

**CITY OF MOUNT VERNON**  
**KNOX COUNTY**  
**SINGLE AUDIT**  
**JANUARY 1, 2013 – DECEMBER 31, 2013**







# Dave Yost • Auditor of State

City Council  
City of Mount Vernon  
40 Public Square  
Mount Vernon, Ohio 43050

We have reviewed the *Independent Auditor's Report* of the City of Mount Vernon, Knox County, prepared by Wilson, Shannon & Snow, Inc., for the audit period January 1, 2013 through December 31, 2013. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost  
Auditor of State

August 20, 2014

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**CITY OF MOUNT VERNON  
KNOX COUNTY**

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CITY OF MOUNT VERNON  
KNOX COUNTY

SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2013

Federal Grantor/ <i>Pass Through Grantor/</i> Program Grant Title	Pass Through Entity Number	CFDA Number	Expenditures
<b>U.S. Department of Housing and Urban Development:</b>			
<i>Passed through Ohio Department of Development:</i>			
Community Development Block Grant	A-F-11-2CP-1	14.228	\$ 358,325
Community Development Block Grant	A-F-12-2CP-2	14.228	55,108
Community Development Block Grant	NA	14.228	15,083
Total Community Development Block Grant			<u>428,516</u>
HOME Improvement Partnership Program	A-C-10-2CP-2	14.239	905
HOME Improvement Partnership Program	A-C-12-2CP-1	14.239	77,583
HOME Improvement Partnership Program	A-C-12-2CP-2	14.239	110,768
Total HOME Improvement Partnership Program			<u>189,256</u>
Total U.S. Department of Housing and Urban Development			<u>617,772</u>
<b>Total Federal Awards Expenditures</b>			<u>\$ 617,772</u>

*The accompanying notes are an integral part of this Schedule.*

**CITY OF MOUNT VERNON  
KNOX COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Expenditures (the Schedule) is a summary of the activity of the City's Federal award programs. The Schedule has been prepared on the cash basis of accounting.

**NOTE B - MATCHING REQUIREMENTS**

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has complied with the matching requirements. The expenditure of non-Federal funds is not included on the Schedule.



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

City of Mount Vernon  
Knox County  
40 Public Square  
Mount Vernon, Ohio 43050

To City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Mount Vernon, Knox County, (the City) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 27, 2014.

***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

*Wilson, Shannon & Snow, Inc.*

**CERTIFIED PUBLIC ACCOUNTANTS**  
Ten West Locust Street  
Newark, Ohio 43055  
(740) 345-6611  
1-800-523-6611  
FAX (740) 345-5635

***Compliance and Other Matters***

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Wilson, Shuman & Snow, Inc.*

Newark, Ohio  
June 27, 2014



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

City of Mount Vernon  
Knox County  
40 Public Square  
Mount Vernon, Ohio 43050

To City Council:

***Report on Compliance for the Federal Program***

We have audited the City of Mount Vernon's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the City of Mount Vernon's major federal program for the year ended December 31, 2013. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City's major federal program.

***Management's Responsibility***

The City's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

***Auditor's Responsibility***

Our responsibility is to opine on the City's compliance for the City's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the City's major program. However, our audit does not provide a legal determination of the City's compliance.

*Wilson, Shannon & Snow, Inc.*

**CERTIFIED PUBLIC ACCOUNTANTS**  
Ten West Locust Street  
Newark, Ohio 43055  
(740) 345-6611  
1-800-523-6611  
FAX (740) 345-5635

***Opinion on the Major Federal Program***

In our opinion, the City of Mount Vernon complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2013.

***Report on Internal Control over Compliance***

The City's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. 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 federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement 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 first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control compliance tests and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

***Report on Schedule of Federal Awards Expenditures Required by OMB Circular A-133***

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Mount Vernon (the City) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated June 27, 2014. We conducted our audit to opine on the City's basic financial statements. The accompanying schedule of federal awards expenditures presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, 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, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Wilson, Shannon & Snow, Inc.*

Newark, Ohio  
June 27, 2014

**CITY OF MOUNT VERNON  
KNOX COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133 §.505  
DECEMBER 31, 2013**

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other significant deficiencies reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Program's Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Community Development Block Grant, CFDA #14.228
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

None.

**3. FINDINGS FOR FEDERAL AWARDS AND QUESTIONED COSTS**

None.

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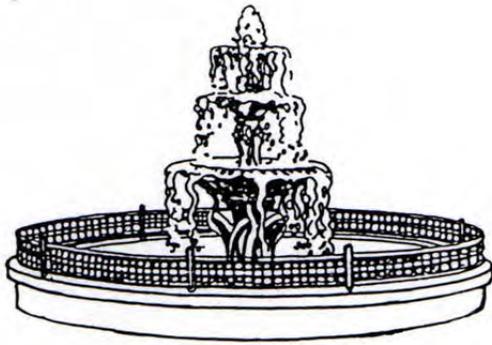


# City of Mount Vernon, Ohio

Comprehensive Annual Financial Report

Year Ended December 31, 2013





COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED  
DECEMBER 31, 2013

*Prepared by the Auditor's Office*

Terry Scott  
City Auditor



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KNOX COUNTY, OHIO

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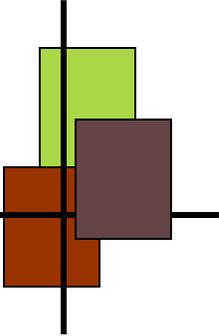


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# Introductory Section







# CITY OF MOUNT VERNON

40 Public Square • Mount Vernon, Ohio 43050  
Terry Scott, City Auditor

phone (740) 393-9523

fax (740)-397-5288

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June 27, 2014

To The Members of Council and  
all Citizens of the City of  
Mount Vernon, Ohio

As City Auditor, I am pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the City of Mount Vernon for the fiscal year ended December 31, 2013. The report has been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

## Introduction

While there is no legal requirement for the preparation of this report, it represents a commitment by the City of Mount Vernon (the City) to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the presented data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data, as presented, is accurate in all material respects; it is presented in a manner designed to fairly set forth the financial position and results of operations of the City; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been presented.

Accounting principles generally accepted in the United States of America require 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 MD&A and should be read in conjunction with it. The City of Mount Vernon's MD&A can be found immediately following the Independent Auditor's Report.

### *THE REPORTING ENTITY:*

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, in that the financial statements include all the organizations, activities, functions and component units for which the City (the reporting entity) 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 financial benefit to or impose a financial burden on the City. There were no potential component units that met the criteria imposed by GASB 14 to be included in the City's reporting entity. Therefore, the reporting entity of the City includes the following services: police protection, fire protection, parks and recreation, cemetery, planning, zoning, street maintenance, and other governmental services. In addition, the City owns and operates the water treatment and distribution system and the wastewater treatment and collection system, each of which is reported as an enterprise fund.

## ***CITY OF MOUNT VERNON, OHIO***

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### ***Letter of Transmittal For the Year Ended December 31, 2013***

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The Knox County Emergency Management Agency (EMA) is a jointly governed organization whose board is composed of seven members; one county commissioner, five chief executive officers representing municipal corporations or townships and one non-elected representative. The agency was organized to coordinate all civil defense functions within the county to help insure the most effective use of resources during an emergency. The City did not appoint a majority of the members of the board of the EMA nor is the City accountable for any operating deficits of the EMA. Knox County is the fiscal agent for the EMA. The City appropriated \$6,000 for an operating grant to the EMA for 2013.

Knox Area Transit (KAT), formerly known as Mid Ohio Transit Authority (MOTA) is a county governed organization whose board is appointed by the county commissioners and is composed of seven members. The members shall serve three year terms except for the newly created board of which, two of its members shall serve a one year term, two members shall serve a two year term and three members shall serve a three year term. KAT was organized to provide public transportation for the entire county. The City does not appoint members of the Board, nor is the City accountable for any operating deficits of KAT. The KAT Board is responsible for the fiscal operation of KAT. The City appropriated \$22,500 for an operating grant to KAT for 2013.

Knox County General Health District as a combined agency was created in 1983 as provided in Section 3709.07 of the Ohio Revised Code. The jointly governed organization's board is composed of nine members; six members from the townships and villages, and three members from the City. The combined Knox County General Health District was organized to provide public health services as required by the Ohio Revised Code and the Ohio Administrative Code, and such other services as are duly authorized or required by regulations of the District and can be furnished within the financial resources available to the District. The combined Knox County General Health District Board is responsible for the fiscal operations of the District. Under a contractual arrangement, the District sets the amount the City shall contribute on an annual basis. The remaining funding necessary for the District shall be apportioned by the County Auditor on the basis of taxable valuations among each township and village. Any fees charged for services by the District shall be placed in the District Health Fund. The City appropriated \$50,000 for operations of the combined District for 2013.

Certain organizations share some degree of name similarity with the City; however, they constitute separate and distinct entities, not only from the City but also from each other. The City has no financial accountability for these entities. Due to their independent nature, none of these organizations' financial statements are included in this report. These organizations are as follows:

Mount Vernon City School District (the District) - The District encompasses the City of Mount Vernon as well as areas outside of the corporate boundaries. The members of the Board of Education of the District are elected by the voters within the District. The Board is a body politic and corporate, capable of suing, contracting, possessing, acquiring and disposing of real property. The Board controls its own operations and budget and the City has no ability to significantly influence operations and no accountability over the fiscal matters of the District. Therefore, the District's separate financial statements are excluded from the City's financial statements.

***Letter of Transmittal  
For the Year Ended December 31, 2013***

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The Mount Vernon Public Library (the Library) - The Mount Vernon Public Library provides library services to the citizens of the City and surrounding communities. The Library is a separate entity from the City; it has a separately selected governing authority and a separate designation of management. In addition, the City has no ability to significantly influence operations and no financial accountability over the fiscal matters of the Library.

**The City of Mount Vernon:**

The City of Mount Vernon was founded in 1805 and was incorporated on February 22, 1830, under the laws of the State of Ohio. Mount Vernon is located in the center of the state, approximately 50 miles northeast of Columbus, Ohio, and is the county seat of Knox County. Mount Vernon operates under a statutory Mayor-Council form of government, as set forth in the Ohio Revised Code. Mount Vernon's 9.8 square mile area serves a residential population of 16,990. State highways 3, 13, 229 and 586 and U. S. Highway 36 serve as some of the City's major transportation arteries. Mount Vernon is the birthplace of Daniel Decatur Emmett, composer of the southern classic "Dixie" and Paul Lynde, a nationally known comedian.

**The Management:**

The citizens of Mount Vernon elect one full-time Mayor (for a four year term), who appoints the Clerk of Council and his Administrative Assistant (combined as one full-time position) and the Safety-Service Director, who is a full-time employee. The Safety-Service Director is responsible for each of the following departments:

Police Department - The department employs a total of thirty-two individuals including both civilian employees and sworn police officers. The department is responsible for enforcing various criminal and traffic statutes as well as local parking laws.

Fire Department - The department is comprised of seven firefighters, thirty-one firefighter/paramedics, and one executive secretary. All Fire Department services including all basic fire protection, emergency medical and rescue services are tax supported. There is a charge levied to health insurance companies for emergency medical services described above.

Engineering Department - This department has a total of six full-time engineering personnel and one part-time code enforcement officer. They are responsible for code enforcement, issuance of building permits, plan reviews for new construction and remodeling, insuring compliance with prevailing wage statutes and working with the Water and Wastewater Commission.

Public Building and Land and Parks Department - These two departments work very closely together under the leadership of a single department head. There is a total of five full-time employees and up to five part-time or seasonal employees. The departments maintain all the City's buildings and grounds including all vacant land and park facilities.

Recreation and Pool Departments - These departments employ part-time and seasonal employees, only. In the summertime, one hundred people are hired to coordinate and administer organized recreational programs in the City's two major parks and to operate the municipal water park/pool.

***Letter of Transmittal  
For the Year Ended December 31, 2013***

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Street Department - The Street Department is responsible for the on-going maintenance and improvement of the City's highways, streets, alleys, storm water drainage facilities, and traffic signs and signals. The department includes nine full-time employees and five part-time or seasonal employees to help with the fall leaf pick-up program.

Cemetery Department - This department is operated with four full-time employees and five and one fourth seasonal employees. The Cemetery department is responsible for the operation and maintenance of the City's cemetery, as well as the sale of burial lots.

Water Department - This department operates with ten full-time employees and fifteen shared full-time employees. The shared employees also work with the Wastewater Department. The Water Department is responsible for the treatment and distribution of potable water to the City's 6,502 customers and customers located in the Village of Gambier (approximately three miles east of Mount Vernon). All treatment plant employees are required to have a Class I operator's license within two years of employment.

Wastewater Department - This department operates with twelve full-time employees and fifteen shared full-time employees as described above. The Wastewater Department is responsible for the collection and treatment of all sewerage within the City of Mount Vernon and Clinton Township (a township adjacent to the City). All plant employees are required to have a Class I operator's license within two years of employment.

The citizens of Mount Vernon elect one full-time Auditor (for a four year term), who appoints the staff of the Auditor's Office. There are two full-time employees, who in conjunction with the City Auditor, are responsible for the accounting and financial administration functions, including recording all revenues, investing idle funds, debt service management, accounts payable processing, payroll, expenditure tracking, financial records administration, budgeting and financial reporting.

The citizens of Mount Vernon elect one part-time Treasurer (for a four year term), who appoints the staff of the Income Tax Department. The Income Tax Department has three full-time employees, who are responsible for the administration and collection of the City's 1.5% earnings tax. In addition, the Income Tax Department offers direct taxpayer assistance services to all residents and businesses.

The citizens of Mount Vernon elect one full-time Law Director (for a four year term), who appoints the Law Department. The Law Department has one assistant Law Director and three full-time employees, who along with the Law Director, are responsible for writing all legislation and prosecuting the entire City's court cases.

The citizens of Mount Vernon elect one part-time President of Council, (for a two year term), who is responsible for conducting the council meetings and assigning committees of council.

The citizens of Mount Vernon elect one part-time councilperson from each of the four wards and three part-time council-at-large for a total of seven. Council members serve a two year term and are elected in odd numbered years. The City Council meets on the second and fourth Monday night of each month, in a public meeting, to hear proposed legislation and take action on various issues pending before the legislative body.

***Letter of Transmittal  
For the Year Ended December 31, 2013***

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**Economic Outlook**

The Shade Tree and Beautification committee of the City was also a beneficiary of grant funding that was provided by the Ariel Foundation. Over \$51,000 was provided for the acquisition and planting of trees throughout the city. This ongoing project will provide for future plantings over the next couple of years. Once again, the City is deeply grateful for the generosity that has been provided by such a great employer of our community. The City says “thank you” for the Foundation’s thoughtfulness.

The intersection at North Sandusky & West Chestnut Streets was completed in 2013. This project was a total rebuild of road way, turn lanes, traffic lights and poles. These improvements will provide for easier access for the adjacent manufacturing company, Seimens (formerly Rolls-Royce) to transport their large compressors through town via motor freight. With light poles eliminated and traffic lights higher in the air and offset from the path of travel, exporting will be greatly enhanced. The total cost for these road improvements were \$588,800, of which the Ohio Department of Transportation provided grant funding in the amount of \$250,000.

The City began a brick street project on West Pleasant Street. This project will include the complete removal of existing bricks, the base foundation of the street will be totally rebuilt and the bricks will be relayed along with curbing and sidewalks. This project is being partially funded with a grant from the Community Development Block Grant. Estimated cost is approximately \$376,800.

Community Development Block Grant funding also provided resources for a new shelter house, parking lot, and security cameras at Riverside park. The total cost for these improvements and equipment totaled \$162,308. Total grant funding for West Pleasant Street road improvements, the shelter house, parking lot and security camera was \$299,500.

The Municipal Court Clerk’s office undertook a renovation during 2013. A project started in 2012, it provided for the reconfiguration of the entire foot print to the office and also provided the necessary security features that were assessed by the Ohio Supreme Court security inspection. The renovations provided for a more efficient alignment of work stations for the employees to better serve the public and provided the clerk with a more efficient office. The project cost was \$49,630 of which the General Fund covered the expense.

Thanks to the foresight of City management, coupled with the cooperation of the City's department heads, the growth in the local economy resulted in a favorable impact on the City's ability to provide quality services to the public. The Engineering Department issued one hundred twenty-two building permits in 2013 and one hundred fifty in 2012, a decrease of twenty-eight permits.

**Long-term Financial Planning:**

Ongoing upgrades to the wastewater treatment plant continued during the year. Upgrades include new electrical and instrumentation throughout the facility, a new methane gas heating unit, and a new public septic receiving station. Since this facility has very limited alternative power supply, this project will incorporate a new generator large enough to power the entire facility when alternative power is needed. A significant amount of the plant is currently operated by a manual labor force, and this project will allow the instrumentation to be converted to a more automated operated facility with computerized oversight in place. The cost of this project is approximately \$5.8 million dollars and should conclude by mid-2014.

***Letter of Transmittal  
For the Year Ended December 31, 2013***

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The City was approved for a loan on January 11, 2011, for the construction, through the Ohio Environmental Protection Agency (OEPA) Division of Environmental and Financial Assistance (DEFA) program. DEFA has funding available from the Water Pollution Control Loan Fund (WPCLF) whereby participation in the program may help provide funding assistance towards the construction of the public septic receiving station. As outlined by OEPA, as an incentive for public owners of treatment facilities to include equipment designed to receive, treat, and dispose of septage, the WPCLF offers a reduction to a recipient's basic interest rate when it is borrowing from the WPCLF to improve other facilities. The estimated cost of construction of the public septic receiving station is \$1.5 million dollars.

The City began construction of a new combined maintenance facility building for the street department and the water and wastewater departments. This new facility is being constructed on property adjacent to the water treatment plant. It will include space to store vehicles and equipment, workshops for each department, a sign shop and hazardous materials storage. Bonds were issued to finance the construction with an estimated cost of \$3.5 million. Construction began in May of 2013 and should conclude by late June 2014.

**Employee Relations:**

The City of Mount Vernon is in the second year of a three year contract with the City's three unions. All union contracts were effective January 1, 2012, through December 31, 2014, with annual raises on January 1st of each year beginning in 2013. The first is, the Dan Emmett Chapter of the Ohio Civil Service Employees Association (OCSEA), Local 11/American Federation of State, County and Municipal Employees, AFL-CIO, which consists of fifty-seven members from the public service departments (Engineering, Public Building and Land, Parks, Street, Cemetery, Water and Wastewater). The second is the Ohio Association of Professional Firefighters, The Mount Vernon Firefighters and Paramedics Local 3712 which consists of thirty-seven members of the fire department. The final bargaining unit is the Kokosing Chapter of the Fraternal Order of Police, Ohio Labor Council, Inc. (FOP) which consists of twenty-seven members of the police department. The remaining departments along with all the department heads are not represented by any union.

