	2,012,051
Charges for services	6,672,417	5,082,724
Fines and forfeitures	1,015,772	580,698
Licenses, permits and inspections	1,649,957	1,350,348
Investment income	293,677	987,038
Donations and other	<u>183,767</u>	<u>358,206</u>
 Total Revenues	 <u>71,185,271</u>	 <u>57,658,433</u>
 Expenditures:		
General government	8,421,951	8,107,247
Police	13,796,845	10,841,785
Fire	11,721,226	9,344,253
Streets and highways	7,469,976	7,754,065
Parks and recreation	6,785,553	6,087,076
Planning and development	3,865,059	3,528,823
Engineering and building	1,945,223	1,898,203
Capital outlay	543,133	554,020
Debt service - principal retirement and other charges	<u>51,932</u>	<u>-</u>
 Total Expenditures	 <u>54,600,898</u>	 <u>48,115,472</u>
 Excess of revenues over expenditures	 16,584,373	 9,542,961
 Other financing sources (uses):		
Transfers out	<u>(30,000)</u>	<u>(385,173)</u>
 Total other financing sources (uses)	 <u>(30,000)</u>	 <u>(385,173)</u>
 Net change in fund balance	 16,554,373	 9,157,788
 Fund balance at beginning of year	 <u>44,988,451</u>	 <u>35,830,663</u>
 Fund balance at end of year	 <u>\$ 61,542,824</u>	 <u>\$ 44,988,451</u>

Analysis of General Fund Revenues

General Fund revenues totaled \$71.2 million in 2021, an increase of approximately 23.5% from 2020. A discussion of each of the major types of General Fund revenues follows.

Property Taxes

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

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

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

<u>Tax Collection Year</u>	<u>Real Property</u>	<u>Public Utility Property</u> (in thousands)	<u>Total Assessed Valuation</u>
2020	\$ 1,532,483	\$ 57,250	\$ 1,589,733
2021	\$ 1,538,540	\$ 58,769	\$ 1,597,309

Property tax revenues decreased by a negligible 0.3% in 2021 principally due to no change in millage and a minor increase in assessed valuation of property.

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 March 15, 2016, the 2% income tax was renewed by the voters in the City for an indefinite period, without an expiration date.

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.

On a modified accrual basis, income tax revenue increased \$11,709,045 in 2021 versus the comparable amount in 2020 due to the favorable impact on collections as a result of businesses rebounding during 2021 from the effects caused by the COVID-19 pandemic, that resulted in the temporary shutdown or scaling back of local businesses during 2020. 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 increased by approximately 18.2% in 2021 primarily due to an increase in the state's share of local government fund revenues as well as an increase in liquor fee revenue.

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

Pursuant to the Ohio Revised Code, State LGF revenues are divided into county and municipal portions. The county portion, the larger of the two, is distributed to each of the State's 88 counties and is allocated based upon a statutory formula utilizing county population and county municipal property values. Once received by a county, the funds can either be distributed to all subdivisions using the statutory formula or the county and its subdivisions may agree upon an alternate method for allocating the funds. Lake County and its recipient communities have chosen the latter method, which is comprised of a base allocation and an excess allocation. The excess allocation takes into account such factors as assessed value per capita, per capita income, population density and the number of individuals receiving public assistance. The municipal portion of the LGF is distributed directly by the State to those municipalities that collect an income tax. A municipality receives its share of the funds based upon its percentage of total municipal income taxes collected throughout the state in a given year. In 2021, the City had LGF revenue of \$2.1 million.

Charges for Services

Revenue from charges for services increased by \$1,589,693, approximately 31.3% in 2021 mostly due to the impact of re-opening parks and recreation programs and facilities that were temporarily closed due to the COVID-19 pandemic during 2020. Emergency medical service transport fee revenue was also significantly higher during 2021 as a result of the pandemic.

Fines and Forfeitures

Revenue from fines and forfeitures increased \$435,074 during 2021, primarily due to more revenue from court-imposed charges as a result of increased court activity during 2021 compared to 2020.

Licenses, Permits and Inspections

Revenue from licenses, permits and inspections increased by \$299,609, approximately 22.2% in 2021 primarily due to more revenue from building permits and inspections as a result of increased activity during 2021 compared to 2020.

Investment Income

Investment income in 2021 was \$293,677, down from \$987,038 in 2020. The change was due to the following three factors. The City had an average of \$59.2 million invested during 2021 versus \$48.4 million in 2020, which increased investment income by about \$50,000. Secondly, a lower effective yield on the portfolio of about 0.67% during 2021 caused a decrease of about \$400,000.

Finally, the incremental change in the fair market value of the City's corporate bond funds caused the remaining decrease of \$350,000.

Donations and Other

Revenue from donations and other decreased by \$174,439 during 2021, primarily due to less revenue received from the recovery of claims from property losses.

Analysis of General Fund Expenditures

General Fund expenditures and other uses totaled \$54.6 million in 2021, an increase of 12.64% from 2020. The amount of expenditures and other uses by function on a modified accrual basis for the year ended December 31, 2021, including the increases (decreases) over the prior year, are shown in the following table:

Expenditures and Other Uses	2021	Total	2020	Total	Increase (Decrease) Over 2020	Change
			(\$ Amounts in 000's)			
Current:						
General Government	\$ 8,422	15.42%	\$ 8,107	16.72%	\$ 315	3.89%
Police	13,797	25.26%	10,842	22.35%	2,955	27.26%
Fire	11,721	21.46%	9,344	19.27%	2,377	25.44%
Streets and highways	7,470	13.67%	7,754	15.99%	(284)	-3.66%
Parks and recreation	6,786	12.42%	6,087	12.55%	699	11.48%
Planning and development	3,865	7.07%	3,529	7.28%	336	9.52%
Engineering and building	1,945	3.56%	1,898	3.91%	47	2.48%
Capital outlay	543	0.99%	554	1.14%	(11)	-1.99%
Debt Service - principal retirement	52	0.10%	-	0.00%	52	100.00%
Transfers out	30	0.05%	385	0.79%	(355)	-92.21%
Total expenditures and other financing uses	<u>\$ 54,631</u>	<u>100.00%</u>	<u>\$ 48,500</u>	<u>100.00%</u>	<u>\$ 6,131</u>	<u>12.64%</u>

General government expenditures were higher as a result of higher third party collection costs related to income tax collection fees.

The Police Department expenditures were higher primarily as a result of increased employee compensation to the police patrol operations for non-pandemic services. During 2020, COVID-19 pandemic-related expenses were recorded in a separate fund established as the Coronavirus Relief Fund (CRF).

The Fire Department expenditures were higher primarily as a result of increased employee compensation to fire and rescue services for non-pandemic services. During 2020, COVID-19 pandemic-related expenses were recorded in a separate fund established as the Coronavirus Relief Fund (CRF).

The Streets and highways expenditures were lower primarily as a result of decreased employee compensation caused by staffing turnover partially in response to the impact of the COVID-19 pandemic.

The Parks and recreation expenditures were higher primarily as a result of increased employee compensation and restored services from the temporary closing of facilities and cancellations of recreational programs in response to the COVID-19 pandemic during 2020.

The Planning and development expenditures were higher primarily as a result of higher expenditures for economic development incentives.

Debt Service principal retirement was higher as a result of no principal payments being paid on low interest loans in 2020.

Transfers out decreased as a result of fewer transfers required to close out funds in 2021.

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

Employee Compensation and Labor Relations

As of December 31, 2021, and 2020, the City had approximately 325 and 318 full-time employees, respectively. As of December 31, 2021, approximately 217 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, Laborers Local Union 860 – 56, the Ohio Patrolmen’s Benevolent Assn., representing three units – 92, 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, will expire in March 2023. As of December 2021, negotiations were ongoing with the Mentor Part-time Firefighter Association. The agreement covering the part-time firefighters expired in March 2021.

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>
2021	\$ 28,042,691
2020	22,817,538

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 post-retirement health care benefits to participants, were created pursuant to Ohio statutes and are administered by state created boards of trustees. The boards are comprised of a combination

of elected members from the respective retirement systems' memberships and ex-officio members from certain state government offices.

These two retirement systems are:

- Ohio Public Employees Retirement System (OPERS), created in 1935, represents state and local government employees not included in one of the other four state-mandated systems. More data on this pension fund is shown in Notes 13 and 14 of the financial statements.
- Ohio Police and Fire Pension Fund (OP&F), created in 1966, represents sworn personnel, not civilians, employed in police and fire divisions of Ohio's local governments. All of the City's full-time police and fire officers are members of this pension fund. More data on this pension fund is shown in Notes 13 and 14 of the financial statements.

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

	<u>2021</u>	<u>2020</u>
	(in thousands)	
Paid by City to		
OPERS	\$ 2,029	\$ 1,891
OP&F	<u>3,345</u>	<u>3,036</u>
Total paid by City	<u>5,374</u>	<u>4,927</u>
Paid by Employees to		
OPERS	1,449	1,350
OP&F	<u>1,905</u>	<u>1,710</u>
Total paid by Employees	<u>3,354</u>	<u>3,060</u>
Total	<u>\$ 8,728</u>	<u>\$ 7,987</u>

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 \$12.7 million, a 15.1 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. (Purchase of recreation center - \$5,200,000; Roadway and drainage infrastructure projects - \$4,000,000; various grants and other - \$3,500,000). The General Fund will be reimbursed next year from revenue to be received from outside funding sources for advances that were not repaid in 2021.

The difference between the original and final amended budget for the City's General Fund revenues, including advances in, was an increase of \$10.2 million, an increase of 14.6 percent. The budget for general fund revenues was increased as a result of underestimating revenues due to the following:

- Income tax revenues were higher than anticipated. There was an increase of approximately \$10.0 million from the original budget.

The difference between the final amended budget and actual expenditures for the City's General Fund expenditures, including transfers and advances out, was a positive \$18.9 million. The following functions reported favorable material variances (rounded to the nearest \$100,000):

- General government – The Finance Department incurred less expenditures for tax collection agency fees and claims (\$600,000); City Council and the Municipal Court incurred less expenditures for operational costs (\$400,000); City Manager and Information Technology Department incurred less operational costs (\$700,000); and unused available contingency (\$5,500,000).
- Police – Employee compensation and benefits were under budget primarily because of unfilled positions during the year and the use of American Rescue Plan funds for dedicated essential services to combat the COVID-19 pandemic (\$700,000); and operational costs were less than budgeted (\$400,000).
- Fire – Employee compensation and benefits were under budget primarily because of unfilled positions during the year and the use of American Rescue Plan funds for dedicated essential services to combat the COVID-19 pandemic (\$600,000).
- Streets and Highways – Employee compensation and benefits were under budget primarily because of unfilled positions during the year (\$600,000); and less expenditures for maintenance and repair of certain infrastructure projects (\$500,000).
- Parks and recreation – Employee compensation and benefits were under budget primarily because of unfilled positions during the year (\$1,200,000); and less expenditures for operating most park programs and facilities that were impacted by the pandemic (\$2,600,000).
- Planning and development – Incurred less expenditures for economic development incentives (\$700,000); and less expenditures for economic development travel and supplies (\$100,000); and code enforcement (\$100,000).
- Engineering and Building – Employee compensation and benefits were under budget primarily because of unfilled positions during the year (\$200,000); and less expenditures for general engineering services (\$400,000).
- Advances out – Advances out were under budget primarily due to temporary delays on starting some capital projects (\$2,000,000).
- Transfers out– Transfers out were under budget primarily because of infrastructure project close out delays (\$1,000,000); and less requirement to fund the medical self-insurance fund (\$600,000).

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets: The City's investment in capital assets as of December 31, 2021 equaled \$180 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 increase in the City's investment in capital assets in 2021 was 2.1 percent. A summary of the City's capital assets at December 31, 2021 and December 31, 2020 is as follows:

	2021	2020
	Capital Assets, Net of Accumulated Depreciation	Capital Assets, Net of Accumulated Depreciation
	<hr/>	<hr/>
Land	\$ 72,217,406	\$ 71,086,396
Land improvements	940,129	1,034,961
Buildings and improvements	23,305,640	17,723,475
Equipment	8,732,711	8,903,589
Infrastructure	68,156,603	69,107,495
Construction in progress	6,697,001	8,467,884
Total	<hr/> \$ 180,049,490	<hr/> \$ 176,323,800

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

- Land – acquisition of land purchased on the site of the new recreation center (\$1.1 million).
- Land improvements –normal annual depreciation on existing capital assets (\$0.1 million).
- Buildings and improvements – acquisition of a new recreation center facility (\$3.6 million) and construction of a new regional response facility (\$3.0 million) offset by normal annual depreciation on existing buildings (\$1.0 million).
- Equipment – acquisition of new equipment and vehicles (\$1.5 million) offset by normal annual depreciation and asset disposals on existing equipment (\$1.7 million).
- Infrastructure – normal annual depreciation on existing roads, bridges, and other infrastructure (\$3.0 million) with \$2.0 million in new construction and improvements.
- Construction in progress - \$2.0 million increase for major improvement projects – Springbrook Gardens Park, intersection improvements, and outfitting vehicles offset by \$3.8 million for capitalized assets previously under 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, 2021, the City had total bonds, notes and direct borrowing loans outstanding of \$32.1 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, 2021 is summarized below.

	Balance January 1, 2021	Debt Issued	Debt Retired	Balance December 31, 2021
		(in thousands)		
General Obligation Bonds	\$ 28,600	\$ -	\$ (1,940)	\$ 26,660
Special Assessment Bonds	4,955	-	(795)	4,160
Unamortized Premium on Debt	491	-	(91)	400
OWDA/OPWC Direct Borrowings	798	157	(68)	887
Total Government Activities	\$ 34,844	\$ 157	\$ (2,894)	\$ 32,107

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 \$1.9 million in 2021 which represented 50% 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 50% 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, a regional emergency response facility, a cemetery office and maintenance building, and a City hall addition), and acquisition of a golf course 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 and a AA+ rating from S&P Global. The ratings were both assigned in October, 2017, and reaffirmed for the City's most recently issued Series 2020 Various Purpose Refunding bonds. Previously the City had an Aa1 rating from Moody's that was based on a recalibration during 2010 and reaffirmed in 2011 and 2015. Prior to that, the City had an Aa2 rating from Moody's that was assigned in 2005, and reaffirmed several times.

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, 2021 was:

Net General Bonded Debt	\$ 27,059,864
Ratio of Net Bonded Debt to Assessed Valuation	1.65%
Net General Bonded Debt Per Capita	\$ 556.79

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 \$167,717,490 and unvoted debt limit (5.5 percent) is \$87,852,019. 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 2022 projects a year-end unencumbered balance of \$27.0 million. This includes estimated income tax collections of \$46.0 million which is less than the record year actual 2021 collections. For the four months through April 30, 2022, income tax collections were up 14.5% from the comparable 2021 period. The general fund unencumbered balance at April 30, 2022 was \$31.5 million. The City anticipates a favorable impact to its financial position and operations during 2022 as a result of the overall trend of recovery from the COVID-19 pandemic both locally and nationally.

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.

**CITY OF MENTOR, OHIO
STATEMENT OF NET POSITION
DECEMBER 31, 2021**

	<u>Primary Government</u> <u>Governmental Activities</u>
ASSETS	
Cash and Investments	\$ 66,892,034
Receivables, net of allowance for doubtful accounts	25,828,373
Due from other governments	4,546,686
Inventory	952,375
Prepaid items	279,041
Net Pension Asset	122,878
Net OPEB Asset	1,590,737
Land held for resale	935,301
Nondepreciable capital assets	78,914,407
Depreciable capital assets, net of accumulated depreciation	101,135,083
Total assets	<u>281,196,915</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charge on refunding	238,802
Pension	7,544,653
OPEB	4,230,584
Total deferred outflows of resources	<u>12,014,039</u>
LIABILITIES	
Accounts payable and accrued liabilities	5,629,671
Construction, security, and bid deposits	659,254
Long-term obligations:	
Due within one year	3,129,015
Due in more than one year:	
Net pension liability	52,323,122
Net OPEB Liability	6,054,282
Other amounts	34,068,989
Total liabilities	<u>101,864,333</u>
DEFERRED INFLOWS OF RESOURCES	
Property tax	6,635,370
PILOT	1,575,000
Pension	13,174,871
OPEB	8,671,663
Total deferred inflows of resources	<u>30,056,904</u>
NET POSITION	
Net investment in capital assets	150,114,307
Restricted for:	
Capital projects	42,698
Debt service	7,809,855
Streets and public safety	11,387,648
Unrestricted	(8,064,791)
Total net position	<u>\$ 161,289,717</u>

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

**CITY OF MENTOR, OHIO
STATEMENT OF ACTIVITIES
DECEMBER 31, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities
Primary government:					
Governmental activities:					
General Government	\$ 7,105,750	\$ 3,025,654	\$ 2,098,583	\$ -	\$ (1,981,513)
Police	14,967,783	2,182,480	199,568	-	(12,585,735)
Fire	14,100,041	3,190,813	80,410	-	(10,828,818)
Streets and highways	14,056,422	2,570,443	5,211,426	747,588	(5,526,965)
Parks and recreation	6,753,870	5,095,644	433,410	-	(1,224,816)
Planning and development	3,930,190	331,812	186,816	-	(3,411,562)
Engineering and building	2,313,406	1,206,285	-	-	(1,107,121)
Interest and fiscal charges	898,333	-	-	-	(898,333)
Total governmental activities	<u>\$ 64,125,795</u>	<u>\$ 17,603,131</u>	<u>\$ 8,210,213</u>	<u>\$ 747,588</u>	<u>\$ (37,564,863)</u>

General revenues:

Municipal income taxes	57,232,996
Property taxes levied for:	
General purpose	1,701,556
Special revenue	2,797,631
Debt service	1,845,425
Other local taxes	616,953
Payments in lieu of taxes	1,609,142
Grants and entitlements not restricted to specific programs	2,996,836
Unrestricted investment earnings	313,620
Other	300,352
Total general revenues	<u>69,414,511</u>
Change in net position	31,849,648
Net position - beginning	<u>129,440,069</u>
Net position - ending	<u>\$ 161,289,717</u>

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

**CITY OF MENTOR, OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

	General	Special Assessment Bond Retirement	Recreation Center	Total Nonmajor Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 36,908,838	\$ 32,714	\$ 121,138	\$ 20,590,010	\$ 57,652,700
Receivables, net	14,306,755	6,323,356	-	5,198,262	25,828,373
Due from other funds	16,459,505	-	-	198,948	16,658,453
Due from other governments	917,210	-	-	3,629,476	4,546,686
Inventory	952,375	-	-	-	952,375
Prepaid items	273,852	-	-	5,189	279,041
Land held for resale	-	935,301	-	-	935,301
Total assets	<u>\$ 69,818,535</u>	<u>\$ 7,291,371</u>	<u>\$ 121,138</u>	<u>\$ 29,621,885</u>	<u>\$ 106,852,929</u>
LIABILITIES					
Accounts Payable	\$ 564,608	\$ -	\$ -	\$ 1,385,925	\$ 1,950,533
Accrued payroll and employee benefits	1,584,447	-	-	-	1,584,447
Accrued liabilities	81,436	-	-	-	81,436
Construction, security and bid deposits	572,630	-	86,624	-	659,254
Due to other funds	-	162,513	5,200,000	11,295,940	16,658,453
Due to other governments	-	139,570	-	-	139,570
Total liabilities	<u>2,803,121</u>	<u>302,083</u>	<u>5,286,624</u>	<u>12,681,865</u>	<u>21,073,693</u>
DEFERRED INFLOWS OF RESOURCES					
Property tax	\$ 1,694,289	\$ -	\$ -	\$ 4,941,081	\$ 6,635,370
PILOT	-	-	-	1,575,000	1,575,000
Unavailable Revenue - Delinquent property tax	54,890	-	-	118,110	173,000
Unavailable Revenue - Income tax	3,191,061	-	-	-	3,191,061
Unavailable Revenue - Intergovernmental revenue	-	-	-	42,698	42,698
Unavailable Revenue - Other	-	-	-	46,278	46,278
Unavailable Revenue - Shared revenue	532,350	-	-	1,369,039	1,901,389
Unavailable Revenue - Special Assessment	-	6,980,646	-	22,880	7,003,526
Total deferred inflows of resources	<u>5,472,590</u>	<u>6,980,646</u>	<u>-</u>	<u>8,115,086</u>	<u>20,568,322</u>
Total liabilities and deferred inflows of resources	<u>8,275,711</u>	<u>7,282,729</u>	<u>5,286,624</u>	<u>20,796,951</u>	<u>41,642,015</u>
FUND BALANCES (DEFICITS)					
Nonspendable	\$ 1,226,227	\$ -	\$ -	\$ 5,189	\$ 1,231,416
Restricted	-	8,642	-	12,782,759	12,791,401
Committed	1,606,877	-	-	240,306	1,847,183
Assigned	12,571,076	-	-	-	12,571,076
Unassigned	46,138,644	-	(5,165,486)	(4,203,320)	36,769,838
Total fund balances (deficits)	<u>\$ 61,542,824</u>	<u>\$ 8,642</u>	<u>\$ (5,165,486)</u>	<u>\$ 8,824,934</u>	<u>\$ 65,210,914</u>
Total liabilities and fund balances (deficits)	<u>\$ 69,818,535</u>	<u>\$ 7,291,371</u>	<u>\$ 121,138</u>	<u>\$ 29,621,885</u>	<u>\$ 106,852,929</u>

CITY OF MENTOR, OHIO

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2021**

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

Total fund balances - governmental funds		\$ 65,210,914
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds. (See note 6.)		180,049,490
An internal service fund is used by management to charge the cost of certain activities, such as insurance to individual funds. The assets and liabilities of the Internal Service funds are included in Governmental Activities in the Statement of Net Position		5,576,704
The net pension liability/asset and net OPEB liability/asset are not due and payable in the current period; therefore the liability asset and related deferred inflows/outflows are not reported in governmental funds:		
Deferred Outflows - Pension	7,544,653	
Deferred Inflows - Pension	(13,174,871)	
Net Pension Liability/Asset	(52,200,244)	
Deferred Outflows - OPEB	4,230,584	
Deferred Inflows - OPEB	(8,671,663)	
Net OPEB Liability/Asset	<u>(4,463,545)</u>	
		(66,735,086)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.		
Deferred charges for bond refundings in 2017/2020	238,802	
Unavailable revenues	<u>12,357,952</u>	
		12,596,754
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	(37,198,004)	
Internal service portion	3,129,000	
Accrued vacation	(1,268,223)	
Accrued interest	<u>(71,832)</u>	
		(35,409,059)
Net position of governmental activities		<u>\$ 161,289,717</u>

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
FOR THE YEAR ENDED DECEMBER 31, 2021

	General	Special Assessment Bond Retirement	Recreation Center	Total Nonmajor Funds	Total Governmental Funds
REVENUES					
Property Taxes	\$ 1,731,006	\$ -	\$ -	\$ 4,715,352	\$ 6,446,358
Municipal Income Tax	57,259,999	-	-	-	57,259,999
Other Local Taxes	-	-	-	610,630	610,630
Payments in Lieu of Taxes	-	-	-	1,609,142	1,609,142
Intergovernmental	2,378,676	-	-	8,702,559	11,081,235
Charges for services	6,672,417	-	-	181,800	6,854,217
Fines and forfeitures	1,015,772	-	-	320,785	1,336,557
Licenses, permits, and inspections	1,649,957	-	-	19,500	1,669,457
Special Assessments	-	1,129,115	-	1,574,915	2,704,030
Investment Income	293,677	-	-	21,090	314,767
Donations and other	183,767	-	-	363,823	547,590
Total revenues	<u>71,185,271</u>	<u>1,129,115</u>	<u>-</u>	<u>18,119,596</u>	<u>90,433,982</u>
EXPENDITURES					
Current:					
General Government	8,421,951	46,149	15,486	496,436	8,980,022
Police	13,796,845	-	-	1,344,853	15,141,698
Fire	11,721,226	-	-	1,186,680	12,907,906
Streets and highways	7,469,976	-	-	6,156,312	13,626,288
Parks and recreation	6,785,553	-	-	1,072,550	7,858,103
Planning and development	3,865,059	-	-	593,971	4,459,030
Engineering and building	1,945,223	-	-	605,711	2,550,934
Debt service:					
Principal retirement	51,932	811,448	-	1,940,000	2,803,380
Interest and fiscal charges	-	215,963	-	756,875	972,838
Capital outlay:					
General Government	83,896	-	-	-	83,896
Police	284,584	-	-	-	284,584
Fire	48,621	-	-	2,987,428	3,036,049
Streets and highways	-	-	-	1,124,354	1,124,354
Parks and recreation	26,202	-	5,150,000	69,520	5,245,722
Planning and development	6,524	-	-	41,761	48,285
Engineering and building	93,306	-	-	255,423	348,729
Total expenditures	<u>54,600,898</u>	<u>1,073,560</u>	<u>5,165,486</u>	<u>18,631,874</u>	<u>79,471,818</u>
Excess (deficiency) of revenues over expenditures	<u>16,584,373</u>	<u>55,555</u>	<u>(5,165,486)</u>	<u>(512,278)</u>	<u>10,962,164</u>
OTHER FINANCING SOURCES (USES)					
Issuance of OPWC Loans	-	-	-	156,800	156,800
Transfers In	-	-	-	2,072,603	2,072,603
Transfers Out	(30,000)	-	-	(2,042,603)	(2,072,603)
Total other financing sources (uses)	<u>(30,000)</u>	<u>-</u>	<u>-</u>	<u>186,800</u>	<u>156,800</u>
Net change in fund balances	16,554,373	55,555	(5,165,486)	(325,478)	11,118,964
Fund balances - beginning	44,988,451	(46,913)	-	9,150,412	54,091,950
Fund balances - ending	<u>\$ 61,542,824</u>	<u>\$ 8,642</u>	<u>\$ (5,165,486)</u>	<u>\$ 8,824,934</u>	<u>\$ 65,210,914</u>

The notes to 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 OF GOVERNMENTAL FUNDS TO THE STATEMENT OF GOVERNMENTAL ACTIVITIES YEAR ENDED DECEMBER 31, 2021

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

Net change in fund balances - total governmental funds \$11,118,964

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	\$ 9,448,606	
Capital asset contributions	101,819	
Current year depreciation	<u>(5,759,216)</u>	3,791,209

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. (65,519)

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 tax	(128,749)	
Intergovernmental	151,647	
Special Assessment	(409,787)	
Other	<u>(464,190)</u>	(851,079)

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 premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. 2,711,549

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

Pension	5,199,373	
OPEB	<u>103,896</u>	5,303,269

Except for amounts reported as deferred inflows/outflows, changes in the net pension and net OPEB liability are reported as pension and OPEB expense in the statement of activities.