The City continues to experience a good working relationship with these three unions for the betterment of the citizens of this community.

**Unemployment Rates:**

The City of Mount Vernon's economic outlook showed signs of steady improvement for 2013. Starting out the year at 6.2 percent, the unemployment rate flexed with increases and decreases then ended the year at 6.2 percent. This was slightly lower than the state unemployment rate of 6.6%. The City's diverse mix of employment opportunities helps to offset such economic fluctuations.

**Major Initiatives**

The City's resurfacing program continued to provide maintenance to our roadways throughout the city. Approximately \$335,000 was use make these maintenance improvements to 14 streets plus roadways within Mound View Cemetery.

***Letter of Transmittal  
For the Year Ended December 31, 2013***

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Properties were acquired on Coshocton Avenue during the year. A former fueling station and a former bakery building were raised from the site. The property was cleaned and seeded and will remain for future roadway improvements at the intersection of Coshocton Avenue and Vernonview Drive.

Various equipment purchases were made for various departments within the city. A new durapatcher (machine used primarily for filling potholes with a hot mixture of stone and tar compound) for the Street Department and a pickup truck for the Parks Department were a few of the equipment purchases made during the year.

**Financial Information**

**Internal Control, Budgetary Control and the Accounting System:**

The City of Mount Vernon's budgetary accounting system was designed to provide reasonable assurance that:

1. The City's assets are protected against loss and unauthorized use or disposition, and
2. Reliable financial reports for preparing financial statements and providing accountability for assets are maintained.

The concept of reasonable assurance states that internal controls should be evaluated using the following criteria:

1. The expense associated with providing the internal controls should not exceed the benefits likely to be derived from their implementation, and
2. The evaluation of the offsetting costs and benefits involves estimates and judgment by the City administration and the Auditor's Office.

All internal control evaluations occur within this framework. It is the belief of the administration and financial management personnel that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by Mount Vernon City Council. All funds are included in the annual appropriated budget. The level of budgetary control (that is, the levels at which expenditures cannot legally exceed the appropriated amount) is at the object level within each department. Budgetary control is maintained within the personal services, operating expenses, and capital outlay categories with each department though the encumbering of estimated purchase amounts prior to the release of formal purchase orders to vendors. Encumbered appropriations carry forward to the following year(s) until expended or liquidated. Unencumbered amounts lapse at year end.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

***Letter of Transmittal  
For the Year Ended December 31, 2013***

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**Other Information**

**Independent Audit:**

This report of the City of Mount Vernon was audited by the independent firm of Wilson, Shannon & Snow, Inc. of Newark, Ohio. They have audited the basic financial statements and the related notes as indicated in their letter. Their examination was conducted in accordance with *Generally Accepted Government Auditing Standards*, which includes a financial and compliance audit as well as an evaluation of internal accounting controls and tests of transactions. The auditor's unmodified opinion letter is included in this report.

**Awards:**

The Government Finance Officers Association of the United State and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Mount Vernon, Ohio for its comprehensive annual financial report for the year ended December 31, 2012. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards in state and local government financial reporting. To be awarded a Certificate of Achievement, a governmental unit must prepare an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents satisfy all program standards. The report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements respective to the reporting entity.

A Certificate of Achievement is valid for a period of one year only. The City of Mount Vernon received a Certificate of Achievement for the last twenty-two consecutive years (fiscal years ended 1991-2012). I believe this current report continues to conform to the Certificate of Achievement program requirements, and I am submitting it to GFOA.

**Public Disclosure:**

The publication of this Comprehensive Annual Financial Report is indicative of the City's commitment to provide significantly enhanced financial information and accountability to the citizens. In addition to the citizens of Mount Vernon, the recipients of this report include city, state and federal officials, schools, libraries, newspapers, investment banking firms, banks and rating agencies. The report is made available to any person or organization requesting it. The extensive effort to prepare and distribute this report is indicative of the continued efforts of the City to improve its overall financial accounting, management and reporting capabilities.

***Letter of Transmittal  
For the Year Ended December 31, 2013***

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**Acknowledgments:**

I would like to thank my staff and extend special recognition to all related departments within the City, who assisted with the preparation of the 2013 Comprehensive Annual Financial Report and annual independent audit.

Special appreciation is extended to the staff of Wilson, Shannon & Snow, Inc., for timely completion of the audit.

In closing, without the leadership and support of the Mount Vernon City Council and Administration, preparation of this report would not have been possible.

Respectfully,

A handwritten signature in black ink, appearing to read "Terry Scott", with a long, sweeping horizontal flourish extending to the left.

Terry Scott  
City Auditor

**CITY OF MOUNT VERNON, OHIO**

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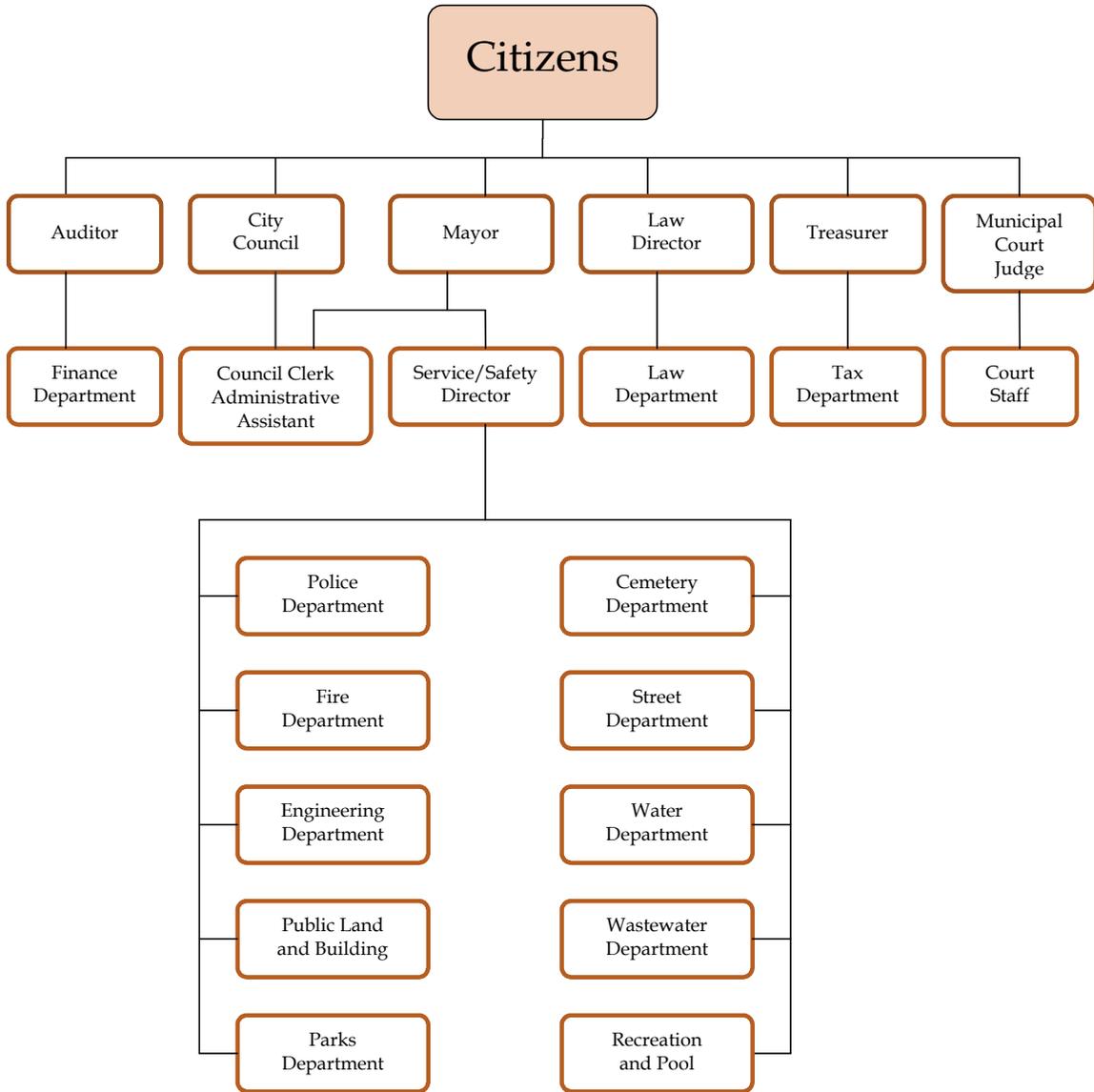
***List of Principal Officials  
For the Year Ended December 31, 2013***

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<b><i>NAME</i></b>	<b><i>TITLE</i></b>	<b><i>YEARS OF SERVICE</i></b>
<b><u>City Council</u></b>		
Bruce Hawkins	President	7
Sam Barone	First Ward Member	2
John Francis	Second Ward Member	2
Nancy Vail	Third Ward Member	4
John Fair	Fourth Ward Member	14
Mike Hillier	Member At-Large	8
Susan Kahrl	Member At-Large	2
Janis Seavolt	Member At-Large	2
<b><u>City Administration</u></b>		
Richard K. Mavis	Mayor	18
Terry Scott	Auditor	19
William D. Smith	Law Director	1
Anton Krutsch	Treasurer	2
David C. Glass	Safety-Service Director	35
Tanya Newell	Clerk of Council	2
<b><u>Department Heads</u></b>		
Debora Tyson	Income Tax Administrator	23
Michael Merrilees	Police Chief	25
Chad Christopher	Fire Chief	12
Scott Zimmerman	Parks, Public Buildings and Land Superintendent	15
David Carpenter	Street Superintendent	22
Deborah S. Briscoe	Cemetery Foreman	33
Pam Muralt	Water and Wastewater Meter and Customer Service Administrator	33
Judith Scott	Water and Wastewater Treatment and Distribution Administrator	31

**City Organizational Chart  
For the Year Ended December 31, 2013**

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*Government Finance Officers Association of the United States and Canada  
Certificate of Achievement for Excellence in Financial Reporting*

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Government Finance Officers Association

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

Presented to

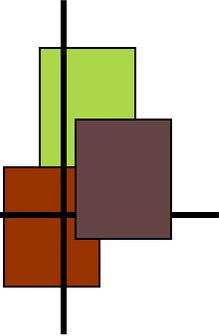
**City of Mount Vernon  
Ohio**

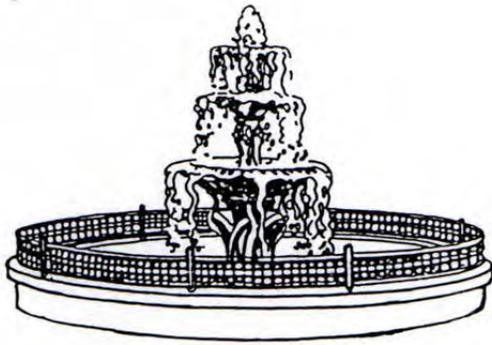
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2012**

Executive Director/CEO

# Financial Section







City of Mount Vernon  
Knox County  
40 Public Square  
Mount Vernon, Ohio 43050

## INDEPENDENT AUDITOR'S REPORT

To the City Council:

### ***Report on the Financial Statements***

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

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

*Wilson, Shannon & Snow, Inc.*

**CERTIFIED PUBLIC ACCOUNTANTS**  
Ten West Locust Street  
Newark, Ohio 43055  
(740) 345-6611  
1-800-523-6611  
FAX (740) 345-5635

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Mount Vernon, Knox County, Ohio, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows, thereof and the respective budgetary comparisons for the General and Municipal Income Tax ½% (Voted) Funds thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis* listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

***Supplementary and Other Information***

Our audit was conducted to opine on the City's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The Schedule of Federal Award Expenditures also presents additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and is also not a required part of the financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

City of Mount Vernon  
Knox County  
Independent Auditor's Report

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2014, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Wilson, Shuman & Snow, Inc.*

Newark, Ohio  
June 27, 2014



The discussion and analysis of the City of Mount Vernon's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2013. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

## **FINANCIAL HIGHLIGHTS**

Key financial highlights for 2013 are as follows:

- ❑ In total, net position increased \$1,802,712. Net position of governmental activities increased \$1,237,820 which represents a 2.4% increase from 2012. Net position of business-type activities increased \$564,892 from 2012.
- ❑ General revenues accounted for \$13,256,245 in revenue or 51.5% of all revenues. Program specific revenues in the form of charges for services and sales, and grants and contributions accounted for \$12,504,931, 48.5% of total revenues of \$25,761,176.
- ❑ The City had \$17,790,870 in expenses related to governmental activities; only \$5,773,070 of these expenses were offset by program specific charges for services and sales, grants or contributions. General revenues were sufficient to provide for these programs.
- ❑ Among major funds, the general fund had \$11,287,792 in revenues and other financing sources and \$12,568,163 in expenditures and other financing uses. The general fund's fund balance decreased from \$5,091,848 to \$3,811,563.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three parts – *management's discussion and analysis*, the *basic financial statements*, and an optional section that presents *combining and individual statements and schedules* for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

**Government-wide Statements**

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how they have changed. Net-position (the difference between the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources) is one way to measure the City's financial health or position.

- Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City you need to consider additional nonfinancial factors such as the City's tax base and the condition of the City's capital assets.

The government-wide financial statements of the City are divided into two categories:

- *Governmental Activities* – Most of the City's program's and services are reported here including security of persons and property, public health and welfare services, leisure time activities, community environment, transportation and general government.
- *Business-Type Activities* – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's water and sewer funds are reported as business-type activities.

**Fund Financial Statements**

Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes. The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole.

***Governmental Funds*** – Most of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. The City's major funds are the General Fund, the Municipal Income Tax ½% (Voted) Fund, the General Bond Retirement Fund, and the Capital Improvement Fund. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

**CITY OF MOUNT VERNON, OHIO**

**Management's Discussion and Analysis  
For the Year Ended December 31, 2013**

**Unaudited**

**Proprietary Funds** – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match. The proprietary fund financial statements provide separate information for the Water and Sewer funds, both of which are considered major funds.

**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. All of the City's fiduciary activities are reported in a separate Statement of Assets and Liabilities.

**FINANCIAL ANALYSIS OF THE CITY AS A WHOLE**

The following table provides a summary of the City's net position for 2013 compared to 2012:

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$14,933,776	\$15,958,773	\$5,656,712	\$6,931,165	\$20,590,488	\$22,889,938
Capital assets, Net	49,765,362	47,742,881	37,536,603	36,913,819	87,301,965	84,656,700
Total assets	64,699,138	63,701,654	43,193,315	43,844,984	107,892,453	107,546,638
Deferred outflows of resources	0	0	134,415	149,350	134,415	149,350
Long-term liabilities outstanding	9,277,622	9,837,861	20,945,972	22,244,774	30,223,594	32,082,635
Other liabilities	1,754,619	613,416	407,932	340,626	2,162,551	954,042
Total liabilities	11,032,241	10,451,277	21,353,904	22,585,400	32,386,145	33,036,677
Deferred inflows of resources	1,558,400	2,379,700	0	0	1,558,400	2,379,700
Net position:						
Net investment in capital assets	41,446,062	39,426,306	16,711,092	15,012,084	58,157,154	54,438,390
Restricted	4,315,346	3,094,466	1,646,248	1,008,353	5,961,594	4,102,819
Unrestricted	6,347,089	8,349,905	3,616,486	5,388,497	9,963,575	13,738,402
Total net position	\$52,108,497	\$50,870,677	\$21,973,826	\$21,408,934	\$74,082,323	\$72,279,611

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**CITY OF MOUNT VERNON, OHIO**

**Management's Discussion and Analysis  
For the Year Ended December 31, 2013**

**Unaudited**

Changes in Net Position – The following table shows the changes in net position for 2013 compared to 2012:

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues						
Program Revenues:						
Charges for Services and Sales	\$2,244,986	\$2,430,875	\$6,694,595	\$6,816,469	\$8,939,581	\$9,247,344
Operating Grants and Contributions	1,937,129	2,024,553	37,266	42,069	1,974,395	2,066,622
Capital Grants and Contributions	1,590,955	2,169,916	0	0	1,590,955	2,169,916
Total Program Revenues	5,773,070	6,625,344	6,731,861	6,858,538	12,504,931	13,483,882
General Revenues:						
Property Taxes	1,547,187	2,179,955	0	0	1,547,187	2,179,955
Income Taxes	10,805,563	10,566,350	0	0	10,805,563	10,566,350
Other Local Taxes	94,973	98,030	0	0	94,973	98,030
Intergovernmental Revenues, Unrestricted	451,426	725,574	0	0	451,426	725,574
Investment Earnings	29,448	37,698	625	1,539	30,073	39,237
Miscellaneous	327,023	261,553	0	0	327,023	261,553
Total General Revenues	13,255,620	13,869,160	625	1,539	13,256,245	13,870,699
Total Revenues	19,028,690	20,494,504	6,732,486	6,860,077	25,761,176	27,354,581
Program Expenses						
Security of Persons and Property	6,492,718	6,188,789	0	0	6,492,718	6,188,789
Public Health and Welfare Services	709,251	723,360	0	0	709,251	723,360
Leisure Time Activities	980,442	719,024	0	0	980,442	719,024
Community Environment	648,532	528,995	0	0	648,532	528,995
Transportation	3,367,249	4,228,585	0	0	3,367,249	4,228,585
General Government	5,316,607	4,852,231	0	0	5,316,607	4,852,231
Interest and Fiscal Charges	276,071	510,896	0	0	276,071	510,896
Water	0	0	3,049,583	3,019,406	3,049,583	3,019,406
Wastewater	0	0	3,118,011	3,194,971	3,118,011	3,194,971
Total Expenses	17,790,870	17,751,880	6,167,594	6,214,377	23,958,464	23,966,257
Total Change in Net Position	1,237,820	2,742,624	564,892	645,700	1,802,712	3,388,324
Beginning Net Position	50,870,677	48,128,053	21,408,934	20,763,234	72,279,611	68,891,287
Ending Net Position	\$52,108,497	\$50,870,677	\$21,973,826	\$21,408,934	\$74,082,323	\$72,279,611

**Governmental Activities**

Net position of the City's governmental activities increased by \$1,237,820 over 2012. The increase in Net Position is the result of increased income taxes, reduction of interest expense, and reduction of transportation expense.

The City receives an income tax, which is based on 1.5% of all salaries, wages, commissions and other compensation and on net profits earned from those working in the City.

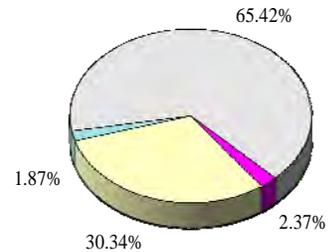
**CITY OF MOUNT VERNON, OHIO**

**Management's Discussion and Analysis  
For the Year Ended December 31, 2013**

**Unaudited**

Income taxes and property taxes made up 56.79% and 8.13% respectively of revenues for governmental activities for the City in 2013. The City's reliance upon tax revenues is demonstrated by the following graph indicating 65.42% of total revenues from general tax revenues:

Revenue Sources	2013	Percent of Total
General Tax Revenues	\$12,447,723	65.42%
Intergovernmental Revenues, Unrestricted	451,426	2.37%
Program Revenues	5,773,070	30.34%
General Other	356,471	1.87%
<b>Total Revenue</b>	<b>\$19,028,690</b>	<b>100.00%</b>



**Business-Type Activities**

Net position of the business type activities increased by \$564,892. This modest increase is the result of strategic managed operations during the year.

**FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

The City's governmental funds reported a combined fund balance of \$9,054,585, which is a decrease from last year's balance of \$10,304,753. The schedule below indicates the fund balance and the total change in fund balance by fund as of December 31, 2013 and 2012:

	Fund Balance December 31, 2013	Fund Balance December 31, 2012	Increase (Decrease)
General	\$3,811,563	\$5,091,848	(\$1,280,285)
Municipal Income Tax 1/2% (Voted)	1,030,326	0	1,030,326
General Bond Retirement	261	966	(705)
Capital Improvement	1,283,776	2,454,276	(1,170,500)
Other Governmental	2,928,659	2,757,663	170,996
<b>Total</b>	<b>\$9,054,585</b>	<b>\$10,304,753</b>	<b>(\$1,250,168)</b>

**CITY OF MOUNT VERNON, OHIO**

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**Management's Discussion and Analysis  
For the Year Ended December 31, 2013**

**Unaudited**

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*General Fund* – The City's General Fund balance decrease is due to several factors. The tables that follow assist in illustrating the financial activities of the General Fund:

	2013 Revenues	2012 Revenues	Increase (Decrease)
Property and Other Taxes	\$8,313,612	\$9,601,380	(\$1,287,768)
Intergovernmental Revenue	606,177	847,524	(241,347)
Charges for Services	1,442,747	1,531,318	(88,571)
Licenses and Permits	7,377	17,057	(9,680)
Investment Earnings	26,250	31,480	(5,230)
Fines and Forfeitures	575,189	645,016	(69,827)
All Other Revenue	284,751	175,623	109,128
Total	<u>\$11,256,103</u>	<u>\$12,849,398</u>	<u>(\$1,593,295)</u>

General Fund revenues in 2013 decreased approximately 12.4% compared to revenues in 2012. The major decrease is in city income tax revenues. The ½% voted income tax revenue is now being reported in a special revenue fund to comply with Ohio law.

	2013 Expenditures	2012 Expenditures	Increase (Decrease)
Security of Persons and Property	\$4,229,675	\$4,934,315	(\$704,640)
Public Health and Welfare Services	388,417	409,588	(21,171)
Leisure Time Activities	741,400	670,139	71,261
Community Environment	30,568	29,224	1,344
Transportation	50,241	29,871	20,370
General Government	5,689,061	5,438,937	250,124
Debt Service:			
Principal Retirement	10,956	17,369	(6,413)
Interest and Fiscal Charges	16,919	10,506	6,413
Total	<u>\$11,157,237</u>	<u>\$11,539,949</u>	<u>(\$382,712)</u>

General Fund expenditures decreased by \$382,712 or -3.3% compared to the prior year primarily due to reporting costs within Security of Persons and Property in a special revenue fund in 2013.

**CITY OF MOUNT VERNON, OHIO**

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***Management's Discussion and Analysis  
For the Year Ended December 31, 2013***

***Unaudited***

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*General Bond Retirement Fund* – The General Debt Retirement Fund balance had no significant change.

*Municipal Income Tax ½% (Voted) Fund* - The Municipal Income Tax ½% (Voted) Fund balance increased from \$0 to \$1,030,326 due to reallocating revenues and expenditures as a special revenue fund to comply with Ohio law.

*Capital Improvement Fund* - The Capital Improvement Fund balance decreased from \$2,454,276 to \$1,283,776 due to the construction of a building project started in 2013.

*Budget* - The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of 2013 the City amended its General Fund budget several times. The decrease in the final budget of \$14,543,791 over the original budget of \$14,729,817 was not significant. Actual expenditures and other financing uses were less than the final budget by \$1,423,225 because of conservative fiscal management practices and the creation of a new special revenue fund for Security of Persons and Property expenditures.

For the General Fund, final budget basis revenue of \$11,239,470 decreased by \$808,800 as a result of creating a new special revenue fund to report ½% voted income tax revenues.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

***Capital Assets***

At the end of 2013 the City had \$87,301,965 net of accumulated depreciation invested in buildings, infrastructure, equipment and vehicles. Of this total, \$49,765,362 was related to governmental activities and \$37,536,603 to the business-type activities. The following table shows 2013 and 2012 balances:

	Governmental Activities		Increase (Decrease)
	2013	2012	
Land	\$12,033,474	\$11,870,871	\$162,603
Construction In Progress	4,269,060	1,801,925	2,467,135
Buildings	13,339,154	13,097,232	241,922
Improvements Other than Buildings	1,108,140	1,098,980	9,160
Infrastructure	41,019,593	40,280,114	739,479
Machinery and Equipment	7,673,190	7,359,165	314,025
Less: Accumulated Depreciation	(29,677,249)	(27,765,406)	(1,911,843)
Totals	\$49,765,362	\$47,742,881	\$2,022,481

**CITY OF MOUNT VERNON, OHIO**

**Management's Discussion and Analysis  
For the Year Ended December 31, 2013**

**Unaudited**

Land increased due to the acquisition of property for future road improvements. Constructions in Progress increased due to new building being constructed during the year. Infrastructures increased due to additional roads being resurfaced in 2013 and the completion of brick street projects. Machinery and Equipment increased due to acquisition of vehicles for the police department.

	Business-Type Activities		Increase (Decrease)
	2013	2012	
Land	\$819,311	\$819,311	\$0
Construction in Progress	10,077,079	10,968,736	(891,657)
Buildings and Improvements	25,661,695	25,661,695	0
Utility Structures in Service	26,867,484	24,042,859	2,824,625
Machinery and Equipment	3,055,601	3,437,635	(382,034)
Less: Accumulated Depreciation	(28,944,567)	(28,016,417)	(928,150)
Totals	<u>\$37,536,603</u>	<u>\$36,913,819</u>	<u>\$622,784</u>

Business type capital assets increased as a result of upgrades at the wastewater plant. Construction in Progress decreased and Utility Structures in Service increased due to completion of the interceptor wastewater rehabilitation project. Additional information on the City's capital assets can be found in Note 7.

**Debt**

At December 31, 2013, the City had \$15,395,000 in general obligation bonds outstanding, \$1,355,000 due within one year. The following table summarizes the City's liabilities outstanding as of December 31, 2013 and 2012

	2013	2012
Governmental Activities:		
General Obligation Bonds Payable	\$5,812,400	\$6,177,200
Ohio Public Works Commission Loan	336,875	364,375
Special Obligation Bonds Payable	1,677,500	1,775,000
Police and Firemen's Pension Accrued Liability	389,821	400,777
Compensated Absences	1,061,026	1,120,509
Total Governmental Activities	<u>9,277,622</u>	<u>9,837,861</u>
Business-Type Activities:		
Mortgage Revenue Bonds Payable	2,780,000	3,205,000
General Obligation Bonds Payable	9,582,600	10,522,800
Special Obligation Bonds Payable	1,677,500	1,775,000
Ohio Public Works Commission Loan	103,424	109,692
Ohio Water Development Authority Loan	6,476,726	6,289,243
Compensated Absences	325,722	343,039
Total Business-Type Activities	<u>20,945,972</u>	<u>22,244,774</u>
Totals	<u>\$30,223,594</u>	<u>\$32,082,635</u>

Under current state statutes, the City's general obligation bonded debt issues are subject to a legal limitation based on 10.5% of the total assessed value of real and personal property. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total assessed value of property. At December 31, 2013, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 10.

## **ECONOMIC FACTORS**

Development for retail food establishments appears to be the attraction for the city. Panera Bread acquired adequate real estate in which to construct new facility. Ground breaking occurred in early 2014, with completion expected to be completed in early August. Frisch's has already acquired real estate although no construction has commenced yet.

In May of 2014, Rolls Royce announced they sold their energy division to Siemens. The transaction is expected to be finalized during 2014. Siemens indicates the acquisition will provide a much stronger position in the global energy production and will provide for a much stronger work force for the Mount Vernon production plant. Siemens was a major competitor against Rolls Royce, however Rolls Royce plans to share some of its design plans to allow for continued production of certain product lines known to the Mount Vernon production facility. The City is encouraged by this transaction to retain a major employer in the community.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Terry Scott, City Auditor of the City of Mount Vernon.

The discussion and analysis of the City of Mount Vernon's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2013. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

**CITY OF MOUNT VERNON, OHIO**

**Statement of Net Position  
December 31, 2013**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 2,127,977	\$ 1,286,036	\$ 3,414,013
Investments	5,526,051	2,473,949	8,000,000
Receivables:			
Taxes	4,674,893	0	4,674,893
Accounts	155,949	1,385,843	1,541,792
Intergovernmental	1,858,161	0	1,858,161
Interest	6,444	0	6,444
Inventory of Supplies	8,188	54,627	62,815
Prepaid Items	165,182	14,976	180,158
Restricted Assets:			
Cash and Cash Equivalents	405,566	0	405,566
Cash and Cash Equivalents with Fiscal Agent	5,365	441,281	446,646
Capital Assets			
Capital Assets not Being Depreciated	16,302,534	10,896,390	27,198,924
Capital Assets Being Depreciated	33,462,828	26,640,213	60,103,041
<b>Total Assets</b>	<b>64,699,138</b>	<b>43,193,315</b>	<b>107,892,453</b>
<b>Deferred Outflows of Resources:</b>			
Deferred Charge on Refunding	0	134,415	134,415
<b>Liabilities:</b>			
Accounts Payable	517,898	116,759	634,657
Accrued Wages and Benefits	217,692	48,610	266,302
Contracts Payable	896,772	37,363	934,135
Retainage Payable	102,596	181,792	284,388
Matured Bonds & Interest Payable	0	650	650
Accrued Interest Payable	19,661	22,758	42,419
Noncurrent liabilities:			
Due within one year	820,321	1,796,105	2,616,426
Due in more than one year	8,457,301	19,149,867	27,607,168
<b>Total Liabilities</b>	<b>11,032,241</b>	<b>21,353,904</b>	<b>32,386,145</b>
<b>Deferred Inflow of Resources:</b>			
Deferred Inflow - Property Taxes	1,558,400	0	1,558,400

(Continued)

**CITY OF MOUNT VERNON, OHIO**

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	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Net Position:</b>			
Net Investment in Capital Assets	41,446,062	16,711,092	58,157,154
Restricted For:			
Capital Projects	1,124,736	1,204,967	2,329,703
Debt Service	0	441,281	441,281
Perpetual Care, Nonexpendable	416,771	0	416,771
Security of Persons and Property	1,481,306	0	1,481,306
Leisure Time Activities	11,368	0	11,368
Community Environment	683,434	0	683,434
Transportation	597,731	0	597,731
Unrestricted	6,347,089	3,616,486	9,963,575
<b>Total Net Position</b>	<b>\$ 52,108,497</b>	<b>\$ 21,973,826</b>	<b>\$ 74,082,323</b>

See accompanying notes to the basic financial statements

**CITY OF MOUNT VERNON, OHIO**

**Statement of Activities  
For the Year Ended December 31, 2013**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
Security of Persons and Property	\$ 6,492,718	\$ 1,119,039	\$ 0	\$ 0
Public Health and Welfare Services	709,251	82,513	0	0
Leisure Time Activities	980,442	255,558	0	677,322
Community Environment	648,532	18,872	365,900	0
Transportation	3,367,249	750	1,456,961	913,633
General Government	5,316,607	768,254	114,268	0
Interest and Fiscal Charges	276,071	0	0	0
<b>Total Governmental Activities</b>	<b>17,790,870</b>	<b>2,244,986</b>	<b>1,937,129</b>	<b>1,590,955</b>
<b>Business-Type Activities:</b>				
Water	3,049,583	3,450,880	0	0
Sewer	3,118,011	3,243,715	37,266	0
<b>Total Business-Type Activities</b>	<b>6,167,594</b>	<b>6,694,595</b>	<b>37,266</b>	<b>0</b>
<b>Totals</b>	<b>\$ 23,958,464</b>	<b>\$ 8,939,581</b>	<b>\$ 1,974,395</b>	<b>\$ 1,590,955</b>

**General Revenues**

Property Taxes Levied for:  
 General Purposes  
 Special Purposes  
 Debt Service  
 Capital Outlay  
 Municipal Income Tax  
 Other Local Taxes  
 Intergovernmental Revenue, Unrestricted  
 Investment Earnings  
 Miscellaneous  
 Total General Revenues  
 Change in Net Position  
 Net Position Beginning of Year  
 Net Position End of Year

See accompanying notes to the basic financial statements

**CITY OF MOUNT VERNON, OHIO**

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Net (Expense) Revenue  
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (5,373,679)	\$ 0	\$ (5,373,679)
(626,738)	0	(626,738)
(47,562)	0	(47,562)
(263,760)	0	(263,760)
(995,905)	0	(995,905)
(4,434,085)	0	(4,434,085)
(276,071)	0	(276,071)
<u>(12,017,800)</u>	<u>0</u>	<u>(12,017,800)</u>
0	401,297	401,297
0	162,970	162,970
0	564,267	564,267
<u>(12,017,800)</u>	<u>564,267</u>	<u>(11,453,533)</u>
552,305	0	552,305
130,272	0	130,272
143,647	0	143,647
720,963	0	720,963
10,805,563	0	10,805,563
94,973	0	94,973
451,426	0	451,426
29,448	625	30,073
327,023	0	327,023
<u>13,255,620</u>	<u>625</u>	<u>13,256,245</u>
1,237,820	564,892	1,802,712
50,870,677	21,408,934	72,279,611
<u>\$ 52,108,497</u>	<u>\$ 21,973,826</u>	<u>\$ 74,082,323</u>

**CITY OF MOUNT VERNON, OHIO**

**Balance Sheet  
Governmental Funds  
December 31, 2013**

	General	Municipal Income Tax 1/2% (Voted)	General Bond Retirement
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 304,049	\$ 331,514	\$ 0
Investments	2,604,366	0	0
Receivables:			
Taxes	2,386,615	947,571	0
Accounts	142,324	0	0
Intergovernmental	173,879	0	261
Interest	6,444	0	0
Inventory of Supplies	669	0	0
Prepaid Items	135,186	0	0
Restricted Assets:			
Cash and Cash Equivalents	0	0	0
Cash and Cash Equivalents with Fiscal Agent	0	0	0
<b>Total Assets</b>	<b>\$ 5,753,532</b>	<b>\$ 1,279,085</b>	<b>\$ 261</b>
<b>Liabilities:</b>			
Accounts Payable	\$ 412,802	\$ 0	\$ 0
Accrued Wages and Benefits Payable	180,088	0	0
Contracts Payable	0	0	0
Retainage Payable	0	0	0
<b>Total Liabilities</b>	<b>592,890</b>	<b>0</b>	<b>0</b>
<b>Deferred Inflows of Resources:</b>			
Property Tax	622,000	0	0
Unavailable Revenue	727,079	248,759	0
<b>Total Deferred Inflows of Resources</b>	<b>1,349,079</b>	<b>248,759</b>	<b>0</b>
<b>Fund Balances:</b>			
Nonspendable	135,855	0	0
Restricted	8,080	1,030,326	261
Committed	16,480	0	0
Assigned	2,680,908	0	0
Unassigned	970,240	0	0
<b>Total Fund Balances</b>	<b>3,811,563</b>	<b>1,030,326</b>	<b>261</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 5,753,532</b>	<b>\$ 1,279,085</b>	<b>\$ 261</b>

See accompanying notes to the basic financial statements

**CITY OF MOUNT VERNON, OHIO**

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Capital Improvement	Other Governmental Funds	Total Governmental Funds
\$ 999	\$ 1,491,415	\$ 2,127,977
2,046,166	875,519	5,526,051
174,146	1,166,561	4,674,893
0	13,625	155,949
753,620	930,401	1,858,161
0	0	6,444
0	7,519	8,188
0	29,996	165,182
0	405,566	405,566
0	5,365	5,365
<u>\$ 2,974,931</u>	<u>\$ 4,925,967</u>	<u>\$ 14,933,776</u>
\$ 100	\$ 104,996	\$ 517,898
0	37,604	217,692
891,231	5,541	896,772
<u>102,596</u>	<u>0</u>	<u>102,596</u>
<u>993,927</u>	<u>148,141</u>	<u>1,734,958</u>
0	936,400	1,558,400
<u>697,228</u>	<u>912,767</u>	<u>2,585,833</u>
<u>697,228</u>	<u>1,849,167</u>	<u>4,144,233</u>
0	454,286	590,141
1,283,776	2,339,378	4,661,821
0	134,995	151,475
0	0	2,680,908
0	0	970,240
<u>1,283,776</u>	<u>2,928,659</u>	<u>9,054,585</u>
<u>\$ 2,974,931</u>	<u>\$ 4,925,967</u>	<u>\$ 14,933,776</u>

**CITY OF MOUNT VERNON, OHIO**

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***Reconciliation Of Total Governmental Fund Balances  
To Net Position Of Governmental Activities  
December 31, 2013***

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<b>Total Governmental Fund Balances</b>		\$	9,054,585
<i>Amounts reported for governmental activities in the statement of net position are different because</i>			
Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds.			49,765,362
Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds.			2,585,833
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
General Obligation Bonds Payable	(5,812,400)		
Special Obligation Bonds Payable	(1,677,500)		
Ohio Public Works Commission Loan Payable	(336,875)		
Police and Firemen's Pension Accrued Liability	(389,821)		
Compensated Absences Payable	(1,061,026)		
Accrued Interest Payable	(19,661)		
			<u>(9,297,283)</u>
<b><i>Net Position of Governmental Activities</i></b>		\$	<u>52,108,497</u>