Pension	(1,255,191)	
OPEB	<u>9,970,380</u>	8,715,189

The internal service fund are used by management to charge costs to certain activities, such as insurance to individual funds. The net revenue(expense) of Internal Service funds are reported in the Governmental Activities. 700,660

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. 425,406

Changes in net position of governmental activities \$31,849,648

CITY OF MENTOR, OHIO

GENERAL FUND

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

(NON-GAAP BUDGETARY BASIS)

For the Year Ended December 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:				
Property taxes	\$ 1,451,000	\$ 1,451,000	\$ 1,731,006	\$ 280,006
Municipal income tax	43,000,000	53,000,000	55,993,157	2,993,157
Intergovernmental	1,635,600	1,635,600	2,337,563	701,963
Charges for services	6,002,750	6,002,750	6,672,421	669,671
Fines and forfeitures	753,300	753,300	954,349	201,049
Licenses, permits and inspections	1,490,000	1,490,000	1,511,062	21,062
Investment income	270,000	270,000	293,677	23,677
Other	98,750	332,250	530,729	198,479
Total revenues	<u>54,701,400</u>	<u>64,934,900</u>	<u>70,023,964</u>	<u>5,089,064</u>
EXPENDITURES:				
Function:				
General government	14,864,392	14,942,604	7,693,795	7,248,809
Police	13,029,337	13,059,337	11,990,091	1,069,246
Fire	10,815,644	11,015,644	10,439,696	575,948
Streets and highways	7,984,615	7,984,615	6,889,089	1,095,526
Parks and recreation	10,133,002	10,171,002	6,402,267	3,768,735
Planning and development	8,287,836	8,287,836	7,435,539	852,297
Engineering and building	2,562,494	2,727,578	2,111,703	615,875
Debt Service:				
Principal retirement	<u>130,000</u>	<u>130,000</u>	<u>51,932</u>	<u>78,068</u>
Total expenditures	<u>67,807,320</u>	<u>68,318,616</u>	<u>53,014,112</u>	<u>15,304,504</u>
Excess (deficiency) of revenues over expenditures	(13,105,920)	(3,383,716)	17,009,852	20,393,568
OTHER FINANCING SOURCES (USES):				
Advances in	15,500,000	15,500,000	14,458,953	(1,041,047)
Advances out	(7,650,000)	(19,821,615)	(17,804,643)	2,016,972
Transfers out	<u>(8,300,000)</u>	<u>(8,300,000)</u>	<u>(6,722,585)</u>	<u>1,577,415</u>
Total other financing sources (uses)	<u>(450,000)</u>	<u>(12,621,615)</u>	<u>(10,068,275)</u>	<u>2,553,340</u>
NET CHANGE IN FUND BALANCE	(13,555,920)	(16,005,331)	6,941,577	22,946,908
Adjustment for prior year encumbrances	5,717,780	5,717,780	5,717,780	-
FUND BALANCE, BEGINNING OF YEAR	<u>16,337,756</u>	<u>16,337,756</u>	<u>16,337,756</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 8,499,616</u>	<u>\$ 6,050,205</u>	<u>\$ 28,997,113</u>	<u>\$ 22,946,908</u>

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

**CITY OF MENTOR, OHIO
 STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 DECEMBER 31, 2021**

	<u>Governmental Activities</u>
	<u>Internal Service Funds</u>
ASSETS	
Current assets:	
Cash and investments	\$ 9,239,334
Total assets	<u>\$ 9,239,334</u>
LIABILITIES	
Current liabilities:	
Claims Payable	533,630
Noncurrent liabilities:	
Employee benefits payable	<u>3,129,000</u>
Total liabilities	<u>3,662,630</u>
NET POSITION	
Unrestricted	<u>5,576,704</u>
Total net position	<u>\$ 5,576,704</u>

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

CITY OF MENTOR, OHIO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2021

	Governmental Activities
	Internal Service Funds
OPERATING REVENUES	
Charges for services	\$ 6,300,000
Donations and other	56,235
Total operating revenues	<u>6,356,235</u>
OPERATING EXPENSES	
Employee Benefits	5,655,575
Total operating expenses	<u>5,655,575</u>
Operating income (loss)	<u>700,660</u>
Change in net position	700,660
Total net position - beginning	\$ 4,876,044
Total net position - ending	<u><u>\$ 5,576,704</u></u>

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

**CITY OF MENTOR, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
DECEMBER 31, 2021**

	<u>Governmental Activities</u> <u>Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Charges for Services	\$ 6,300,000
Donations and other	56,235
Payments to vendors	<u>(5,795,898)</u>
Net cash provided by operating activities	<u>560,337</u>
Net increase in cash and cash equivalents	560,337
Cash and cash equivalents - beginning of year	<u>8,678,997</u>
Cash and cash equivalents - end of the year	<u><u>\$ 9,239,334</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating Income	\$ 700,660
Changes in assets and liabilities:	
Increase (decrease) in accrued employee benefits	<u>(140,323)</u>
Net cash provided (used) by operating activities	<u><u>\$ 560,337</u></u>
CASH RECONCILIATION	
Actual Balance - end of year	<u><u>\$ 9,239,334</u></u>

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

**CITY OF MENTOR, OHIO
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2021**

	Private-Purpose Trust Fund	Custodial Fund
ASSETS		
Cash and investments	\$ 22,032	\$ 127,422
LIABILITIES		
Due to external parties	-	127,422
NET POSITION		
Held in trust for individuals, organizations, and other governments	\$ 22,032	\$ -

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

**CITY OF MENTOR, OHIO
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
DECEMBER 31, 2021**

	<u>Private-Purpose Trust Fund</u>	<u>Custodial Fund</u>
ADDITIONS		
Contributions	\$ -	\$ 1,196,747
Investment Income	93	-
Total additions	<u>93</u>	<u>1,196,747</u>
DEDUCTIONS		
General expenses		
Decoration of specific graves	306	-
Fines and forfeiture distributions to other governments	-	1,196,747
Total deductions	<u>306</u>	<u>1,196,747</u>
Net increase (decrease) in fiduciary net position	(213)	-
Net Position -- beginning of the year	22,245	-
Net Position -- end of the year	<u>\$ 22,032</u>	<u>\$ -</u>

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

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

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, planning and development, and general administrative services.

Reporting Entity: The accompanying financial statements as of December 31, 2021 and for the year then ended have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) applicable to local governments. The Governmental Accounting Standards Board (“GASB”) is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB’s Codification of Governmental Accounting and Financial Reporting Standards (“GASB Codification”).

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Government-wide and fund financial statements

GASB Statement No. 34 established new requirements and a new reporting model for the annual financial reports of state and local governments. The Statement was developed to make annual reports easier to understand and more useful to the people who use governmental financial information to make decisions. Financial information of the City is presented in the following format:

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

Basic Financial Statements:

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

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

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

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

The City's major governmental funds are the General Fund, the Special Assessment Bond Retirement Fund, and the Recreation Center 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 and recreation; planning and development; engineering and building; and debt service. General Fund resources are also transferred annually to support other services which are accounted for in other separate funds.

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

The Recreation Center Fund is used to account for the purchase and renovation of the Mentor Civic Recreation Center.

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

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. Currently, the City has two proprietary funds which are Internal Service Funds for Workers' Compensation and Self Insurance. Operating revenues within those funds are generated directly from the General Fund as Charges for Services. Operating expenses are the payment of premiums and claims which are the primary purposes of the funds.

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

3. *The City's General Fund budget to actual statement* is presented as part of the basic financial statements.
4. Notes to the financial statements provide information that is essential to a user's understanding of the basic financial statements.

B. Financial reporting presentation

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

GOVERNMENTAL FUNDS

1. **General Fund** - The General Fund is the general operating fund of the City. It is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund is always defined as a major 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. In 2021, the Special Assessment Bond Retirement Fund is considered a major fund.
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. In 2021, the Recreation Center Fund is considered a major fund.

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

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 2021, 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 2021, 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 known as the Workers' Compensation Fund to account for the operation of the retrospective ratings plan for Workers' Compensation. During 2016, the City established, with Resolution 16-R-102, an internal service fund known as the Self Insurance Fund to account for the operation of a self-insurance program.

FIDUCIARY FUNDS

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The City's fiduciary funds are a private-purpose trust fund and a custodial fund. The City's private purpose trust fund accounts for the cost of decorating specific graves as designated by individual donors in a Cemetery Bequest and Endowment Fund. The custodial fund accounts for the Mentor Municipal Court. The City does not have any pension or investment 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 incurred,

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities and deferred inflows of resources of the current period. The City generally considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are generally recorded when the related fund liability 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 estimated

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

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, 2021, 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 Custodial 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 2021 reported on the budget basis versus the GAAP basis is as follows:

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

Net Change in Fund Balance

	<u>General Fund</u>
Budget Basis	\$ 6,941,577
Adjustments:	
Revenue accruals	1,133,785
Advances in	(14,458,953)
Advances out	17,804,643
Expenditure accruals	225,312
Funds with separate Legally Adopted Budgets*	(316,330)
Encumbrances	<u>5,224,339</u>
GAAP Basis	<u>\$ 16,554,373</u>

*Includes Payroll Stabilization Fund, Senior Citizens Activities Fund, and Beautification Fund.

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

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

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

As of December 31, 2021, the City's commitments for encumbrances in the governmental funds were as follows:

	<u>Encumbrances Outstanding</u>
General	\$ 5,224,339
Nonmajor funds	<u>10,192,143</u>
Total	<u>\$ 15,416,482</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

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

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

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

Prepays: Payments made to vendors for services that will benefit periods beyond December 31, 2021, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

Capital Assets: Capital assets, which include land, construction in progress, land improvements, buildings (including renovations and improvements), equipment, and infrastructure assets are reported in the governmental activities column in the government-wide financial statements to the extent the City’s capitalization threshold is met. The City defines capital assets as assets with an estimated useful life in excess of five years (except vehicles) and an individual cost of more than \$5,000. Assets are recorded at historical cost or estimated historical cost, if historical cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at their acquisition 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
Building and improvements	20 - 40
Equipment	5 - 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.

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

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.

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

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

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

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

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. City Council has approved the internally imposed constraints for the Payroll Stabilization arrangement. The circumstances that trigger spending are both specific and nonroutine.

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. Assigned amounts represent intended uses established by the City's legislative body, the City Council. State statute authorizes the Finance Director to assign fund balance for purchase orders; provided such amounts have been lawfully appropriated.

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

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

The constraints placed on fund balance for the major governmental funds and all other governmental funds follow:

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

Fund Balances	General	Special Assessment Bond Retirement	Recreation Center	Other Governmental Funds	Total
<i>Nonspendable</i>					
Inventories	\$ 952,375	\$ -	\$ -	\$ -	\$ 952,375
Prepaid items	273,852	-	-	5,189	279,041
<i>Total Nonspendable</i>	<u>1,226,227</u>	<u>-</u>	<u>-</u>	<u>5,189</u>	<u>1,231,416</u>
<i>Restricted for</i>					
Parks and recreation	-	-	-	420,409	420,409
Safety forces	-	-	-	5,773,708	5,773,708
Streets and highways	-	-	-	4,288,461	4,288,461
Planning and development	-	-	-	1,659,362	1,659,362
Debt service	-	8,642	-	640,366	649,008
Other	-	-	-	453	453
<i>Total Restricted</i>	<u>-</u>	<u>8,642</u>	<u>-</u>	<u>12,782,759</u>	<u>12,791,401</u>
<i>Committed to</i>					
Payroll stabilization	1,606,877	-	-	-	1,606,877
Parks and recreation	-	-	-	218,510	218,510
Street trees	-	-	-	21,796	21,796
<i>Total Committed</i>	<u>1,606,877</u>	<u>-</u>	<u>-</u>	<u>240,306</u>	<u>1,847,183</u>
<i>Assigned to</i>					
Parks and recreation	324,782	-	-	-	324,782
Safety forces	98,014	-	-	-	98,014
Streets and highways	365,996	-	-	-	365,996
Engineering and building	450,981	-	-	-	450,981
Planning and development	3,785,119	-	-	-	3,785,119
General government	330,580	-	-	-	330,580
Planned 2022 appropriations	7,215,604	-	-	-	7,215,604
<i>Total Assigned</i>	<u>12,571,076</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,571,076</u>
<i>Unassigned (Deficit)</i>	46,138,644	-	(5,165,486)	(4,203,320)	36,769,838
Total Fund Balances	<u>\$ 61,542,824</u>	<u>\$ 8,642</u>	<u>\$ (5,165,486)</u>	<u>\$ 8,824,934</u>	<u>\$ 65,210,914</u>

Net Position: Net investment in capital assets, a component of net position, is not spendable. The balance represents the portion of net position related to the reported capital assets and those liabilities and deferred resource flows resulting from their acquisition. The balance is calculated as follows:

Capital Assets:

Land and construction in progress	\$ 78,914,407
Other capital assets, net of accumulated depreciation	101,135,083

Adjustments:

Notes, direct borrowings, and bonds payable	(31,707,093)
Premium on bonds	(399,864)
Unspent bond proceeds	1,932,972
Deferred charge on refunding	238,802
	<u>\$ 150,114,307</u>

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

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.

Deferred Outflows/Inflows of Resources: In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, pension and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 13 and 14.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2021, but which were levied to finance year 2022 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, municipal income tax, intergovernmental grants, other revenues, shared revenue and special assessments. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 13 and 14)

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

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

NOTE 3 - DEPOSITS AND INVESTMENTS

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

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the City treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts. Inactive deposits are monies identified as not required for use within the current five-year period of designation of depositories.

Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the fair 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 and any of its taxing subdivisions;
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 (STAR Ohio). The City's investment in State Treasury Asset Reserve of Ohio (STAR Ohio) is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company and is recognized as an external investment pool by the City. The City measures their investment in STAR Ohio as the net asset value (NAV) per share provided by STAR

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

For 2021, there were no limitation or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes;

7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed three million dollars face amount invested in the acceptances of any one bank at any time; and,
8. Under limited circumstances, consistent with the City's investment policy, three mutual funds which invest in corporate and GNMA bonds: Vanguard Short-Term Corporate Fund, Vanguard Intermediate-Term Corporate Fund, and Vanguard GNMA Fund.

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

Deposits

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or protected by:

Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. The City's financial institution had enrolled in OPCS as of December 31, 2021.

At year-end, the carrying amount of the City's deposits including certificates of deposit was \$8,636,094 and the bank balance was \$10,455,795. Of the bank balance, \$679,132 was covered by Federal depository insurance and \$9,776,663 was uninsured. Of the remaining uninsured bank balance, \$9,776,663 was collateralized with securities held by the pledging institution's agent or trust department, not in the City's name.

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

Investments

STAR Ohio is measured at net asset value per share while all other investments are measured at fair value. Fair value is determined by quoted market prices and acceptable other pricing methodologies. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The Money Market Mutual Fund is measured at fair value and is valued using quoted market prices (Level 1 inputs). The City's remaining investments (Vanguard Funds) measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data (Level 2 inputs).

As of December 31, 2021, the City had the following investments:

	Measurement Value	Maturity		
		Less than 1 year	1 to 2 years	Greater than 2 years
Vanguard Short-Term Corporate Bond Fund	\$ 3,061,112	\$ -	\$ 3,061,112	\$ -
Vanguard Intermediate-Term Corporate Bond Fund	4,216,909	-	-	4,216,909
Vanguard GNMA Fund	5,078,804	-	-	5,078,804
STAROhio	<u>46,048,569</u>	<u>46,048,569</u>	<u>-</u>	<u>-</u>
Total Portfolio	<u>\$ 58,405,394</u>	<u>\$ 46,048,569</u>	<u>\$ 3,061,112</u>	<u>\$ 9,295,713</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 the three Vanguard Corporate and GNMA Funds. The net asset 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.

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

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 Moody's Investors Service and Standard & Poor's. The portfolios are rated as follows: The Vanguard Short-Term Corporate Bond Fund and the Vanguard Intermediate-Term Corporate Bond Fund were rated between A through Baa3. The Vanguard GNMA Fund was rated equal to the U.S. Government or Aaa. The STAROhio investment was rated AAAM by S&P. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service.

Concentration of Credit Risk is defined by the Governmental Accounting Standards Board as five percent or more in the securities of a single issuer. The City's investment policy requires diversification of the portfolio but does not indicate specific percentage allocations.

The following is the City's allocation as of December 31, 2021; Vanguard Short-Term Corporate Bond Fund – 5.2%, Vanguard Intermediate Term Corporate Bond Fund – 7.2%, Vanguard GNMA Fund – 8.7%, and STAROhio – 78.9%.

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

<i>Government-Wide Financial Statements</i>	
Cash and investments	<u>\$ 66,892,034</u>
<i>Fund Financial Statements</i>	
Cash and investments	\$ 57,652,700
<i>Proprietary Fund Financial Statements</i>	
Cash and investments	9,239,334
<i>Statement of Fiduciary Net Position</i>	
Cash	<u>149,454</u>
Total	<u>\$ 67,041,488</u>

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

NOTE 4 – RECEIVABLES AND DEFERRED INFLOWS OF RESOURCES

Receivables consist of the following at December 31, 2021:

	Income Taxes	Property Taxes	Special Assess- ments	Other	Gross Receivables	Allowance for uncol- lectibles	Net
Governmental Activities							
Governmental Funds							
General Fund	\$ 12,202,645	\$ 1,759,668	\$ -	\$ 362,321	\$ 14,324,634	\$ (17,879)	\$ 14,306,755
Special Assessment Bond Retirement Fund	-	-	6,323,479	-	6,323,479	(123)	6,323,356
Other Governmental Funds	-	5,114,299	31,287	121,314	5,266,900	(68,638)	5,198,262
Total Receivables	<u>\$ 12,202,645</u>	<u>\$ 6,873,967</u>	<u>\$ 6,354,766</u>	<u>\$ 483,635</u>	<u>\$ 25,915,013</u>	<u>\$ (86,640)</u>	<u>\$ 25,828,373</u>

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

	Government-Wide Statement of Net Position	Governmental Funds Balance Sheet
Governmental Funds:		
General Fund:		
Property tax receivable	\$ 1,694,289	\$ 1,749,179
Income tax receivable	-	3,191,061
State shared revenue receivable	-	532,350
Total general fund	<u>1,694,289</u>	<u>5,472,590</u>
Special Assessment Bond Retirement Fund:		
Special assessment receivable	-	6,980,646
Other Governmental Funds:		
Property tax receivable	4,941,081	5,059,191
Special assessment receivable	-	22,880
Other receivable	-	88,976
State shared revenue receivable	-	1,369,039
Payments in lieu of taxes receivable	<u>1,575,000</u>	<u>1,575,000</u>
Total other governmental funds	<u>6,516,081</u>	<u>8,115,086</u>
Total deferred inflows of resources	<u>\$ 8,210,370</u>	<u>\$ 20,568,322</u>

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

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 Custodial 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 Custodial Fund.

NOTE 6 – CAPITAL ASSETS

Capital Asset Activity: Capital asset activity for the year ended December 31, 2021 was as follows:

	Balance December 31, 2020	Additions	Deductions	Balance December 31, 2021
		(Amounts in 000's)		
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 71,086	\$ 1,131	\$ -	\$ 72,217
Construction in progress	8,467	2,022	(3,792)	6,697
Total capital assets, not being depreciated	<u>79,553</u>	<u>3,153</u>	<u>(3,792)</u>	<u>78,914</u>
Capital assets, being depreciated:				
Land improvements	7,866	-	-	7,866
Buildings and improvements	46,943	6,637	-	53,580
Equipment	29,974	1,529	(126)	31,377
Infrastructure	135,681	2,023	-	137,704
Cost	<u>220,464</u>	<u>10,189</u>	<u>(126)</u>	<u>230,527</u>
Less accumulated depreciation for:				
Land improvements	(6,831)	(95)	-	(6,926)
Buildings and improvements	(29,219)	(1,056)	-	(30,275)
Equipment	(21,069)	(1,635)	61	(22,643)
Infrastructure	(66,574)	(2,974)	-	(69,548)
Total accumulated depreciation	<u>(123,693)</u>	<u>(5,760)</u>	<u>61</u>	<u>(129,392)</u>
Total accumulated assets being depreciated, net	<u>96,771</u>	<u>4,429</u>	<u>(65)</u>	<u>101,135</u>
Capital Assets, net	<u>\$ 176,324</u>	<u>\$ 7,582</u>	<u>\$ (3,857)</u>	<u>\$ 180,049</u>

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

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

	<u>(Amounts in 000's)</u>
Governmental Activities:	
General government	\$ 191
Police	443
Fire	706
Streets and highways	3,614
Parks and recreation	805
Engineering and building	<u>1</u>
Total depreciation expense charged to governmental activities	<u>\$ 5,760</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, 2021 is as follows:

	Balance January 1, 2021	Additions	(Reductions)	Balance December 31, 2021	Due Within One Year
Governmental Activities					
General Obligation Bonds due through 2037 2% to 5%	\$ 28,600,000	\$ -	\$ (1,940,000)	\$ 26,660,000	\$ 1,975,000
Special Assessment Bonds due through 2029, 2% to 7.15%	4,955,000	-	(795,000)	4,160,000	840,000
Unamortized Premium on Debt	491,053	-	(91,189)	399,864	-
Other obligations:					
Compensated absences	2,326,821	-	(364,774)	1,962,047	224,190
Claims and judgements	3,299,000	398,614	(568,614)	3,129,000	16,400
OWDA and OPWC direct borrowings	798,674	156,800	(68,381)	887,093	73,425
Net Pension Liability:					
OPERS	20,127,786	-	(6,758,839)	13,368,947	-
OP&F	39,735,110	-	(780,935)	38,954,175	-
Net OPEB Liability:					
OPERS	13,836,908	-	(13,836,908)	-	-
OP&F	<u>5,826,330</u>	<u>227,952</u>	<u>-</u>	<u>6,054,282</u>	<u>-</u>
Total Debt and Long-Term Obligations	<u>\$ 119,996,682</u>	<u>\$ 783,366</u>	<u>\$ (25,204,640)</u>	<u>\$ 95,575,408</u>	<u>\$ 3,129,015</u>

During March 2020 the City issued \$9,480,000 of General Obligation Various Purpose Refunding Bonds dated as of March 12, 2020 with interest rates varying from 1.25% to 5.00%. The proceeds were used to refund \$2,610,000 of the outstanding 2011 bond issue with interest rates from 2.500% to 3.375% and to refund \$6,870,000 of the outstanding 2015 bond issue with interest rates from 2.000% to 3.125%. As a result of the refunding, the City reduced its total debt service requirements by \$712,000, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$630,000.

The City has certain direct borrowings in the form of loans. During 2007, the City finalized a 20 year, 3.00% interest rate loan through the Ohio Water Development Authority in the amount of

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

\$287,656. The outstanding principal balance at December 31, 2021 is \$80,391. During 2021, the City finalized one 20-year, 0% interest loan through the Ohio Public Works Commission for the Two Town Detention Basin loan in the amount of \$31,854. The City had eleven Ohio Public Works Commission 20 year, 0% loans as of December 31, 2021. The Chillicothe Road Widening & Resurfacing loan, the Hopkins Road Bridge development loan, the Kellogg Creek Culvert Improvement loan, the Stoneybrook Culvert Improvement loan, the SR306 Concrete Repair loan, the Murray Avenue Storm Sewer Improvement loan, the Plaza Boulevard Extension loan, the Marigold Road Reconstruction loan, the Orchard Road Reconstruction loan, the Rice Detention Basin loan, and the Two Town Detention Basin loan have outstanding December 31, 2021 principal amounts of \$7,922, \$117,819, \$15,353, \$30,000, \$30,058, \$123,750, \$131,250, \$54,530, \$33,958, \$74,203 and \$31,059 respectively. At the end of the year, the City had two outstanding projects provided through OPWC loan funding that are not complete and the final amortization schedules are not provided as of year-end. As of December 31, 2021 the total loan amount received for the outstanding projects is reported in the previous schedule.

All of the direct borrowings (OWDA and OPWC loans) obligate the City to comply with terms and conditions. If the City fails to comply, termination of the loan agreements require the City to return any outstanding moneys. In addition, whenever an event of default on the OPWC loans shall have happened, the amount of such default shall bear interest at the stated rate (currently 8%) per annum, or not in excess of the maximum amount permitted by law from the date of the default until the date of the payment thereof.

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

For governmental funds, compensated absences and net pension and OPEB liability are generally liquidated by the fund where the corresponding employee's salary and pension and OPEB expenditure is recorded. There is no repayment schedule for the net pension liability and net OPEB liability; however, the general fund is the primary fund used to liquidate these liabilities. See Notes 13 and 14 for further information regarding net pension liability and net OPEB liability.

Bonds payable at December 31, 2021 are comprised of the following issues:

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

	<u>Amount of Original Issuance</u>	<u>Bonds Outstanding December 31, 2021</u>
Governmental Activities Obligations:		
General unvoted obligations:		
2017 Various Purpose Improvement and Refunding Bonds due in annual installments ranging from \$130,000 to \$385,000 through 2037 plus interest rates varying between 2.0% and 3.0%	\$4,545,000	\$3,625,000
2018 Various Purpose Bonds due in annual installments ranging from \$445,000 to \$545,000 through 2037 plus interest rates varying between 2.0% and 3.0%	9,805,000	7,990,000
2019 Various Purpose Bonds due in annual installments ranging from \$345,000 to \$465,000 through 2039 plus interest rates varying between 2.0% and 3.0%	7,930,000	7,225,000
2020 Various Purpose Refunding Bonds due in annual installments ranging from \$305,000 to \$955,000 through 2035 plus interest rates varying between 1.25% and 5.00%	<u>9,480,000</u>	<u>7,820,000</u>
Total general obligation bonds	<u>31,760,000</u>	<u>26,660,000</u>
Special assessment obligations:		
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	375,000
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	3,485,000
2017 Various Purpose Improvement and Refunding Bonds due in annual installments ranging from \$130,000 to \$385,000 through 2029 plus interest rates varying between 2.0% and 3.0%	<u>375,000</u>	<u>300,000</u>
Total special assessment bonds	<u>12,730,000</u>	<u>4,160,000</u>
Total bonds	<u>\$ 44,490,000</u>	<u>\$ 30,820,000</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.

The following is a summary of the City's future debt service requirements as of December 31, 2021:

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

Governmental Activities							
Year Ending December 31	General Obligation Bonds		Special Assessment Bonds		Direct Borrowings OWDA and OPWC Loans		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2022	\$ 1,975,000	\$ 680,831	\$ 840,000	\$ 178,852	\$ 69,674	\$ 2,286	\$ 3,746,643
2023	2,050,000	612,981	485,000	142,253	70,186	1,773	3,362,193
2024	2,105,000	542,431	510,000	121,978	70,714	1,246	3,351,369
2025	2,115,000	469,431	535,000	100,498	71,258	702	3,291,889
2026	1,705,000	428,631	555,000	77,460	62,202	142	2,828,435
2027-2031	8,160,000	1,590,063	1,235,000	82,467	175,471	-	11,243,001
2032-2036	6,530,000	727,738	-	-	139,364	-	7,397,102
2037-2041	2,020,000	81,675	-	-	71,424	-	2,173,099
	<u>\$ 26,660,000</u>	<u>\$ 5,133,781</u>	<u>\$ 4,160,000</u>	<u>\$ 703,508</u>	<u>\$ 730,293</u>	<u>\$ 6,149</u>	<u>\$ 37,393,731</u>

Legal Debt Margin: Under the Ohio Revised Code, the City is subject to a debt limit of 10.5 percent of the assessed valuation of all taxable property in the City, regardless of whether or not it is approved by the electors. In addition, the unvoted net debt of the City cannot exceed 5.5 percent of the assessed valuation of all taxable property. The City's total legal debt limit is \$167,717,490 with a legal debt margin of \$140,657,626 at December 31, 2021. The City's unvoted legal debt limit is \$87,852,019 with a legal debt margin of \$60,792,155 at December 31, 2021.

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, 2021, there were no industrial revenue bonds outstanding. The City also acts as a conduit for the Lake County Communities Energy Special Improvement District. As of December 31, 2021, there was one special assessed bond series outstanding with an aggregate principal amount payable of \$845,000.

NOTE 8 – COMPLIANCE AND ACCOUNTABILITY

At December 31, 2021, the Recreation Center Fund, the Special Revenue Funds – Street Lighting, Local Coronavirus Relief, and the Local Grants, and the Capital Projects Funds – Amphitheater, Springbrook Park, Woodnorton Way, Lake Overlook Reconstruction, Stockbridge Dartmoor Roads, State Grants – Other, Hopkins Resurfacing Market/Mentor, and Federal Grants – Other had deficit balances of \$5,165,486, \$419,917, \$8, \$23,649, \$1,012,425, \$124,046, \$577,771, \$528,256, \$765,888, \$116,925, \$18,030, \$616,405 respectively. All deficits will be eliminated through transfers or the receipt of grant and bond proceeds during 2022. No other funds had deficit balances as of December 31, 2021.

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

NOTE 9 – RISK MANAGEMENT

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

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

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

The City's financial activity relating to its self-insured risk is accounted for in the General Fund. Changes in the estimated claims payable for self-insured risk (vehicle collision claims) during the years ended December 31, 2021 and 2020 were as follows:

	<u>2021</u>	<u>2020</u>
Estimated claims payable, January 1	\$ -	\$ -
Current year claims and changes in estimates	86,490	148,286
Claim payments	<u>(86,490)</u>	<u>(148,286)</u>
Estimated claims payable, December 31	<u>\$ -</u>	<u>\$ -</u>

Insurance: The City purchases insurance policies in varying amounts for general liability, property damage, 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 2021. There was no significant decrease in any insurance coverages in 2021. In addition, there were no insurance settlements in excess of insurance coverage during the past three fiscal years.

The City has established a formal self-insurance program for liabilities arising from the City's participation in the Workers' Compensation Retrospective Rating Plan. This exposure is accounted for in the Workers Compensation Internal Service Fund, which is responsible for collecting interfund premiums from other City funds and departments, paying claim settlements, and purchasing other specified insurance policies.