See accompanying notes to the basic financial statements



**CITY OF MOUNT VERNON, OHIO**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2013**

	General	Municipal Income Tax 1/2% (Voted)	General Bond Retirement
<b>Revenues:</b>			
Taxes	\$ 8,313,612	\$ 1,985,326	\$ 0
Intergovernmental Revenues	606,177	0	0
Charges for Services	1,442,747	0	0
Licenses and Permits	7,377	0	0
Investment Earnings	26,250	0	3
Fines and Forfeitures	575,189	0	0
All Other Revenue	284,751	0	0
<b>Total Revenue</b>	<b>11,256,103</b>	<b>1,985,326</b>	<b>3</b>
<b>Expenditures:</b>			
Current:			
Security of Persons and Property	4,229,675	955,000	0
Public Health and Welfare Services	388,417	0	0
Leisure Time Activities	741,400	0	0
Community Environment	30,568	0	0
Transportation	50,241	0	0
General Government	5,689,061	0	0
Debt Service:			
Principal Retirement	10,956	0	392,300
Interest and Fiscal Charges	16,919	0	215,952
<b>Total Expenditures</b>	<b>11,157,237</b>	<b>955,000</b>	<b>608,252</b>
Excess (Deficiency) of Revenues Over Expenditures	98,866	1,030,326	(608,249)
<b>Other Financing Sources (Uses):</b>			
Sale of Capital Assets	31,689	0	0
Transfers In	0	0	607,544
Transfers Out	(1,410,926)	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>(1,379,237)</b>	<b>0</b>	<b>607,544</b>
Net Change in Fund Balances	(1,280,371)	1,030,326	(705)
<b>Fund Balances at Beginning of Year</b>	<b>5,091,848</b>	<b>0</b>	<b>966</b>
Increase (Decrease) in Inventory Reserve	86	0	0
<b>Fund Balances End of Year</b>	<b>\$ 3,811,563</b>	<b>\$ 1,030,326</b>	<b>\$ 261</b>

See accompanying notes to the basic financial statements

**CITY OF MOUNT VERNON, OHIO**

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Capital Improvement	Other Governmental Funds	Total Governmental Funds
\$ 717,164	\$ 1,804,270	\$ 12,820,372
129,441	1,507,411	2,243,029
0	96,024	1,538,771
0	2,875	10,252
2,941	254	29,448
0	120,817	696,006
680,322	39,229	1,004,302
<u>1,529,868</u>	<u>3,570,880</u>	<u>18,342,180</u>
0	1,016,840	6,201,515
0	307,685	696,102
20,000	756	762,156
0	617,964	648,532
1,388,415	1,429,694	2,868,350
1,764,528	207,087	7,660,676
0	97,500	500,756
0	46,150	279,021
<u>3,172,943</u>	<u>3,723,676</u>	<u>19,617,108</u>
(1,643,075)	(152,796)	(1,274,928)
0	0	31,689
472,575	576,020	1,656,139
0	(245,213)	(1,656,139)
<u>472,575</u>	<u>330,807</u>	<u>31,689</u>
(1,170,500)	178,011	(1,243,239)
2,454,276	2,757,663	10,304,753
0	(7,015)	(6,929)
<u>\$ 1,283,776</u>	<u>\$ 2,928,659</u>	<u>\$ 9,054,585</u>

**CITY OF MOUNT VERNON, OHIO**

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***Reconciliation Of The Statement Of Revenues, Expenditures  
And Changes In Fund Balances Of Governmental Funds  
To The Statement Of Activities  
For the Year Ended December 31, 2013***

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**Net Change in Fund Balances - Total Governmental Funds** \$ (1,243,239)

***Amounts reported for governmental activities in the statement of activities are different because***

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital Outlay	4,099,545	
Depreciation Expense	<u>(2,045,421)</u>	2,054,124

The net effect of various miscellaneous transactions involving capital assets (i.e. disposals and sales) is to increase net position.

The statement of activities reports losses arising from the disposal of capital assets. Conversely, the governmental funds do not report any loss on the disposal of capital assets.	<u>(31,643)</u>	(31,643)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(97,682)
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Repayment of bond and loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

General Obligation Bond Principal Payment	364,800	
Special Obligation Bond Principal Payment	97,500	
Ohio Public Works Commission Loan Payment	27,500	
Police Firemen's Pension Accrued Liability Principal Payment	<u>10,956</u>	500,756

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		2,950
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Compensated Absences	59,483	
Change in Inventory	<u>(6,929)</u>	<u>52,554</u>

<b><i>Change in Net Position of Governmental Activities</i></b>		<b><u><u>\$ 1,237,820</u></u></b>
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See accompanying notes to the basic financial statements



**CITY OF MOUNT VERNON, OHIO**

**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund  
For the Year Ended December 31, 2013**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 9,575,116	\$ 8,620,565	\$ 8,997,496	\$ 376,931
Intergovernmental Revenue	314,554	460,305	666,125	205,820
Charges for Services	1,519,500	1,519,500	1,429,149	(90,351)
Licenses and Permits	15,100	15,100	7,377	(7,723)
Investment Earnings	15,000	15,000	28,206	13,206
Fines and Forfeitures	500,000	500,000	570,352	70,352
All Other Revenues	109,000	109,000	324,302	215,302
Total Revenues	<u>12,048,270</u>	<u>11,239,470</u>	<u>12,023,007</u>	<u>783,537</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	5,553,609	4,963,022	4,525,997	437,025
Public Health and Welfare Services	398,296	436,790	426,930	9,860
Leisure Time Activities	842,156	848,647	780,951	67,696
Community Environment	40,672	40,535	30,668	9,867
Transportation	56,700	65,550	49,922	15,628
General Government	6,341,637	6,725,000	5,895,172	829,828
Total Expenditures	<u>13,233,070</u>	<u>13,079,544</u>	<u>11,709,640</u>	<u>1,369,904</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,184,800)	(1,840,074)	313,367	2,153,441
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	0	0	31,689	31,689
Transfers Out	(1,496,747)	(1,464,247)	(1,410,926)	53,321
Total Other Financing Sources (Uses):	<u>(1,496,747)</u>	<u>(1,464,247)</u>	<u>(1,379,237)</u>	<u>85,010</u>
Net Change in Fund Balance	(2,681,547)	(3,304,321)	(1,065,870)	2,238,451
Fund Balance at Beginning of Year	2,681,547	2,681,547	2,681,547	0
Prior Year Encumbrances	623,877	623,877	623,877	0
Fund Balance at End of Year	<u>\$ 623,877</u>	<u>\$ 1,103</u>	<u>\$ 2,239,554</u>	<u>\$ 2,238,451</u>

See accompanying notes to the basic financial statements

**CITY OF MOUNT VERNON, OHIO**

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**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Special Revenue Fund – Municipal Income Tax ½% (Voted) Fund  
For the Year Ended December 31, 2013**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 0	\$ 955,000	\$ 1,286,514	\$ 331,514
Total Revenues	0	955,000	1,286,514	331,514
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	0	955,000	955,000	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	331,514	331,514
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 331,514	\$ 331,514

See accompanying notes to the basic financial statements

**CITY OF MOUNT VERNON, OHIO**

**Statement of Net Position  
Proprietary Funds  
December 31, 2013**

	Business-Type Activities		Total
	Enterprise Funds		
	Water	Sewer	
<b>ASSETS</b>			
Current assets:			
Cash and Cash Equivalents	\$ 545,064	\$ 740,972	\$ 1,286,036
Investments	785,966	1,687,983	2,473,949
Accounts receivable (net of allowance for uncollectibles)	750,762	635,081	1,385,843
Inventory of Supplies	28,743	25,884	54,627
Prepaid Items	7,660	7,316	14,976
Total current assets	<u>2,118,195</u>	<u>3,097,236</u>	<u>5,215,431</u>
Noncurrent assets:			
Restricted Assets:			
Cash and Cash Equivalents with Fiscal Agent	441,281	0	441,281
Capital assets:			
Capital Assets Not Being Depreciated	978,094	9,918,296	10,896,390
Capital Assets Being Depreciated	<u>14,163,773</u>	<u>12,476,440</u>	<u>26,640,213</u>
Total capital assets	<u>15,141,867</u>	<u>22,394,736</u>	<u>37,536,603</u>
Total noncurrent assets	<u>15,583,148</u>	<u>22,394,736</u>	<u>37,977,884</u>
<b>Total Assets</b>	<u>17,701,343</u>	<u>25,491,972</u>	<u>43,193,315</u>
<b>Deferred Outflows of Resources:</b>			
Deferred Charges on Refunding	<u>0</u>	<u>134,415</u>	<u>134,415</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts Payable	46,574	70,185	116,759
Accrued Wages and Benefits	24,130	24,480	48,610
Contracts Payable	18,397	18,966	37,363
Retainage Payable	32,223	149,569	181,792
Matured Bonds and Interest Payable	650	0	650
Accrued Interest Payable	11,560	11,198	22,758
General Obligation Bonds Payable - Current	566,525	412,075	978,600
Revenue Bond Payable - Current	435,000	0	435,000
OWDA Loans Payable - Current	0	171,079	171,079
OPWC Loans Payable - Current	6,268	0	6,268
Compensated Absences Payable - Current	52,467	55,191	107,658
Special Obligation Bonds Payable - Current	<u>48,750</u>	<u>48,750</u>	<u>97,500</u>
Total Current Liabilities	<u>1,242,544</u>	<u>961,493</u>	<u>2,204,037</u>

(Continued)

**CITY OF MOUNT VERNON, OHIO**

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	Business-Type Activities		Total
	Enterprise Funds		
	Water	Sewer	
Noncurrent Liabilities:			
General Obligation Bonds Payable	2,819,775	5,784,225	8,604,000
Revenue Bonds Payable	2,345,000	0	2,345,000
OWDA Loans Payable	0	6,305,647	6,305,647
OPWC Loans Payable	97,156	0	97,156
Special Obligation Bonds Payable	790,000	790,000	1,580,000
Compensated Absences Payable	94,199	123,865	218,064
Total noncurrent liabilities	6,146,130	13,003,737	19,149,867
<b>Total Liabilities</b>	<b>7,388,674</b>	<b>13,965,230</b>	<b>21,353,904</b>
<b>NET POSITION:</b>			
Net Investment in Capital Assets	7,986,480	8,724,612	16,711,092
Restricted for Capital Projects	458,549	746,418	1,204,967
Restricted for Debt Service	441,281	0	441,281
Unrestricted	1,426,359	2,190,127	3,616,486
<b>Total Net Position</b>	<b>\$ 10,312,669</b>	<b>\$ 11,661,157</b>	<b>\$ 21,973,826</b>

See accompanying notes to the basic financial statements



**CITY OF MOUNT VERNON, OHIO**

**Statement of Revenues, Expenses and Changes in Fund Net Position  
Proprietary Funds  
For the Year Ended December 31, 2013**

	Business-Type Activities		Total
	Enterprise Funds		
	Water	Sewer	
<b>Operating Revenues:</b>			
Charges for Services	\$ 3,425,255	\$ 3,155,895	\$ 6,581,150
Other Operating Revenues	25,625	87,820	113,445
<b>Total Operating Revenues</b>	<b>3,450,880</b>	<b>3,243,715</b>	<b>6,694,595</b>
<b>Operating Expenses:</b>			
Personal Services	1,119,350	1,245,997	2,365,347
Contractual Services	166,150	592,527	758,677
Materials and Supplies	359,407	148,460	507,867
Utilities	208,623	269,328	477,951
Depreciation	885,534	524,265	1,409,799
<b>Total Operating Expenses</b>	<b>2,739,064</b>	<b>2,780,577</b>	<b>5,519,641</b>
<b>Operating Income</b>	<b>711,816</b>	<b>463,138</b>	<b>1,174,954</b>
<b>Non-Operating Revenues (Expenses):</b>			
Interest Income	568	57	625
Interest and Fiscal Charges	(310,519)	(337,434)	(647,953)
Intergovernmental Grants	0	37,266	37,266
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(309,951)</b>	<b>(300,111)</b>	<b>(610,062)</b>
<b>Change in Net Position</b>	<b>401,865</b>	<b>163,027</b>	<b>564,892</b>
Net Position Beginning of Year	9,910,804	11,498,130	21,408,934
<b>Net Position End of Year</b>	<b>\$ 10,312,669</b>	<b>\$ 11,661,157</b>	<b>\$ 21,973,826</b>

See accompanying notes to the basic financial statements

**CITY OF MOUNT VERNON, OHIO**

**Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2013**

	Business-Type Activities		Total
	Enterprise Funds		
	Water	Sewer	
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$3,509,561	\$3,265,750	\$6,775,311
Cash Payments for Goods and Services	(777,155)	(1,132,090)	(1,909,245)
Cash Payments to Employees	(1,110,703)	(1,255,980)	(2,366,683)
Net Cash Provided by Operating Activities	1,621,703	877,680	2,499,383
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Proceeds from U S Treasury	0	37,266	37,266
Proceeds from OWDA Loan	0	356,594	356,594
Acquisition and Construction of Assets	(861,735)	(968,469)	(1,830,204)
Principal Paid on General Obligation Bonds	(545,100)	(395,100)	(940,200)
Principal Paid on Ohio Public Works Commission Loan	(6,268)	0	(6,268)
Principal Paid on Revenue Bonds	(425,000)	0	(425,000)
Principal Paid on Special Obligation Bonds	(48,750)	(48,750)	(97,500)
Principal Paid on OWDA Loan	0	(169,111)	(169,111)
Interest Paid on All Debt	(312,149)	(325,905)	(638,054)
Net Cash Used for Capital and Related Financing Activities	(2,199,002)	(1,513,475)	(3,712,477)
<u>Cash Flows from Investing Activities:</u>			
Proceeds from Sale of Investments	79,414	158,699	238,113
Receipt of Interest	568	57	625
Net Cash Provided by Investing Activities	79,982	158,756	238,738
Net Decrease in Cash and Cash Equivalents	(497,317)	(477,039)	(974,356)
Cash and Cash Equivalents at Beginning of Year	1,483,662	1,218,011	2,701,673
Cash and Cash Equivalents at End of Year	\$986,345	\$740,972	\$1,727,317
<u>Reconciliation of Cash and Cash Equivalents per the Balance Sheet:</u>			
Cash and Cash Equivalents	\$545,064	\$740,972	\$1,286,036
Restricted Cash with Fiscal Agent	441,281	0	441,281
Cash and Cash Equivalents at End of Year	\$986,345	\$740,972	\$1,727,317

(Continued)

**CITY OF MOUNT VERNON, OHIO**

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	Business-Type Activities		Total
	Enterprise Funds		
	Water	Sewer	
<u>Reconciliation of Operating Income to Net Cash</u>			
<u>Provided by Operating Activities:</u>			
Operating Income	\$711,816	\$463,138	\$1,174,954
Adjustments to Reconcile Operating Income to			
Net Cash Provided by Operating Activities:			
Depreciation Expense	885,534	524,265	1,409,799
Changes in Assets and Liabilities:			
Decrease in Accounts Receivable	58,681	22,035	80,716
Increase in Inventory	(6,296)	(10,650)	(16,946)
Increase in Prepaid Items	(1,313)	(473)	(1,786)
Increase (Decrease) in Accounts Payable	(3,445)	9,283	5,838
Increase in Accrued Wages and Benefits	4,292	3,580	7,872
Decrease in Contracts Payable	(28,383)	(115,364)	(143,747)
Increase (Decrease) in Compensated Absences	817	(18,134)	(17,317)
Total Adjustments	<u>909,887</u>	<u>414,542</u>	<u>1,324,429</u>
Net Cash Provided by Operating Activities	<u>\$1,621,703</u>	<u>\$877,680</u>	<u>\$2,499,383</u>

Schedule of Noncash Investing, Capital and Financing Activities:

At December 31, 2013 the Water and Sewer Funds had outstanding liabilities of \$14,690 and \$8,779 respectively for certain capital assets.

See accompanying notes to the basic financial statements

**CITY OF MOUNT VERNON, OHIO**

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**Statement of Assets and Liabilities  
Fiduciary Funds  
December 31, 2013**

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	<u>Agency</u>
<b>Assets:</b>	
Cash and Cash Equivalents	\$ 126,871
<b>Total Assets</b>	<u>\$ 126,871</u>
<b>Liabilities:</b>	
Intergovernmental Payable	\$ 24,502
Due to Others	<u>102,369</u>
<b>Total Liabilities</b>	<u>\$ 126,871</u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Mount Vernon, Ohio (the "City") was incorporated on February 22, 1830 under the laws of the State of Ohio. The City operates under the general statutory form of government.

The financial statements are presented as of December 31, 2013 and for the year then ended and 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 (the "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).

**A. Reporting Entity**

The accompanying basic financial statements comply with the provisions of the GASB Statement No. 14, *"The Financial Reporting Entity,"* in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, agencies, boards and commissions that are part of the primary government. The reporting entity of the City includes the following services: police and fire protection, emergency medical, parks, recreation, cemetery, planning, zoning, street maintenance and other governmental services. In addition, the City owns and operates a water treatment and distribution system and a wastewater treatment and collection system which are reported as enterprise funds.

The City, in conjunction with Knox County, the six villages and the twenty-two townships within Knox County, have created the Knox County Emergency Management Agency (EMA). The EMA is a jointly governed organization whose board is composed of seven members, one county commissioner, five chief executive officers representing municipal corporations or townships and one non-elected representative. The agency was organized to coordinate all civil defense functions within the county to insure the most effective use of resources during an emergency. The City appropriated \$6,000 for operations of the EMA for 2013.

Knox Area Transit (KAT) formerly known as Mid Ohio Transit Authority (MOTA) is a county governed organization whose board appointed by the county commissioners and is composed of seven members. The members shall serve three year terms except for the newly created board who two of its members shall serve a one year term, two members shall serve a two year term and three members shall serve a three year term. KAT was organized to provide public transportation for the entire county.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**A. Reporting Entity (Continued)**

The City does not appoint members of the Board, nor is the City accountable for any operating deficits of KAT. The KAT Board is responsible for the fiscal operation of KAT. The City appropriated \$22,500 for an operating grant to KAT for 2013.

The Knox County General Health District as a combined agency was created in 1983 as provided in Section 3709.07 of the Ohio Revised Code. The jointly governed organization's board is composed of nine members; six members from the townships and villages, and three members from the City. The combined Knox County General Health District was organized to provide public health services as required by the Ohio Revised Code and the Ohio Administrative Code, and such other services as are duly authorized or required by regulations of the District and can be furnished within the financial resources available to the District.

The combined Knox County General Health District Board is responsible for the fiscal operations of the District. Under a contractual arrangement, the District sets the amount the City shall contribute on an annual basis. The remaining funding necessary for the District shall be apportioned by the County Auditor on the basis of taxable valuations among each township and village. Any fees charged for services by the District shall be placed in the District Health Fund. The City appropriated \$50,000 for operations of the combined District for 2013.

The accounting policies and financial reporting practices of the City conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of its significant accounting policies.

**B. Basis of Presentation - Fund Accounting**

The accounting system is organized and operated 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, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, net position, revenues and expenditures or expenses. The following fund types are used by the City:

***Governmental Funds***

Governmental funds are those funds through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is on determination of "financial flow" (sources and uses and balances of financial resources). The following are the City's major governmental funds:

General Fund - This fund is used to account for all financial resources except those accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation - Fund Accounting** (Continued)

Municipal Income Tax ½% (Voted) – This fund is used to account for income tax levied in 1982, which is dedicated solely for the police, fire, and emergency medical services departments.

General Bond Retirement Fund – This fund is used for the accumulation of resources for, and the payment of, principal and interest on general obligation debt other than those accounted for in the proprietary funds.

Capital Improvement Fund – This fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

***Proprietary Funds***

All proprietary funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net position.

Enterprise Funds - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The City's major enterprise funds are:

Water Fund – This fund is used to account for the operation of the City's water service.

Sewer Fund – This fund is used to account for the operation of the City's sanitary sewer service.

***Fiduciary Funds***

Agency Funds - These funds are used to account for assets held by a governmental unit as an agent for individuals, private organizations or other governmental units. The agency funds account for municipal court collections that are distributed to various local governments, bond and inspection collections are funds on deposit as required by City ordinance for subdivision construction, and insurance trust funds are for insurance funds on deposit to ensure the clean up of damaged property. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation – Financial Statements**

**Government-wide Financial Statements** – The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function or program of the City's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

**Fund Financial Statements** – Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, deferred outflows of resources, current liabilities and deferred inflows of resources, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Basis of Accounting**

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which the City considers to be 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied and the revenue is available. 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 specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. Revenues considered susceptible to accrual at year end include income taxes, interest on investments, and state levied locally shared taxes, including motor vehicle license fees and local government assistance. Other revenues, including licenses, permits, certain charges for services, and miscellaneous revenues are recorded when received in cash, because generally these revenues are not measurable until received.

The accrual basis of accounting is utilized for reporting purposes by governmental activities, the proprietary funds and the fiduciary funds. Revenues are recognized when they are earned and expenses are recognized when they are incurred.

**E. 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 modified tax budget, the certificate of estimated resources and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year.

All funds other than agency funds are legally required to be budgeted and appropriated; however, only the general fund and major special revenue funds are required to be reported. The primary level of budgetary control is at the object level within each department. Budgetary modifications may only be made by an ordinance of the City Council.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process** (Continued)

1. Modified Tax Budget

By July 15, the Mayor submits an annual modified tax budget for the following fiscal year to City Council for consideration and passage. The adopted budget 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.

2. Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificates of estimated resources is amended to include any unencumbered fund balances from the preceding year, and are reported as original budget amounts on the budgetary statements. The certificate may be further amended during the year if a new source of revenue is identified or if actual receipts exceed current estimates. The amounts reported on the final budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 2013.

3. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund, department and object level. The original appropriation budget ordinance may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. The allocation of appropriations among departments and objects within a fund may only be modified during the year by an ordinance of City Council. During the year, several supplemental appropriations were necessary to budget the use of contingency funds.

Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual" are provided on the budgetary basis to provide a comparison of actual results to the original and the final budgets. The final budget includes all amendments and modifications.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process (Continued)**

**4. Lapsing of Appropriations**

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

**5. Budgetary Basis of Accounting**

The City's budgetary process accounts for certain transactions on a basis other than accounting principles generally accepted in the United States (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund and major special revenue fund:

	Net Change in Fund Balance	
	General Fund	Municipal Income Tax 1/2% (Voted)
GAAP Basis (as reported)	(\$1,280,371)	\$1,030,326
Increase (Decrease):		
Accrued Revenues at December 31, 2013 received during 2014	(1,401,973)	(698,812)
Accrued Revenues at December 31, 2012 received during 2013	2,168,877	0
Accrued Expenditures at December 31, 2013 paid during 2014	592,890	0
Accrued Expenditures at December 31, 2012 paid during 2013	(510,495)	0
2012 Prepays for 2013	126,649	0
2013 Prepays for 2014	(135,186)	0
Outstanding Encumbrances	(626,261)	0
Budget Basis	<u>(\$1,065,870)</u>	<u>\$331,514</u>

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Cash and Cash Equivalents**

Cash and cash equivalents include amounts in demand deposits, the State Treasury Assets Reserve (STAR Ohio), and certificates of deposit and investments with original maturities of less than three months. The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand. See Note 3, "Cash, Cash Equivalents and Investments."

**G. Investments**

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City reports its investments at fair value. Fair value is determined by quoted market prices, except for nonparticipating investment contracts (certificates of deposit) which are reported at cost. All investment income, including changes in the fair value of investments are recognized as revenue in the operating statements. The City allocates interest among the various funds based upon state statutes and City legislation. See Note 3, "Cash, Cash Equivalents and Investments."

The City has invested funds in the STAR Ohio during 2013. 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, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2013.

**H. Inventory**

Inventory is stated at cost (first-in, first-out) in the governmental funds and at the lower of cost or market in the proprietary funds and on the statement of net position. The costs of inventory items are recorded as expenditures in the governmental funds when purchased and as expenses in the enterprise funds and on a government-wide basis when used.

**I. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2013, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**J. Capital Assets and Depreciation**

Capital assets are defined by the City as assets with an initial, individual cost of more than \$1,000.

**1. Capital Assets - Governmental Activities**

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements.

Donated capital assets are recorded at fair market value at the date received. Capital assets include land, buildings, improvements other than building, machinery, equipment and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems. Estimated historical costs for governmental activities capital asset values were initially determined by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

**2. Capital Assets – Business Type Activities**

Capital assets acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Contributed capital assets are recorded at fair market value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Position and in the respective funds.

**3. Depreciation**

All capital assets are depreciated, excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Governmental and Business-Type Activities Estimated Lives (in years)</u>
Buildings	15 - 50
Improvements other than Buildings	25-65
Infrastructure and Utility Structures in Service	15-100
Machinery and Equipment	5 - 20

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**K. Long-Term Obligations**

Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds	General Bond Retirement Fund Water Fund Sewer Fund
Special Obligation Bonds	General Bond Retirement Fund Water Fund Sewer Fund
Mortgage Revenue Bonds	Water Fund
Ohio Public Works Loan	General Bond Retirement Fund, Water Fund
Ohio Water Development Authority	Sewer Fund
Police and Fire Pension Accrued Liability	General Fund
Compensated Absences	General Fund, Street Construction Maintenance and Repair Fund, Cemetery Fund, Water Fund, Sewer Fund

**L. Compensated Absences**

City employees earn vacation at varying rates based upon length of service. A maximum of three weeks of vacation time may be carried over beyond the anniversary date subject to the approval of the department head. Upon separation from the City, the employee (or his estate) is paid for the accumulated unused vacation leave balance.

Sick leave is accrued by employees at the rate of 5 hours for every eighty hours worked. Upon separation from the City, after 10 years of service, 40 hour employees are paid 50% of accumulated sick leave up to a maximum of 480 hours and 48 hour employees up to a maximum of 617 hours. After 20 years of service, 40 hour employees are paid up to a maximum of 720 hours and 48 hour employees up to a maximum of 864 hours. Upon retirement the maximum payments are 1,080 hours with ten or more years of service for 40 hour employees in the police department, 1,200 hours with ten or more years of service for all other 40 hour employees and 1,296 hours for 48 hour employees with ten or more years of service.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**L. Compensated Absences (Continued)**

In accordance with GASB Statement No. 16, "Accounting for Compensated Absences," vacation and compensatory time are accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service time requirement is accrued to the extent that it is considered probable that the conditions for compensation will be met in the future.

Sick leave is accrued using the vesting method for all employees who have completed five years of service, whereby the liability is recorded on the basis of leave accumulated by employees eligible to receive termination payments as of the balance sheet date and on leave balances accumulated by other employees expected to become eligible to receive such payments in the future.

Compensated absences accumulated by employees are reported as an expense when earned in the government-wide financial statements. For governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." The noncurrent portion of the liability is not reported.

Compensated absences are expensed in the Water and Sewer Enterprise Funds when earned and the related liability is reported within the fund.

**M. Net Position**

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

**N. Pensions**

The provision for pension costs are recorded when the related payroll is accrued and the obligation is incurred.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**O. Interfund Transactions**

Transfers between governmental and business type activities on the government-wide financial statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Interfund services provided and used are not eliminated in the process of consolidation. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. Interfund activity has been eliminated from the government-wide financial statements.

**P. Fund Balances**

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

*Nonspendable* – Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally contractually required to be maintained intact.

*Restricted* – Restricted fund balance consists of amounts that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

*Committed* – Committed fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City’s highest level of decision making authority. For the City, these constraints consist of ordinances and resolutions passed by City Council. Committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action (ordinance) it employed previously to commit those amounts.

*Assigned* – Assigned fund balance consists of amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. The City has no formal policy authorizing a body or official to assign amounts for specific purposes.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**P. Fund Balances** (Continued)

*Unassigned* – Unassigned fund balance consists of amounts that have not been restricted, committed or assigned to specific purposes within the General Fund as well as negative fund balances in all other governmental funds.

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

**Q. Restricted Assets**

Certain assets are classified as restricted cash on the statement of net position and the balance sheet because these funds are being held by Knox County for permissive tax or a trustee as designated by a bond indenture, or in a trustee capacity for perpetual care.

**R. Operating Revenues and Expenses**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water treatment and distribution and wastewater collection and treatment. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**S. Bond Issuance Costs**

Bond issuance costs are recognized in the current period.

**T. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has one item that qualifies for reporting in this category. One is the deferred charge on refunding reported in the government-wide and proprietary statements of net position. 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.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**T. Deferred Outflows/Inflows of Resources (Continued)**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, unavailable amounts, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes, income taxes, special assessments, and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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**CITY OF MOUNT VERNON, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

**NOTE 2 – FUND BALANCE CLASSIFICATION**

Fund balance is classified as nonspendable, restricted, committed, assigned, and unassigned 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 constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General Fund	General			Other Governmental Funds	Total Governmental Funds
		Municipal Income Tax 1/2% (Voted)	Bond Retirement Fund	Capital Improvement Fund		
Nonspendable:						
Prepaid Items	\$135,186	\$0	\$0	\$0	\$29,996	\$165,182
Supplies Inventory	669	0	0	0	7,519	8,188
Endowment	0	0	0	0	416,771	416,771
<b>Total Nonspendable</b>	<b>135,855</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>454,286</b>	<b>590,141</b>
Restricted:						
Transportation Projects	0	0	0	1,283,776	1,499,912	2,783,688
Cemetery	0	0	0	0	152,320	152,320
Court Projects	0	0	0	0	376,143	376,143
Public Safety	8,080	1,030,326	0	0	202,472	1,240,878
Community Development	0	0	0	0	88,310	88,310
Debt Retirement	0	0	261	0	11,968	12,229
Parks and Recreation	0	0	0	0	8,253	8,253
<b>Total Restricted</b>	<b>8,080</b>	<b>1,030,326</b>	<b>261</b>	<b>1,283,776</b>	<b>2,339,378</b>	<b>4,661,821</b>
Committed:						
Parks and Recreation	0	0	0	0	70,829	70,829
Public Safety	0	0	0	0	52,918	52,918
Capital Improvements	16,480	0	0	0	11,248	27,728
<b>Total Committed</b>	<b>16,480</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>134,995</b>	<b>151,475</b>
Assigned:						
Projected Budgetary Deficit	2,239,554	0	0	0	0	2,239,554
Encumbrances	441,354	0	0	0	0	441,354
<b>Total Assigned</b>	<b>2,680,908</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,680,908</b>
Unassigned:						
	970,240	0	0	0	0	970,240
<b>Total Fund Balances</b>	<b>\$3,811,563</b>	<b>\$1,030,326</b>	<b>\$261</b>	<b>\$1,283,776</b>	<b>\$2,928,659</b>	<b>\$9,054,585</b>

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 3 - CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments. In addition, investments are separately held by a number of individual funds. The City has adopted an Investment Policy that follows Ohio Revised Code Chapter 135 and applies the prudent person standard. The prudent person standard requires the Auditor and Treasurer to exercise the care, skill and experience that a prudent person would use to manage his/her personal financial affairs and to seek investments that will preserve principal while maximizing income.

Statutes require the classification of funds held by the City into three categories:

Category 1 consists of "active" funds - those funds required to be kept in "cash" or "near cash" status for immediate use by the City. Such funds must be maintained either as cash in the City Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of "inactive" funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing no later than the end of the current period of designation of depositories.

Category 3 consists of "interim" funds - those funds not needed for immediate use but needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- 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 or interest by the United States;
- 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;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 3 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

**A. Deposits**

Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned. Protection of City cash and deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets. The City has no policy on custodial credit risk and is governed by Ohio Revised Code. Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

At year end the carrying amount of the City's deposits was \$11,094,373 and the bank balance \$11,314,248. The Federal Deposit Insurance Corporation (FDIC) covered \$9,000,000 of the bank balance. Although all statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the City to a successful claim by the FDIC. Of the remaining uninsured bank balance, the City was exposed to custodial risk as follows:

	<u>Balance</u>
Uninsured and collateralized with securities held by the pledging institution's trust department not in the City's name	<u>\$2,314,248</u>
Total Balance	<u><u>\$2,314,248</u></u>

Investment earnings of \$25,874 earned by other funds were credited to the General Fund as required by state statute.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

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**NOTE 3 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**B. Investments**

The City's investments at December 31, 2013 are summarized below:

	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Investment Maturities (in Years)</u> <u>less than 1</u>
STAR Ohio	<u>\$852,077</u>	AAAm <sup>1</sup>	<u>\$852,077</u>
Total Investments	<u>\$852,077</u>		<u>\$852,077</u>

<sup>1</sup> Standard & Poor's

*Interest Rate Risk* – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date.

*Investment Credit Risk* – The City has no investment policy that limits its investment choices other than the limitation of State statute for “interim” funds described previously.

*Concentration of Credit Risk* – The City places no limit on the amount the City may invest in one issuer. Of the City’s total investments, 100% are STAR Ohio.

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The above investments are exposed to custodial credit risk as they are uninsured, unregistered, and held by the counterparty’s trust department or agent, but not in the City’s name. The City has no policy on custodial credit risk and is governed by Ohio Revised Code as described under Deposits.

**C. Cash with Fiscal Agents**

In addition to deposits and investments, the City has uninsured and uncollateralized cash in the amount of \$5,365 being held by Knox County and the City had cash with fiscal agents in the amount of \$441,281 for bond reserve accounts, of which \$250,000 was insured by the FDIC and the remaining deposits were uninsured and uncollateralized.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

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**NOTE 3 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**D. Reconciliation of Cash, Cash Equivalents and Investments**

The classification of cash, cash equivalents and investments on the financial statements is based on criteria set forth in GASB Statement No. 9. STAR Ohio is treated as a cash equivalent. The classification of cash and cash equivalents (deposits) for purposes of this note are based on criteria set forth in GASB Statement No. 3.

	<u>Cash and Cash Equivalents</u>	<u>Investments</u>
Per GASB Statement No. 9	\$3,946,450	\$8,000,000
Certificates of Deposit (with maturities of more than 3 months)	8,000,000	(8,000,000)
Investments:		
STAR Ohio	<u>(852,077)</u>	<u>852,077</u>
Per GASB Statement No. 3	<u>\$11,094,373</u>	<u>\$852,077</u>

**NOTE 4 - TAXES**

**A. Property Taxes**

Property taxes include amounts levied against all real estate and public utility property used in business and located in the City. Real property taxes (other than public utility) collected during 2012 were levied after October 1, 2012 on assessed values as of January 1, 2012, the lien date. Assessed values were established by the County Auditor at 35 percent of appraised market value. All property is required to be reappraised every six years, and equalization adjustments are made in the third year following reappraisal. The last revaluation was completed in 2011. Real property taxes are payable annually or semi-annually. The first payment is due January 31; the remainder is payable by June 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100% of its true value. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including the City of Mount Vernon. The County Auditor periodically remits to the City its portion of the taxes collected. The full tax rate for all City operations for the year ended December 31, 2013 was \$3.20 per \$1,000 of assessed value. The assessed value upon which the 2013 tax receipts were based was \$247,754,300. This amount constitutes \$239,307,170 in real property assessed value and \$8,447,130 in public utility assessed.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 4 - TAXES (Continued)**

**A. Property Taxes (Continued)**

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .320% (3.20 mills) of assessed value.

**B. Income Tax**

The City levies a tax of 1.5% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of up to 1% of the tax paid to another municipality.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

Income tax proceeds, after payment of collection expenses, have been allocated by City Council as follows: 81% of the unvoted 1% portion of the income tax is credited to the General Fund, 10% to the Capital Improvement Fund, 3% to the Street Construction, Maintenance and Repair Fund, 4% to the Cemetery Fund, 1% to the Police Pension Fund and 1% to the Fire Pension Fund; 100% of the voted 0.5% portion of the income tax is credited to the Municipal Income Tax ½% Voted Fund.

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 5 - RECEIVABLES**

Receivables at December 31, 2013 consisted of taxes, accounts, interest, and intergovernmental receivables. All receivables are collectible in full and within one year except for allowance for doubtful accounts related to billings for governmental and proprietary funds.

A summary of the principal items of intergovernmental receivables follows:

Intergovernmental Receivables	Amount
General Fund	
Estate Tax	\$23,437
Homestead and Rollback Reimbursement	38,852
Local Government	111,264
Lodging Tax	326
Total General Fund	<u>173,879</u>
Major Debt Service Fund:	
Interest Subsidy	261
Major Capital Improvement Fund:	
State Grants	753,620
Nonmajor Special Revenue Funds:	
Street Construction, Maintenance and Repair Fund	
Cents Per Gallon	25,794
Gasoline Tax	204,858
Motor Vehicle Tax	41,961
Total Street Construction, Maintenance and Repair Fund	<u>272,613</u>
State Highway Improvement Fund	
Gasoline Tax	18,702
Motor Vehicle Tax	3,402
Total State Highway Improvement Fund	<u>22,104</u>
CDBG Fund - CDBG Grants	609,124
Permissive License Registration Fund - Permissive Tax	16,129
Driver's Interlock and Alcohol Monitoring - Fines and Forfeitures	1,455
Police Pension Fund - Homestead and Rollback Reimbursement	4,488
Fire Pension Fund - Homestead and Rollback Reimbursement	4,488
Total Nonmajor Special Revenue Funds	<u>930,401</u>
Total Governmental Fund Types	<u><u>\$1,858,161</u></u>

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 6 - TRANSFERS**

Following is a summary of Transfers in and out for all funds for 2013:

Fund	Transfer In	Transfer Out
General Fund	\$0	\$1,410,926
General Bond Retirement Fund	607,544	0
Capital Improvement Fund	472,575	0
Other Governmental Funds	576,020	245,213
Total Governmental Funds	<u>\$1,656,139</u>	<u>\$1,656,139</u>

Transfers are used to move revenues from the funds that statute or budget requires to collect them to the funds that statute or budget requires to expend them; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed. All transfers are considered allowable in accordance with Ohio Revised Code Sections 5705.14 – 5705.16.