The claims liability of \$3,129,000 reported in the fund at December 31, 2021, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

reported claim, be reported. Changes in the fund's claims liability amount in 2020 and 2021 were as follows:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2020	\$ 3,470,000	\$ 301,300	\$ 472,300	\$ 3,299,000
2021	3,299,000	398,614	568,614	3,129,000

In 2016, the City established a formal self-insurance program for its employer provided medical coverage to its employees. Previously, coverage was provided through commercial insurance provided by two different insurers. Activity is accounted for in the Self-Insurance Internal Service Fund, which is responsible for collecting all claims and fees, and other transactions affecting net position. Changes in the fund's claims liability amount in 2020 and 2021 were as follows:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2020	\$ 751,865	\$ 5,954,599	\$ 6,202,512	\$ 503,952
2021	503,952	5,927,535	5,897,857	533,630

NOTE 10 – CONTINGENCIES

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

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

NOTE 11 – INTERFUND TRANSACTIONS AND BALANCES

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

1. Nonreciprocal interfund transfers – Flows of assets between funds without equivalent flows of assets in return and without a requirement for repayment. This includes transfers to subsidize various funds.
2. Nonreciprocal interfund reimbursements – Repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them.

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

3. For the year ended December 31, 2021 transfers (\$117,991 related to debt, \$30,000 related to grants, and \$924,612 related to fund closeouts, \$100,000 to subsidize Street Lighting Fund expenditures, and \$900,000 to subsidize Capital projects):

	<u>Transfers Out</u>	<u>Transfers In</u>
	<u>Total</u>	<u>Other Governmental Funds</u>
Governmental Funds:		
General	\$ (30,000)	\$ -
Other governmental	<u>(2,042,603)</u>	<u>2,072,603</u>
Total	<u>\$ (2,072,603)</u>	<u>\$ 2,072,603</u>

Interfund balances: Interfund balances at December 31, 2020 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, 2021 are as follows:

<u>Receivable Fund</u>	<u>Total</u>	<u>Payable Fund</u>			<u>Total</u>
		<u>Special Assessment Bond Retirement Fund</u>	<u>Recreation Center Fund</u>	<u>Other Governmental Funds</u>	
Governmental Funds:					
General	\$ 16,459,505	\$ 157,390	\$ 5,200,000	\$ 11,102,115	\$ 16,459,505
Other governmental	<u>198,948</u>	<u>5,123</u>	<u>-</u>	<u>193,825</u>	<u>198,948</u>
Total	<u>\$ 16,658,453</u>	<u>\$ 162,513</u>	<u>\$ 5,200,000</u>	<u>\$ 11,295,940</u>	<u>\$ 16,658,453</u>

NOTE 12 – TAXES

Income Taxes – A two percent City income tax is levied on substantially all income earned within the City. On March 15, 2016, the two percent income tax was renewed by the voters for an indefinite period, without an expiration date. 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.

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

Property Taxes – Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property (other than public utility) in one calendar year are levied in October of the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revalued by appraisal every six years and, three years after each revaluation, all property values are reviewed and revised, as necessary, as part of a triennial update based on recent sales of properties. The last revaluation was completed in 2021. Real property taxes are payable annually or semi-annually. If paid annually, payment is due February 19; if paid semiannually, the first payment is due January 20, with the remainder payable July 17. In certain instances, State statute permits earlier or later payment dates to be established.

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

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

The assessed value upon which the 2020 levy (collected in 2021) was approximately \$1.6 billion. Ohio law limits unvoted property taxation, combined for all overlapping taxing authorities, to 10 mills. The City's current share of the unvoted property tax is 3 mills of assessed value, and the City's total property tax levy, including all voted levies is 4.50 mills of assessed value.

NOTE 13 – DEFINED BENEFIT PENSION PLANS

Net Pension Liability (Asset)

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

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

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

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

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

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

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

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

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

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

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The base amount of a member's pension benefit is locked in upon receipt of the initial benefit payment for calculation of the annual cost-of-living adjustment.

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

A death benefit of \$500 - \$2,500, determined by the number of years of service credit of the retiree, is paid to the beneficiary of a deceased retiree or disability benefit recipient under the Tradition pension plan and the Combined Plan.

The OPERS Board of Trustees approved a proposal at its October 2019 meeting to create a new tier of membership in the OPERS traditional pension plan. OPERS currently splits its non-retired membership into Group A, B or C depending on age and service criteria. Retirement Group D would consist of OPERS contributing members hired in 2022 and beyond. Group D will have its own eligibility standards, benefit structure and unique member features designed to meet the changing needs of Ohio public workers. It also will help OPERS address expected investment market volatility and adjust to the lack of available funding for health care. The date of implementation will be determined when finalized changes are approved.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the members' contributions plus or minus the investment gains or losses resulting from the members' investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

retirement benefits. The amount available for defined contributions benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earning vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the Annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

Beginning in 2022, the combined plan will be consolidated under the traditional pension plan (defined benefit plan) and the combined plan will no longer be available for new hires beginning in 2022.

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

	<u>State and Local</u>
2021 Statutory Maximum Contribution Rates	
Employer	14.0%
Employee *	10.0%
2021 Actual Contribution Rates	
Employer:	
Pension **	14.0%
Post employment Health Care Benefits **	<u>0.0%</u>
Total Employer	<u>14.0%</u>
Employee	<u>10.0%</u>

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

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

The portion of employer contributions used to fund pension benefits is net of postemployment health care benefits. The portion of the employer's contribution allocated to health care was 0% for 2021 for the Traditional and Combined plans. The portion of the employer's contribution allocated to health care was 4% for the Member-Directed plan for 2021. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contributions was \$1,935,247 for fiscal year ending December 31, 2021. Of this amount, \$61,143 is reported as an intergovernmental payable.

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

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

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

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

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

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

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

Members retiring under normal service requirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either 3 percent or the percent increase, if any, in the Consumer Price Index over the 13 month period ending on September 30th of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013, is equal to 3 percent of their base pension or disability benefit.

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

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

	<u>Police</u>	<u>Firefighters</u>
2021 Statutory Maximum Contribution Rates		
Employer	19.50%	24.00%
Employee	12.25%	12.25%
2021 Actual Contribution Rates		
Employer:		
Pension	19.00%	23.50%
Post-employment Health Care Benefits	<u>0.50%</u>	<u>0.50%</u>
Total Employer	<u>19.50%</u>	<u>24.00%</u>
Employee	<u>12.25%</u>	<u>12.25%</u>

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$3,264,128 for 2021. Of this amount, \$111,675 is reported as an intergovernmental payable.

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

The net pension liability/asset for OPERS was measured as of December 31, 2020, and the total pension liability/asset used to calculate the net pension liability/asset was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2020, and was determined by rolling forward the total pension liability as of January 1, 2020, to December 31, 2020. The City's proportion of the net pension liability/asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS Traditional Pension Plan</u>	<u>OPERS Combined Pension Plan</u>	<u>OP&F Police</u>	<u>OP&F Fire</u>	<u>Total</u>
Proportion of the Net Pension Liability (Asset) Prior Measurement Date	0.101832%	0.047763%	0.2737342%	0.3161108%	
Proportion of the Net Pension Liability (Asset) Current Measurement Date	<u>0.090283%</u>	<u>0.425680%</u>	<u>0.2622743%</u>	<u>0.3091451%</u>	
Change in Proportionate Share	<u>-0.011549%</u>	<u>0.377917%</u>	<u>-0.0114599%</u>	<u>-0.0069657%</u>	
Proportionate Share of the Net Pension Liability/(Asset)	\$ 13,368,947	\$ (122,878)	\$ 17,879,475	\$ 21,074,700	\$ 52,200,244
Pension Expense	\$ (1,200,743)	\$ 3,092	\$ 951,747	\$ 1,501,097	\$ 1,255,193

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

	OPERS	OP&F Police	OP&F Fire	Total
Deferred Outflows of Resources				
Differences between expected and actual experience	\$ -	\$ 747,424	\$ 880,996	\$ 1,628,420
Changes of assumptions	7,673	299,846	353,432	660,951
Changes in proportion and differences between City contributions and proportionate share of contributions	7,278	13,746	34,883	55,907
City contributions subsequent to the measurement date	1,935,247	1,514,796	1,749,332	5,199,375
Total Deferred Outflows of Resources	<u>\$ 1,950,198</u>	<u>\$ 2,575,812</u>	<u>\$ 3,018,643</u>	<u>\$ 7,544,653</u>
Deferred Inflows of Resources				
Net difference between projected and actual earnings on pension plan investments	\$ 5,229,100	\$ 867,274	\$ 1,022,264	\$ 7,118,638
Differences between expected and actual experience	582,415	696,534	821,005	2,099,954
Changes in proportion and differences between City contributions and proportionate share of contributions	1,709,340	1,612,767	634,172	3,956,279
Total Deferred Inflows of Resources	<u>\$ 7,520,855</u>	<u>\$ 3,176,575</u>	<u>\$ 2,477,441</u>	<u>\$ 13,174,871</u>

\$5,199,375 reported as deferred outflows of resources related to pension resulting from City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS	OP&F Police	OP&F Fire	Total
Year Ending December 31:				
2022	\$ (3,377,602)	\$ (568,970)	\$ (228,170)	\$ (4,174,742)
2023	(1,277,145)	(115,840)	272,920	(1,120,065)
2024	(2,133,715)	(1,103,482)	(1,049,107)	(4,286,304)
2025	(714,857)	(286,382)	(161,836)	(1,163,075)
2026	(1,505)	(40,885)	(41,937)	(84,327)
Thereafter	(1,080)	-	-	(1,080)
Total	<u>\$ (7,505,904)</u>	<u>\$ (2,115,559)</u>	<u>\$ (1,208,130)</u>	<u>\$ (10,829,593)</u>

Actuarial Assumptions – OPERS

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

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all prior periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA	3.25 to 10.75 percent including wage inflation Pre 1/7/2013 retirees; 3 percent, simple Post 1/7/2013 retirees; 0.5 percent, simple through 2021, then 2.15 percent simple
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age

The total pension asset in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA	3.25 to 8.25 percent including wage inflation Pre 1/7/2013 retirees; 3 percent, simple Post 1/7/2013 retirees; 0.50 percent, simple through 2021, then 2.15 percent simple
Investment Rate of Return	7.2 percent
Actuarial Cost Method	Individual Entry Age

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

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

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

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

OPERS manages investments in three investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money weighted rate of return expressing investment performance, net of investments expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 11.7 percent for 2020.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2020 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	25.00 %	1.32 %
Domestic Equities	21.00	5.64
Real Estate	10.00	5.39
Private Equity	12.00	10.42
International Equities	23.00	7.36
Other investments	9.00	4.75
Total	100.00 %	5.43 %

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

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

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

City's proportionate share of the net pension liability/(asset)	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
Traditional Pension Plan	\$ 25,501,336	\$ 13,368,947	\$ 3,280,884
Combined Plan	(85,562)	(122,878)	(150,691)

Changes Between Measurement Date and Report Date

Cost-of-living adjustments for OPERS members in 2022 will be 3 percent for all those eligible to receive the annual benefit increase.

Actuarial Assumptions – OP&F

OP&F's total pension liability as of December 31, 2020 is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2020, are present below:

Valuation Date	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.00 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Cost of Living Adjustments	3.00 percent simple, 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent

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

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

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

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

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

The most recent experience study was completed December 31, 2016.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2020 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return **</u>
Domestic Equity	21.00 %	5.40 %
International Equity	14.00	5.80
Core Fixed Income *	23.00	2.70
U.S. Inflation Linked Bonds *	17.00	2.50
High Yield Fixed Income	7.00	4.70
Private Real Estate	12.00	6.40
Private Markets	8.00	8.00
Midstream Energy Infrastructure	5.00	6.60
Private Credit	5.00	5.50
Real Assets	8.00	7.40
Gold	5.00	1.90
Total	<u>125.00 %</u>	

Note: Assumptions are geometric

* levered 2x

** numbers are net of expected inflation

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

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

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

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

	1% Decrease (7%)	Current Discount Rate (8%)	1% Increase (9%)
City's proportionate share of the net pension liability	\$ 54,229,202	\$ 38,954,175	\$ 26,170,521

NOTE 14 – OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS

Net OPEB Liability (Asset)

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

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

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

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

GASB 75 assumes that any liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

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

Effective January 1, 2022, OPERS will discontinue the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses. These changes are reflected in the December 31, 2020, measurement date health care valuation.

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

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

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

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

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

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2021, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. As recommended by OPERS' actuary, beginning January 1, 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2021 was 4.0 percent.

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

The City's contractually required contribution was \$26,813 for 2021.

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

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) a cost-sharing, multiple-employer defined post-employment healthcare plan that provides various levels of health care to retired, disabled and beneficiaries, as well as their dependents. On January 1, 2019, OP&F changed the way it supports retiree health care. A stipend-based health care model has replaced the self-insured group health care plan that had been in place. A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses. As a result of this change, it is expected that the solvency of the Health Care Stabilization Fund (HCSF) will be extended allowing OP&F to provide stipends to eligible participants.

OP&F provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

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 Government Accounting Standards Board (GASB) Statement No. 75.

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

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

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

OP&F maintains funds for health care in two separate accounts. There is one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. An Internal Revenue Code 401(h) account is maintained for Medicare Part B reimbursements.

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 2021, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The City's contractually required contribution to OP&F was \$77,083 for 2021.

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

The net OPEB asset and total OPEB asset for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2020, and was determined by rolling forward the total OPEB liability as of January 1, 2020, to December 31, 2020. The City's proportion of the net OPEB liability (asset) was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities.

Following is information related to the proportionate share and OPEB expense:

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

	<u>OPERS</u>	<u>OP&F</u>	
Proportion of the Net OPEB Liability:			
Prior Measurement Date	0.100176%	0.5898451%	
Proportion of the Net OPEB Liability (Asset):			
Current Measurement Date	0.089288%	0.5714194%	
Change in Proportionate Share	<u>-0.0108880%</u>	<u>-0.0184257%</u>	
			<u>Total</u>
Proportionate Share of the Net OPEB Liability (Asset)	\$ (1,590,737)	\$ 6,054,282	\$ 4,463,545
OPEB Expense	\$ (10,381,717)	\$ 411,337	\$ (9,970,380)

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Deferred Outflows of Resources			
Changes of assumptions	\$ 782,025	\$ 3,344,663	\$ 4,126,688
City contributions subsequent to the measurement date	<u>26,813</u>	<u>77,083</u>	<u>103,896</u>
Total Deferred Outflows of Resources	<u>\$ 808,838</u>	<u>\$ 3,421,746</u>	<u>\$ 4,230,584</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$ 1,435,629	\$ 998,632	\$ 2,434,261
Changes of assumptions	2,577,471	965,167	3,542,638
Net difference between projected and actual earnings on OPEB plan investments	847,247	224,989	1,072,236
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>974,679</u>	<u>647,849</u>	<u>1,622,528</u>
Total Deferred Inflows of Resources	<u>\$ 5,835,026</u>	<u>\$ 2,836,637</u>	<u>\$ 8,671,663</u>

\$103,896 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

Year Ending December 31:	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
2022	\$(2,748,054)	\$ 91,983	\$(2,656,071)
2023	(1,836,937)	145,259	(1,691,678)
2024	(368,178)	61,267	(306,911)
2025	(99,832)	94,392	(5,440)
2026	0	60,865	60,865
Thereafter	0	54,260	54,260
Total	<u>\$ (5,053,001)</u>	<u>\$ 508,026</u>	<u>\$(4,544,975)</u>

Actuarial Assumptions - OPERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

Wage Inflation	3.25 percent
Projected Salary Increases, including inflation	3.25 to 10.75 percent including wage inflation
Single Discount Rate:	
Current measurement date	6.00 percent
Prior Measurement date	3.16 percent
Investment Rate of Return	6.00 percent
Municipal Bond Rate:	
Current measurement date	2.00 percent
Prior Measurement date	2.75 percent
Health Care Cost Trend Rate:	
Current measurement date	8.5 percent, initial 3.50 percent, ultimate in 2035
Prior Measurement date	10.5 percent, initial

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010,

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

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

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

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

During 2020, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio is 10.50 percent for 2020.

The allocation of investment assets with the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health care is a discretionary benefit. The table below displays the Board-approved asset allocation policy for 2020 and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	1.07 %
Domestic Equities	25.00	5.64
Real Estate Investment Trust	7.00	6.48
International Equities	25.00	7.36
Other investments	9.00	4.02
Total	100.00 %	4.43 %

Discount Rate: A single discount rate of 6.00 percent was used to measure the OPEB asset on the measurement date of December 31, 2020. A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. Projected benefit payments are required to be discounted to their actuarial present value using a single

CITY OF MENTOR, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
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discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 2.00 percent and a municipal bond rate of 2.75 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2120. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2120, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City’s Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate: The following table presents the City’s proportionate share of the net OPEB asset calculated using the single discount rate of 6.00 percent, as well as what the City’s proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is one-percentage-point lower (5.00 percent) or one-percentage-point higher (7.00 percent) than the current rate:

	1% Decrease (5%)	Current Discount Rate (6%)	1% Increase (7%)
City's proportionate share of the net OPEB asset	\$ (395,546)	\$ (1,590,737)	\$ (2,573,280)

Sensitivity of the City’s Proportionate Share of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate: Changes in the health care cost trend rate may also have a significant impact on the net OPEB asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
City's proportionate share of the net OPEB asset	\$ (1,629,506)	\$ (1,590,737)	\$ (1,547,361)

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NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2020, is based on the results of an actuarial valuation date of January 1, 2020, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F's actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

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

Valuation Date	January 1, 2020, with actuarial liabilities rolled forward to December 31, 2020
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.0 percent
Projected Salary Increases	3.75 percent to 10.5 percent
Payroll Growth	Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent
Single discount rate:	
Current measurement date	2.96
Prior measurement date	3.56
Cost of Living Adjustments	3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent

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

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

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

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

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

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

The long-term expected rate of return on OPEB plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2020, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return **</u>
Domestic Equity	21.00 %	5.40 %
Non-US Equity	14.00	5.80
Core Fixed Income *	23.00	2.70
U.S. Inflation Linked Bonds *	17.00	2.50
High Yield Fixed Income	7.00	4.70
Private Real Estate	12.00	6.40
Private Markets	8.00	8.00
Midstream Energy Infrastructure	5.00	6.60
Private Credit	5.00	5.50
Real Assets	8.00	7.40
Gold	<u>5.00</u>	1.90
Total	<u>125.00 %</u>	

Note: Assumptions are geometric

* levered 2x

** numbers are net of expected inflation

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**NOTES TO THE BASIC FINANCIAL STATEMENTS
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OP&F’s Board of Trustees has incorporated the risk parity concept into OP&F’s asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes in core fixed income and U.S. inflation linked bonds and the implementation approach for gold.

Discount Rate: The total OPEB liability was calculated using the discount rate of 2.96 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by state statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return 8 percent. Based on those assumptions, OP&F’s fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.12 percent at December 31, 2020 and 2.75 percent at December 31, 2019, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 2.96 percent. The municipal bond rate was determined using the S&P Municipal Bond 20 Year High Grade Rate Index. The OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments until 2037. The long-term expected rate of return on health care investments was applied to projected costs through 2037, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City’s Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate: Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 2.96 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.96 percent), or one percentage point higher (3.96 percent) than the current rate.

	1% Decrease (1.96%)	Current Discount Rate (2.96%)	1% Increase (3.96%)
City’s proportionate share of the net OPEB liability	\$ 7,549,344	\$ 6,054,282	\$ 4,821,031

Sensitivity of the City’s Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate: Net OPEB liability is sensitive to changes in the health care cost trend rate because it is based on a medical benefit that is a flat dollar amount.

NOTE 15 – TAX ABATEMENT DISCLOSURES

As of December 31, 2021, the City of Mentor provided tax incentives under two programs: The Community Reinvestment Area (CRA) and the Mentor Incentive Tax Credit program.

Real Estate tax abatements: Pursuant to Ohio Revised Code Chapter 3735.65-.70, the City established its first Community Reinvestment Area in 1984 with amendments in 1987, 1988 and 2015. A second CRA was created in 1988 encompassing the area of the Great Lakes Mall. Both CRAs provide for administratively-approved applications for a five-year duration at 100%. A third CRA was created in 2010 under ORC 5709 for the Old Village area. City Council authorizes the

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

property tax abatement through passage of a public ordinance, based upon each business' investment criteria, and through a contractual application process with each business including proof that the improvements have been made. The abatement equals an agreed-upon percentage of the additional property tax resulting from the increase in assessed value as a result of the improvements. The establishment of the Community Reinvestment area gave the City the ability to maintain and expand businesses located in the City and created new jobs by abating assessed valuation of properties, from new or improved commercial or industrial real estate. The City of Mentor would contract with the Mentor Exempted School District for payments in lieu of taxes when required by Section 5709.82 of the Ohio Revised Code. The total amount of taxes abated (for the five-year period ending December 31, 2021) equals \$209,383.

Income tax abatement programs: Pursuant to Ohio Revised Code Chapter 718 and City ordinance, the City provides an incentive to eligible companies based upon their gross annual payroll, the amount of income tax generated annually and the number of jobs created or retained by the business. The abatement is administered as a refundable credit against the municipal income tax liability based upon the company's payroll taxes. Also, the time period of the incentive in years, is determined by how many new jobs are to be created by the company. For the calendar year ended December 31, 2021, the total amount of taxes abated through this program equaled \$1,240,000.

NOTE 16 – CHANGE IN ACCOUNTING PRINCIPLES

During this year, the City implemented the following Governmental Accounting Standards Board (GASB) Statements:

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. These changes were incorporated in the City's financial statements; however, there was no effect on the beginning net position/fund balance.

GASB Statement No. 98, *The Annual Comprehensive Financial Report*. This objective of this Statement is to establish the term annual comprehensive finance report and its acronym ACFR. These changes were incorporated in the City's financial statements; however, there was no effect on the beginning net position/fund balance.

GASB Implementation Guide 2019-1, *Update*. These changes were incorporated in the City's financial statements; however, there was no effect on the beginning net position/fund balance.

NOTE 17 – COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the City. The investments of the pension and other employee benefit plans in which the City participates fluctuate with market conditions, and due to market volatility, the amounts of gains or losses that will be recognized in subsequent periods, if any,

CITY OF MENTOR, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2021

cannot be determined. In addition, the impact on the City's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

The City anticipates receiving a total of \$3.988 million of Federal Aid from The American Rescue Plan Act of 2021 (ARPA). As of December 31, 2021, the City has received \$1.994 million. The City has made actual expenditures of the funds received as of December 31, 2021.

Impact of Remote Work – Income tax produces 75% - 80% of the City's General Fund revenues. Employer withholdings comprise the largest portion of income taxes. Remote work remains the largest threat to the City's future tax collections. During 2020, the State passed a bill declaring that during the period of the state declared emergency, an employee that works at a location, including the employee's home, to which the employee is required to report because of the emergency declaration shall be deemed for municipal income tax purposes to have been working at the employee's principal place of work. Several legal complaints challenging the constitutionality of the bill are pending.

While rules for taxing remote work were initially relaxed, the State passed legislation in June 2021 to allow for refunds of 2021 municipal income tax paid on behalf of remote workers to the municipality where the business was located rather than where the employee was physically working. Beginning January 1, 2022, the rules for taxing remote work return to normal (i.e. withholding taxes where an employee is physically doing the work).

Because of these and other factors, as well as the continued spread of the pandemic and the changing manner in which governments at the national, state and local levels are addressing the issue, the City cannot predict the exact impact that the aforementioned factors may have on its finances and operations. Such effects could be significant, however, at this time, the City does not anticipate a material negative impact on its ability to meet ongoing operational needs.



CITY OF MENTOR, OHIO

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/ASSET
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST EIGHT YEARS ⁽¹⁾**

Traditional Plan	2021	2020	2019	2018	2017	2016	2015	2014
City's Proportion of the Net Pension Liability	0.090283%	0.101832%	0.103984%	0.107410%	0.108275%	0.112568%	0.111160%	0.111160%
City's Proportionate Share of the Net Pension Liability	\$ 13,368,947	\$ 20,127,786	\$ 28,479,109	\$ 16,850,547	\$ 24,587,411	\$ 19,498,199	\$ 13,407,139	\$ 13,104,316
City's Covered Payroll	\$ 12,715,914	\$ 13,975,650	\$ 14,032,250	\$ 14,189,062	\$ 13,996,375	\$ 13,953,450	\$ 13,673,367	\$ 13,662,131
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	105.14%	144.02%	202.95%	118.76%	175.67%	139.74%	98.05%	95.92%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%
Combined Plan	2021	2020	2019	2018	2017	2016	2015	2014
City's Proportion of the Net Pension (Asset)	0.042568%	0.047763%	0.046982%	0.047261%	0.041302%	0.042870%	0.032691%	0.032691%
City's Proportionate Share of the Net Pension (Asset)	\$ (122,878)	\$ (99,597)	\$ (52,536)	\$ (64,338)	\$ (22,987)	\$ (20,861)	\$ (12,586)	\$ (3,430)
City's Covered Payroll	\$ 187,600	\$ 212,621	\$ 200,686	\$ 193,554	\$ 160,767	\$ 155,375	\$ 120,400	\$ 98,846
City's Proportionate Share of the Net Pension (Asset) as a Percentage of its Covered Payroll	65.50%	46.84%	26.18%	33.24%	14.30%	13.43%	10.45%	3.47%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	157.67%	145.28%	126.64%	137.28%	116.55%	116.90%	114.83%	104.33%

(1) Information prior to 2014 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

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

See accompanying notes to the required supplementary information

CITY OF MENTOR, OHIO

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OHIO POLICE AND FIRE PENSION FUND
LAST EIGHT YEARS ⁽¹⁾**

<u>Police</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's Proportion of the Net Pension Liability	0.2622743%	0.2737342%	0.285788%	0.2971186%	0.3006210%	0.3104294%	0.3016210%	0.3016210%
City's Proportionate Share of the Net Pension Liability	\$ 17,879,475	\$ 18,440,198	\$ 23,327,852	\$ 18,235,508	\$ 19,041,032	\$ 19,970,139	\$ 15,625,226	\$ 14,689,889
City's Covered Payroll	\$ 7,185,847	\$ 7,162,279	\$ 7,198,611	\$ 7,232,774	\$ 7,217,895	\$ 7,135,279	\$ 6,643,853	\$ 8,102,149
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	248.82%	257.46%	324.06%	252.12%	263.80%	279.88%	235.18%	181.31%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.65%	63.07%	63.07%	70.91%	68.36%	66.77%	71.71%	73.00%
<u>Fire</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's Proportion of the Net Pension Liability	0.3091451%	0.3161108%	0.320208%	0.3222106%	0.3207028%	0.3262644%	0.3253824%	0.3253824%
City's Proportionate Share of the Net Pension Liability	\$ 21,074,700	\$ 21,294,912	\$ 26,137,434	\$ 19,775,518	\$ 20,312,993	\$ 20,988,818	\$ 16,856,165	\$ 15,847,144
City's Covered Payroll	\$ 6,963,672	\$ 6,806,838	\$ 6,561,889	\$ 6,369,421	\$ 6,266,813	\$ 5,975,817	\$ 5,822,255	\$ 6,798,497
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	302.64%	312.85%	398.32%	310.48%	324.14%	351.23%	289.51%	233.10%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.65%	69.89%	63.07%	70.91%	68.36%	66.77%	71.71%	73.00%

(1) Information prior to 2014 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

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

See accompanying notes to the required supplementary information

CITY OF MENTOR, OHIO

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS - PENSION
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST NINE YEARS ⁽¹⁾**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<u>Contractually Required Contributions</u>									
Traditional Plan	\$ 1,889,496	\$ 1,780,228	\$ 1,956,591	\$ 1,964,515	\$ 1,844,578	\$ 1,679,565	\$ 1,674,414	\$ 1,640,804	\$ 1,776,077
Combined Plan	45,751	26,264	29,767	28,096	25,162	19,292	18,645	14,448	12,850
Total Required Contributions	\$1,935,247	\$1,806,492	\$1,986,358	\$1,992,611	\$1,869,740	\$1,698,857	\$1,693,059	\$1,655,252	\$1,788,927
Contributions in Relation to the Contractually Required Contribution	<u>(1,935,247)</u>	<u>(1,806,492)</u>	<u>(1,986,358)</u>	<u>(1,992,611)</u>	<u>(1,869,740)</u>	<u>(1,698,857)</u>	<u>(1,693,059)</u>	<u>(1,655,252)</u>	<u>(1,788,927)</u>
Contribution Deficiency / (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll									
Traditional Plan	\$ 13,496,400	\$ 12,715,914	\$ 13,975,650	\$ 14,032,250	\$ 14,189,062	\$ 13,996,375	\$ 13,953,450	\$ 13,673,367	\$ 13,662,131
Combined Plan	\$ 326,793	\$ 187,600	\$ 212,621	\$ 200,686	\$ 193,554	\$ 160,767	\$ 155,375	\$ 120,400	\$ 98,846
<u>Pension Contributions as a Percentage of Covered Payroll</u>									
Traditional Plan	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%	13.00%
Combined Plan	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	12.00%	12.00%	13.00%

(1) Information prior to 2013 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

See accompanying notes to the required supplementary information

CITY OF MENTOR, OHIO

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS - PENSION
OHIO POLICE AND FIRE PENSION FUND
LAST TEN YEARS ⁽¹⁾**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>Contractually Required Contributions</u>										
Police	\$ 1,514,796	\$ 1,365,311	\$ 1,360,833	\$ 1,367,736	\$ 1,374,227	\$ 1,371,400	\$ 1,355,703	\$ 1,262,332	\$ 1,274,468	\$ 814,932
Fire	<u>1,749,332</u>	<u>1,636,463</u>	<u>1,599,607</u>	<u>1,542,044</u>	<u>1,496,814</u>	<u>1,472,701</u>	<u>1,404,317</u>	<u>1,368,230</u>	<u>1,375,336</u>	<u>1,023,405</u>
Total Required Contributions	\$ 3,264,128	\$ 3,001,774	\$ 2,960,440	\$ 2,909,780	\$ 2,871,041	\$ 2,844,101	\$ 2,760,020	\$ 2,630,562	\$ 2,649,804	\$ 1,838,337
Contributions in Relation to the Contractually Required Contribution	<u>(3,264,128)</u>	<u>(3,001,774)</u>	<u>(2,960,440)</u>	<u>(2,909,780)</u>	<u>(2,871,041)</u>	<u>(2,844,101)</u>	<u>(2,760,020)</u>	<u>(2,630,562)</u>	<u>(2,649,804)</u>	<u>(1,838,337)</u>
Contribution Deficiency / (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll										
Police	\$ 7,972,611	\$ 7,185,847	\$ 7,162,279	\$ 7,198,611	\$ 7,232,774	\$ 7,217,895	\$ 7,135,279	\$ 6,643,853	\$ 8,102,149	\$ 6,391,624
Fire	\$ 7,443,966	\$ 6,963,672	\$ 6,806,838	\$ 6,561,889	\$ 6,369,421	\$ 6,266,813	\$ 5,975,817	\$ 5,822,255	\$ 6,798,497	\$ 5,932,783
<u>Pension Contributions as a Percentage of Covered Payroll</u>										
Police	19.00%	19.00%	19.00%	19.00%	19.00%	19.00%	19.00%	19.00%	15.73%	12.75%
Fire	23.50%	23.50%	23.50%	23.50%	23.50%	23.50%	23.50%	23.50%	20.23%	17.25%

[1] – The portion of the City's contributions to fund pension obligations from January 1, 2013 thru May 31, 2013, for both police officers and firefighters was 14.81 percent and 19.31 percent, respectively. The portion of the City's contributions to fund pension obligations from June 1, 2013 thru December 31, 2013 for both police officers and firefighters was 16.65 percent and 21.15 percent, respectively.

See accompanying notes to the required supplementary information

CITY OF MENTOR, OHIO

**REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
 LAST FIVE YEARS ***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's Proportion of the Net OPEB Liability	0.089288%	0.100176%	0.101935%	0.105090%	0.106310%
City's Proportionate Share of the Net OPEB Liability	\$ (1,590,737)	\$ 13,836,908	\$ 13,289,918	\$ 11,412,000	\$ 10,737,671
City's Covered Payroll	\$ 13,503,550	\$ 14,612,705	\$ 14,771,895	\$ 14,885,647	\$ 14,691,232
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	-11.78%	94.69%	89.97%	76.66%	73.09%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	115.57%	47.80%	46.33%	54.14%	54.04%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

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

See accompanying notes to the required supplementary information

CITY OF MENTOR, OHIO

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
OHIO POLICE AND FIRE PENSION FUND
LAST FIVE YEARS ***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's Proportion of the Net OPEB Liability	0.5714194%	0.5898451%	0.6059960%	0.6193291%	0.6213200%
City's Proportionate Share of the Net OPEB Liability	\$ 6,054,282	\$ 5,826,330	\$ 5,518,523	\$ 35,090,321	\$ 29,492,663
City's Covered Payroll	\$ 14,149,519	\$ 13,969,117	\$ 13,760,500	\$ 13,602,195	\$ 13,484,708
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	42.79%	41.71%	40.10%	257.98%	218.71%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	45.42%	47.08%	46.57%	14.13%	15.96%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional years' will be displayed as it becomes available.

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

See accompanying notes to the required supplementary information

CITY OF MENTOR

**REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CITY CONTRIBUTIONS - OPEB
 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
 LAST SEVEN YEARS ***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 26,813	\$ 24,001	\$ 23,768	\$ 21,558	\$ 163,838	\$ 304,497	\$ 283,325
Contributions in Relation to the Contractually Required Contribution	<u>(26,813)</u>	<u>(24,001)</u>	<u>(23,768)</u>	<u>(21,558)</u>	<u>(163,838)</u>	<u>(304,497)</u>	<u>(283,325)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 14,493,521	\$ 13,503,550	\$ 14,612,705	\$ 14,771,895	\$ 14,885,647	\$ 14,691,232	\$ 14,674,955
Contributions as a Percentage of Covered Payroll	0.18%	0.18%	0.16%	0.15%	1.10%	2.07%	1.93%

CITY OF MENTOR

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS - OPEB
OHIO POLICE AND FIRE PENSION FUND
LAST TEN YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually Required Contribution	\$ 77,083	\$ 70,747	\$ 69,845	\$ 68,802	\$ 68,011	\$ 67,034	\$ 65,554	\$ 62,869	\$ 432,505	\$ 831,109
Contributions in Relation to the Contractually Required Contribution	<u>(77,083)</u>	<u>(70,747)</u>	<u>(69,845)</u>	<u>(68,802)</u>	<u>(68,011)</u>	<u>(67,034)</u>	<u>(65,554)</u>	<u>(62,869)</u>	<u>(432,505)</u>	<u>(831,109)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City Covered Payroll	\$ 15,416,577	\$ 14,149,519	\$ 13,969,117	\$ 13,760,500	\$ 13,602,195	\$ 13,484,708	\$ 13,111,096	\$ 12,466,108	\$ 14,900,646	\$ 12,324,407
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	3.62%	6.75%

CITY OF MENTOR, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION YEAR ENDED DECEMBER 31, 2021

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (OPERS)

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2020.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2016 and 2018. For 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the investment rate of return was reduced from 8.00% percent to 7.50%, (b) the expected long-term average wage inflation rate was reduced from 3.75% to 3.25% (c) the expected long-term average price inflation rate was reduced from 3.00% to 2.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality rates were updated to the RP-2014 Health Annuitant Mortality Table, adjusted for mortality improvement back to the observant period base year of 2006 and then established the base year as 2015 (f) mortality rates used in evaluating disability allowances were updated to the RP-2014 Disabled Mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and a base year of 2015 for males and 2010 for females, (g) mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables. For 2019, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the expected investment return was reduced from 7.50% to 7.20%. For 2020, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post - 1/7/2013 retirees were reduced from 3.00% simple through 2018 to 1.40% simple through 2020, then 2.15% simple. For 2021, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the cost-of-living adjustments for post – 1/7/2013 retirees were reduced from 1.40% simple through 2020 to 0.50% simple through 2021, then 2.15% simple.

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018-2021.

Changes in assumptions: For 2018, the single discount rate changed from 4.23% to 3.85%. For 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the expected investment return was reduced from 6.50% to 6.00% (b) In January 2019, the Board adopted changes to health care coverage for Medicare and pre-Medicare retirees. It will include discontinuing the PPO plan for pre-Medicare retirees and replacing it with a monthly allowance to help participants pay for a health care plan of their choosing. The base allowance for Medicare eligible retirees will be reduced. The specific effect of these changes on the net OPEB liability and OPEB expense are unknown at this time (c) the single discount rate changed from 3.85% to 3.96%. For 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate changed from 3.96% to 3.16%. For 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the single discount rate

CITY OF MENTOR, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION YEAR ENDED DECEMBER 31, 2021

changed from 3.16% to 6.00% (b) the municipal bond rate changed from 2.75% to 2.00% (c) the health care cost trend rate changed from 10.50% initial and 3.50% ultimate in 2030 to 8.50% initial and 3.50% ultimate in 2035.

OHIO POLICE AND FIRE (OP&F) PENSION FUND

Net Pension Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2014-2021.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for 2014-2017. For 2018, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the investment rate of return was reduced from 8.25 percent to 8.00 percent (b) the projected salary increases was reduced from 4.25% to 3.75% (c) the payroll increases was reduced from 3.75% to 3.25% (d) the inflation assumptions was reduced from 3.25% to 2.75% (e) the cost of living adjustments was reduced from 2.60% to 2.20% (f) rates of withdrawal, disability and service retirement were updated to reflect recent experience (g) mortality rates were updated to the RP-2014 Total Employee and Health Annuitant Mortality Table, adjusted for mortality improvement back to the observant period base year of 2006 and then established the base year as 2016 (h) mortality rates used in evaluating disability allowances were updated to the RP-2014 Disabled Mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and a base year of 2016. For 2019-2021, there have been no OP&F pension plan amendments adopted or changes in assumptions between the measurement date and the report date that would have impacted the actuarial valuation of the pension plan as of the measurement date.

Net OPEB Liability

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for 2018 and 2020-2021. For 2019, see below regarding changes to stipend-based model.

Changes in assumptions: For 2018, the single discount rate changed from 3.79 percent to 3.24 percent. For 2019, the changes of assumptions were: (a) beginning January 1, 2019 OP&F changed its retiree health care model and the current self-insured health care plan is no longer offered. In its place will be a stipend-based health care model. OP&F has contracted with a vendor who will assist eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses. As a result of changing from the current health care model to the stipend-based health care model, management expects that it will be able to provide stipends to eligible participants for the next 15 years (b) beginning in 2020 the Board approved a change to the Deferred Retirement Option Plan. The minimum interest rate accruing will be 2.5% (c) the single discount rate changed from 3.24% to 4.66%. For 2020, the single discount rate changed from 4.66% to 3.56%. For 2021, the single discount rate changed from 3.56 to 2.96.

CITY OF MENTOR, OHIO
GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Property taxes	\$ 1,451,000	\$ 1,731,006	\$ 280,006
Municipal income tax	53,000,000	55,993,157	2,993,157
Intergovernmental	1,635,600	2,337,563	701,963
Charges for services	6,002,750	6,672,421	669,671
Fines and forfeitures	753,300	954,349	201,049
Licenses, permits and inspections	1,490,000	1,511,062	21,062
Investment income	270,000	293,677	23,677
Other	332,250	530,729	198,479
Total revenues	<u>64,934,900</u>	<u>70,023,964</u>	<u>5,089,064</u>
EXPENDITURES:			
GENERAL GOVERNMENT:			
Council:			
Employee compensation	219,125	187,841	31,284
Other	186,731	65,821	120,910
Total council	<u>405,856</u>	<u>253,662</u>	<u>152,194</u>
Court:			
Employee compensation	911,488	754,435	157,053
Other	269,838	193,282	76,556
Total court	<u>1,181,326</u>	<u>947,717</u>	<u>233,609</u>
City manager:			
Employee compensation	1,532,716	1,309,430	223,286
Other	2,158,355	1,773,444	384,911
Total city manager	<u>3,691,071</u>	<u>3,082,874</u>	<u>608,197</u>
Finance:			
Employee compensation	709,808	647,434	62,374
Other	2,320,560	1,762,469	558,091
Total finance	<u>3,030,368</u>	<u>2,409,903</u>	<u>620,465</u>
Legal:			
Employee compensation	333,706	275,634	58,072
Other	171,892	95,620	76,272
Total legal	<u>505,598</u>	<u>371,254</u>	<u>134,344</u>
Other	<u>6,128,385</u>	<u>628,385</u>	<u>5,500,000</u>
Total general government	<u>14,942,604</u>	<u>7,693,795</u>	<u>7,248,809</u>

Continued

CITY OF MENTOR, OHIO
GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
POLICE:			
Employee compensation	\$ 10,170,179	\$ 9,339,925	\$ 830,254
Other	2,889,158	2,650,166	238,992
Total police	<u>13,059,337</u>	<u>11,990,091</u>	<u>1,069,246</u>
FIRE:			
Employee compensation	8,323,023	7,965,082	357,941
Other	2,692,621	2,474,614	218,007
Total fire	<u>11,015,644</u>	<u>10,439,696</u>	<u>575,948</u>
STREETS AND HIGHWAYS:			
Employee compensation	3,579,179	3,049,995	529,184
Other	4,405,436	3,839,094	566,342
Total streets and highways	<u>7,984,615</u>	<u>6,889,089</u>	<u>1,095,526</u>
PARKS AND RECREATION:			
Employee compensation	3,712,036	2,901,896	810,140
Other	6,458,966	3,500,371	2,958,595
Total parks, recreation and public facilities	<u>10,171,002</u>	<u>6,402,267</u>	<u>3,768,735</u>
PLANNING AND DEVELOPMENT:			
Employee compensation	846,426	747,420	99,006
Other	7,441,410	6,688,119	753,291
Total economic and community development	<u>8,287,836</u>	<u>7,435,539</u>	<u>852,297</u>
ENGINEERING AND BUILDING:			
Employee compensation	1,013,347	863,601	149,746
Other	1,714,231	1,248,102	466,129
Total engineering and building	<u>2,727,578</u>	<u>2,111,703</u>	<u>615,875</u>
DEBT SERVICE:			
Other	130,000	51,932	78,068
Total expenditures	<u>68,318,616</u>	<u>53,014,112</u>	<u>15,304,504</u>
Excess (deficiency) of revenues over expenditures	(3,383,716)	17,009,852	20,393,568
OTHER FINANCING SOURCES (USES):			
Advances in	15,500,000	14,458,953	(1,041,047)
Advances out	(19,821,615)	(17,804,643)	2,016,972
Transfers out	(8,300,000)	(6,722,585)	1,577,415
Total other financing sources (uses)	<u>(12,621,615)</u>	<u>(10,068,275)</u>	<u>2,553,340</u>
NET CHANGE IN FUND BALANCE	(16,005,331)	6,941,577	22,946,908
Adjustment for prior year encumbrances	5,717,780	5,717,780	-
FUND BALANCES, BEGINNING OF YEAR	<u>16,337,756</u>	<u>16,337,756</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 6,050,205</u>	<u>\$ 28,997,113</u>	<u>\$ 22,946,908</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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Special assessments	\$ 1,128,468	\$ 1,129,115	\$ 647
EXPENDITURES:			
Debt service:			
Principal retirement	811,448	811,448	-
Interest and other charges	263,782	262,112	1,670
Total expenditures	<u>1,075,230</u>	<u>1,073,560</u>	<u>1,670</u>
Excess (deficiency) of revenues over expenditures	53,238	55,555	2,317
OTHER FINANCING SOURCES (USES):			
Advances in	-	150,000	150,000
Transfers in	210,000	-	(210,000)
Advances out	(200,000)	(200,000)	-
Total other financing sources (uses)	<u>10,000</u>	<u>(50,000)</u>	<u>(60,000)</u>
NET CHANGE IN FUND BALANCE	63,238	5,555	(57,683)
FUND BALANCES, BEGINNING OF YEAR	<u>27,160</u>	<u>27,160</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 90,398</u>	<u>\$ 32,715</u>	<u>\$ (57,683)</u>

CITY OF MENTOR, OHIO
RECREATION CENTER FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:	\$ -	\$ -	\$ -
EXPENDITURES:			
General government	50,000	15,486	
Parks and recreation	5,150,000	5,150,000	-
Total expenditures	<u>5,200,000</u>	<u>5,165,486</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(5,200,000)	(5,165,486)	-
OTHER FINANCING SOURCES (USES):			
Advances in	5,200,000	5,200,000	-
Total other financing sources (uses)	<u>5,200,000</u>	<u>5,200,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	34,514	-
FUND BALANCES, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ 34,514</u>	<u>\$ -</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.

SPECIAL REVENUE FUNDS (Continued)

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.
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.

SPECIAL REVENUE FUNDS (Continued)

Payroll Stabilization Fund	To account for the accumulation of resources for non-routine expenditures for payment of 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. Additions are made to this fund by Transfer from the General Fund. An annual amount is transferred into this fund to set aside resources to cover the payment of salaries when the number of pay periods exceed the usual and customary number of pay periods. Other amounts are transferred into this fund when termination benefits are to be paid to employees. Monies may only be spent for these specific purposes. 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.
VOCA Victims Assistance Grant Fund	To account for monies received from the Crime Victims Assistance Office to assist victims of crime.
Local Coronavirus Relief Fund	To account for monies received from the Federal Government through the Coronavirus Relief Aid, Relief, and Economic Securities Act for expenditures related to COVID-19 that were not accounted for in the City's budget.
American Rescue Plan Fund	To account for monies received from the Federal Government through the Coronavirus State and Local Fiscal Recovery Fund established under the American Rescue Plan Act.
Community Development Block Grant 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.
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.

SPECIAL REVENUE FUNDS (Continued)

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.
Parks and Recreation Donation Fund	To account for donations from various sources and individuals to be used to support specific purposes or programs provided by the Parks and Recreation Department.
Senior Citizens Activities 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 Fund	To account for donations and user fees from various sources and individuals to be used to support specific purposes or programs provided by the Wildwood Cultural Center. This fund is combined with General Fund on a GAAP basis as a result of the implementation of GASB-S54.
Beautification Fund	To account for donations and user fees from various sources and individuals to be used to support specific purposes or programs provided by the City of Mentor's Beautification Commission. This fund is combined with General Fund on a GAAP basis as a result of the implementation of GASB-S54.
Local Grant Fund	To account for the financing of various small local grants.

DEBT SERVICE FUNDS

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

Amphitheater Fund	To account for the financing of construction of a new amphitheater at Civic Center Park.
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CAPITAL PROJECT FUNDS (Continued)

Springbrook Park Fund	To account for the financing of construction and improvements made to the property purchased by the City in 2014 for the purpose of developing a new park.
Woodnorton Way Fund	To account for the financing of construction of a new road.
Two-Town Detention Basin Fund	To account for the financing of the construction of a detention basin to attenuate peak flows in Two-Town Ditch and reduce flooding for residential property downstream.
Emergency Regional Response Facility Fund	To account for the financing of the Emergency Regional Response Facility.
Belle Meadow Road Fund	To account for the financing of reconstruction and/or rehabilitation for Belle Meadow Road in the Headlands area.
SR615 Resurfacing Fund	To account for the financing of resurfacing of SR615.
Lake Overlook Reconstruction Fund	To account for the financing of reconstruction and/or rehabilitation for Lake Overlook Drive in the Headlands area.
Stockbridge Dartmoor Storm Sewer Improvement Fund	To account for the financing of reconstruction and/or rehabilitation of Stockbridge and Dartmoor Roads.
Brooksdale Road Fund	To account for the financing of rehabilitation for Brooksdale Road in the Headlands area.
State Grants – Other Fund	To account for the financing of various small state grants.
Hopkins Resurfacing Market/Mentor Fund	To account for the financing of resurfacing Hopkins Road from Market Street to Mentor Avenue.
Tyler Resurfacing SR615 to Heisley Fund	To account for the financing of resurfacing Tyler Boulevard from SR615 to Heisley Road.
Federal Grants – Other Fund	To account for the financing of various small federal grants.

**CITY OF MENTOR, OHIO
COMBINING GOVERNMENTAL BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SUMMARY BY FUND TYPE
DECEMBER 31, 2021**

	Special revenue funds	Debt service funds	Capital projects funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and investments	\$ 11,462,179	\$ 446,541	\$ 8,681,290	\$ 20,590,010
Receivables, net	2,993,849	2,204,413	-	5,198,262
Due from other funds	5,123	193,825	-	198,948
Due from other governments	3,397,585	128,478	103,413	3,629,476
Prepaid items	5,189	-	-	5,189
Total assets	<u>\$ 17,863,925</u>	<u>\$ 2,973,257</u>	<u>\$ 8,784,703</u>	<u>\$ 29,621,885</u>
LIABILITIES				
Accounts Payable	\$ 305,414	\$ -	\$ 1,080,511	\$ 1,385,925
Due to other funds	1,807,672	-	9,488,268	11,295,940
Total liabilities	<u>2,113,086</u>	<u>-</u>	<u>10,568,779</u>	<u>12,681,865</u>
DEFERRED INFLOWS OF RESOURCES				
Property tax	\$ 2,788,191	\$ 2,152,890	\$ -	\$ 4,941,081
PILOT	1,575,000	-	-	1,575,000
Unavailable Revenue - Delinquent property tax	66,587	51,523	-	118,110
Unavailable Revenue - Intergovernmental revenue	-	-	42,698	42,698
Unavailable Revenue - Other	46,278	-	-	46,278
Unavailable Revenue - Shared revenue	1,240,561	128,478	-	1,369,039
Unavailable Revenue - Special Assessment	22,880	-	-	22,880
Total deferred inflows of resources	<u>5,739,497</u>	<u>2,332,891</u>	<u>42,698</u>	<u>8,115,086</u>
Total liabilities and deferred inflows of resources	<u>7,852,583</u>	<u>2,332,891</u>	<u>10,611,477</u>	<u>20,796,951</u>
FUND BALANCES (DEFICITS)				
Nonspendable	\$ 5,189	\$ -	\$ -	\$ 5,189
Restricted	10,209,421	640,366	1,932,972	12,782,759
Committed	240,306	-	-	240,306
Unassigned	(443,574)	-	(3,759,746)	(4,203,320)
Total fund balances (deficits)	<u>\$ 10,011,342</u>	<u>\$ 640,366</u>	<u>\$ (1,826,774)</u>	<u>\$ 8,824,934</u>
Total liabilities and fund balances (deficits)	<u>\$ 17,863,925</u>	<u>\$ 2,973,257</u>	<u>\$ 8,784,703</u>	<u>\$ 29,621,885</u>

**CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2021**

	Street	TIF	Police Pension	Fire Pension
ASSETS				
Cash and investments	\$ 2,103,550	\$ 1,884,022	\$ 35,653	\$ 35,653
Receivables, net	-	-	472,371	472,371
Due from other funds	-	-	-	-
Due from other governments	1,647,796	1,575,000	27,531	27,531
Prepaid items	-	-	-	-
Total assets	<u>\$ 3,751,346</u>	<u>\$ 3,459,022</u>	<u>\$ 535,555</u>	<u>\$ 535,555</u>
LIABILITIES				
Accounts Payable	\$ 105,653	\$ 161,167	\$ -	\$ -
Due to other funds	-	193,825	-	-
Total liabilities	<u>105,653</u>	<u>354,992</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Property tax	-	-	461,333	461,333
PILOT	-	1,575,000	-	-
Unavailable Revenue - Delinquent property tax	-	-	11,038	11,038
Unavailable Revenue - Other	-	-	-	-
Unavailable Revenue - Shared revenue	1,073,727	-	27,531	27,531
Unavailable Revenue - Special Assessment	-	-	-	-
Total deferred inflows of resources	<u>1,073,727</u>	<u>1,575,000</u>	<u>499,902</u>	<u>499,902</u>
Total liabilities and deferred inflows of resources	<u>1,179,380</u>	<u>1,929,992</u>	<u>499,902</u>	<u>499,902</u>
FUND BALANCES (DEFICITS)				
Nonspendable	-	-	-	-
Restricted	2,571,966	1,529,030	35,653	35,653
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficits)	<u>\$ 2,571,966</u>	<u>\$ 1,529,030</u>	<u>\$ 35,653</u>	<u>\$ 35,653</u>
Total liabilities and fund balances (deficits)	<u>\$ 3,751,346</u>	<u>\$ 3,459,022</u>	<u>\$ 535,555</u>	<u>\$ 535,555</u>

Continued

**CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2021**

	Fire Levy	Senior Citizens Service Levy	Community Recreation Facilities	Cemetery
ASSETS				
Cash and investments	\$ 4,589,948	\$ 393,489	\$ 161,298	\$ 64,147
Receivables, net	1,907,765	-	82,912	-
Due from other funds	2,271	-	-	-
Due from other governments	109,272	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 6,609,256</u>	<u>\$ 393,489</u>	<u>\$ 244,210</u>	<u>\$ 64,147</u>
LIABILITIES				
Accounts Payable	\$ 4,140	\$ -	\$ -	\$ -
Due to other funds	-	-	-	40,000
Total liabilities	<u>4,140</u>	<u>-</u>	<u>-</u>	<u>40,000</u>
DEFERRED INFLOWS OF RESOURCES				
Property tax	1,865,525	-	-	-
PILOT	-	-	-	-
Unavailable Revenue - Delinquent property tax	44,511	-	-	-
Unavailable Revenue - Other	-	-	25,700	-
Unavailable Revenue - Shared revenue	109,272	-	-	-
Unavailable Revenue - Special Assessment	-	-	-	-
Total deferred inflows of resources	<u>2,019,308</u>	<u>-</u>	<u>25,700</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>2,023,448</u>	<u>-</u>	<u>25,700</u>	<u>40,000</u>
FUND BALANCES (DEFICITS)				
Nonspendable	-	-	-	-
Restricted	4,585,808	393,489	-	24,147
Committed	-	-	218,510	-
Unassigned	-	-	-	-
Total fund balances (deficits)	<u>\$ 4,585,808</u>	<u>\$ 393,489</u>	<u>\$ 218,510</u>	<u>\$ 24,147</u>
Total liabilities and fund balances (deficits)	<u>\$ 6,609,256</u>	<u>\$ 393,489</u>	<u>\$ 244,210</u>	<u>\$ 64,147</u>

Continued

**CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2021**

	Economic Development	Subdivision Street Tree	Street Lighting	Court Computer
ASSETS				
Cash and investments	\$ 77,385	\$ 21,796	\$ 596,078	\$ 106,479
Receivables, net	-	-	20,028	2,453
Due from other funds	-	-	2,852	-
Due from other governments	-	-	-	-
Prepaid items	-	-	-	2,866
Total assets	<u>\$ 77,385</u>	<u>\$ 21,796</u>	<u>\$ 618,958</u>	<u>\$ 111,798</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ 15,995	\$ 2,368
Due to other funds	-	-	1,000,000	-
Total liabilities	<u>-</u>	<u>-</u>	<u>1,015,995</u>	<u>2,368</u>
DEFERRED INFLOWS OF RESOURCES				
Property tax	-	-	-	-
PILOT	-	-	-	-
Unavailable Revenue - Delinquent property tax	-	-	-	-
Unavailable Revenue - Other	-	-	-	-
Unavailable Revenue - Shared revenue	-	-	-	-
Unavailable Revenue - Special Assessment	-	-	22,880	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>22,880</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>-</u>	<u>-</u>	<u>1,038,875</u>	<u>2,368</u>
FUND BALANCES (DEFICITS)				
Nonspendable	-	-	-	2,866
Restricted	77,385	-	-	106,564
Committed	-	21,796	-	-
Unassigned	-	-	(419,917)	-
Total fund balances (deficits)	<u>\$ 77,385</u>	<u>\$ 21,796</u>	<u>\$ (419,917)</u>	<u>\$ 109,430</u>
Total liabilities and fund balances (deficits)	<u>\$ 77,385</u>	<u>\$ 21,796</u>	<u>\$ 618,958</u>	<u>\$ 111,798</u>