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**CITY OF MOUNT VERNON, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

**NOTE 7 - CAPITAL ASSETS**

**A. Governmental Activities Capital Assets**

Summary by category of changes in governmental activities capital assets as of December 31, 2013:

*Historical Cost:*

Class	December 31, 2012	Additions	Deletions	December 31, 2013
<i>Capital assets not being depreciated:</i>				
Land	\$11,870,871	\$162,603	\$0	\$12,033,474
Construction in Progress	1,801,925	2,471,746	(4,611)	4,269,060
Subtotal	<u>13,672,796</u>	<u>2,634,349</u>	<u>(4,611)</u>	<u>16,302,534</u>
<i>Capital assets being depreciated:</i>				
Buildings	13,097,232	241,922	0	13,339,154
Improvements Other than Buildings	1,098,980	9,160	0	1,108,140
Infrastructure	40,280,114	780,189	(40,710)	41,019,593
Machinery and Equipment	7,359,165	438,536	(124,511)	7,673,190
Subtotal	<u>61,835,491</u>	<u>1,469,807</u>	<u>(165,221)</u>	<u>63,140,077</u>
Total Cost	<u>\$75,508,287</u>	<u>\$4,104,156</u>	<u>(\$169,832)</u>	<u>\$79,442,611</u>

*Accumulated Depreciation:*

Class	December 31, 2012	Additions	Deletions	December 31, 2013
Buildings	(\$5,126,017)	(\$438,054)	\$0	(\$5,564,071)
Improvements	(545,719)	(25,637)	0	(571,356)
Infrastructure	(16,832,603)	(1,165,333)	36,609	(17,961,327)
Machinery and Equipment	(5,261,067)	(416,397)	96,969	(5,580,495)
Total Depreciation	<u>(\$27,765,406)</u>	<u>(\$2,045,421) *</u>	<u>\$133,578</u>	<u>(\$29,677,249)</u>
<i>Net Value:</i>	<u>\$47,742,881</u>			<u>\$49,765,362</u>

\* Depreciation expenses were charged to governmental functions as follows:

Security of Persons and Property	\$345,153
Leisure Time Activities	222,650
Public Health & Welfare	12,491
Transportation	1,258,166
General Government	<u>206,961</u>
Total Depreciation Expense	<u>\$2,045,421</u>

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

**NOTE 7 – CAPITAL ASSETS (Continued)**

**B. Business-Type Activities Capital Assets**

Summary by category of changes in business-type activities capital assets as of December 31, 2013:

***Historical Cost:***

Class	December 31, 2012	Additions	Deletions	December 31, 2013
<b><i>Capital assets not being depreciated:</i></b>				
Land	\$819,311	\$0	\$0	\$819,311
Construction in Progress	10,968,736	3,002,478	(3,894,135)	10,077,079
Subtotal	11,788,047	3,002,478	(3,894,135)	10,896,390
<b><i>Capital assets being depreciated:</i></b>				
Buildings	25,661,695	0	0	25,661,695
Utility Structures in Service	24,042,859	2,826,485	(1,860)	26,867,484
Machinery and Equipment	3,437,635	98,797	(480,831)	3,055,601
Subtotal	53,142,189	2,925,282	(482,691)	55,584,780
Total Cost	\$64,930,236	\$5,927,760	(\$4,376,826)	\$66,481,170

***Accumulated Depreciation:***

Class	December 31, 2012	Additions	Deletions	December 31, 2013
Buildings	(\$12,013,276)	(\$944,354)	\$0	(\$12,957,630)
Utility Structures in Service	(12,820,861)	(375,268)	818	(13,195,311)
Machinery and Equipment	(3,182,280)	(90,177)	480,831	(2,791,626)
Total Depreciation	(\$28,016,417)	(\$1,409,799)	\$481,649	(\$28,944,567)
<b><i>Net Value:</i></b>	\$36,913,819			\$37,536,603

**NOTE 8 - DEFINED BENEFIT PENSION PLANS**

All of the City's full-time employees participate in one of two separate retirement systems which are cost-sharing multiple employer defined benefit pension plans.

**A. Ohio Public Employees Retirement System ("OPERS")**

The following information was provided by OPERS to assist the City in complying with GASB Statement No. 27, "Accounting for Pensions by State and Local Government Employers."

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 8 - DEFINED BENEFIT PENSION PLANS (Continued)**

**A. Ohio Public Employees Retirement System (“OPERS”) (Continued)**

All employees of the City, except full-time uniformed police officers and full-time firefighters, participate in one of the three pension plans administered by OPERS: the Traditional Pension Plan (TP), the Member-Directed Plan (MD), and the Combined Plan (CO). The TP Plan is a cost-sharing multiple employer defined benefit pension plan. The MD Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the MD Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon. The CO Plan is a cost-sharing multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. Under the CO Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the TP Plan. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the TP Plan and CO Plan. Members of the MD Plan do not qualify for ancillary benefits, including postemployment health care benefits. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. The Ohio Public Employees Retirement System issues a stand-alone financial report that includes financial statements and required supplementary information for OPERS. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by making a written request to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

The ORC provides statutory authority for employee and employer contributions. For 2013, employee and employer contribution rates were consistent across all three plans (TP, MD and CO). The employee contribution rate is 10.0%. The 2013 employer contribution rate for local government employer units was 14.00% of covered payroll, which is the maximum contribution rate set by State statutes. Employer contribution rates are actuarially determined. A portion of the City’s contribution is used to fund pension obligations with the remainder being used to fund health care benefits. The portion of employer contributions allocated to pension obligations for members in the Traditional and Combined Plans was 13.0% for calendar year 2013. The contribution requirements of plan members and the City are established and may be amended by the OPERS Board. The City’s contributions for pension obligations to OPERS for the years ending December 31, 2013, 2012, and 2011 were \$609,627, \$636,286 and \$657,585, respectively, which were equal to the required contributions for each year. Contributions to the member-directed plan for 2013 were \$15,390 made by the City and \$10,993 made by the plan members.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 8 – DEFINED BENEFIT PENSION PLANS (Continued)**

**B. Ohio Police and Fire Pension Fund (“OP&F”)**

All City full-time police officers and full-time firefighters participate in OP&F, a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. Contribution requirements and benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the ORC. The Ohio Police and Fire Pension Fund issues a stand-alone financial report that includes financial statements and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164, by calling (614) 228-2975, or by visiting [www.op-f.org](http://www.op-f.org).

From January 1, 2013 through July 1, 2013, plan members were required to contribute 10.0% of their annual covered salary. From July 2, 2013 through December 31, 2013, plan members were required to contribute 10.75% of their annual covered salary. Throughout 2013, employers were required to contribute 19.5% and 24.0% respectively for police officers and firefighters. A portion of the City’s contribution is used to fund pension obligations with the remainder being used to fund health care benefits. The portion of employer contributions used to fund pension obligations from January 1, 2013 through May 31, 2013 was 14.81% for police officers and 19.31% for firefighters. The portion of employer contributions used to fund pension obligations from June 1, 2013 through December 31, 2013 was 16.65% for police officers and 21.15% for firefighters. The City's contributions for pension obligations to the OP&F Fund for the years ending December 31, 2013, 2012, and 2011 were \$236,454, \$188,986 and \$190,096 for police officers and \$436,442, \$343,418 and \$345,549 for firefighters, respectively, which were equal to the required contributions for each year.

**NOTE 9 - POSTEMPLOYMENT BENEFITS**

**A. Ohio Public Employees Retirement System (“OPERS”)**

Plan Description – 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 plan, which includes a medical plan, prescription drug program and Medicare Part B Premium reimbursement, to qualifying member of both the Traditional Pension and the Combined Plans. Members of the Member Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 9 - POSTEMPLOYMENT BENEFITS (Continued)**

**A. Ohio Public Employees Retirement System (“OPERS”) (Continued)**

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

The ORC permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the ORC.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by making a written request to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-7377.

Funding Policy – The ORC provides the statutory authority requiring public employers to fund post retirement health care coverage through their contributions to OPERS. A portion of each employer’s contribution to OPERS is set aside for the funding of post retirement health care benefits. Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2013, local government employers contributed at a rate of 14.00% of covered payroll. The ORC currently limits the employer contribution to a rate not to exceed 14.0% of covered payroll for local government employers. Active members do not make contributions to the OPEB plan.

The OPERS Postemployment Health Care plan was established under, and is administered in accordance with Internal Revenue Code 401(h). Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for funding of postemployment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional and Combined Plans was 1.0% for calendar year 2013. Effective January 1, 2014, the portion of employer contributions allocated to healthcare was raised to 2% for both plans, as recommended by the OPERS actuary. The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions for health care to the OPERS for the years ending December 31, 2013, 2012, and 2011 were \$43,545, \$181,173 and \$284,143, respectively, which were equal to the required contributions for each year.

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

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 9 - POSTEMPLOYMENT BENEFITS**

**B. Ohio Police and Fire Pension Fund (“OP&F”)**

Plan Description – The City contributes to the OP&F sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45.

The ORC permits, but does not mandate, OP&F to provide OPEB benefits. Authority to establish and amend benefits is provided in Chapter 742 of the ORC.

OP&F issues a stand-alone financial report that includes financial information and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F’s website at [www.op-f.org](http://www.op-f.org).

Funding Policy – The ORC provides for contribution requirements of the participating employers and of plan members to the OP&F. 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% and 24.0% of covered payroll for police and fire employers, respectively. The ORC states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24.0% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2013, the portion of employer contributions allocated to health care was 4.69% of covered payroll from January 1, 2013 through May 31, 2013 and 2.85% of covered payroll from June 1, 2013 through December 31, 2013 for both police officers and firefighters. 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 OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

**CITY OF MOUNT VERNON, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

**NOTE 9 - POSTEMPLOYMENT BENEFITS (Continued)**

**B. Ohio Police and Fire Pension Fund (“OP&F”) (Continued)**

The City's contributions for health care to the OP&F for the years ending December 31, 2013, 2012, and 2011 were \$56,898 \$100,051 and \$100,639 for police and \$81,590, \$134,381 and \$135,215 for firefighters, respectively, which were equal to the required contributions for each year.

**NOTE 10 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS**

Long-term debt and other long-term obligations of the City at December 31, 2013 were as follows:

				Balance			Balance	Amounts
				December 31,	Additions	(Reductions)	December 31,	Due Within
				2012			2013	One Year
<b>Business-Type Activities:</b>								
Mortgage Revenue Bonds:								
3.00 - 3.75%	Water Refunding 1999	2009		\$3,205,000	\$0	(\$425,000)	\$2,780,000	\$435,000
General Obligation Bonds:								
2.00 - 4.200%	Wastewater Improvements	2003		87,000	0	(87,000)	0	0
2.00 - 4.200%	Wastewater-Refunding 1992	2003		63,000	0	(63,000)	0	0
2.00 - 4.200%	Water-Building Project	2003		4,500	0	(4,500)	0	0
2.00 - 4.200%	Wastewater-Building Project	2003		4,500	0	(4,500)	0	0
4.00 - 5.500%	Waterworks Refunding 1997	2007		3,465,000	0	(525,000)	2,940,000	540,000
3.75 - 4.350%	Waterworks	2007		410,000	0	(15,000)	395,000	21,200
3.75 - 4.350%	W/W Treatment Facility	2007		2,375,000	0	(115,000)	2,260,000	119,250
1.15 - 6.000%	Wastewater Improvements	2009		2,280,000	0	(105,000)	2,175,000	110,000
1.86%	Wastewater Refunding 2003	2012		1,003,400	0	(11,600)	991,800	102,950
1.86%	Wastewater Refunding 2003	2012		726,600	0	(8,400)	718,200	74,550
1.86%	Water Refunding 2003	2012		51,900	0	(600)	51,300	5,325
1.86%	Wastewater Refunding 2003	2012		51,900	0	(600)	51,300	5,325
Total General Obligation Bonds Payable				10,522,800	0	(940,200)	9,582,600	978,600
Special Obligation Bonds:								
2.60%	Water - Building Project	2012		887,500	0	(48,750)	838,750	48,750
2.60%	Wastewater -Building Project	2012		887,500	0	(48,750)	838,750	48,750
Total Special Obligation Bonds Payable				1,775,000	0	(97,500)	1,677,500	97,500
Ohio Public Works Commission Loan:								
0.000%	Water Improvements	2009		109,692	0	(6,268)	103,424	6,268
Ohio Water Development Authority								
1.160%	Wastewater Improvements	2011		6,289,243	356,594	(169,111)	6,476,726	171,079
Compensated Absences				343,039	135,638	(152,955)	325,722	107,658
Total Business-Type Activities				\$22,244,774	\$492,232	(\$1,791,034)	\$20,945,972	\$1,796,105

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

**NOTE 10 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)**

				Balance			Balance	Amounts
				December 31,	Additions	(Reductions)	December 31,	Due Within
				2012			2013	One Year
<b>Governmental Activities:</b>								
General Obligation Bond:								
2.00 - 4.200%	Building Project	2003	\$9,000	\$0	(\$9,000)	\$0	\$0	\$0
2.00 - 4.200%	Highway Project	2003	132,000	0	(132,000)	0	0	0
3.75 - 4.350%	Water Park Facility	2007	2,495,000	0	(120,000)	2,375,000	124,550	
2.00- 4.250%	Highway Project	2009	1,915,000	0	(85,000)	1,830,000	85,000	
1.86%	Building Refunding 2003	2012	103,800	0	(1,200)	102,600	10,650	
1.86%	Highway Refunding 2003	2012	1,522,400	0	(17,600)	1,504,800	156,200	
Total General Obligation Bonds Payable				6,177,200	0	(364,800)	5,812,400	376,400
Special Obligation Bonds:								
2.60%	Building Project	2012	1,775,000	0	(97,500)	1,677,500	100,000	
Total Special Obligation Bonds Payable				1,775,000	0	(97,500)	1,677,500	100,000
Ohio Public Works Commission Loans:								
0.000%	OPWC Loan Payable	2003	255,000	0	(21,250)	233,750	21,250	
0.000%	OPWC Loan Payable	2009	109,375	0	(6,250)	103,125	6,250	
Total OPWC Loans Payable				364,375	0	(27,500)	336,875	27,500
Compensated Absences				1,120,509	891,320	(950,803)	1,061,026	304,994
Police and Firemen's Pension Accrued Liability				400,777	0	(10,956)	389,821	11,427
Total Governmental Activities				\$9,837,861	\$891,320	(\$1,451,559)	\$9,277,622	\$820,321

**A. Long-term Debt Purpose**

**Business Type Activities:** Mortgage Revenue Bonds Refunding 1999 (2009) and General Obligation Bonds, Waterworks Refunding 1997 (2007) were issued for the construction of a new water treatment plant. Water and Wastewater-Building Project (2003) was for the acquisition and renovation of a building for the customer service and billing division. Wastewater Improvements (2003) was for the construction of a major wastewater main line. Waterworks (2007) was for the construction of a major water main line. Wastewater-Refunding 1992 (2003) was for the construction of two anaerobic aerobic digester tanks. Wastewater Treatment Facility (2007) was for aeration and infiltration upgrades. Wastewater Improvements (2009) was for relining of wastewater lines and manhole rehabilitation. Wastewater Improvements (2011) was for upgrades to electrical and instrumentation at treatment plant. Wastewater Refunding 2003 (2012) and Water Refunding 2003 (2012) were for the acquisition and renovation of a building for the customer service and billing division. Water and Wastewater building project (2012) was for the construction of a combined maintenance facility building for the Distribution and Collection Departments.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

**NOTE 10 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)**

**A. Long-term Debt Purpose (Continued)**

In 2011, the City entered into an agreement with the OWDA, as administrator for the U. S. Environmental Protection Agency (EPA), for the City to receive a loan of \$7,537,774. The proceeds are being used to construct a septage receiving station and electrical and instrumentation upgrades. The amount is subject to change and has not been finalized. The interest rate on the loans is 1.16%, per annum. This loan is payable from water pollution charges and is received by the City in increments as the project is completed. As of December 31, 2011, the City had received \$2,303,347, as of December 31, 2012, the City had received \$4,154,032 and as of December 31, 2013 the City had received \$356,594 from OWDA. Subsequent amounts will be received in future years. The City began repaying the loan in semiannual payments in 2012 based on a loan amount of \$6,457,379 to be paid through 2032. An estimate of future financing requirements has been made based on the loan balance of \$6,476,726 at December 31, 2013.

		Original Issue
		<u>                    </u>
<b>Business-Type Activities</b>		
Mortgage Revenue Bonds:		
Water Refunding 1999	2009	\$4,420,000
General Obligation Bonds:		
Wastewater Improvements	2003	2,249,703
Wastewater-Refunding 1992	2003	1,595,845
Water-Building Project	2003	128,115
Wastewater-Building Project	2003	128,115
Waterworks Refunding 1997	2007	5,785,000
Waterworks	2007	520,000
Wastewater Treatment Facility	2007	2,890,000
Wastewater Improvements	2009	2,595,000
Wastewater Refunding	2012	1,020,800
Wastewater Refunding	2012	739,200
Wastewater Refunding	2012	52,800
Water Refunding	2012	52,800
Total General Obligation Bonds		<u>17,757,378</u>
Special Obligation Bonds:		
Wastewater-Building Project	2012	887,500
Water-Building Project	2012	887,500
Total Special Obligation Bonds		<u>1,775,000</u>

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

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**NOTE 10 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)**

**A. Long-term Debt Purpose (Continued)**

**Governmental Activities:** Building Project (2003) was for the acquisition and renovation of a building for the City Income Tax Department. Highway Project (2003) was for the widening of a portion of State Route 36 East, including drainage and traffic lights. Water Park Facility (2007) was for the construction of a new water park/pool complex. Highway Project (2009) was for road improvements to Blackjack Road. Building Refunding 2003 (2012) was for the acquisition and renovation of a building for the City Income Tax Department. Highway Refunding 2003 (2012) was for the widening of a portion of State Route 36 East, including drainage and traffic lights. Building Project (2012) was for the construction of a combined maintenance facility building for the Street Department.