Continued

**CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2021**

	Court Special Projects	Enforcement and Education	Court Probation Services	Indigent Driver Alcohol Treatment
ASSETS				
Cash and investments	\$ 227,412	\$ 29,676	\$ 100,380	\$ 80,570
Receivables, net	6,415	80	5,486	354
Due from other funds	-	-	-	-
Due from other governments	-	-	-	2,500
Prepaid items	2,323	-	-	-
Total assets	<u>\$ 236,150</u>	<u>\$ 29,756</u>	<u>\$ 105,866</u>	<u>\$ 83,424</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Property tax	-	-	-	-
PILOT	-	-	-	-
Unavailable Revenue - Delinquent property tax	-	-	-	-
Unavailable Revenue - Other	-	-	-	-
Unavailable Revenue - Shared revenue	-	-	-	2,500
Unavailable Revenue - Special Assessment	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,500</u>
Total liabilities and deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,500</u>
FUND BALANCES (DEFICITS)				
Nonspendable	2,323	-	-	-
Restricted	233,827	29,756	105,866	80,924
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficits)	<u>\$ 236,150</u>	<u>\$ 29,756</u>	<u>\$ 105,866</u>	<u>\$ 80,924</u>
Total liabilities and fund balances (deficits)	<u>\$ 236,150</u>	<u>\$ 29,756</u>	<u>\$ 105,866</u>	<u>\$ 83,424</u>

Continued

**CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2021**

	Indigent Driver Alcohol Monitoring	Law Enforcement Trust	Police Canine	VOCA Victims Assistance Grant
ASSETS				
Cash and investments	\$ 134,611	\$ 97,498	\$ 9,710	\$ 160
Receivables, net	1,578	1,458	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	6,236
Prepaid items	-	-	-	-
Total assets	<u>\$ 136,189</u>	<u>\$ 98,956</u>	<u>\$ 9,710</u>	<u>\$ 6,396</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Property tax	-	-	-	-
PILOT	-	-	-	-
Unavailable Revenue - Delinquent property tax	-	-	-	-
Unavailable Revenue - Other	-	-	-	-
Unavailable Revenue - Shared revenue	-	-	-	-
Unavailable Revenue - Special Assessment	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)				
Nonspendable	-	-	-	-
Restricted	136,189	98,956	9,710	6,396
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficits)	<u>\$ 136,189</u>	<u>\$ 98,956</u>	<u>\$ 9,710</u>	<u>\$ 6,396</u>
Total liabilities and fund balances (deficits)	<u>\$ 136,189</u>	<u>\$ 98,956</u>	<u>\$ 9,710</u>	<u>\$ 6,396</u>

Continued

**CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2021**

	Local Coronavirus Relief	Community Development Block Grant	Forfeited Property - U.S. Department of Justice	Council Donation
ASSETS				
Cash and investments	\$ 10,949	\$ 487,135	\$ 55,584	\$ 453
Receivables, net	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	1,719	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 10,949</u>	<u>\$ 488,854</u>	<u>\$ 55,584</u>	<u>\$ 453</u>
LIABILITIES				
Accounts Payable	\$ 10,957	\$ 5,134	\$ -	\$ -
Due to other funds	-	430,773	-	-
Total liabilities	<u>10,957</u>	<u>435,907</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Property tax	-	-	-	-
PILOT	-	-	-	-
Unavailable Revenue - Delinquent property tax	-	-	-	-
Unavailable Revenue - Other	-	-	-	-
Unavailable Revenue - Shared revenue	-	-	-	-
Unavailable Revenue - Special Assessment	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>10,957</u>	<u>435,907</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)				
Nonspendable	-	-	-	-
Restricted	-	52,947	55,584	453
Committed	-	-	-	-
Unassigned	(8)	-	-	-
Total fund balances (deficits)	<u>\$ (8)</u>	<u>\$ 52,947</u>	<u>\$ 55,584</u>	<u>\$ 453</u>
Total liabilities and fund balances (deficits)	<u>\$ 10,949</u>	<u>\$ 488,854</u>	<u>\$ 55,584</u>	<u>\$ 453</u>

Continued

**CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2021**

	Police Donation	Fire Donation	Parks and Recreation Donation	Local Grants
ASSETS				
Cash and investments	\$ 15,478	\$ 20,867	\$ 2,773	\$ 119,425
Receivables, net	-	-	-	20,578
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 15,478</u>	<u>\$ 20,867</u>	<u>\$ 2,773</u>	<u>\$ 140,003</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	143,074
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>143,074</u>
DEFERRED INFLOWS OF RESOURCES				
Property tax	-	-	-	-
PILOT	-	-	-	-
Unavailable Revenue - Delinquent property tax	-	-	-	-
Unavailable Revenue - Other	-	-	-	20,578
Unavailable Revenue - Shared revenue	-	-	-	-
Unavailable Revenue - Special Assessment	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,578</u>
Total liabilities and deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>163,652</u>
FUND BALANCES (DEFICITS)				
Nonspendable	-	-	-	-
Restricted	15,478	20,867	2,773	-
Committed	-	-	-	-
Unassigned	-	-	-	(23,649)
Total fund balances (deficits)	<u>\$ 15,478</u>	<u>\$ 20,867</u>	<u>\$ 2,773</u>	<u>\$ (23,649)</u>
Total liabilities and fund balances (deficits)	<u>\$ 15,478</u>	<u>\$ 20,867</u>	<u>\$ 2,773</u>	<u>\$ 140,003</u>

Continued

**CITY OF MENTOR, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2021**

	Total Nonmajor Special revenue funds
ASSETS	
Cash and investments	\$ 11,462,179
Receivables, net	2,993,849
Due from other funds	5,123
Due from other governments	3,397,585
Prepaid items	5,189
Total assets	<u>\$ 17,863,925</u>
LIABILITIES	
Accounts Payable	\$ 305,414
Due to other funds	1,807,672
Total liabilities	<u>2,113,086</u>
DEFERRED INFLOWS OF RESOURCES	
Property tax	2,788,191
PILOT	1,575,000
Unavailable Revenue - Delinquent property tax	66,587
Unavailable Revenue - Other	46,278
Unavailable Revenue - Shared revenue	1,240,561
Unavailable Revenue - Special Assessment	22,880
Total deferred inflows of resources	<u>5,739,497</u>
Total liabilities and deferred inflows of resources	<u>7,852,583</u>
FUND BALANCES (DEFICITS)	
Nonspendable	5,189
Restricted	10,209,421
Committed	240,306
Unassigned	(443,574)
Total fund balances (deficits)	<u>\$ 10,011,342</u>
Total liabilities and fund balances (deficits)	<u>\$ 17,863,925</u>

**CITY OF MENTOR, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR DEBT SERVICE FUNDS
 DECEMBER 31, 2021**

	General Obligation Bond Retirement
ASSETS	
Cash and investments	\$ 446,541
Receivables, net	2,204,413
Due from other funds	193,825
Due from other governments	128,478
Total assets	<u>\$ 2,973,257</u>
LIABILITIES	
Total liabilities	<u>-</u>
DEFERRED INFLOWS OF RESOURCES	
Property tax	\$ 2,152,890
Unavailable Revenue - Delinquent property tax	51,523
Unavailable Revenue - Shared revenue	128,478
Total deferred inflows of resources	<u>2,332,891</u>
Total liabilities and deferred inflows of resources	<u>2,332,891</u>
FUND BALANCES (DEFICITS)	
Restricted	\$ 640,366
Total fund balances (deficits)	<u>\$ 640,366</u>
Total liabilities and fund balances (deficits)	<u>\$ 2,973,257</u>

**CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2021**

	Amphitheater	Springbrook Park	Woodnorton Way	Emergency Regional Response Facility
ASSETS				
Cash and investments	\$ -	\$ 2,509,831	\$ 117,273	\$ 321,301
Due from other governments	-	30,026	-	-
Total assets	<u>\$ -</u>	<u>\$ 2,539,857</u>	<u>\$ 117,273</u>	<u>\$ 321,301</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ 19,044	\$ 104,824
Due to other funds	1,012,425	2,663,903	676,000	-
Total liabilities	<u>1,012,425</u>	<u>2,663,903</u>	<u>695,044</u>	<u>104,824</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>1,012,425</u>	<u>2,663,903</u>	<u>695,044</u>	<u>104,824</u>
FUND BALANCES (DEFICITS)				
Restricted	\$ -	\$ -	\$ -	\$ 216,477
Unassigned	(1,012,425)	(124,046)	(577,771)	-
Total fund balances (deficits)	<u>\$ (1,012,425)</u>	<u>\$ (124,046)</u>	<u>\$ (577,771)</u>	<u>\$ 216,477</u>
Total liabilities and fund balances (deficits)	<u>\$ -</u>	<u>\$ 2,539,857</u>	<u>\$ 117,273</u>	<u>\$ 321,301</u>

Continued

**CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2021**

	Belle Meadow Road	Lake Overlook Reconstruction	Stockbridge Dartmoor Roads	Brooksdale Road
ASSETS				
Cash and investments	\$ 370,840	\$ 380,836	\$ 88,644	\$ 2,147,071
Due from other governments	21,834	-	-	-
Total assets	<u>\$ 392,674</u>	<u>\$ 380,836</u>	<u>\$ 88,644</u>	<u>\$ 2,147,071</u>
LIABILITIES				
Accounts Payable	\$ 115,562	\$ 9,092	\$ 54,532	\$ 7,688
Due to other funds	-	900,000	800,000	700,000
Total liabilities	<u>115,562</u>	<u>909,092</u>	<u>854,532</u>	<u>707,688</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>115,562</u>	<u>909,092</u>	<u>854,532</u>	<u>707,688</u>
FUND BALANCES (DEFICITS)				
Restricted	\$ 277,112	\$ -	\$ -	\$ 1,439,383
Unassigned	-	(528,256)	(765,888)	-
Total fund balances (deficits)	<u>\$ 277,112</u>	<u>\$ (528,256)</u>	<u>\$ (765,888)</u>	<u>\$ 1,439,383</u>
Total liabilities and fund balances (deficits)	<u>\$ 392,674</u>	<u>\$ 380,836</u>	<u>\$ 88,644</u>	<u>\$ 2,147,071</u>

Continued

**CITY OF MENTOR, OHIO
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2021**

	State Grants - Other	Hopkins Resurfacing Market/Mentor	Federal Grants - Other	Total Nonmajor Capital projects funds
ASSETS				
Cash and investments	\$ 1,324,928	\$ 283,993	\$ 1,136,573	\$ 8,681,290
Due from other governments	-	-	51,553	103,413
Total assets	<u>\$ 1,324,928</u>	<u>\$ 283,993</u>	<u>\$ 1,188,126</u>	<u>\$ 8,784,703</u>
LIABILITIES				
Accounts Payable	\$ 206,390	\$ 2,023	\$ 561,356	\$ 1,080,511
Due to other funds	1,235,463	300,000	1,200,477	9,488,268
Total liabilities	<u>1,441,853</u>	<u>302,023</u>	<u>1,761,833</u>	<u>10,568,779</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Intergovernmental revenue	\$ -	\$ -	\$ 42,698	\$ 42,698
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>42,698</u>	<u>42,698</u>
Total liabilities and deferred inflows of resources	<u>1,441,853</u>	<u>302,023</u>	<u>1,804,531</u>	<u>10,611,477</u>
FUND BALANCES (DEFICITS)				
Restricted	\$ -	\$ -	\$ -	\$ 1,932,972
Unassigned	<u>(116,925)</u>	<u>(18,030)</u>	<u>(616,405)</u>	<u>(3,759,746)</u>
Total fund balances (deficits)	<u>\$ (116,925)</u>	<u>\$ (18,030)</u>	<u>\$ (616,405)</u>	<u>\$ (1,826,774)</u>
Total liabilities and fund balances (deficits)	<u>\$ 1,324,928</u>	<u>\$ 283,993</u>	<u>\$ 1,188,126</u>	<u>\$ 8,784,703</u>

**CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
SUMMARY BY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Special revenue funds	Debt service funds	Capital projects funds	Total Nonmajor Governmental Funds
REVENUES				
Property Taxes	\$ 2,845,898	\$ 1,869,454	\$ -	\$ 4,715,352
Other Local Taxes	610,630	-	-	610,630
Payments in Lieu of Taxes	1,609,142	-	-	1,609,142
Intergovernmental	6,808,882	223,126	1,670,551	8,702,559
Charges for services	108,688	-	73,112	181,800
Fines and forfeitures	320,785	-	-	320,785
Licenses, permits, and inspections	19,500	-	-	19,500
Special Assessments	1,574,915	-	-	1,574,915
Investment Income	11,595	9,495	-	21,090
Donations and other	363,823	-	-	363,823
Total revenues	<u>14,273,858</u>	<u>2,102,075</u>	<u>1,743,663</u>	<u>18,119,596</u>
EXPENDITURES				
Current:				
General Government	395,639	24,940	75,857	496,436
Police	1,181,046	-	163,807	1,344,853
Fire	1,125,724	-	60,956	1,186,680
Streets and highways	3,669,728	-	2,486,584	6,156,312
Parks and recreation	849,497	-	223,053	1,072,550
Planning and development	593,971	-	-	593,971
Engineering and building	70,731	-	534,980	605,711
Debt service:				
Principal retirement	-	1,940,000	-	1,940,000
Interest and fiscal charges	-	756,875	-	756,875
Capital outlay:				
Fire	586,934	-	2,400,494	2,987,428
Streets and highways	1,096,556	-	27,798	1,124,354
Parks and recreation	47,424	-	22,096	69,520
Planning and development	41,761	-	-	41,761
Engineering and building	177,336	-	78,087	255,423
Total expenditures	<u>9,836,347</u>	<u>2,721,815</u>	<u>6,073,712</u>	<u>18,631,874</u>
Excess (deficiency) of revenues over expenditures	<u>4,437,511</u>	<u>(619,740)</u>	<u>(4,330,049)</u>	<u>(512,278)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of OPWC Loans	-	-	156,800	156,800
Transfers In	100,000	328,419	1,644,184	2,072,603
Transfers Out	(1,832,174)	-	(210,429)	(2,042,603)
Total other financing sources (uses)	<u>(1,732,174)</u>	<u>328,419</u>	<u>1,590,555</u>	<u>186,800</u>
Net change in fund balances	2,705,337	(291,321)	(2,739,494)	(325,478)
Fund balances - beginning	7,306,005	931,687	912,720	9,150,412
Fund balances - ending	<u>\$ 10,011,342</u>	<u>\$ 640,366</u>	<u>\$ (1,826,774)</u>	<u>\$ 8,824,934</u>

**CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Street	TIF	Police Pension	Fire Pension
REVENUES				
Property Taxes	\$ -	\$ -	\$ 431,412	\$ 431,412
Other Local Taxes	-	-	-	-
Payments in Lieu of Taxes	-	1,609,142	-	-
Intergovernmental	3,878,746	-	51,491	51,491
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Licenses, permits, and inspections	-	-	-	-
Special Assessments	-	-	-	-
Investment Income	10,120	-	-	-
Donations and other	-	-	-	-
Total revenues	<u>3,888,866</u>	<u>1,609,142</u>	<u>482,903</u>	<u>482,903</u>
EXPENDITURES				
Current:				
General Government	-	-	-	-
Police	-	-	493,668	-
Fire	-	-	-	493,668
Streets and highways	2,203,213	-	-	-
Parks and recreation	-	-	-	-
Planning and development	-	22,626	-	-
Engineering and building	-	10,910	-	-
Capital outlay:				
Fire	-	-	-	-
Streets and highways	531,286	539,584	-	-
Parks and recreation	-	-	-	-
Planning and development	-	-	-	-
Engineering and building	-	165,931	-	-
Total expenditures	<u>2,734,499</u>	<u>739,051</u>	<u>493,668</u>	<u>493,668</u>
Excess (deficiency) of revenues over expenditures	<u>1,154,367</u>	<u>870,091</u>	<u>(10,765)</u>	<u>(10,765)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	(840,850)	-	-
Total other financing sources (uses)	<u>-</u>	<u>(840,850)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	1,154,367	29,241	(10,765)	(10,765)
Fund balances - beginning	1,417,599	1,499,789	46,418	46,418
Fund balances - ending	<u>\$ 2,571,966</u>	<u>\$ 1,529,030</u>	<u>\$ 35,653</u>	<u>\$ 35,653</u>

Continued

**CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Fire Levy	Senior Citizens Service Levy	Community Recreation Facilities	Cemetery
REVENUES				
Property Taxes	\$ 1,983,074	\$ -	\$ -	\$ -
Other Local Taxes	-	-	610,630	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	232,598	320,000	-	-
Charges for services	-	-	-	48,825
Fines and forfeitures	-	-	-	-
Licenses, permits, and inspections	-	-	-	-
Special Assessments	-	-	-	-
Investment Income	-	-	-	-
Donations and other	-	-	-	-
Total revenues	<u>2,215,672</u>	<u>320,000</u>	<u>610,630</u>	<u>48,825</u>
EXPENDITURES				
Current:				
General Government	-	-	-	-
Police	-	-	-	-
Fire	33,841	-	-	-
Streets and highways	-	-	-	-
Parks and recreation	-	320,000	255,106	-
Planning and development	-	-	-	-
Engineering and building	-	-	-	-
Capital outlay:				
Fire	586,934	-	-	-
Streets and highways	-	-	-	-
Parks and recreation	-	-	-	47,424
Planning and development	-	-	-	-
Engineering and building	-	-	-	-
Total expenditures	<u>620,775</u>	<u>320,000</u>	<u>255,106</u>	<u>47,424</u>
Excess (deficiency) of revenues over expenditures	<u>1,594,897</u>	<u>-</u>	<u>355,524</u>	<u>1,401</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	(200,000)	-	(700,000)	-
Total other financing sources (uses)	<u>(200,000)</u>	<u>-</u>	<u>(700,000)</u>	<u>-</u>
Net change in fund balances	1,394,897	-	(344,476)	1,401
Fund balances - beginning	3,190,911	393,489	562,986	22,746
Fund balances - ending	<u>\$ 4,585,808</u>	<u>\$ 393,489</u>	<u>\$ 218,510</u>	<u>\$ 24,147</u>

Continued

**CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Economic Development	Subdivision Street Tree	Street Lighting	Court Computer
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	59,213	-	-	-
Fines and forfeitures	-	-	-	61,434
Licenses, permits, and inspections	-	19,500	-	-
Special Assessments	-	-	1,574,915	-
Investment Income	-	-	-	-
Donations and other	-	-	-	-
Total revenues	<u>59,213</u>	<u>19,500</u>	<u>1,574,915</u>	<u>61,434</u>
EXPENDITURES				
Current:				
General Government	-	-	-	55,577
Police	-	-	-	-
Fire	-	-	-	-
Streets and highways	-	20,202	1,221,868	-
Parks and recreation	-	-	-	-
Planning and development	35,291	-	-	-
Engineering and building	-	-	-	-
Capital outlay:				
Fire	-	-	-	-
Streets and highways	-	-	25,216	-
Parks and recreation	-	-	-	-
Planning and development	-	-	-	-
Engineering and building	-	-	11,405	-
Total expenditures	<u>35,291</u>	<u>20,202</u>	<u>1,258,489</u>	<u>55,577</u>
Excess (deficiency) of revenues over expenditures	<u>23,922</u>	<u>(702)</u>	<u>316,426</u>	<u>5,857</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	100,000	-
Transfers Out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
Net change in fund balances	23,922	(702)	416,426	5,857
Fund balances - beginning	53,463	22,498	(836,343)	103,573
Fund balances - ending	<u>\$ 77,385</u>	<u>\$ 21,796</u>	<u>\$ (419,917)</u>	<u>\$ 109,430</u>

Continued

**CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Court Special Projects	Enforcement and Education	Court Probation Services	Indigent Driver Alcohol Treatment
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	124,304	9,844	70,523	19,545
Licenses, permits, and inspections	-	-	-	-
Special Assessments	-	-	-	-
Investment Income	-	-	-	-
Donations and other	-	-	-	-
Total revenues	<u>124,304</u>	<u>9,844</u>	<u>70,523</u>	<u>19,545</u>
EXPENDITURES				
Current:				
General Government	25,302	-	55,591	7,650
Police	-	722	-	-
Fire	-	-	-	-
Streets and highways	-	-	-	-
Parks and recreation	-	-	-	-
Planning and development	-	-	-	-
Engineering and building	-	-	-	-
Capital outlay:				
Fire	-	-	-	-
Streets and highways	-	-	-	-
Parks and recreation	-	-	-	-
Planning and development	-	-	-	-
Engineering and building	-	-	-	-
Total expenditures	<u>25,302</u>	<u>722</u>	<u>55,591</u>	<u>7,650</u>
Excess (deficiency) of revenues over expenditures	<u>99,002</u>	<u>9,122</u>	<u>14,932</u>	<u>11,895</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	(91,324)	-	-	-
Total other financing sources (uses)	<u>(91,324)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	7,678	9,122	14,932	11,895
Fund balances - beginning	228,472	20,634	90,934	69,029
Fund balances - ending	<u>\$ 236,150</u>	<u>\$ 29,756</u>	<u>\$ 105,866</u>	<u>\$ 80,924</u>

Continued

**CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Indigent Driver Alcohol Monitoring	Law Enforcement Trust	Police Canine	VOCA Victims Assistance Grant
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	-	-	-	34,841
Charges for services	-	-	-	-
Fines and forfeitures	18,577	16,558	-	-
Licenses, permits, and inspections	-	-	-	-
Special Assessments	-	-	-	-
Investment Income	-	-	-	-
Donations and other	-	-	1,150	-
Total revenues	<u>18,577</u>	<u>16,558</u>	<u>1,150</u>	<u>34,841</u>
EXPENDITURES				
Current:				
General Government	11,764	-	-	-
Police	-	-	8,268	38,140
Fire	-	-	-	-
Streets and highways	-	-	-	-
Parks and recreation	-	-	-	-
Planning and development	-	-	-	-
Engineering and building	-	-	-	-
Capital outlay:				
Fire	-	-	-	-
Streets and highways	-	-	-	-
Parks and recreation	-	-	-	-
Planning and development	-	-	-	-
Engineering and building	-	-	-	-
Total expenditures	<u>11,764</u>	<u>-</u>	<u>8,268</u>	<u>38,140</u>
Excess (deficiency) of revenues over expenditures	<u>6,813</u>	<u>16,558</u>	<u>(7,118)</u>	<u>(3,299)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	6,813	16,558	(7,118)	(3,299)
Fund balances - beginning	129,376	82,398	16,828	9,695
Fund balances - ending	<u>\$ 136,189</u>	<u>\$ 98,956</u>	<u>\$ 9,710</u>	<u>\$ 6,396</u>

Continued

**CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Local Coronavirus Relief	American Rescue Plan	Community Development Block Grant	Forfeited Property - U.S. Department of Justice
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	60,000	1,994,046	185,669	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Licenses, permits, and inspections	-	-	-	-
Special Assessments	-	-	-	-
Investment Income	101	-	1,147	227
Donations and other	-	-	-	-
Total revenues	<u>60,101</u>	<u>1,994,046</u>	<u>186,816</u>	<u>227</u>
EXPENDITURES				
Current:				
General Government	-	239,284	-	-
Police	-	638,095	-	-
Fire	-	598,215	-	-
Streets and highways	-	219,345	-	-
Parks and recreation	62,986	199,405	-	-
Planning and development	-	39,881	496,173	-
Engineering and building	-	59,821	-	-
Capital outlay:				
Fire	-	-	-	-
Streets and highways	-	-	-	-
Parks and recreation	-	-	-	-
Planning and development	-	-	41,761	-
Engineering and building	-	-	-	-
Total expenditures	<u>62,986</u>	<u>1,994,046</u>	<u>537,934</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(2,885)</u>	<u>-</u>	<u>(351,118)</u>	<u>227</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(2,885)	-	(351,118)	227
Fund balances - beginning	2,877	-	404,065	55,357
Fund balances - ending	<u>\$ (8)</u>	<u>\$ -</u>	<u>\$ 52,947</u>	<u>\$ 55,584</u>

Continued

**CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Council Donation</u>	<u>Police Donation</u>	<u>Fire Donation</u>	<u>Parks and Recreation Donation</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	650	-	-	-
Fines and forfeitures	-	-	-	-
Licenses, permits, and inspections	-	-	-	-
Special Assessments	-	-	-	-
Investment Income	-	-	-	-
Donations and other	-	2,800	20,100	-
Total revenues	<u>650</u>	<u>2,800</u>	<u>20,100</u>	<u>-</u>
EXPENDITURES				
Current:				
General Government	471	-	-	-
Police	-	1,153	-	-
Fire	-	-	-	-
Streets and highways	-	-	-	-
Parks and recreation	-	-	-	-
Planning and development	-	-	-	-
Engineering and building	-	-	-	-
Capital outlay:				
Fire	-	-	-	-
Streets and highways	-	-	-	-
Parks and recreation	-	-	-	-
Planning and development	-	-	-	-
Engineering and building	-	-	-	-
Total expenditures	<u>471</u>	<u>1,153</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>179</u>	<u>1,647</u>	<u>20,100</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	179	1,647	20,100	-
Fund balances - beginning	274	13,831	767	2,773
Fund balances - ending	<u>\$ 453</u>	<u>\$ 15,478</u>	<u>\$ 20,867</u>	<u>\$ 2,773</u>

Continued

**CITY OF MENTOR, OHIO
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN
 FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Local Grants</u>	<u>Total Nonmajor Special revenue funds</u>
REVENUES		
Property Taxes	\$ -	\$ 2,845,898
Other Local Taxes	-	610,630
Payments in Lieu of Taxes	-	1,609,142
Intergovernmental	-	6,808,882
Charges for services	-	108,688
Fines and forfeitures	-	320,785
Licenses, permits, and inspections	-	19,500
Special Assessments	-	1,574,915
Investment Income	-	11,595
Donations and other	339,773	363,823
Total revenues	<u>339,773</u>	<u>14,273,858</u>
EXPENDITURES		
Current:		
General Government	-	395,639
Police	1,000	1,181,046
Fire	-	1,125,724
Streets and highways	5,100	3,669,728
Parks and recreation	12,000	849,497
Planning and development	-	593,971
Engineering and building	-	70,731
Capital outlay:		
Fire	-	586,934
Streets and highways	470	1,096,556
Parks and recreation	-	47,424
Planning and development	-	41,761
Engineering and building	-	177,336
Total expenditures	<u>18,570</u>	<u>9,836,347</u>
Excess (deficiency) of revenues over expenditures	<u>321,203</u>	<u>4,437,511</u>
OTHER FINANCING SOURCES (USES)		
Transfers In	-	100,000
Transfers Out	-	(1,832,174)
Total other financing sources (uses)	<u>-</u>	<u>(1,732,174)</u>
Net change in fund balances	321,203	2,705,337
Fund balances - beginning	(344,852)	7,306,005
Fund balances - ending	<u>\$ (23,649)</u>	<u>\$ 10,011,342</u>

**CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	General Obligation Bond Retirement
REVENUES	
Property Taxes	\$ 1,869,454
Intergovernmental	223,126
Investment Income	9,495
Total revenues	<u>2,102,075</u>
EXPENDITURES	
Current:	
General Government	24,940
Debt service:	
Principal retirement	1,940,000
Interest and fiscal charges	756,875
Total expenditures	<u>2,721,815</u>
Excess (deficiency) of revenues over expenditures	<u>(619,740)</u>
OTHER FINANCING SOURCES (USES)	
Transfers In	<u>328,419</u>
Total other financing sources (uses)	<u>328,419</u>
Net change in fund balances	(291,321)
Fund balances - beginning	<u>931,687</u>
Fund balances - ending	<u>\$ 640,366</u>

**CITY OF MENTOR, OHIO
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN
 FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Amphitheater	Springbrook Park	Woodnorton Way	Two Town Detention Basin
REVENUES				
Intergovernmental	\$ -	\$ 42,411	\$ -	\$ -
Charges for services	-	-	-	-
Total revenues	<u>-</u>	<u>42,411</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
General Government	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Streets and highways	-	-	-	-
Parks and recreation	-	6,736	-	-
Engineering and building	-	-	-	-
Capital outlay:				
Fire	-	-	-	-
Streets and highways	-	-	-	-
Parks and recreation	-	22,096	-	-
Engineering and building	-	17,411	19,043	8,412
Total expenditures	<u>-</u>	<u>46,243</u>	<u>19,043</u>	<u>8,412</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(3,832)</u>	<u>(19,043)</u>	<u>(8,412)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of OPWC Loans	-	-	-	-
Transfers In	100,000	600,000	75,000	-
Transfers Out	-	-	-	(210,429)
Total other financing sources (uses)	<u>100,000</u>	<u>600,000</u>	<u>75,000</u>	<u>(210,429)</u>
Net change in fund balances	100,000	596,168	55,957	(218,841)
Fund balances - beginning	<u>(1,112,425)</u>	<u>(720,214)</u>	<u>(633,728)</u>	<u>218,841</u>
Fund balances - ending	<u>\$ (1,012,425)</u>	<u>\$ (124,046)</u>	<u>\$ (577,771)</u>	<u>\$ -</u>

Continued

**CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Emergency Regional Response Facility	Belle Meadow Road	SR615 Resurfacing	Lake Overlook Reconstruction	Stockbridge Dartmoor Roads
REVENUES					
Intergovernmental	\$ -	\$ 49,108	\$ 33,276	\$ 455,042	\$ 150,000
Charges for services	-	73,112	-	-	-
Total revenues	-	122,220	33,276	455,042	150,000
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Police	-	-	-	-	-
Fire	-	-	-	-	-
Streets and highways	-	221,034	46,896	770,083	848,473
Parks and recreation	-	-	-	-	-
Engineering and building	-	29,874	6,685	106,513	129,817
Capital outlay:					
Fire	1,849,420	-	-	-	-
Streets and highways	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Engineering and building	33,221	-	-	-	-
Total expenditures	1,882,641	250,908	53,581	876,596	978,290
Excess (deficiency) of revenues over expenditures	(1,882,641)	(128,688)	(20,305)	(421,554)	(828,290)
OTHER FINANCING SOURCES (USES)					
Issuance of OPWC Loans	-	6,800	-	-	150,000
Transfers In	200,000	-	203,614	-	-
Transfers Out	-	-	-	-	-
Total other financing sources (uses)	200,000	6,800	203,614	-	150,000
Net change in fund balances	(1,682,641)	(121,888)	183,309	(421,554)	(678,290)
Fund balances - beginning	1,899,118	399,000	(183,309)	(106,702)	(87,598)
Fund balances - ending	\$ 216,477	\$ 277,112	\$ -	\$ (528,256)	\$ (765,888)

Continued

**CITY OF MENTOR, OHIO
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Brooksdale Road	State Grants - Other	Hopkins Resurfacing Market/Mentor	Tyler Resurfacing 615 to Heisley
REVENUES				
Intergovernmental	\$ -	\$ 110,659	\$ 629,003	\$ -
Charges for services	-	-	-	-
Total revenues	-	110,659	629,003	-
EXPENDITURES				
Current:				
General Government	-	75,002	-	-
Police	-	3,545	-	-
Fire	-	-	-	-
Streets and highways	-	4,828	576,671	-
Parks and recreation	-	188,018	-	-
Engineering and building	161,847	26,260	63,034	10,950
Capital outlay:				
Fire	-	-	-	-
Streets and highways	-	27,798	-	-
Parks and recreation	-	-	-	-
Engineering and building	-	-	-	-
Total expenditures	161,847	325,451	639,705	10,950
Excess (deficiency) of revenues over expenditures	(161,847)	(214,792)	(10,702)	(10,950)
OTHER FINANCING SOURCES (USES)				
Issuance of OPWC Loans	-	-	-	-
Transfers In	-	30,000	-	435,570
Transfers Out	-	-	-	-
Total other financing sources (uses)	-	30,000	-	435,570
Net change in fund balances	(161,847)	(184,792)	(10,702)	424,620
Fund balances - beginning	1,601,230	67,867	(7,328)	(424,620)
Fund balances - ending	\$ 1,439,383	\$ (116,925)	\$ (18,030)	\$ -

Continued

**CITY OF MENTOR, OHIO
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN
 FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021**

	Federal Grants - Other	Total Nonmajor Capital projects funds
REVENUES		
Intergovernmental	\$ 201,052	\$ 1,670,551
Charges for services	-	73,112
Total revenues	<u>201,052</u>	<u>1,743,663</u>
EXPENDITURES		
Current:		
General Government	855	75,857
Police	160,262	163,807
Fire	60,956	60,956
Streets and highways	18,599	2,486,584
Parks and recreation	28,299	223,053
Engineering and building	-	534,980
Capital outlay:		
Fire	551,074	2,400,494
Streets and highways	-	27,798
Parks and recreation	-	22,096
Engineering and building	-	78,087
Total expenditures	<u>820,045</u>	<u>6,073,712</u>
Excess (deficiency) of revenues over expenditures	<u>(618,993)</u>	<u>(4,330,049)</u>
OTHER FINANCING SOURCES (USES)		
Issuance of OPWC Loans	-	156,800
Transfers In	-	1,644,184
Transfers Out	-	(210,429)
Total other financing sources (uses)	<u>-</u>	<u>1,590,555</u>
Net change in fund balances	(618,993)	(2,739,494)
Fund balances - beginning	<u>2,588</u>	<u>912,720</u>
Fund balances - ending	<u>\$ (616,405)</u>	<u>\$ (1,826,774)</u>

CITY OF MENTOR, OHIO
STREET FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 3,777,000	\$ 3,837,567	\$ 60,567
Investment income	20,000	10,120	(9,880)
Total revenues	<u>3,797,000</u>	<u>3,847,687</u>	<u>50,687</u>
EXPENDITURES:			
Streets and highways	<u>3,823,171</u>	<u>3,159,192</u>	<u>663,979</u>
Excess (deficiency) of revenues over expenditures	(26,171)	688,495	714,666
OTHER FINANCING SOURCES (USES):			
Advances in	2,500,000	1,400,000	(1,100,000)
Advances out	(1,500,000)	(1,400,000)	100,000
Transfers out	(1,264,600)	-	1,264,600
Total other financing sources (uses)	<u>(264,600)</u>	<u>-</u>	<u>264,600</u>
NET CHANGE IN FUND BALANCE	(290,771)	688,495	979,266
Adjustment for prior year encumbrances	427,171	427,171	-
FUND BALANCES, BEGINNING OF YEAR	<u>516,586</u>	<u>516,586</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 652,986</u>	<u>\$ 1,632,252</u>	<u>\$ 979,266</u>

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

Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Payments in Lieu of Taxes	\$ 1,600,000	\$ 1,609,142	\$ 9,142
EXPENDITURES:			
Planning and development	22,626	22,626	-
Streets and highways	809,374	763,217	46,157
Engineering and building	320,198	213,456	106,742
Total expenditures	<u>1,152,198</u>	<u>999,299</u>	<u>152,899</u>
Excess (deficiency) of revenues over expenditures	447,802	609,843	162,041
OTHER FINANCING SOURCES (USES):			
Advances out	(17,200)	(17,171)	29
Transfers out	(942,066)	(840,850)	101,216
Total other financing sources (uses)	<u>(959,266)</u>	<u>(858,021)</u>	<u>101,245</u>
NET CHANGE IN FUND BALANCE	(511,464)	(248,178)	263,286
Adjustment for prior year encumbrances	26,198	26,198	-
FUND BALANCES, BEGINNING OF YEAR	<u>1,715,147</u>	<u>1,715,147</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 1,229,881</u>	<u>\$ 1,493,167</u>	<u>\$ 263,286</u>

CITY OF MENTOR, OHIO
POLICE PENSION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 47,072	\$ 51,491	\$ 4,419
Property taxes	<u>431,233</u>	<u>431,412</u>	<u>179</u>
Total revenues	<u>478,305</u>	<u>482,903</u>	<u>4,598</u>
EXPENDITURES:			
Police	<u>494,721</u>	<u>493,669</u>	<u>1,052</u>
NET CHANGE IN FUND BALANCE	(16,416)	(10,766)	5,650
FUND BALANCES, BEGINNING OF YEAR	<u>46,419</u>	<u>46,419</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 30,003</u>	<u>\$ 35,653</u>	<u>\$ 5,650</u>

CITY OF MENTOR, OHIO
FIRE PENSION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 47,072	\$ 51,491	\$ 4,419
Property taxes	<u>431,233</u>	<u>431,412</u>	<u>179</u>
Total revenues	<u>478,305</u>	<u>482,903</u>	<u>4,598</u>
EXPENDITURES:			
Fire	<u>494,721</u>	<u>493,669</u>	<u>1,052</u>
NET CHANGE IN FUND BALANCE	(16,416)	(10,766)	5,650
FUND BALANCES, BEGINNING OF YEAR	<u>46,419</u>	<u>46,419</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 30,003</u>	<u>\$ 35,653</u>	<u>\$ 5,650</u>

CITY OF MENTOR, OHIO
FIRE LEVY FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 200,000	\$ 232,598	\$ 32,598
Property taxes	1,981,401	1,983,074	1,673
Total revenues	<u>2,181,401</u>	<u>2,215,672</u>	<u>34,271</u>
EXPENDITURES:			
Fire	<u>2,173,856</u>	<u>2,142,169</u>	<u>31,687</u>
Excess (deficiency) of revenues over expenditures	7,545	73,503	65,958
OTHER FINANCING SOURCES (USES):			
Transfers out	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(192,455)	(126,497)	65,958
Adjustment for prior year encumbrances	869,981	869,981	-
FUND BALANCES, BEGINNING OF YEAR	<u>2,330,282</u>	<u>2,330,282</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u><u>\$ 3,007,808</u></u>	<u><u>\$ 3,073,766</u></u>	<u><u>\$ 65,958</u></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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 315,000	\$ 332,787	\$ 17,787
EXPENDITURES:			
Parks and recreation:			
Employee compensation	244,472	244,472	-
Other	85,041	85,041	-
Total expenditures	<u>329,513</u>	<u>329,513</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(14,513)	3,274	17,787
Adjustment for prior year encumbrances	9,513	9,513	-
FUND BALANCES, BEGINNING OF YEAR	<u>380,702</u>	<u>380,702</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 375,702</u>	<u>\$ 393,489</u>	<u>\$ 17,787</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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Other local taxes	\$ 525,000	\$ 583,801	\$ 58,801
EXPENDITURES:			
Parks and recreation	263,717	255,107	8,610
Excess (deficiency) of revenues over expenditures	261,283	328,694	67,411
OTHER FINANCING SOURCES (USES):			
Transfers out	(700,000)	(700,000)	-
Total other financing sources (uses)	(700,000)	(700,000)	-
NET CHANGE IN FUND BALANCE	(438,717)	(371,306)	67,411
Adjustment for prior year encumbrances	223,717	223,717	-
FUND BALANCES, BEGINNING OF YEAR	308,887	308,887	-
FUND BALANCES, END OF YEAR	\$ 93,887	\$ 161,298	\$ 67,411

CITY OF MENTOR, OHIO
CEMETERY FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Charges for services	\$ 45,000	\$ 48,825	\$ 3,825
EXPENDITURES:			
Parks and recreation	212,395	170,549	41,846
Excess (deficiency) of revenues over expenditures	(167,395)	(121,724)	45,671
OTHER FINANCING SOURCES (USES):			
Advances in	40,000	40,000	-
Total other financing sources (uses)	40,000	40,000	-
NET CHANGE IN FUND BALANCE	(127,395)	(81,724)	45,671
Adjustment for prior year encumbrances	124,850	124,850	-
FUND BALANCES, BEGINNING OF YEAR	19,080	19,080	-
FUND BALANCES, END OF YEAR	<u>\$ 16,535</u>	<u>\$ 62,206</u>	<u>\$ 45,671</u>

CITY OF MENTOR, OHIO
ECONOMIC DEVELOPMENT FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Charges for services	\$ 59,000	\$ 59,213	\$ 213
EXPENDITURES:			
Planning and development	59,407	35,292	24,115
NET CHANGE IN FUND BALANCE	(407)	23,921	24,328
Adjustment for prior year encumbrances	4,657	4,657	-
FUND BALANCES, BEGINNING OF YEAR	48,808	48,808	-
FUND BALANCES, END OF YEAR	<u>\$ 53,058</u>	<u>\$ 77,386</u>	<u>\$ 24,328</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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Licenses, permits and inspections	\$ 19,000	\$ 19,500	\$ 500
EXPENDITURES:			
Streets and highways	30,000	20,202	9,798
NET CHANGE IN FUND BALANCE	(11,000)	(702)	10,298
FUND BALANCES, BEGINNING OF YEAR	22,498	22,498	-
FUND BALANCES, END OF YEAR	<u>\$ 11,498</u>	<u>\$ 21,796</u>	<u>\$ 10,298</u>

CITY OF MENTOR, OHIO
STREET LIGHTING FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Special assessments	\$ 1,548,000	\$ 1,574,915	\$ 26,915
EXPENDITURES:			
Streets and highways	1,340,318	1,332,403	7,915
Engineering and building	11,516	11,516	-
Total expenditures	<u>1,351,834</u>	<u>1,343,919</u>	<u>7,915</u>
Excess (deficiency) of revenues over expenditures	196,166	230,996	34,830
OTHER FINANCING SOURCES (USES):			
Advances in	1,000,000	1,000,000	-
Transfers in	100,000	100,000	-
Advances out	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(400,000)</u>	<u>(400,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(203,834)	(169,004)	34,830
Adjustment for prior year encumbrances	85,335	85,335	-
FUND BALANCES, BEGINNING OF YEAR	<u>578,325</u>	<u>578,325</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 459,826</u>	<u>\$ 494,656</u>	<u>\$ 34,830</u>

CITY OF MENTOR, OHIO
COURT COMPUTER FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Fines and forfeitures	\$ 57,000	\$ 62,071	\$ 5,071
EXPENDITURES:			
General government			
Employee compensation	40,000	26,005	13,995
Other	99,800	30,520	69,280
Total expenditures	<u>139,800</u>	<u>56,525</u>	<u>83,275</u>
NET CHANGE IN FUND BALANCE	(82,800)	5,546	88,346
FUND BALANCES, BEGINNING OF YEAR	<u>98,515</u>	<u>98,515</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 15,715</u>	<u>\$ 104,061</u>	<u>\$ 88,346</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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Fines and forfeitures	\$ 115,000	\$ 124,053	\$ 9,053
EXPENDITURES:			
General government	215,000	27,624	187,376
Excess (deficiency) of revenues over expenditures	(100,000)	96,429	196,429
OTHER FINANCING SOURCES (USES):			
Transfers out	(91,325)	(91,325)	-
Total other financing sources (uses)	(91,325)	(91,325)	-
NET CHANGE IN FUND BALANCE	(191,325)	5,104	196,429
FUND BALANCES, BEGINNING OF YEAR	222,308	222,308	-
FUND BALANCES, END OF YEAR	<u>\$ 30,983</u>	<u>\$ 227,412</u>	<u>\$ 196,429</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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Fines and forfeitures	\$ 8,000	\$ 10,823	\$ 2,823
EXPENDITURES:			
Police	21,500	2,295	19,205
NET CHANGE IN FUND BALANCE	(13,500)	8,528	22,028
FUND BALANCES, BEGINNING OF YEAR	19,575	19,575	-
FUND BALANCES, END OF YEAR	<u>\$ 6,075</u>	<u>\$ 28,103</u>	<u>\$ 22,028</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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Fines and forfeitures	\$ 60,000	\$ 68,345	\$ 8,345
EXPENDITURES:			
General government:			
Employee compensation	46,000	45,997	3
Other	98,750	9,594	89,156
Total expenditures	<u>144,750</u>	<u>55,591</u>	<u>89,159</u>
NET CHANGE IN FUND BALANCE	(84,750)	12,754	97,504
FUND BALANCES, BEGINNING OF YEAR	<u>87,625</u>	<u>87,625</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u><u>\$ 2,875</u></u>	<u><u>\$ 100,379</u></u>	<u><u>\$ 97,504</u></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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Fines and forfeitures	\$ 10,000	\$ 9,865	\$ (135)
Intergovernmental	<u>10,000</u>	<u>9,625</u>	<u>(375)</u>
Total revenues	<u>20,000</u>	<u>19,490</u>	<u>(510)</u>
EXPENDITURES:			
General government	<u>80,000</u>	<u>7,650</u>	<u>72,350</u>
NET CHANGE IN FUND BALANCE	(60,000)	11,840	71,840
FUND BALANCES, BEGINNING OF YEAR	<u>68,730</u>	<u>68,730</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 8,730</u>	<u>\$ 80,570</u>	<u>\$ 71,840</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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Fines and forfeitures	\$ 17,000	\$ 18,163	\$ 1,163
EXPENDITURES:			
General government	130,000	11,764	118,236
NET CHANGE IN FUND BALANCE	(113,000)	6,399	119,399
FUND BALANCES, BEGINNING OF YEAR	128,210	128,210	-
FUND BALANCES, END OF YEAR	<u>\$ 15,210</u>	<u>\$ 134,609</u>	<u>\$ 119,399</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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Fines and forfeitures	\$ 7,500	\$ 15,295	\$ 7,795
EXPENDITURES:			
Police	15,000	-	15,000
NET CHANGE IN FUND BALANCE	(7,500)	15,295	22,795
FUND BALANCES, BEGINNING OF YEAR	82,203	82,203	-
FUND BALANCES, END OF YEAR	<u>\$ 74,703</u>	<u>\$ 97,498</u>	<u>\$ 22,795</u>

CITY OF MENTOR, OHIO
PAYROLL STABILIZATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:	\$ -	\$ -	\$ -
EXPENDITURES:			
Planning and development	15,000	3,768	11,232
Fire	90,000	28,985	61,015
General government	77,216	67,830	9,386
Parks and recreation	30,000	4,875	25,125
Police	90,000	54,862	35,138
Streets and highways	123,000	122,840	160
Engineering and building	49,000	47,375	1,625
Total expenditures	<u>474,216</u>	<u>330,535</u>	<u>143,681</u>
Excess (deficiency) of revenues over expenditures	(474,216)	(330,535)	143,681
OTHER FINANCING SOURCES:			
Transfers in	490,000	392,585	(97,415)
Total other financing sources	<u>490,000</u>	<u>392,585</u>	<u>(97,415)</u>
NET CHANGE IN FUND BALANCE	15,784	62,050	46,266
FUND BALANCES, BEGINNING OF YEAR	<u>1,544,827</u>	<u>1,544,827</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 1,560,611</u>	<u>\$ 1,606,877</u>	<u>\$ 46,266</u>

CITY OF MENTOR, OHIO
POLICE CANINE FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Donations and other	\$ 500	\$ 1,150	\$ 650
EXPENDITURES:			
Police	17,300	8,269	9,031
NET CHANGE IN FUND BALANCE	(16,800)	(7,119)	9,681
FUND BALANCES, BEGINNING OF YEAR	16,828	16,828	-
FUND BALANCES, END OF YEAR	<u>\$ 28</u>	<u>\$ 9,709</u>	<u>\$ 9,681</u>

CITY OF MENTOR, OHIO
VOCA VICTIMS ASSISTANCE GRANT FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 48,065	\$ 38,140	\$ (9,925)
EXPENDITURES:			
Police:			
Employee Compensation	48,065	38,140	9,925
Other	158	-	158
Total Expenditures	<u>48,223</u>	<u>38,140</u>	<u>10,083</u>
NET CHANGE IN FUND BALANCE	(158)	-	158
FUND BALANCES, BEGINNING OF YEAR	<u>160</u>	<u>160</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 2</u>	<u>\$ 160</u>	<u>\$ 158</u>

CITY OF MENTOR, OHIO
LOCAL CORONAVIRUS FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 60,000	\$ 60,000	\$ -
Investment income	112	101	(11)
Total revenues	<u>60,112</u>	<u>60,101</u>	<u>(11)</u>
EXPENDITURES:			
Parks and recreation	66,741	66,730	11
Total expenditures	<u>66,741</u>	<u>66,730</u>	<u>11</u>
NET CHANGE IN FUND BALANCE	(6,629)	(6,629)	-
Adjustment for prior year encumbrances	6,606	6,606	-
FUND BALANCES, BEGINNING OF YEAR	<u>23</u>	<u>23</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MENTOR, OHIO
AMERICAN RESCUE PLAN FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 1,994,046	\$ 1,994,046	\$ -
Total revenues	<u>1,994,046</u>	<u>1,994,046</u>	<u>-</u>
EXPENDITURES:			
Planning and development	39,881	39,881	-
Fire	598,215	598,215	-
General government	239,284	239,284	-
Parks and recreation	199,405	199,405	-
Police	638,095	638,095	-
Streets and highways	219,345	219,345	-
Engineering and buildings	59,821	59,821	-
Total expenditures	<u>1,994,046</u>	<u>1,994,046</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	-
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
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 1,069,592	\$ 184,496	\$ (885,096)
Investment income	-	1,147	\$ 1,147
Total revenues	<u>1,069,592</u>	<u>185,643</u>	<u>(883,949)</u>
EXPENDITURES:			
Planning and development:			
Employee compensation	12,280	6,140	6,140
Other	1,170,155	696,738	473,417
Total expenditures	<u>1,182,435</u>	<u>702,878</u>	<u>479,557</u>
Excess (deficiency) of revenues over expenditures	(112,843)	(517,235)	(404,392)
OTHER FINANCING SOURCES (USES):			
Advances in	356,306	430,773	74,467
Advances out	(658,609)	(304,902)	353,707
Total other financing sources (uses)	<u>(302,303)</u>	<u>125,871</u>	<u>428,174</u>
NET CHANGE IN FUND BALANCE	(415,146)	(391,364)	23,782
Adjustment for prior year encumbrances	177,843	177,843	
FUND BALANCES, BEGINNING OF YEAR	<u>530,578</u>	<u>530,578</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 293,275</u>	<u>\$ 317,057</u>	<u>\$ 23,782</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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Investment income	\$ 1,350	\$ 227	\$ (1,123)
EXPENDITURES:			
Police	56,700	-	56,700
NET CHANGE IN FUND BALANCE	(55,350)	227	55,577
FUND BALANCES, BEGINNING OF YEAR	55,357	55,357	-
FUND BALANCES, END OF YEAR	<u>\$ 7</u>	<u>\$ 55,584</u>	<u>\$ 55,577</u>

CITY OF MENTOR, OHIO
COUNCIL DONATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Donations and other	\$ 650	\$ 650	\$ -
EXPENDITURES:			
General government	722	472	250
NET CHANGE IN FUND BALANCE	(72)	178	250
FUND BALANCES, BEGINNING OF YEAR	273	273	-
FUND BALANCES, END OF YEAR	<u>\$ 201</u>	<u>\$ 451</u>	<u>\$ 250</u>

CITY OF MENTOR, OHIO
POLICE DONATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Donations and other	\$ 1,750	\$ 2,800	\$ 1,050
EXPENDITURES:			
Police	14,000	2,881	11,119
NET CHANGE IN FUND BALANCE	(12,250)	(81)	12,169
FUND BALANCES, BEGINNING OF YEAR	13,832	13,832	-
FUND BALANCES, END OF YEAR	\$ 1,582	\$ 13,751	\$ 12,169

CITY OF MENTOR, OHIO
FIRE DONATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Donations and other	\$ 100	\$ 20,100	\$ 20,000
EXPENDITURES:			
Fire	764	-	764
NET CHANGE IN FUND BALANCE	(664)	20,100	20,764
FUND BALANCES, BEGINNING OF YEAR	767	767	-
FUND BALANCES, END OF YEAR	<u>\$ 103</u>	<u>\$ 20,867</u>	<u>\$ 20,764</u>

CITY OF MENTOR, OHIO
PARKS AND RECREATION DONATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:	\$ -	\$ -	\$ -
EXPENDITURES:			
Parks and recreation	<u>2,774</u>	<u>-</u>	<u>2,774</u>
NET CHANGE IN FUND BALANCE	(2,774)	-	2,774
FUND BALANCES, BEGINNING OF YEAR	<u>2,774</u>	<u>2,774</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ 2,774</u></u>	<u><u>\$ 2,774</u></u>

CITY OF MENTOR, OHIO
SENIOR CITIZENS ACTIVITIES FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Donations and other	\$ 885	\$ 885	\$ -
EXPENDITURES:			
Parks and recreation	6,000	-	6,000
NET CHANGE IN FUND BALANCE	(5,115)	885	6,000
FUND BALANCES, BEGINNING OF YEAR	37,510	37,510	-
FUND BALANCES, END OF YEAR	<u>\$ 32,395</u>	<u>\$ 38,395</u>	<u>\$ 6,000</u>

CITY OF MENTOR, OHIO
CULTURAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Charges for services	\$ 19,500	\$ 26,637	\$ 7,137
Donations and other	2,500	-	(2,500)
Total revenues	<u>22,000</u>	<u>26,637</u>	<u>4,637</u>
EXPENDITURES:			
Parks and recreation	<u>19,888</u>	<u>15,463</u>	<u>4,425</u>
NET CHANGE IN FUND BALANCE	2,112	11,174	9,062
Adjustment for prior year encumbrances	388	388	-
FUND BALANCES, BEGINNING OF YEAR	<u>78,918</u>	<u>78,918</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 81,418</u>	<u>\$ 90,480</u>	<u>\$ 9,062</u>

CITY OF MENTOR, OHIO
BEAUTIFICATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:	\$ -	\$ -	\$ -
EXPENDITURES:			
Parks and recreation	2,000	-	2,000
NET CHANGE IN FUND BALANCE	(2,000)	-	2,000
FUND BALANCES, BEGINNING OF YEAR	2,258	2,258	-
FUND BALANCES, END OF YEAR	<u>\$ 258</u>	<u>\$ 2,258</u>	<u>\$ 2,000</u>

CITY OF MENTOR, OHIO
LOCAL GRANT FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Donations and other	\$ 497,956	\$ 339,773	\$ (158,183)
EXPENDITURES:			
General government	1,000	-	1,000
Parks and recreation	14,108	12,000	2,108
Police	2,929	2,000	929
Streets and highways	116,067	5,571	110,496
Total expenditures	<u>134,104</u>	<u>19,571</u>	<u>114,533</u>
Excess (deficiency) of revenues over expenditures	363,852	320,202	(43,650)
OTHER FINANCING SOURCES (USES):			
Advances in	126,344	145,182	18,838
Transfers in	6,000	-	(6,000)
Advances out	(477,955)	(353,719)	124,236
Transfers out	(25,000)	-	25,000
Total other financing sources (uses)	<u>(370,611)</u>	<u>(208,537)</u>	<u>162,074</u>
NET CHANGE IN FUND BALANCE	(6,759)	111,665	118,424
FUND BALANCES, BEGINNING OF YEAR	<u>6,759</u>	<u>6,759</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ 118,424</u>	<u>\$ 118,424</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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 100,000	\$ 223,126	\$ 123,126
Investment income	9,495	9,495	-
Property taxes	1,992,089	1,869,454	(122,635)
Total revenues	<u>2,101,584</u>	<u>2,102,075</u>	<u>491</u>
EXPENDITURES:			
Debt service:			
Principal retirement	1,957,171	1,957,171	-
Interest and other charges	801,895	781,816	20,079
Total expenditures	<u>2,759,066</u>	<u>2,738,987</u>	<u>20,079</u>
Excess (deficiency) of revenues over expenditures	(657,482)	(636,912)	20,570
OTHER FINANCING SOURCES (USES):			
Advances in	17,200	17,171	(29)
Transfers in	318,000	328,419	10,419
Total other financing sources (uses)	<u>335,200</u>	<u>345,590</u>	<u>10,390</u>
NET CHANGE IN FUND BALANCE	(322,282)	(291,322)	30,960
FUND BALANCES, BEGINNING OF YEAR	<u>931,687</u>	<u>931,687</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 609,405</u>	<u>\$ 640,365</u>	<u>\$ 30,960</u>

CITY OF MENTOR, OHIO
AMPHITHEATER FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:	\$ -	\$ -	\$ -
EXPENDITURES:	-	-	-
OTHER FINANCING SOURCES (USES):			
Advances in	1,063,000	1,012,425	(50,575)
Transfers in	50,000	100,000	50,000
Advances out	(1,113,000)	(1,112,425)	575
Total other financing sources (uses)	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCES, BEGINNING OF YEAR	-	-	-
FUND BALANCES, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MENTOR, OHIO
SPRINGBROOK PARK FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 784,864	\$ 13,058	\$ (771,806)
EXPENDITURES:			
Parks and recreation:			
Employee compensation	5,331	2,809	2,522
Other	2,075,707	2,070,895	4,812
Engineering and building	233,493	44,289	189,204
Total expenditures	<u>2,314,531</u>	<u>2,117,993</u>	<u>196,538</u>
Excess (deficiency) of revenues over expenditures	(1,529,667)	(2,104,935)	(575,268)
OTHER FINANCING SOURCES (USES):			
Advances in	2,808,291	2,663,903	(144,388)
Transfers in	400,000	600,000	200,000
Advances out	(1,000,000)	(1,000,000)	-
Total other financing sources (uses)	<u>2,208,291</u>	<u>2,263,903</u>	<u>55,612</u>
NET CHANGE IN FUND BALANCE	678,624	158,968	(519,656)
Adjustment for prior year encumbrances	36,150	36,150	-
FUND BALANCES, BEGINNING OF YEAR	<u>242,964</u>	<u>242,964</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 957,738</u>	<u>\$ 438,082</u>	<u>\$ (519,656)</u>