		Original Issue
<b>Governmental Activities Long-Term Debt:</b>		
General Obligation Bonds:		
Building Project	2003	\$256,230
Highway Project	2003	3,371,992
Water Park Facility	2007	3,035,000
Highway Project	2009	2,165,000
Building Refunding 2003	2012	105,600
Highway Refunding 2003	2012	1,548,800
Total General Obligation Bonds		<u>10,482,622</u>
Special Obligation Bonds:		
Building Project	2012	1,775,000
Total Special Obligation Bonds		<u>1,775,000</u>
Ohio Public Works Commission Loan:		
OPWC Loan Payable	2003	425,000
OPWC Loan Payable	2009	125,000
Total Ohio Public Works Commission Loan Payable		<u>550,000</u>

**B. Police and Firemen's Pension Fund**

The City's liability for past service costs related to the Police and Firemen's Pension Fund at December 31, 2013 was \$598,048 in principal and interest payments through the year 2035.

**CITY OF MOUNT VERNON, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

**NOTE 10 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)**

**C. Principal and Interest Requirements**

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2013 are as follows:

**Business-type Activities:**

Years	General Obligation Bonds		Mortgage Revenue Bonds		Ohio Public Works Commission Loan	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$978,600	\$399,744	\$435,000	\$102,450	\$6,268	\$0
2015	1,010,800	365,781	450,000	89,400	6,268	0
2016	1,043,450	329,293	465,000	75,900	6,268	0
2017	1,093,750	282,223	480,000	59,625	6,268	0
2018	1,131,400	232,558	950,000	35,625	6,268	0
2019-2023	2,444,600	766,793	0	0	31,341	0
2024-2028	1,705,000	298,432	0	0	31,341	0
2029-2033	175,000	10,500	0	0	9,402	0
<b>Totals</b>	<b>\$9,582,600</b>	<b>\$2,685,324</b>	<b>\$2,780,000</b>	<b>\$363,000</b>	<b>\$103,424</b>	<b>\$0</b>

Years	Ohio Water Development Authority Loan		Special Obligation Bonds	
	Principal	Interest	Principal	Interest
2014	\$171,079	\$40,586	\$97,500	\$43,614
2015	218,376	38,386	102,500	41,016
2016	223,443	36,186	105,000	38,456
2017	228,627	33,986	110,000	35,620
2018	233,931	31,786	112,500	32,760
2019-2023	1,253,624	125,932	605,000	118,632
2024-2028	1,405,951	70,932	545,000	35,724
2029-2033	1,576,786	17,144	0	0
2034-2037	1,164,909	31,455	0	0
<b>Totals</b>	<b>\$6,476,726</b>	<b>\$426,393</b>	<b>\$1,677,500</b>	<b>\$345,822</b>

**CITY OF MOUNT VERNON, OHIO**

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013**

**NOTE 10 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)**

**C. Principal and Interest Requirements (Continued)**

**Governmental Activities:**

Years	General Obligation Bonds		Police/Fire Pension Liability		Ohio Public Works Commission Loan	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$376,400	\$203,297	\$11,427	\$16,448	\$27,500	\$0
2015	394,200	192,696	11,918	15,955	27,500	0
2016	411,550	180,779	12,429	15,444	27,500	0
2017	421,250	168,511	12,964	14,911	27,500	0
2018	428,600	155,756	13,521	14,354	27,500	0
2019-2023	2,145,400	566,348	76,830	62,541	137,500	0
2024-2028	1,485,000	209,759	94,509	44,561	52,500	0
2029-2033	150,000	6,375	117,000	22,375	9,375	0
2034-2035	0	0	39,223	1,638	0	0
<b>Totals</b>	<b>\$5,812,400</b>	<b>\$1,683,521</b>	<b>\$389,821</b>	<b>\$208,227</b>	<b>\$336,875</b>	<b>\$0</b>

Years	Special Obligation Bonds	
	Principal	Interest
2014	\$100,000	\$43,615
2015	102,500	41,015
2016	105,000	38,455
2017	110,000	35,620
2018	112,500	32,760
2019-2023	605,000	118,633
2024-2028	542,500	35,724
<b>Totals</b>	<b>\$1,677,500</b>	<b>\$345,822</b>

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 11 – COMPENSATED ABSENCES**

The City provides a liability for accumulated unpaid sick leave, vacation and compensatory time benefits when earned by employees. Accrued employee benefits for Governmental Funds not currently due and payable at yearend are recorded as Long-Term Obligations in the government-wide statements. At December 31, 2013, the total accumulated unpaid sick, vacation and compensatory time recorded was as follows:

	<u>Hours</u>	<u>Amount</u>
Sick Leave	61,924	\$707,523
Vacation	13,627	304,285
Compensatory Time	<u>2,240</u>	<u>49,218</u>
Total	<u>77,791</u>	<u>\$1,061,026</u>

The portion attributable to the enterprise funds has been recorded within the respective fund and is not included in the figures presented above.

**NOTE 12 - RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters.

The City belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. American Risk Pooling Consultants, Inc. (ARPCO), a division of York Insurance Services Group, Inc. (York), functions as the administrator of PEP and provides underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), which is also administered by ARPCO. Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty and Property Coverage

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2013, PEP retained \$350,000 for casualty claims and \$100,000 for property claims.

The aforementioned casualty and property reinsurance agreement does not discharge PEP's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Property and casualty settlements did not exceed insurance coverage for the past three fiscal years.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 12 - RISK MANAGEMENT (Continued)**

Financial Position

PEP's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Assets	\$ 34,411,883	\$ 34,389,569
Liabilities	<u>12,760,194</u>	<u>14,208,353</u>
Net Assets	<u>\$ 21,651,689</u>	<u>\$ 20,181,216</u>

At December 31, 2013 and 2012, the assets above also include approximately \$11.1 million and \$12.6 million of unpaid claims to be billed to approximately 475 and 466 member governments in the future, as of December 31, 2013 and 2012, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The City's share of these unpaid claims collectible in future years is approximately \$297,862.

Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership.

	<u>Contributions to PEP</u>
2012	\$ 133,582
2013	148,931

After completing one year of membership, members may withdraw on each anniversary of the date they joined PEP provided they provide written notice to PEP 60 days in advance of the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

The City pays unemployment claims to the State of Ohio as incurred. Workers' compensation claims are covered through the City's participation in the State of Ohio's program. The City pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on accident history and administrative costs.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2013***

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**NOTE 13 - CONSTRUCTION COMMITMENTS**

As of December 31, 2013, the City had the following commitments with respect to capital projects:

<u>Project</u>	<u>Remaining Construction Commitment</u>	<u>Expected Date of Completion</u>
Wastewater Treatment Plant Upgrades	\$311,545	June 2014
W. Pleasant Street Road Improvements	21,626	June 2014
Maintenance Service Building	469,509	June 2014
E. Chestnut Street Drainage Project	166,821	June 2014
Former American National Can Site Remediation Project	1,521,652	September 2015

**NOTE 14 - CONTINGENCIES**

The City is a party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The City's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

**NOTE 15 - CONDUIT DEBT OBLIGATIONS**

The City has issued Economic Development Revenue Bonds to provide financial assistance to private-sector entities for the acquisition, construction, renovation, installation and equipping of a 65,000 square foot expansion to the Prince Student Union, which will include a new arena and other intercollegiate athletic facilities, academic and office space facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received 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. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. At December 31, 2013, Economic Development Revenue Bonds outstanding for the Mount Vernon Nazarene University totaled \$9,200,000.

*COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES*

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*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE  
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS, AND  
FIDUCIARY FUNDS.*

***Nonmajor Governmental Funds***

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***Special Revenue Funds***

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Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

**Street Construction, Maintenance and Repair Fund**

To account for state-levied and controlled gasoline tax and motor vehicle registration fees designated for street maintenance and repair.

**State Highway Improvement Fund**

To account for the portion of the state gasoline tax and motor vehicle registration fees designated for maintenance and repair of state highways within the City.

**Permissive Auto License Tax Fund**

To account for county-levied motor vehicle registration fees designated for maintenance and repair of roads within the City.

**Cemetery Fund**

To account for revenue received from the operation of the City's municipal cemetery.

**Park Development Fund**

To account for the operation and maintenance of public recreational facilities.

**Community Development Block Grant Fund**

To account for state grants designated for community environmental improvements.

**Parking Fund**

To account for revenues received from the City's parking garage.

**Law Enforcement Trust Fund**

To account for the proceeds from the confiscation of contraband.

**Drug Enforcement Trust Fund**

To account for mandatory fines collected for drug offenses.

**Permissive License Registration Fund**

To account for municipal-levied motor vehicle registration fees designated for street construction, maintenance and repair.

**Indigent Drivers Alcohol Treatment Fund**

To account for revenues derived from fines levied by the courts to be used for treatment of persons with alcohol related problems.

(Continued)

***Special Revenue Funds***

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**DUI - Enforcement and Education Fund**

To account for the financial resources used to educate the public regarding laws governing the operation of motor vehicles while under the influence of alcohol.

**Court Computerization Fund**

To account for revenues from fines to be used for computers and for updating computerized court functions.

**Probation Services Fund**

To account for revenues from offenders placed on probation and designated for probation related expenses or reconciliation programs for offenders and victims.

**Federal Emergency Management Agency (FEMA) Grant Fund**

To account for grant monies received from Federal Emergency Management Agency for assistance with public or individual restoration of disaster-damaged projects. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

**Lodging Excise Tax Fund**

To promote the development of the arts, cultural and educational, to bring the patronage and business of residents and tourists to the central business district, for the benefit of the citizens of the City and the business community.

**Driver's Interlock and Alcohol Monitoring Fund**

To account for the financial resources derived from fines levied by the courts to be used for monitoring drivers who have been convicted of driving under the influence.

**Public Service Street Repair Fund**

To account for revenue received for cab vehicle licenses and cab operator licenses designated for street maintenance and repair.

**Hiawatha Water Park Scholarship Fund**

To account for public donations to provide scholarships for income eligible youth for day passes to the water park facility.

**Police Pension Fund**

To account for .3 mills of property taxes for the partial payment of the current and accrued liability for police disability and pension.

**Fire Pension Fund**

To account for .3 mills of property taxes for the partial payment of the current and accrued liability for fire disability and pension.

**Mausoleum Fund**

To account for funds on deposit used for the purpose of upkeep, repair and maintenance of the mausoleum.

*Special Revenue Funds*

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**Veterans Honor Walkway Fund**

To account for funds on deposit used for the purpose of upkeep, repair and maintenance of the Veterans Walk of Honor and the Civil War monument located on the city square.

*Debt Service Fund*

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The Debt Service Fund is used to account for retirement of the City's long-term debt obligations.

**General Bond Retirement-Income Tax Fund**

To account for the accumulation of income tax used for the payment of principal and interest on special obligation bonds for the construction of a maintenance building and appurtenant parking.

*Capital Projects Funds*

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The Capital Projects Funds are used to account for the financial resources used for the acquisition or construction of major capital facilities other than that financed by proprietary or trust funds.

**TIF District – Coshocton Road Fund**

To account for financial resources used for the improvements within the described boundaries of the Coshocton Road area. The TIF (tax increment financing) district will expire in January 2024 due to the twenty-five year maximum lifetime.

**Baltimore and Ohio (B&O) Railroad Depot Fund**

To account for financial resources used for the acquisition and improvements of a 1907 historical railroad depot station. The improvements are being funded by public contributions and potential future historical preservation grants. The site will provide space for community activities or additional governmental operations.

**TIF District-Industrial Area Fund**

To account for financial resources used for the improvements within the described boundaries of the Industrial Park area. The TIF (tax increment financing) district will expire in January 2036 due to the thirty year maximum lifetime.

*Permanent Fund*

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The Permanent Fund is used to account for the financial resources that are legally restricted in that only the earnings, not the principal, may be used to support the City's programs.

**Perpetual Care Fund**

To account for funds on deposit used for the purpose of upkeep, repair and maintenance of the cemetery.

**CITY OF MOUNT VERNON, OHIO**

**Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2013**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Assets:</b>					
Cash and Cash Equivalents	\$ 1,279,900	\$ 11,968	\$ 199,547	\$ 0	\$ 1,491,415
Investments	0	0	875,519	0	875,519
Receivables:					
Taxes	350,119	0	816,442	0	1,166,561
Accounts	2,420	0	0	11,205	13,625
Intergovernmental	930,401	0	0	0	930,401
Inventory of Supplies	7,519	0	0	0	7,519
Prepaid Items	29,996	0	0	0	29,996
Restricted Assets:					
Cash and Cash Equivalents	0	0	0	405,566	405,566
Cash and Cash Equivalents with Fiscal Agent	5,365	0	0	0	5,365
<b>Total Assets</b>	<b>\$ 2,605,720</b>	<b>\$ 11,968</b>	<b>\$ 1,891,508</b>	<b>\$ 416,771</b>	<b>\$ 4,925,967</b>
<b>Liabilities:</b>					
Accounts Payable	\$ 104,996	\$ 0	\$ 0	\$ 0	\$ 104,996
Accrued Wages and Benefits Payable	37,604	0	0	0	37,604
Contracts Payable	5,541	0	0	0	5,541
<b>Total Liabilities</b>	<b>148,141</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>148,141</b>
<b>Deferred Inflows of Resources:</b>					
Deferred Inflow-Property Tax	143,400	0	793,000	0	936,400
Unavailable Revenue	889,325	0	23,442	0	912,767
<b>Total Deferred Inflows of Resources</b>	<b>1,032,725</b>	<b>0</b>	<b>816,442</b>	<b>0</b>	<b>1,849,167</b>
<b>Fund Balances:</b>					
Nonspendable	37,515	0	0	416,771	454,286
Restricted	1,260,582	11,968	1,066,828	0	2,339,378
Committed	126,757	0	8,238	0	134,995
<b>Total Fund Balances</b>	<b>1,424,854</b>	<b>11,968</b>	<b>1,075,066</b>	<b>416,771</b>	<b>2,928,659</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 2,605,720</b>	<b>\$ 11,968</b>	<b>\$ 1,891,508</b>	<b>\$ 416,771</b>	<b>\$ 4,925,967</b>

**CITY OF MOUNT VERNON, OHIO**

***Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2013***

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>					
Taxes	\$ 868,906	\$ 143,647	\$ 791,717	\$ 0	\$ 1,804,270
Intergovernmental Revenues	1,507,411	0	0	0	1,507,411
Charges for Services	96,024	0	0	0	96,024
Licenses and Permits	2,875	0	0	0	2,875
Investment Earnings	254	0	0	0	254
Fines and Forfeitures	120,817	0	0	0	120,817
All Other Revenue	23,893	0	0	15,336	39,229
<b>Total Revenue</b>	<b>2,620,180</b>	<b>143,647</b>	<b>791,717</b>	<b>15,336</b>	<b>3,570,880</b>
<b>Expenditures:</b>					
Current:					
Security of Persons and Property	1,016,840	0	0	0	1,016,840
Public Health and Welfare Services	307,685	0	0	0	307,685
Leisure Time Activities	756	0	0	0	756
Community Environment	617,964	0	0	0	617,964
Transportation	1,025,834	0	403,860	0	1,429,694
General Government	207,087	0	0	0	207,087
Debt Service:					
Principal Retirement	0	97,500	0	0	97,500
Interest and Fiscal Charges	0	46,150	0	0	46,150
<b>Total Expenditures</b>	<b>3,176,166</b>	<b>143,650</b>	<b>403,860</b>	<b>0</b>	<b>3,723,676</b>
Excess (Deficiency) of Revenues Over Expenditures	(555,986)	(3)	387,857	15,336	(152,796)
<b>Other Financing Sources (Uses):</b>					
Transfers In	576,020	0	0	0	576,020
Transfers Out	0	0	(245,213)	0	(245,213)
<b>Total Other Financing Sources (Uses)</b>	<b>576,020</b>	<b>0</b>	<b>(245,213)</b>	<b>0</b>	<b>330,807</b>
Net Change in Fund Balances	20,034	(3)	142,644	15,336	178,011
<b>Fund Balances at Beginning of Year</b>	<b>1,411,835</b>	<b>11,971</b>	<b>932,422</b>	<b>401,435</b>	<b>2,757,663</b>
Decrease in Inventory Reserve	(7,015)	0	0	0	(7,015)
<b>Fund Balances End of Year</b>	<b>\$ 1,424,854</b>	<b>\$ 11,968</b>	<b>\$ 1,075,066</b>	<b>\$ 416,771</b>	<b>\$ 2,928,659</b>

**CITY OF MOUNT VERNON, OHIO**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2013**

	Street Construction, Maintenance & Repair	State Highway Improvement	Permissive Auto License Tax	Cemetery	Park Development
<b>Assets:</b>					
Cash and Cash Equivalents	\$ 203,058	\$ 81,225	\$ 4,290	\$ 105,781	\$ 8,253
Receivables:					
Taxes	52,244	0	0	69,658	0
Accounts	0	0	0	2,420	0
Intergovernmental	272,613	22,104	0	0	0
Inventory of Supplies	7,041	0	0	478	0
Prepaid Items	3,068	0	0	1,117	0
Restricted Assets:					
Cash and Cash Equivalents with Fiscal Agent	0	0	5,365	0	0
<b>Total Assets</b>	<b>\$ 538,024</b>	<b>\$ 103,329</b>	<b>\$ 9,655</b>	<b>\$ 179,454</b>	<b>\$ 8,253</b>
<b>Liabilities:</b>					
Accounts Payable	\$ 26,705	\$ 1,233	\$ 0	\$ 9,096	\$ 0
Accrued Wages and Benefits Payable	12,317	0	0	4,566	0
Contracts Payable	0	0	0	0	0
<b>Total Liabilities</b>	<b>39,022</b>	<b>1,233</b>	<b>0</b>	<b>13,662</b>	<b>0</b>
<b>Deferred Inflows of Resources:</b>					
Deferred Inflows-Property Tax	0	0	0	0	0
Unavailable Revenue	194,657	14,736	5,365	17,219	0
<b>Total Deferred Inflows of Resources</b>	<b>194,657</b>	<b>14,736</b>	<b>5,365</b>	<b>17,219</b>	<b>0</b>
<b>Fund Balances:</b>					
Nonspendable	10,109	0	0	1,595	0
Restricted	294,236	87,360	4,290	146,978	8,253
Committed	0	0	0	0	0
<b>Total Fund Balances</b>	<b>304,345</b>	<b>87,360</b>	<b>4,290</b>	<b>148,573</b>	<b>8,253</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 538,024</b>	<b>\$ 103,329</b>	<b>\$ 9,655</b>	<b>\$ 179,454</b>	<b>\$ 8,253</b>