CITY OF MENTOR, OHIO
WOODNORTON WAY FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:	\$ -	\$ -	\$ -
EXPENDITURES:			
Streets and highways	41,996	25,017	16,979
Engineering and building	19,407	19,044	363
Total expenditures	<u>61,403</u>	<u>44,061</u>	<u>17,342</u>
Excess (deficiency) of revenues over expenditures	(61,403)	(44,061)	17,342
OTHER FINANCING SOURCES (USES):			
Advances in	670,115	676,000	5,885
Transfers in	75,000	75,000	-
Advances out	(751,000)	(751,000)	-
Total other financing sources (uses)	<u>(5,885)</u>	<u>-</u>	<u>5,885</u>
NET CHANGE IN FUND BALANCE	(67,288)	(44,061)	23,227
Adjustment for prior year encumbrances	61,403	61,403	-
FUND BALANCES, BEGINNING OF YEAR	<u>80,886</u>	<u>80,886</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 75,001</u>	<u>\$ 98,228</u>	<u>\$ 23,227</u>

CITY OF MENTOR, OHIO
TWO TOWN DETENTION BASIN FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:	\$ -	\$ -	\$ -
EXPENDITURES:			
Engineering and building	8,413	8,413	-
Excess (deficiency) of revenues over expenditures	(8,413)	(8,413)	-
OTHER FINANCING SOURCES (USES):			
Transfers out	(210,428)	(210,428)	-
Total other financing sources (uses)	(210,428)	(210,428)	-
NET CHANGE IN FUND BALANCE	(218,841)	(218,841)	-
Adjustment for prior year encumbrances	1,441	1,441	-
FUND BALANCES, BEGINNING OF YEAR	217,400	217,400	-
FUND BALANCES, END OF YEAR	\$ -	\$ -	\$ -

CITY OF MENTOR, OHIO
EMERGENCY REGIONAL RESPONSE FACILITY FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:	\$ -	\$ -	\$ -
EXPENDITURES:			
Fire	2,411,243	2,231,152	180,091
Engineering and building	33,252	33,252	-
Total expenditures	<u>2,444,495</u>	<u>2,264,404</u>	<u>180,091</u>
Excess (deficiency) of revenues over expenditures	(2,444,495)	(2,264,404)	180,091
OTHER FINANCING SOURCES (USES):			
Transfers in	200,000	200,000	-
Total other financing sources (uses)	<u>200,000</u>	<u>200,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(2,244,495)	(2,064,404)	180,091
Adjustment for prior year encumbrances	2,244,495	2,244,495	-
FUND BALANCES, BEGINNING OF YEAR	<u>3,292</u>	<u>3,292</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 3,292</u>	<u>\$ 183,383</u>	<u>\$ 180,091</u>

CITY OF MENTOR, OHIO
BELLE MEADOW ROAD FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Charges for services	\$ -	\$ 73,112	\$ 73,112
Intergovernmental	450,000	34,074	(415,926)
Total revenues	<u>450,000</u>	<u>107,186</u>	<u>(342,814)</u>
EXPENDITURES:			
Streets and highways	369,813	369,813	-
Engineering and building	148,352	148,352	-
Total expenditures	<u>518,165</u>	<u>518,165</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(68,165)	(410,979)	(342,814)
OTHER FINANCING SOURCES (USES):			
Transfers in	100,000	-	(100,000)
Advances out	(750,000)	(750,000)	-
Total other financing sources (uses)	<u>(650,000)</u>	<u>(750,000)</u>	<u>(100,000)</u>
NET CHANGE IN FUND BALANCE	(718,165)	(1,160,979)	(442,814)
Adjustment for prior year encumbrances	518,165	518,165	-
FUND BALANCES, BEGINNING OF YEAR	<u>649,563</u>	<u>649,563</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 449,563</u>	<u>\$ 6,749</u>	<u>\$ (442,814)</u>

CITY OF MENTOR, OHIO
SR615 RESURFACING FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 520,000	\$ 236,612	\$ (283,388)
EXPENDITURES:			
Streets and highways	166,190	46,895	119,295
Engineering and building	28,929	9,906	19,023
Total expenditures	<u>195,119</u>	<u>56,801</u>	<u>138,318</u>
Excess (deficiency) of revenues over expenditures	324,881	179,811	(145,070)
OTHER FINANCING SOURCES (USES):			
Transfers in	302,000	203,613	(98,387)
Advances out	(1,208,000)	(1,208,000)	-
Total other financing sources (uses)	<u>(906,000)</u>	<u>(1,004,387)</u>	<u>(98,387)</u>
NET CHANGE IN FUND BALANCE	(581,119)	(824,576)	(243,457)
Adjustment for prior year encumbrances	195,119	195,119	-
FUND BALANCES, BEGINNING OF YEAR	<u>629,457</u>	<u>629,457</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 243,457</u>	<u>\$ -</u>	<u>\$ (243,457)</u>

CITY OF MENTOR, OHIO
LAKE OVERLOOK RECONSTRUCTION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 500,000	\$ 455,042	\$ (44,958)
EXPENDITURES:			
Streets and highways	918,559	918,559	-
Engineering and building	158,298	158,298	-
Total expenditures	<u>1,076,857</u>	<u>1,076,857</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(576,857)	(621,815)	(44,958)
OTHER FINANCING SOURCES (USES):			
Advances in	-	900,000	900,000
Issuance of OPWC Loans	150,000	-	(150,000)
Transfers in	534,000	-	(534,000)
Advances out	(1,614,000)	(1,614,000)	-
Total other financing sources (uses)	<u>(930,000)</u>	<u>(714,000)</u>	<u>216,000</u>
NET CHANGE IN FUND BALANCE	(1,506,857)	(1,335,815)	171,042
Adjustment for prior year encumbrances	1,076,857	1,076,857	-
FUND BALANCES, BEGINNING OF YEAR	<u>430,441</u>	<u>430,441</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 441</u>	<u>\$ 171,483</u>	<u>\$ 171,042</u>

CITY OF MENTOR, OHIO
STOCKBRIDGE/DARTMOOR STORM SEWER IMPROVEMENT FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 150,000	\$ 150,000	\$ -
EXPENDITURES:			
Streets and highways	855,849	848,473	7,376
Engineering and building	134,023	134,023	-
Total expenditures	<u>989,872</u>	<u>982,496</u>	<u>7,376</u>
Excess (deficiency) of revenues over expenditures	(839,872)	(832,496)	7,376
OTHER FINANCING SOURCES (USES):			
Advances in	800,000	800,000	-
Issuance of OPWC Loans	150,000	150,000	-
Advances out	(950,000)	(950,000)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(839,872)	(832,496)	7,376
Adjustment for prior year encumbrances	864,559	864,559	-
FUND BALANCES, BEGINNING OF YEAR	<u>2,030</u>	<u>2,030</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 26,717</u>	<u>\$ 34,093</u>	<u>\$ 7,376</u>

CITY OF MENTOR, OHIO
BROOKSDALE ROAD FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES			
Charges for services	\$ 259,000	\$ -	\$ (259,000)
Intergovernmental	500,000	-	(500,000)
Total revenues	<u>759,000</u>	<u>-</u>	<u>(759,000)</u>
EXPENDITURES:			
Streets and highways	2,244,500	1,898,983	345,517
Engineering and building	367,000	367,000	-
Total expenditures	<u>2,611,500</u>	<u>2,265,983</u>	<u>345,517</u>
Excess (deficiency) of revenues over expenditures	(1,852,500)	(2,265,983)	(413,483)
OTHER FINANCING SOURCES (USES):			
Advances in	-	700,000	700,000
Issuance of OPWC Loans	150,000	-	(150,000)
Transfers in	110,500	-	(110,500)
Total other financing sources (uses)	<u>260,500</u>	<u>700,000</u>	<u>439,500</u>
NET CHANGE IN FUND BALANCE	(1,592,000)	(1,565,983)	26,017
FUND BALANCES, BEGINNING OF YEAR	<u>1,601,230</u>	<u>1,601,230</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 9,230</u>	<u>\$ 35,247</u>	<u>\$ 26,017</u>

CITY OF MENTOR, OHIO
STATE GRANTS - OTHER FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 1,125,436	\$ 200,658	\$ (924,778)
EXPENDITURES:			
General government:			
Employee compensation	51,360	51,360	-
Other	36,114	23,642	12,472
Parks and recreation:			
Employee compensation	6,153	6,153	-
Other	1,100,101	1,081,939	18,162
Police	11,160	5,335	5,825
Streets and highways:			
Employee compensation	3,000	-	3,000
Other	47,027	32,625	14,402
Engineering and building	80,000	52,084	27,916
Total expenditures	<u>1,334,915</u>	<u>1,253,138</u>	<u>81,777</u>
Excess (deficiency) of revenues over expenditures	(209,479)	(1,052,480)	(843,001)
OTHER FINANCING SOURCES (USES):			
Advances in	1,235,463	1,235,463	-
Transfers in	300,027	30,000	(270,027)
Advances out	(1,355,463)	(120,000)	1,235,463
Total other financing sources (uses)	<u>180,027</u>	<u>1,145,463</u>	<u>965,436</u>
NET CHANGE IN FUND BALANCE	(29,452)	92,983	122,435
FUND BALANCES, BEGINNING OF YEAR	<u>97,864</u>	<u>97,864</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 68,412</u>	<u>\$ 190,847</u>	<u>\$ 122,435</u>

CITY OF MENTOR, OHIO
HOPKINS RD RESURFACING MARKET TO MENTOR FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 694,950	\$ 629,003	\$ (65,947)
EXPENDITURES:			
Streets and highways	775,050	775,050	-
Engineering and building	95,278	95,278	-
Total expenditures	<u>870,328</u>	<u>870,328</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(175,378)	(241,325)	(65,947)
OTHER FINANCING SOURCES (USES):			
Advances in	300,000	300,000	-
Issuance of OPWC Loans	80,100	-	(80,100)
Transfers in	103,000	-	(103,000)
Advances out	(980,000)	(980,000)	-
Total other financing sources (uses)	<u>(496,900)</u>	<u>(680,000)</u>	<u>(183,100)</u>
NET CHANGE IN FUND BALANCE	(672,278)	(921,325)	(249,047)
Adjustment for prior year encumbrances	870,328	870,328	-
FUND BALANCES, BEGINNING OF YEAR	<u>102,343</u>	<u>102,343</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 300,393</u>	<u>\$ 51,346</u>	<u>\$ (249,047)</u>

CITY OF MENTOR, OHIO
TYLER BLVD RESURFACING SR615 TO HEISLEY FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:	\$ -	\$ -	\$ -
EXPENDITURES:			
Streets and highways	225,599	225,599	-
Engineering and building	16,728	15,640	1,088
Total expenditures	<u>242,327</u>	<u>241,239</u>	<u>1,088</u>
Excess (deficiency) of revenues over expenditures	(242,327)	(241,239)	1,088
OTHER FINANCING SOURCES (USES):			
Transfers in	438,400	435,570	(2,830)
Advances out	(1,547,000)	(1,547,000)	-
Total other financing sources (uses)	<u>(1,108,600)</u>	<u>(1,111,430)</u>	<u>(2,830)</u>
NET CHANGE IN FUND BALANCE	(1,350,927)	(1,352,669)	(1,742)
Adjustment for prior year encumbrances	200,068	200,068	-
FUND BALANCES, BEGINNING OF YEAR	<u>1,152,601</u>	<u>1,152,601</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 1,742</u>	<u>\$ -</u>	<u>\$ (1,742)</u>

CITY OF MENTOR, OHIO
FEDERAL GRANTS - OTHER FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
REVENUES:			
Intergovernmental	\$ 939,060	\$ 218,601	\$ (720,459)
EXPENDITURES:			
Fire:			
Employee compensation	48,736	48,736	-
Other	612,220	563,294	48,926
General government	855	855	-
Parks, recreation and public facilities:			
Employee compensation	8,841	610	8,231
Other	483,150	53,660	429,490
Police:			
Employee compensation	106,412	58,931	47,481
Other	85,225	63,024	22,201
Streets and highways:			
Employee compensation	16,110	16,110	-
Other	2,489	2,489	-
Total expenditures	<u>1,364,038</u>	<u>807,709</u>	<u>556,329</u>
Excess (deficiency) of revenues over expenditures	(424,978)	(589,108)	(164,130)
OTHER FINANCING SOURCES (USES):			
Advances in	1,125,897	1,150,897	25,000
Transfers in	310,634	-	(310,634)
Advances out	(1,154,897)	(667,906)	486,991
Total other financing sources (uses)	<u>281,634</u>	<u>482,991</u>	<u>201,357</u>
NET CHANGE IN FUND BALANCE	(143,344)	(106,117)	37,227
Adjustment for prior year encumbrances	20,092	20,092	-
FUND BALANCES, BEGINNING OF YEAR	<u>623,999</u>	<u>623,999</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 500,747</u>	<u>\$ 537,974</u>	<u>\$ 37,227</u>

Statistical Section

This part of the City of Mentor's annual comprehensive 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.	190 - 194
<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.	195 - 199
<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.	200 - 204
<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.	205 - 206
<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.	207 - 209

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

CITY OF MENTOR, OHIO
Net Position By Components
 12/31/2021
 (Accrual Basis of Accounting)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
GOVERNMENTAL ACTIVITIES										
Net Investment in Capital Assets	\$ 150,114,307	\$ 145,643,444	\$ 138,002,503	\$ 142,439,209	\$ 136,899,308	\$ 140,413,994	\$ 137,257,572	\$ 141,298,558	\$ 136,760,173	\$ 137,357,473
Restricted -										
Debt Service	7,809,855	8,427,128	9,523,126	10,749,598	11,868,132	11,953,265	12,913,015	13,309,937	14,265,124	15,246,640
Capital Projects	42,698	289,296	6,655,932	1,739,075	4,367,153	1,845,743	1,425,815	467,369	1,516,773	820,719
Streets and Public Safety	11,387,648	9,086,195	9,476,970	5,976,338	7,091,103	7,660,294	6,951,013	8,059,778	8,464,341	7,766,991
Unrestricted	<u>(8,064,791)</u>	<u>(34,005,994)</u>	<u>(40,793,696)</u>	<u>(65,054,663)</u>	<u>(21,861,302)</u>	<u>(14,924,033)</u>	<u>(13,689,436)</u>	<u>23,738,323</u>	<u>26,367,394</u>	<u>26,679,496</u>
<i>Total Governmental Net Position</i>	<u>\$ 161,289,717</u>	<u>\$ 129,440,069</u>	<u>\$ 122,864,835</u>	<u>\$ 95,849,557</u>	<u>\$ 138,364,394</u>	<u>\$ 146,949,263</u>	<u>\$ 144,857,979</u>	<u>\$ 186,873,965</u>	<u>\$ 187,373,805</u>	<u>\$ 187,871,319</u>

CITY OF MENTOR, OHIO
Changes in Net Position
12/31/2021
(Accrual Basis of Accounting)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$ 3,025,654	\$ 2,521,252	\$ 2,986,994	\$ 2,819,811	\$ 2,704,324	\$ 2,858,271	\$2,155,735	\$ 2,343,416	\$ 2,591,441	\$ 2,859,205
Police	2,182,480	1,989,784	1,933,441	1,717,139	1,771,577	1,786,625	125,394	298,684	629,535	722,001
Fire	3,190,813	2,816,699	3,111,823	2,572,257	2,724,188	2,778,618	1,228,735	1,480,433	1,937,513	2,027,511
Streets & Highways	2,570,443	2,692,877	2,748,505	2,985,618	2,064,896	1,984,987	1,177,684	1,133,114	1,424,203	1,365,463
Parks & Recreation	5,095,644	3,825,309	5,304,365	5,419,111	4,946,887	5,093,697	4,309,898	4,433,544	4,472,734	4,483,983
Planning & Development	331,812	307,979	333,067	297,822	304,604	271,767	128,066	144,848	142,889	117,985
Engineering & Building	1,206,285	1,112,664	1,030,416	1,057,168	1,144,468	1,148,087	675,899	768,592	790,052	744,530
<i>Subtotal - Charges for Services</i>	<u>17,603,131</u>	<u>15,266,564</u>	<u>17,448,611</u>	<u>16,868,926</u>	<u>15,660,944</u>	<u>15,922,052</u>	<u>9,801,411</u>	<u>10,602,631</u>	<u>11,988,367</u>	<u>12,320,678</u>
Operating Grants and Contributions:										
General Government	2,098,583	5,041,908	72,418	83,366	70,607	185,170	55,371	356,674	505,247	43,264
Police	199,568	148,813	106,473	133,253	232,639	202,891	58,971	59,262	90,591	165,764
Fire	80,410	46,494	68,259	176,349	104,189	897,547	4,459	4,840	13,982	19,551
Streets & Highways	5,211,426	5,520,935	4,467,610	4,709,172	2,585,613	2,425,344	253,017	129,572	749,191	548,119
Parks, Recreation & Public Facilities	433,410	620,896	365,576	313,419	424,561	535,252	278,030	260,403	254,010	340,684
Planning & Development	186,816	257,587	122,927	141,356	132,409	196,093	205,426	150,052	218,902	613,097
Engineering & Building	-	-	2,250	5,250	-	11,400	591	-	-	-
<i>Subtotal - Operating Grants and Contributions</i>	<u>8,210,213</u>	<u>11,636,633</u>	<u>5,205,513</u>	<u>5,562,165</u>	<u>3,550,018</u>	<u>4,453,697</u>	<u>855,865</u>	<u>960,803</u>	<u>1,831,923</u>	<u>1,730,479</u>
Capital Grants and Contributions:										
General Government	-	16,217	-	-	-	-	-	33,527	-	-
Police	-	-	-	-	-	8,316	-	233,530	9,700	3,570
Fire	-	-	-	500,000	-	-	-	-	-	119,600
Streets & Highways	747,588	33,211	127,710	158,199	2,763,982	4,556,152	1,116,596	1,478,995	335,588	-
Parks, Recreation & Public Facilities	-	90,000	-	-	-	-	-	-	-	-
<i>Subtotal - Capital Grants and Contributions</i>	<u>747,588</u>	<u>139,428</u>	<u>127,710</u>	<u>658,199</u>	<u>2,763,982</u>	<u>4,564,468</u>	<u>1,116,596</u>	<u>1,746,052</u>	<u>345,288</u>	<u>123,170</u>
Total Governmental Program Revenues	<u>\$26,560,932</u>	<u>\$27,042,625</u>	<u>\$22,781,834</u>	<u>\$23,089,290</u>	<u>\$21,974,944</u>	<u>\$24,940,217</u>	<u>\$ 11,773,872</u>	<u>\$ 13,309,486</u>	<u>\$ 14,165,578</u>	<u>\$ 14,174,327</u>

CITY OF MENTOR, OHIO
Changes in Net Position (continued)
 12/31/2021
 (Accrual Basis of Accounting)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Expenses										
Governmental Activities:										
General Government	\$ 7,105,750	\$ 10,770,438	\$ 11,655,718	\$ 9,783,557	\$ 11,323,070	\$ 9,367,082	\$ 8,010,257	\$ 7,608,355	\$ 6,969,458	\$ 7,270,605
Police	14,967,783	17,440,032	5,332,531	17,791,171	16,903,833	16,427,987	14,356,357	13,527,805	13,430,646	13,646,699
Fire	14,100,041	15,656,031	2,395,988	15,595,999	15,295,734	15,126,018	11,984,552	12,184,072	12,293,472	13,068,938
Streets and Highways	14,056,422	20,180,026	20,045,636	18,451,295	22,720,873	18,817,008	14,300,711	15,157,572	16,074,733	15,442,708
Parks, Recreation & Public Facilities	6,753,870	8,673,636	11,099,055	9,915,522	10,239,656	10,285,152	10,106,430	9,680,622	9,124,443	8,504,180
Planning & Development	3,930,190	4,106,953	4,074,852	3,956,188	3,908,087	3,447,472	3,154,279	2,873,766	2,394,608	2,688,382
Engineering & Building	2,313,406	3,174,855	3,482,872	3,140,639	2,649,925	2,356,039	1,895,626	2,004,928	2,316,314	1,680,518
Interest and Fiscal Charges	898,333	931,875	890,041	1,119,683	835,607	1,032,166	1,082,615	1,168,091	1,256,411	1,562,337
<i>Total Governmental Activities Expenses</i>	<u>64,125,795</u>	<u>80,933,846</u>	<u>58,976,693</u>	<u>79,754,054</u>	<u>83,876,785</u>	<u>76,858,924</u>	<u>64,890,827</u>	<u>64,205,211</u>	<u>63,860,085</u>	<u>63,864,367</u>
Net (Expense)/Revenue										
<i>Total Governmental Net Expense</i>	<u>(37,564,863)</u>	<u>(53,891,221)</u>	<u>(36,194,859)</u>	<u>(56,664,764)</u>	<u>(61,901,841)</u>	<u>(51,918,707)</u>	<u>(53,116,955)</u>	<u>(50,895,725)</u>	<u>(49,694,507)</u>	<u>(49,690,040)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes:										
Municipal Income Taxes Levied	57,232,996	45,156,058	46,145,774	43,614,088	43,380,853	42,014,148	39,118,569	38,389,408	38,577,994	37,914,960
Property Taxes Levied										
<i>General Purposes</i>	1,701,556	1,736,201	1,869,851	1,051,625	984,273	570,255	763,762	707,790	708,495	1,453,136
<i>Special Revenue</i>	2,797,631	2,822,969	2,858,850	1,849,560	1,817,622	1,860,508	1,824,512	1,767,081	1,666,403	1,861,131
<i>Debt Service</i>	1,845,425	1,851,005	1,609,958	2,054,114	2,189,989	2,754,754	2,388,212	2,311,162	2,195,300	1,884,994
Other Local Taxes	616,953	414,970	751,788	777,484	682,693	628,145	602,640	568,536	544,058	514,501
Payments in Lieu of Taxes	1,609,142	1,424,996	1,163,661	892,540	726,140	490,529	490,817	478,572	407,065	662,591
Grants and Entitlements not Restricted to Specific Programs	2,996,836	2,345,051	2,592,016	2,599,620	2,264,634	4,789,030	5,001,823	5,463,036	5,673,886	6,419,066
Unrestricted Investment Earnings	313,620	1,040,605	1,468,224	554,885	581,993	488,385	218,794	665,650	(100,371)	684,403
Other	300,352	3,674,600	4,750,015	979,496	688,775	1,214,899	75,287	44,650	89,862	138,873
<i>Total Governmental Activities</i>	<u>69,414,511</u>	<u>60,466,455</u>	<u>63,210,137</u>	<u>54,373,412</u>	<u>53,316,972</u>	<u>54,810,653</u>	<u>50,484,416</u>	<u>50,395,885</u>	<u>49,762,692</u>	<u>51,533,655</u>
<i>Total Governmental General Revenues and Other Changes in Net Position</i>	<u>69,414,511</u>	<u>60,466,455</u>	<u>63,210,137</u>	<u>54,373,412</u>	<u>53,316,972</u>	<u>54,810,653</u>	<u>50,484,416</u>	<u>50,395,885</u>	<u>49,762,692</u>	<u>51,533,655</u>
Change in Net Position										
Governmental Activities	<u>31,849,648</u>	<u>6,575,234</u>	<u>27,015,278</u>	<u>(2,291,352)</u>	<u>(8,584,869)</u>	<u>2,891,946</u>	<u>(2,632,539)</u>	<u>(499,840)</u>	<u>68,185</u>	<u>1,843,615</u>
<i>Total Governmental Change in Net Position</i>	<u>\$ 31,849,648</u>	<u>\$ 6,575,234</u>	<u>\$ 27,015,278</u>	<u>\$ (2,291,352)</u>	<u>\$ (8,584,869)</u>	<u>\$ 2,891,946</u>	<u>\$ (2,632,539)</u>	<u>\$ (499,840)</u>	<u>\$ 68,185</u>	<u>\$ 1,843,615</u>

CITY OF MENTOR, OHIO
Fund Balances, Governmental Funds
 12/31/2021
 (Modified Accrual Basis of Accounting)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Fund										
Nonspendable	\$ 1,226,227	\$ 1,214,239	\$ 1,473,091	\$ 1,193,070	\$ 884,653	\$ 937,735	\$ 1,158,489	\$ 894,279	\$ 567,849	\$ 690,160
Committed	1,606,877	1,544,827	1,373,936	1,231,789	1,291,036	1,351,244	1,216,132	2,469,531	2,402,465	2,245,778
Assigned	12,571,076	13,674,605	9,462,165	7,863,345	6,119,744	7,464,423	8,160,728	9,163,653	9,099,970	8,366,041
Unassigned	46,138,644	28,554,780	23,521,471	21,589,904	21,747,337	20,412,107	18,687,445	15,952,502	17,823,688	17,581,342
Total General Fund	61,542,824	44,988,451	35,830,663	31,878,108	30,042,770	30,165,509	29,222,794	28,479,965	29,893,972	28,883,321
All Other Governmental Funds										
Nonspendable	5,189	1,968	2,312	1,698	875	-	-	-	-	-
Restricted	12,791,401	13,020,079	14,879,635	7,404,186	11,266,829	7,732,804	8,044,196	6,066,048	7,044,072	6,583,635
Committed	240,306	585,484	706,047	466,744	395,516	206,037	577,267	355,064	182,354	733,437
Unassigned	(9,368,806)	(4,504,032)	(2,440,444)	(3,121,080)	(2,575,666)	(2,212,416)	(679,951)	(2,672,885)	(1,723,109)	(1,074,469)
Total All Other Governmental Funds	3,668,090	9,103,499	13,147,550	4,751,548	9,087,554	5,726,425	7,941,512	3,748,227	5,503,317	6,242,603
Total Governmental Funds	\$ 65,210,914	\$ 54,091,950	\$ 48,978,213	\$ 36,629,656	\$ 39,130,324	\$ 35,891,934	\$ 37,164,306	\$ 32,228,192	\$ 35,397,289	\$ 35,125,924

CITY OF MENTOR, OHIO
Changes in Fund Balances, Governmental Funds
 12/31/2021
 (Modified Accrual Basis of Accounting)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues										
Property Taxes	\$ 6,446,358	\$ 6,405,722	\$ 6,187,048	\$ 4,910,203	\$ 5,071,648	\$ 5,083,824	\$ 4,941,610	\$ 4,866,839	\$ 4,747,029	\$ 5,205,509
Municipal Income Taxes	57,259,999	45,550,954	45,616,221	43,321,075	42,862,290	40,647,970	41,221,505	38,838,792	38,062,383	36,506,741
Other Local Taxes	610,630	395,593	765,374	767,498	679,093	628,145	602,640	568,536	544,058	514,501
Payments in Lieu of Taxes	1,609,142	1,424,996	1,163,661	892,540	726,140	490,529	490,817	478,572	407,065	662,591
Intergovernmental	11,081,235	14,180,080	7,190,177	8,965,993	8,442,633	12,077,126	6,567,546	7,631,942	7,446,129	8,529,405
Charges for Services	6,854,217	5,407,513	7,425,449	7,047,593	6,494,899	6,476,748	5,708,882	5,928,141	5,934,695	5,994,561
Fines and Forfeitures	1,336,557	802,965	1,279,499	1,170,107	1,200,640	1,223,792	1,225,391	1,483,167	1,543,065	1,525,995
Licenses, Permits and Inspections	1,669,457	1,355,348	1,543,064	1,799,021	1,676,656	1,791,810	1,614,463	1,655,379	1,621,125	1,562,892
Special Assessments	2,704,030	2,478,595	2,383,605	2,356,032	2,260,283	2,212,317	2,342,056	2,002,261	2,204,230	2,095,209
Investment Income	314,767	1,040,605	1,468,224	554,885	581,993	488,385	218,794	665,650	(100,371)	684,403
Donations and Other	547,590	368,646	822,870	493,343	531,396	1,110,350	189,903	278,727	447,287	778,324
Total Revenues	90,433,982	79,411,017	75,845,192	72,278,290	70,527,671	72,230,996	65,123,607	64,398,006	62,856,695	64,060,131
Expenditures										
Current:										
General Government	8,980,022	8,644,926	8,824,860	8,217,578	9,015,853	7,784,059	7,233,222	7,113,745	6,698,211	6,850,550
Security of Persons and Property:										
Police	15,141,698	13,834,273	13,982,482	13,640,557	13,644,538	13,566,049	13,321,364	12,834,404	12,719,594	12,477,041
Fire	12,907,906	13,323,419	12,468,040	12,083,598	11,947,450	12,736,156	11,197,498	11,360,997	11,284,756	11,778,452
Streets & Highways	13,626,288	16,579,319	14,604,690	14,560,667	14,774,186	14,862,663	11,935,643	11,646,576	12,408,097	11,864,164
Parks, Recreation and Public Facilities	7,858,103	7,204,985	8,270,647	8,085,955	8,013,049	8,667,573	9,032,569	8,687,796	7,996,907	7,239,371
Planning and Development	4,459,030	3,800,947	3,591,848	3,779,866	3,533,565	3,264,323	3,158,699	2,865,376	2,387,632	2,652,103
Engineering and Building	2,550,934	2,594,837	2,503,876	2,827,709	2,265,487	2,106,260	1,895,502	2,015,105	2,304,524	1,728,800
Capital Outlay	10,171,619	4,678,220	4,182,866	11,230,369	6,907,088	9,125,288	4,643,960	7,594,659	2,571,347	2,383,744
Debt Service:										
Principal Retirement	2,803,380	2,770,966	2,408,025	9,593,866	5,797,174	3,076,746	2,741,330	2,518,781	2,758,388	2,630,509
Interest and Fiscal Charges	972,838	982,145	918,611	1,092,959	722,638	1,038,073	1,081,252	1,172,374	1,258,117	1,365,090
Bond Issuance Costs	-	-	-	1,500	-	-	-	-	-	-
Total Expenditures	79,471,818	74,414,037	71,755,945	85,114,624	76,621,028	76,227,190	66,241,039	67,809,813	62,387,573	60,969,824
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>10,962,164</u>	<u>4,996,980</u>	<u>4,089,247</u>	<u>(12,836,334)</u>	<u>(6,093,357)</u>	<u>(3,996,194)</u>	<u>(1,117,432)</u>	<u>(3,411,807)</u>	<u>469,122</u>	<u>3,090,307</u>
Other Financing Sources (Uses)										
Issuance of Bonds	-	-	7,930,000	9,805,000	2,250,000	-	5,565,000	-	-	-
Issuance of Notes/OPWC Loan	156,800	78,396	124,710	150,000	7,385,000	3,015,000	11,596	-	-	50,000
Premium on Bonds	-	440,382	44,832	63,995	92,551	-	132,234	-	-	-
Issuance of Refunding Bonds	-	9,480,000	-	-	2,670,000	-	4,125,000	-	-	-
Bond refund escrow payment	-	(9,882,021)	-	-	(2,624,533)	-	(4,077,813)	-	-	-
Transfers In	2,072,603	2,795,071	2,376,567	1,145,161	1,316,288	1,542,836	1,588,383	1,035,791	977,660	908,428
Transfers Out	(2,072,603)	(2,795,071)	(2,376,567)	(1,145,161)	(1,666,288)	(1,542,836)	(1,588,383)	(1,035,791)	(977,660)	(908,428)
Total Other Financing Sources (Uses)	156,800	116,757	8,099,542	10,018,995	9,423,018	3,015,000	5,756,017	-	-	50,000
Net Change in Fund Balances	\$ 11,118,964	\$ 5,113,737	\$ 12,188,789	\$ (2,817,339)	\$ 3,329,661	\$ (981,194)	\$ 4,638,585	\$ (3,411,807)	\$ 469,122	\$ 3,140,307
Debt Service as a Percentage of Noncapital Expenditures	5.4%	5.4%	4.8%	14.5%	8.9%	6.3%	6.2%	6.2%	6.7%	6.8%

CITY OF MENTOR, OHIO
Assessed Valuation and Estimated Actual Values of Taxable Property
 12/31/2021

Tax Year/ Collection Year	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	Total Taxable Assessed Value			
2011/2012	\$ 1,469,235,210	\$ 38,586,070	\$ 1,507,821,280	4.50	\$ 4,197,814,886	35.92%
2012/2013	1,321,408,400	41,671,040	1,363,079,440	4.50	3,775,452,571	36.10%
2013/2014	1,326,669,050	45,563,900	1,372,232,950	4.50	3,790,483,000	36.20%
2014/2015	1,335,052,680	48,478,930	1,383,531,610	4.50	3,814,436,229	36.27%
2015/2016	1,378,653,230	49,669,630	1,428,322,860	4.50	3,939,009,229	36.26%
2016/2017	1,382,527,800	52,948,410	1,435,476,210	4.50	3,950,079,429	36.34%
2017/2018	1,379,800,820	53,907,020	1,433,707,840	4.50	3,942,288,057	36.37%
2018/2019	1,534,582,680	54,847,050	1,589,429,730	4.50	4,384,521,943	36.25%
2019/2020	1,532,482,650	57,250,630	1,589,733,280	4.50	4,378,521,857	36.31%
2020/2021	1,538,539,760	58,769,670	1,597,309,430	4.50	4,395,827,886	36.34%

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
 12/31/2021
 Last Ten Fiscal Years

<u>Tax Year/ Collection Year</u>	<u>City of Mentor Direct Rates</u>				<u>Total</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>					
2011/2012	\$ 1.10	\$ 2.10	\$ 1.30	\$ 4.50	\$ 78.060	\$ 15.80	\$ 98.360	
2012/2013	0.60	2.10	1.80	4.50	79.800	15.30	99.600	
2013/2014	0.60	2.10	1.80	4.50	79.420	15.30	99.220	
2014/2015	0.60	2.10	1.80	4.50	79.420	15.30	99.220	
2015/2016	0.40	2.10	2.00	4.50	77.160	15.70	97.360	
2016/2017	0.80	2.10	1.60	4.50	84.010	15.70	104.210	
2017/2018	0.80	2.10	1.60	4.50	82.050	16.00	102.550	
2018/2019	1.30	2.10	1.10	4.50	83.300	16.78	104.580	
2019/2020	1.10	2.10	1.30	4.50	83.340	16.78	104.620	
2020/2021	1.10	2.10	1.30	4.50	83.340	16.77	104.610	

¹Includes Mentor Public Library

SOURCE: Office of the Lake County Auditor

CITY OF MENTOR, OHIO
Principal Property Tax Payers
12/31/2021

Taxpayer	2021		2012	
	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
Cleveland Electric Illuminating Co.	\$ 30,898,760	1.93%	\$ 21,442,390	1.42%
Mall Ground Portfolio LLC	19,436,270	1.22%	-	0.00%
Aqua Ohio Inc.	16,259,980	1.02%	13,926,460	0.92%
Steris Corporation	10,542,380	0.66%	9,359,770	0.62%
American Transmission	9,534,760	0.60%	-	0.00%
Points East	5,442,500	0.34%	7,307,240	0.48%
Inland Creekside Commons	4,361,910	0.27%	-	0.00%
BPC Realty Holdings LLC	3,833,760	0.24%	-	0.00%
Meijer Stores Limited	3,796,120	0.24%	-	0.00%
DFG Mentor Erie Commons LLC	3,587,510	0.22%	-	0.00%
Menard Inc.	3,197,150	0.20%	-	0.00%
Deepwood North Company	3,194,100	0.20%	-	0.00%
Simon Property Group Ltd Partnership	-	0.00%	27,416,950	1.82%
Michaels, Inc.	-	0.00%	3,259,690	0.22%
First Interstate	-	0.00%	4,579,600	0.30%
Lake Hospital Systems Inc.	-	0.00%	4,126,310	0.27%
FI Mentor Commons Ltd.	-	0.00%	3,901,060	0.26%
Optimus Erie Common LLC	-	0.00%	3,182,550	0.21%
F1 Mentor II Ltd.	-	0.00%	3,150,000	0.21%
Emerivent Mentor LLC	-	0.00%	3,079,890	0.20%
Total Principal Taxpayers	\$ 114,085,200		\$ 104,731,910	
Total Real City Property (including other real estate and public utility property)	\$ 1,597,309,430		\$ 1,507,821,280	

SOURCE: Office of the Lake County Auditor

CITY OF MENTOR, OHIO
Property Tax Levies and Collections
 12/31/2021
 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>			
2011	\$ 6,113,523	\$ 6,091,491	99.6%	\$ 463,310	\$ 6,265,608	100.0%
2012	5,650,475	5,498,724	97.3%	392,423	5,819,122	100.0%
2013	5,707,233	5,562,713	97.5%	368,853	5,743,223	100.0%
2014	5,759,340	5,617,914	97.5%	317,823	5,759,721	100.0%
2015	5,953,360	5,814,560	97.7%	277,040	5,997,708	100.0%
2016	6,225,510	6,015,366	96.6%	303,484	6,225,622	100.0%
2017	6,390,820	6,193,841	96.9%	283,341	6,328,568	99.0%
2018	6,945,308	6,772,511	97.5%	262,866	6,912,527	99.5%
2019	6,956,873	6,815,212	98.0%	228,874	6,971,181	100.0%
2020	6,990,400	6,891,447	98.6%	N/A	7,034,707	100.0%

* The County does not maintain delinquency information by year.

SOURCE: Office of the Lake County Auditor

CITY OF MENTOR, OHIO
Income Tax Revenue Base and Collections
 12/31/2021
 (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>
2021	\$ 55,993,157	\$ 37,258,816	\$ 14,766,054	\$ 3,968,287	2.0%
2020	45,647,977	35,619,411	5,828,065	4,200,501	2.0%
2019	45,565,403	34,748,105	6,540,540	4,276,758	2.0%
2018	43,343,101	32,941,996	6,435,924	3,965,181	2.0%
2017	42,203,505	31,118,649	7,457,228	3,627,628	2.0%
2016	40,689,034	30,209,930	6,515,370	3,963,734	2.0%
2015	40,481,382	30,021,915	7,006,449	3,453,018	2.0%
2014	39,217,649	28,945,756	6,985,227	3,286,666	2.0%
2013	37,692,133	27,516,312	6,879,021	3,296,800	2.0%
2012	36,100,204	26,173,532	6,685,108	3,241,564	2.0%

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

<u>2021</u>		<u>2012</u>	
<u>Rank</u>	<u>Name</u>	<u>Rank</u>	<u>Name</u>
1	Steris Corporation	1	Avery Dennison
2	Avery Dennison	2	Steris Corporation
3	Mentor Exempted School District	3	Mentor Exempted School District
4	Jim Brown Chevrolet	4	US Endoscopy Group
5	Lincoln Electric	5	Lincoln Electric
6	Buyers Products	6	City of Mentor
7	City of Mentor	7	PCC Airfoils
8	Component Repair Technologies	8	Jim Brown Chevrolet
9	VISA USA Inc.	9	Lake County Auditor
10	Lake County Auditor	10	Component Repair Technologies

Source: City of Mentor, Finance Department

CITY OF MENTOR, OHIO
Ratios of Outstanding Debt by Type
 12/31/2021

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			
2012	\$ 18,826,580	\$ 10,163,420	\$ 586,700	\$ 29,576,700	1.99%	627
2013	16,699,216	9,570,784	548,312	26,818,312	1.79%	569
2014	14,792,294	8,997,706	509,532	24,299,532	1.59%	515
2015	18,475,926	8,394,074	511,139	27,381,139	1.75%	581
2016	16,075,000	7,760,000	3,484,393	27,319,393	1.71%	582
2017	16,448,247	7,105,000	7,808,469	31,361,716	1.93%	671
2018	24,821,527	6,445,000	669,604	31,936,131	1.88%	678
2019	31,134,383	5,720,000	736,244	37,590,627	2.21%	795
2020	29,091,053	4,955,000	798,674	34,844,727	2.00%	737
2021	27,059,864	4,160,000	887,093	32,106,957	1.83%	677

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

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

CITY OF MENTOR, OHIO

*Ratios of Net General Bonded Debt to Assessed Valuation and Net Bonded Debt per Capita
12/31/2021*

<u>Year</u>	<u>Population ¹</u>	<u>Assessed Value ²</u>	<u>Gross General Bond Debt</u>	<u>Less Balance in General Bond Retirement Fund</u>	<u>Total</u>	<u>Percentage of Net General Bonded Debt to Assessed Value</u>	<u>Net General Bonded Debt Per Capita</u>
2012	47,159	\$ 1,507,821,280	\$ 18,826,580	\$ 175,590	\$ 18,650,990	1.24%	\$ 395.49
2013	47,159	1,363,079,440	16,699,216	312,834	16,386,382	1.20%	347.47
2014	47,159	1,372,232,950	14,792,294	465,825	14,326,469	1.04%	303.79
2015	47,159	1,383,531,610	18,475,926	638,317	17,837,609	1.29%	378.24
2016	46,901	1,428,322,860	16,075,000	808,368	15,266,632	1.07%	325.51
2017	46,732	1,435,476,210	16,448,247	942,668	15,505,579	1.08%	331.80
2018	47,121	1,433,707,840	24,821,527	1,144,211	23,677,316	1.65%	502.48
2019	47,273	1,589,429,730	31,134,383	780,248	30,354,135	1.91%	642.10
2020	47,262	1,589,733,280	29,091,053	931,687	28,159,366	1.77%	595.81
2021	47,450	1,597,309,430	27,059,864	640,366	26,419,498	1.65%	556.79

SOURCES: ¹ U.S. Bureau of Census estimates.

² Office of the Lake County Auditor

CITY OF MENTOR, OHIO

Direct and Overlapping Debt

December 31, 2021

	<u>Debt Outstanding</u>	<u>Percentage Applicable to City of Mentor</u>	<u>Amount Applicable to Taxpayers of City of Mentor</u>
Direct:			
City of Mentor	<u>\$ 32,106,957</u>	100.00%	<u>\$ 32,106,957</u>
Overlapping:			
Lake County	<u>5,375,000</u>	24.89%	<u>\$ 1,337,730</u>
Total Overlapping	<u>5,375,000</u>		<u>1,337,730</u>
TOTAL	<u>\$ 37,481,957</u>		<u>\$ 33,444,687</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

Office of the Lake County Auditor

CITY OF MENTOR, OHIO
Legal Debt Margin
December 31, 2021

	<u>2020</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Overall Legal Debt Limit (10.5 % of Assessed Valuation)	\$ 167,717,490	\$ 166,921,994	\$ 166,890,122	\$ 150,539,323	\$ 150,725,002	\$ 149,973,900	\$ 145,270,819	\$ 144,084,460	\$ 143,123,341	\$ 158,321,234
Net Debt Within 10.5% Limitations	<u>27,059,864</u>	<u>29,091,053</u>	<u>31,134,383</u>	<u>24,821,527</u>	<u>23,475,000</u>	<u>19,090,000</u>	<u>18,475,926</u>	<u>14,792,294</u>	<u>16,699,216</u>	<u>18,826,580</u>
Legal Debt Margin Within 10.5% Limitation	<u>140,657,626</u>	<u>137,830,941</u>	<u>135,755,739</u>	<u>125,717,796</u>	<u>127,250,002</u>	<u>130,883,900</u>	<u>\$ 126,794,893</u>	<u>\$ 129,292,166</u>	<u>\$ 126,424,125</u>	<u>\$ 139,494,654</u>
Total Net Debt Applicable to the 10.5% Limit as a Percentage of the Debt Limit	16.13%	17.43%	18.66%	16.49%	15.57%	12.73%	12.72%	10.27%	11.67%	11.89%
Unvoted Debt Limitation - 5.5% of Assessed Valuation	87,852,019	87,435,330	87,418,635	78,853,931	78,951,192	78,557,757	76,094,239	75,472,812	74,969,369	82,930,170
Debt Within 5.5% Limitations	<u>27,059,864</u>	<u>29,091,053</u>	<u>31,134,383</u>	<u>24,821,527</u>	<u>23,475,000</u>	<u>19,090,000</u>	<u>18,475,926</u>	<u>14,792,294</u>	<u>16,699,216</u>	<u>18,826,580</u>
Legal Debt Margin Within 5.5% Limitations	<u>\$ 60,792,155</u>	<u>\$ 58,344,277</u>	<u>\$ 56,284,252</u>	<u>\$ 54,032,404</u>	<u>\$ 55,476,192</u>	<u>\$ 59,467,757</u>	<u>\$ 57,618,313</u>	<u>\$ 60,680,518</u>	<u>\$ 58,270,153</u>	<u>\$ 64,103,590</u>
Total Debt Applicable to the 5.5% Limit as a Percentage of the Debt Limit	30.80%	33.27%	35.62%	31.48%	29.73%	24.30%	24.28%	19.60%	22.27%	22.70%

LEGAL DEBT MARGIN CALCULATION FOR 2021

Assessed Valuation	\$ 1,597,309,430
Overall Debt Limitation - 10.5% of Assessed Valuation	167,717,490
Gross Indebtedness	32,106,957
Less: OWDA/OPWC	887,093
Special Assessment Bonds & Notes	4,160,000
Net Debt Within 10.5% Limitations-General Obligation Bonds	<u>27,059,864</u>
Legal Debt Margin Within 10.5% Limitation	<u>\$ 140,657,626</u>
Unvoted Debt Limitation - 5.5% of Assessed Valuation	87,852,019
Gross Indebtedness Authorized by Council	27,059,864
Less Debt Outside Limitations-Voted	-
Debt Within 5.5% Limitations	<u>27,059,864</u>
Legal Debt Margin Within 5.5% Limitation	<u>\$ 60,792,155</u>

CITY OF MENTOR, OHIO

Pledged-Revenue Coverage

December 31, 2021

SPECIAL ASSESSMENT BONDS

<u>Year</u>	<u>Special Assessment Collections</u>	<u>Debt Service</u>		<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	
2012	\$ 1,053,137	\$ 567,193	\$ 453,662	1.03
2013	1,066,176	592,636	432,144	1.04
2014	959,357	573,078	409,035	0.98
2015	1,253,733	603,632	386,707	1.27
2016	1,003,752	634,074	362,925	1.01
2017	971,519	650,000	337,121	0.98
2018	1,006,619	685,000	319,308	1.00
2019	993,975	725,000	276,090	0.99
2020	926,076	765,000	245,485	0.92
2021	1,129,115	795,000	213,180	1.12

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
 December 31, 2021

Year	Population¹	Total Personal Income²	Per Capita Personal Income¹	Median Household Income¹	Unemployment Rate³
2012	47,159	\$ 1,485,649,977	\$ 31,503	\$ 65,044	5.4%
2013	47,159	1,499,231,769	31,791	65,446	5.2%
2014	47,159	1,531,960,115	32,485	65,888	5.9%
2015	47,159	1,562,660,624	33,136	67,983	4.7%
2016	46,901	1,596,369,337	34,037	69,902	4.3%
2017	46,732	1,627,161,508	34,819	70,058	4.0%
2018	47,121	1,695,696,306	35,986	70,625	4.2%
2019	47,273	1,697,195,246	35,902	69,069	4.2%
2020	47,262	1,745,716,494	36,937	72,615	4.7%
2021	47,450	1,752,660,650	36,937	72,615	4.7%

SOURCES:

¹ U.S. Bureau of Census estimates

² Computation of per capita personal income multiplied by population

³ Local Area Employment Statistics

CITY OF MENTOR, OHIO

Principal Employers

December 31, 2021

<u>Employer</u>	<u>2021</u>			<u>2012</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>
Steris	1,900	1	5.91%	1,500	1	4.45%
Mentor Public Schools	976	2	3.04%	992	2	2.94%
Avery Dennison	842	3	2.62%	665	4	1.97%
City of Mentor ¹	742	4	2.31%	842	3	2.50%
Classic Auto Group	670	5	2.09%	425	7	1.26%
Lincoln Electric	470	6	1.46%	394	8	1.17%
Component Repair Technologies	450	7	1.40%	376	9	1.12%
Race Winning Brands	355	8	1.10%	443	6	1.31%
Stahl's Transfer Express	330	9	1.03%	-	-	0.00%
PCC Airfoils	325	10	1.01%	-	-	0.00%
Deepwood/Lake County MRDD			0.00%	460	5	1.37%
NHVS International			0.00%	325	10	0.96%
Total Employees within the City:	<u><u>32,129</u></u>			<u><u>33,696</u></u>		

¹Includes Part-time and Seasonal Employees

SOURCE:

City of Mentor, Department of Economic Development
 US Census Data from 2004 and 2019

CITY OF MENTOR, OHIO

Full-Time City Government Employees by Function/Program

December 31, 2021

Function/Program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Government										
Council	1	1	1	1	1	1	1	1	1	1
Finance	10	10	11	11	11	11	11	11	11	12
City Manager/Personnel	13	14	12	13	15	15	14	12	13	13
Law	2	2	3	2	3	3	3	3	2	2
Engineering and Building	11	11	12	12	12	12	12	10	12	13
Court	17	17	18	19	19	19	19	19	20	20
Security of Persons and Property										
Police	106	107	110	106	110	108	111	107	110	105
Fire	72	67	74	73	73	73	74	73	73	73
Public Health Services										
Cemetery	3	3	3	3	3	3	3	3	3	3
Parks and Recreation*	30	24	32	32	30	31	32	22	22	22
Economic & Community Development	11	10	12	10	12	12	12	13	14	13
Streets & Highways*	<u>49</u>	<u>52</u>	<u>56</u>	<u>57</u>	<u>55</u>	<u>56</u>	<u>55</u>	<u>65</u>	<u>67</u>	<u>65</u>
Totals:	<u><u>325</u></u>	<u><u>318</u></u>	<u><u>344</u></u>	<u><u>339</u></u>	<u><u>344</u></u>	<u><u>344</u></u>	<u><u>347</u></u>	<u><u>339</u></u>	<u><u>348</u></u>	<u><u>342</u></u>

Note: Public Works employees moved to the Parks Department in 2015.

Source: City of Mentor Finance Department

CITY OF MENTOR, OHIO
Operating Indicators by Function/Program
 December 31, 2021

Function/Program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental										
General Government										
Council - Ordinances & Resolutions	108	132	118	127	165	140	120	148	122	138
Personnel - Civil Service Exams (taken)	107	177	167	254	11	332	0	155	134	158
Court - Number of Cases	8,158	6,032	9,111	9,178	9,894	9,491	7,807	8,267	10,733	10,968
Finance										
Number of A/P Checks Processed	7,439	8,480	9,168	9,519	9,468	9,623	10,852	10,833	11,156	8,885
Number of Purchase Orders Issued	1,047	975	1,148	1,300	1,379	1,633	1,547	2,379	3,521	3,997
Security of Persons and Property										
Police										
Criminal Arrests	1,380	874	1,383	1,689	2,058	1,830	1,956	2,200	3,514	3,281
Traffic Citations	5,464	3,347	5,536	4,871	5,408	5,473	6,063	6,394	7,028	6,617
Parking Citations	94	96	132	140	166	115	141	394	601	814
Fire - Total Number of Calls	8,832	8,306	8,745	8,791	8,157	7,852	7,714	7,508	7,148	7,264
Building & Engineering										
Building Permits Issued	3,574	3,583	3,578	3,729	3,999	3,972	2,401	4,007	3,431	3,336
Inspections - Residential	4,272	4,235	4,739	4,308	6,675	5,847	4,441	5,470	5,025	4,742
Inspections - Commercial	1,724	1,931	2,695	1,152	3,363	3,763	1,667	3,801	2,972	3,719
Inspections - ROW*	1,578	1,268	981	0	0	0	0	0	0	0
Parks and Recreation										
Pools - Attendance	25,839	9,866	49,598	69,398	64,545	81,256	76,189	74,075	81,196	98,506
Senior Center - Program Participants	4,429	3,862	4,953	4,964	4,855	4,825	5,005	4,860	4,782	4,592
Golf Course - Rounds of Golf	37,717	37,919	30,644	29,809	30,343	34,597	32,636	28,493	31,536	39,354
Marina - Dock Rentals	524	497	442	533	533	539	538	538	539	539
Arena - Tournaments/Special Events	9	6	13	19	19	17	14	12	10	10
Arena - Number of Admissions	9,150	2,980	25,991	18,293	16,646	19,832	20,525	23,246	19,543	18,500
Cemetery - Number of Internments	314	213	234	245	258	220	247	226	229	200
Amphitheater - Concerts/Special Events	14	3	39	40	17	0	0	0	0	0
Streets and Highways										
Streets Resurfaced (miles)	6.87	8.79	7.17	6.45	6.80	5.90	7.70	4.18	7.73	7.47
Concrete Pavement Replacements (sq yd)	7,845	3,709	7,652	4,884	5,373	7,092	0	0	0	0
Concrete Pavement Replacements (cu yd)	0	0	0	0	0	0	1,196	785	1,504	608
Drainage Assistance Projects (ln ft)	0	0	0	440	1,470	0	5,127	2,453	2,868	1,200

SOURCE: Various Mentor Departments

* City started reporting Inspections - ROW in 2019.

CITY OF MENTOR, OHIO
Capital Assets Statistics by Function/Program
 December 31, 2021

Function/Program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Government										
Square Footage of Municipal Center	52,465	52,465	52,465	52,465	52,465	52,465	52,465	52,465	52,465	52,465
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	49	49	49	50	50	52	47	48	46	47
ATV	3	3	3	3	3	2	1	1	1	1
Fire										
Stations	5	5	5	5	5	5	5	5	5	5
Regional Emergency Response Facility	1	0	0	0	0	0	0	0	0	0
Square Footage of Buildings	68,308	56,308	56,308	56,308	56,308	56,308	56,308	56,308	56,308	56,308
Vehicles	38	38	38	38	38	37	41	33	41	41
Recreation										
Number of Parks	13	13	13	12	12	12	12	11	11	11
Number of Dog Parks	1	1	1	1	1	1	1	1	1	1
Number of Spray Parks	3	2	2	2	2	2	2	2	2	2
Number of Pools	3	3	3	3	3	3	3	3	3	3
Number of Ice Rinks	3	2	2	2	2	2	2	2	2	2
Number of Community Centers	6	6	6	6	6	6	6	6	6	6
Number of Tennis Courts	8	8	8	8	8	8	9	13	15	15
Number of Skateboarding Areas	2	2	2	2	2	2	1	1	1	1
Number of Baseball Diamonds	19	19	19	19	19	19	19	19	19	19
Number of Soccer Fields	12	12	12	12	12	12	12	12	12	12
Number of Basketball Courts	5	5	5	5	5	5	5	5	5	5
Number of Golf Courses	1	1	1	1	1	1	1	1	1	1
Number of Marinas	1	1	1	1	1	1	1	1	1	1
Number of Pickle Ball Courts	15	15	15	15	15	12	12	12	6	6
Number of Amphitheaters	1	1	1	1	1	0	0	0	0	0
Number of Recreation Centers	1	0	0	0	0	0	0	0	0	0
Vehicles	37	37	35	42	47	35	35	15	15	15
Square Footage of PRPF Facilities	399,632	269,902	269,902	269,902	269,902	261,502	261,502	261,502	261,502	261,502
Streets & Highways										
Streets (miles)	248	246	245	244	243	241	241	241	241	241
Number of Streetlights (estimated)	5,786	5,786	5,448	5,552	5,460	5,420	5,420	5,408	5,408	5,408
Number of Traffic Signals	787	781	781	766	746	720	718	710	710	710
Number of Pedestrian Signals	524	522	514	514	508	480	474	472	472	472
Number of Signalized Intersections	95	95	95	93	92	88	87	86	86	86
Service Vehicles	69	67	67	67	67	67	67	67	67	67
Square Footage Buildings	74,000	74,000	74,000	74,000	74,000	74,000	74,000	72,053	72,053	72,053

SOURCE: Various Mentor Departments



OHIO AUDITOR OF STATE KEITH FABER



CITY OF MENTOR

LAKE COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 7/21/2022

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

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