**CITY OF MOUNT VERNON, OHIO**

Community Development Block Grant	Parking	Law Enforcement Trust	Drug Enforcement Trust	Permissive License Registration	Indigent Drivers Alcohol Treatment	DUI Enforcement and Education
\$ 74,502	\$ 52,945	\$ 10,691	\$ 44,764	\$ 35,259	\$ 1,246	\$ 42,008
0	0	0	0	0	0	0
0	0	0	0	0	0	0
609,124	0	0	0	16,129	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$ 683,626</u>	<u>\$ 52,945</u>	<u>\$ 10,691</u>	<u>\$ 44,764</u>	<u>\$ 51,388</u>	<u>\$ 1,246</u>	<u>\$ 42,008</u>
\$ 0	\$ 27	\$ 0	\$ 0	\$ 4,190	\$ 0	\$ 0
0	0	0	0	0	0	0
<u>192</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>192</u>	<u>27</u>	<u>0</u>	<u>0</u>	<u>4,190</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0	0
<u>595,124</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>595,124</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0	0
88,310	0	10,691	44,764	47,198	1,246	42,008
0	52,918	0	0	0	0	0
<u>88,310</u>	<u>52,918</u>	<u>10,691</u>	<u>44,764</u>	<u>47,198</u>	<u>1,246</u>	<u>42,008</u>
<u>\$ 683,626</u>	<u>\$ 52,945</u>	<u>\$ 10,691</u>	<u>\$ 44,764</u>	<u>\$ 51,388</u>	<u>\$ 1,246</u>	<u>\$ 42,008</u>

(Continued)

**CITY OF MOUNT VERNON, OHIO**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2013**

	Court Computerization	Probation Services	Lodging Excise Tax	Driver's Interlock & Alcohol Monitoring	Public Service Street Repair
<b>Assets:</b>					
Cash and Cash Equivalents	\$ 203,231	\$ 84,942	\$ 0	\$ 87,454	\$ 3,010
Receivables:					
Taxes	0	0	5,349	0	0
Accounts	0	0	0	0	0
Intergovernmental	0	0	0	1,455	0
Inventory of Supplies	0	0	0	0	0
Prepaid Items	25,784	0	0	0	0
Restricted Assets:					
Cash and Cash Equivalents with Fiscal Agent	0	0	0	0	0
<b>Total Assets</b>	<b>\$ 229,015</b>	<b>\$ 84,942</b>	<b>\$ 5,349</b>	<b>\$ 88,909</b>	<b>\$ 3,010</b>
<b>Liabilities:</b>					
Accounts Payable	\$ 1,234	\$ 951	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits Payable	0	0	0	0	0
Contracts Payable	0	0	5,349	0	0
<b>Total Liabilities</b>	<b>1,234</b>	<b>951</b>	<b>5,349</b>	<b>0</b>	<b>0</b>
<b>Deferred Inflows of Resources:</b>					
Deferred Inflows-Property Tax	0	0	0	0	0
Unavailable Revenue	0	0	0	0	0
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balances:</b>					
Nonspendable	25,784	0	0	0	0
Restricted	201,997	83,991	0	88,909	0
Committed	0	0	0	0	3,010
<b>Total Fund Balances</b>	<b>227,781</b>	<b>83,991</b>	<b>0</b>	<b>88,909</b>	<b>3,010</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 229,015</b>	<b>\$ 84,942</b>	<b>\$ 5,349</b>	<b>\$ 88,909</b>	<b>\$ 3,010</b>

**CITY OF MOUNT VERNON, OHIO**

<u>Hiawatha Water Park Scholarship</u>	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Mausoleum</u>	<u>Veterans Honor Walkway</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 3,115	\$ 60,017	\$ 101,053	\$ 5,342	\$ 67,714	\$ 1,279,900
0	111,434	111,434	0	0	350,119
0	0	0	0	0	2,420
0	4,488	4,488	0	0	930,401
0	0	0	0	0	7,519
0	0	0	0	27	29,996
0	0	0	0	0	5,365
<u>\$ 3,115</u>	<u>\$ 175,939</u>	<u>\$ 216,975</u>	<u>\$ 5,342</u>	<u>\$ 67,741</u>	<u>\$ 2,605,720</u>
\$ 0	\$ 21,396	\$ 40,164	\$ 0	\$ 0	\$ 104,996
0	7,276	13,445	0	0	37,604
0	0	0	0	0	5,541
<u>0</u>	<u>28,672</u>	<u>53,609</u>	<u>0</u>	<u>0</u>	<u>148,141</u>
0	71,700	71,700	0	0	143,400
0	31,112	31,112	0	0	889,325
<u>0</u>	<u>102,812</u>	<u>102,812</u>	<u>0</u>	<u>0</u>	<u>1,032,725</u>
0	0	0	0	27	37,515
0	44,455	60,554	5,342	0	1,260,582
3,115	0	0	0	67,714	126,757
<u>3,115</u>	<u>44,455</u>	<u>60,554</u>	<u>5,342</u>	<u>67,741</u>	<u>1,424,854</u>
<u>\$ 3,115</u>	<u>\$ 175,939</u>	<u>\$ 216,975</u>	<u>\$ 5,342</u>	<u>\$ 67,741</u>	<u>\$ 2,605,720</u>

**CITY OF MOUNT VERNON, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013**

	Street Construction, Maintenance & Repair	State Highway Improvement	Permissive Auto License Tax	Cemetery	Park Development
<b>Revenues:</b>					
Taxes	\$ 215,149	\$ 0	\$ 0	\$ 286,865	\$ 0
Intergovernmental Revenues	577,923	53,717	68,712	0	0
Charges for Services	0	0	0	67,177	1,020
Licenses and Permits	750	0	0	0	0
Investment Earnings	14	7	0	218	0
Fines and Forfeitures	0	0	0	0	0
All Other Revenue	16,715	0	0	4,308	0
<b>Total Revenue</b>	<b>810,551</b>	<b>53,724</b>	<b>68,712</b>	<b>358,568</b>	<b>1,020</b>
<b>Expenditures:</b>					
Current:					
Security of Persons and Property	0	0	0	0	0
Public Health and Welfare Services	0	0	0	307,685	0
Leisure Time Activities	0	0	0	0	0
Community Environment	0	0	0	0	0
Transportation	780,765	58,317	75,000	0	0
General Government	0	0	0	0	0
<b>Total Expenditures</b>	<b>780,765</b>	<b>58,317</b>	<b>75,000</b>	<b>307,685</b>	<b>0</b>
Excess (Deficiency) of Revenues Over Expenditures	29,786	(4,593)	(6,288)	50,883	1,020
<b>Other Financing Sources (Uses):</b>					
Transfers In	0	0	0	0	1,020
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,020</b>
Net Change in Fund Balances	29,786	(4,593)	(6,288)	50,883	2,040
<b>Fund Balances at Beginning of Year</b>	<b>281,715</b>	<b>91,953</b>	<b>10,578</b>	<b>97,549</b>	<b>6,213</b>
Increase (Decrease) in Inventory Reserve	(7,156)	0	0	141	0
<b>Fund Balances End of Year</b>	<b>\$ 304,345</b>	<b>\$ 87,360</b>	<b>\$ 4,290</b>	<b>\$ 148,573</b>	<b>\$ 8,253</b>

**CITY OF MOUNT VERNON, OHIO**

Community Development Block Grant	Parking	Law Enforcement Trust	Drug Enforcement Trust	Permissive License Registration	Indigent Drivers Alcohol Treatment	DUI Enforcement and Education
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
677,576	0	0	0	103,054	0	0
0	0	0	0	0	0	0
0	730	0	0	0	0	0
1	0	0	0	0	0	0
0	1,680	1,214	15,130	0	19,242	1,358
709	0	0	0	0	0	0
<u>678,286</u>	<u>2,410</u>	<u>1,214</u>	<u>15,130</u>	<u>103,054</u>	<u>19,242</u>	<u>1,358</u>
0	10,331	1,944	11,499	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
617,964	0	0	0	0	0	0
0	0	0	0	111,752	0	0
0	0	0	0	0	18,891	0
<u>617,964</u>	<u>10,331</u>	<u>1,944</u>	<u>11,499</u>	<u>111,752</u>	<u>18,891</u>	<u>0</u>
60,322	(7,921)	(730)	3,631	(8,698)	351	1,358
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
60,322	(7,921)	(730)	3,631	(8,698)	351	1,358
27,988	60,839	11,421	41,133	55,896	895	40,650
0	0	0	0	0	0	0
<u>\$ 88,310</u>	<u>\$ 52,918</u>	<u>\$ 10,691</u>	<u>\$ 44,764</u>	<u>\$ 47,198</u>	<u>\$ 1,246</u>	<u>\$ 42,008</u>

(Continued)

**CITY OF MOUNT VERNON, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013**

	Court Computerization	Probation Services	FEMA	Lodging Excise Tax	Driver's Interlock & Alcohol Monitoring
<b>Revenues:</b>					
Taxes	\$ 0	\$ 0	\$ 0	\$ 89,642	\$ 0
Intergovernmental Revenues	0	0	0	0	389
Charges for Services	0	26,677	0	0	0
Licenses and Permits	0	0	0	0	0
Investment Earnings	0	0	0	0	0
Fines and Forfeitures	60,790	963	0	0	20,440
All Other Revenue	0	0	0	0	0
<b>Total Revenue</b>	<b>60,790</b>	<b>27,640</b>	<b>0</b>	<b>89,642</b>	<b>20,829</b>
<b>Expenditures:</b>					
Current:					
Security of Persons and Property	0	0	0	0	0
Public Health and Welfare Services	0	0	0	0	0
Leisure Time Activities	0	0	0	0	0
Community Environment	0	0	0	0	0
Transportation	0	0	0	0	0
General Government	42,022	20,448	32,075	89,642	677
<b>Total Expenditures</b>	<b>42,022</b>	<b>20,448</b>	<b>32,075</b>	<b>89,642</b>	<b>677</b>
Excess (Deficiency) of Revenues Over Expenditures	18,768	7,192	(32,075)	0	20,152
<b>Other Financing Sources (Uses):</b>					
Transfers In	0	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Net Change in Fund Balances	18,768	7,192	(32,075)	0	20,152
<b>Fund Balances at Beginning of Year</b>	<b>209,013</b>	<b>76,799</b>	<b>32,075</b>	<b>0</b>	<b>68,757</b>
Increase (Decrease) in Inventory Reserve	0	0	0	0	0
<b>Fund Balances End of Year</b>	<b>\$ 227,781</b>	<b>\$ 83,991</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 88,909</b>

**CITY OF MOUNT VERNON, OHIO**

Public Service Street Repair	Hiawatha Water Park Scholarship	Police Pension	Fire Pension	Mausoleum	Veterans Honor Walkway	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 138,625	\$ 138,625	\$ 0	\$ 0	\$ 868,906
0	0	13,020	13,020	0	0	1,507,411
0	0	0	0	0	1,150	96,024
1,395	0	0	0	0	0	2,875
0	0	0	0	3	11	254
0	0	0	0	0	0	120,817
0	2,161	0	0	0	0	23,893
<u>1,395</u>	<u>2,161</u>	<u>151,645</u>	<u>151,645</u>	<u>3</u>	<u>1,161</u>	<u>2,620,180</u>
0	0	359,650	633,416	0	0	1,016,840
0	0	0	0	0	0	307,685
0	0	0	0	0	756	756
0	0	0	0	0	0	617,964
0	0	0	0	0	0	1,025,834
0	0	1,666	1,666	0	0	207,087
<u>0</u>	<u>0</u>	<u>361,316</u>	<u>635,082</u>	<u>0</u>	<u>756</u>	<u>3,176,166</u>
1,395	2,161	(209,671)	(483,437)	3	405	(555,986)
<u>0</u>	<u>0</u>	<u>150,000</u>	<u>425,000</u>	<u>0</u>	<u>0</u>	<u>576,020</u>
<u>0</u>	<u>0</u>	<u>150,000</u>	<u>425,000</u>	<u>0</u>	<u>0</u>	<u>576,020</u>
1,395	2,161	(59,671)	(58,437)	3	405	20,034
1,615	954	104,126	118,991	5,339	67,336	1,411,835
0	0	0	0	0	0	(7,015)
<u>\$ 3,010</u>	<u>\$ 3,115</u>	<u>\$ 44,455</u>	<u>\$ 60,554</u>	<u>\$ 5,342</u>	<u>\$ 67,741</u>	<u>\$ 1,424,854</u>

**CITY OF MOUNT VERNON, OHIO**

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**Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2013**

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	TIF District- Coshocton Road	B&O Railroad Depot	TIF District- Industrial Area	Total Nonmajor Capital Projects Funds
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 190,193	\$ 8,238	\$ 1,116	\$ 199,547
Investments	875,519	0	0	875,519
Receivables:				
Taxes	773,442	0	43,000	816,442
<b>Total Assets</b>	<b>\$ 1,839,154</b>	<b>\$ 8,238</b>	<b>\$ 44,116</b>	<b>\$ 1,891,508</b>
<b>Liabilities:</b>				
<b>Deferred Inflows of Resources:</b>				
Deferred Inflows-Property Tax	750,000	0	43,000	793,000
Unavailable Revenue	23,442	0	0	23,442
<b>Total Deferred Inflows of Resources</b>	<b>773,442</b>	<b>0</b>	<b>43,000</b>	<b>816,442</b>
<b>Fund Balances:</b>				
Restricted	1,065,712	0	1,116	1,066,828
Committed	0	8,238	0	8,238
<b>Total Fund Balances</b>	<b>1,065,712</b>	<b>8,238</b>	<b>1,116</b>	<b>1,075,066</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 1,839,154</b>	<b>\$ 8,238</b>	<b>\$ 44,116</b>	<b>\$ 1,891,508</b>

**CITY OF MOUNT VERNON, OHIO**

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***Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2013***

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	TIF District- Coshocton Road	B&O Railroad Depot	TIF District- Industrial Area	Total Nonmajor Capital Project Funds
<b>Revenues:</b>				
Taxes	\$ 748,799	\$ 0	\$ 42,918	\$ 791,717
<b>Total Revenue</b>	<u>748,799</u>	<u>0</u>	<u>42,918</u>	<u>791,717</u>
<b>Expenditures:</b>				
Current:				
Transportation	403,058	0	802	403,860
<b>Total Expenditures</b>	<u>403,058</u>	<u>0</u>	<u>802</u>	<u>403,860</u>
Excess (Deficiency) of Revenues Over Expenditures	345,741	0	42,116	387,857
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(204,201)	0	(41,012)	(245,213)
<b>Total Other Financing Sources (Uses)</b>	<u>(204,201)</u>	<u>0</u>	<u>(41,012)</u>	<u>(245,213)</u>
Net Change in Fund Balances	141,540	0	1,104	142,644
<b>Fund Balances at Beginning of Year</b>	<u>924,172</u>	<u>8,238</u>	<u>12</u>	<u>932,422</u>
<b>Fund Balances End of Year</b>	<u>\$ 1,065,712</u>	<u>\$ 8,238</u>	<u>\$ 1,116</u>	<u>\$ 1,075,066</u>

**CITY OF MOUNT VERNON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 602,800	\$ 602,800	\$ 572,942	\$ (29,858)
Municipal Income Tax	8,969,316	8,014,765	8,419,223	404,458
Other Local Taxes	3,000	3,000	5,331	2,331
Total Tax Revenues	9,575,116	8,620,565	8,997,496	376,931
Intergovernmental Revenues:				
State Levied Shared Taxes	272,354	272,354	557,898	285,544
Intergovernmental Revenues	42,200	187,951	108,227	(79,724)
Total Intergovernmental Revenues	314,554	460,305	666,125	205,820
Charges for Services	1,519,500	1,519,500	1,429,149	(90,351)
Licenses and Permits	15,100	15,100	7,377	(7,723)
Investment Earnings	15,000	15,000	28,206	13,206
Fines and Forfeitures	500,000	500,000	570,352	70,352
All Other Revenues	109,000	109,000	324,302	215,302
Total Revenues	12,048,270	11,239,470	12,023,007	783,537
<b>Expenditures:</b>				
Security of Persons and Property:				
Police Division:				
Personal Services	1,750,450	1,391,018	1,377,044	13,974
Travel and Transportation	43,080	63,590	31,232	32,358
Materials and Supplies	53,500	62,950	46,379	16,571
Contractual Services	167,500	203,845	170,504	33,341
Capital Outlay	140,000	266,624	234,709	31,915
Total Police Division	2,154,530	1,988,027	1,859,868	128,159
Fire and E.M.S. Division:				
Personal Services	2,480,425	1,912,209	1,878,084	34,125
Travel and Transportation	23,000	21,600	15,886	5,714
Materials and Supplies	90,500	91,250	82,119	9,131
Contractual Services	167,154	208,704	175,548	33,156
Capital Outlay	225,000	224,925	100,691	124,234
Total Fire and E.M.S. Division	2,986,079	2,458,688	2,252,328	206,360

(Continued)

**CITY OF MOUNT VERNON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Miscellaneous:				
Street Lighting/Radio Repair/Sirens:				
Materials and Supplies	25,000	46,606	37,848	8,758
Contractual Services	340,000	412,951	319,328	93,623
Public Defender:				
Contractual Services	20,000	28,750	28,750	0
Debt Services:				
Principal Retirement	11,000	11,000	10,956	44
Interest and Fiscal Charges	17,000	17,000	16,919	81
Total Miscellaneous	<u>413,000</u>	<u>516,307</u>	<u>413,801</u>	<u>102,506</u>
Total Security of Persons and Property	<u>5,553,609</u>	<u>4,963,022</u>	<u>4,525,997</u>	<u>437,025</u>
Public Health and Welfare Services:				
Police Division:				
Contractual Services	318,154	344,148	344,148	0
Total Police Division	<u>318,154</u>	<u>344,148</u>	<u>344,148</u>	<u>0</u>
Humane Officer:				
Travel and Transportation	8,500	12,500	7,868	4,632
Contractual Services	21,642	30,142	24,914	5,228
Total Humane Officer	<u>30,142</u>	<u>42,642</u>	<u>32,782</u>	<u>9,860</u>
Health Department:				
Contractual Services	50,000	50,000	50,000	0
Total Health Department	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>0</u>
Total Public Health and Welfare Services	<u>398,296</u>	<u>436,790</u>	<u>426,930</u>	<u>9,860</u>
Leisure Time Activities:				
Parks:				
Personal Services	228,500	232,292	229,268	3,024
Travel and Transportation	500	460	80	380
Materials and Supplies	6,500	6,788	4,946	1,842
Contractual Services	176,500	195,121	178,552	16,569
Capital Outlay	25,000	21,500	18,298	3,202
Total Parks	<u>437,000</u>	<u>456,161</u>	<u>431,144</u>	<u>25,017</u>

(Continued)

**CITY OF MOUNT VERNON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Recreation:</b>				
Personal Services	14,000	14,000	12,634	1,366
Materials and Supplies	6,456	6,526	3,523	3,003
Contractual Services	9,000	9,000	8,818	182
Total Recreation	<u>29,456</u>	<u>29,526</u>	<u>24,975</u>	<u>4,551</u>
<b>Pool:</b>				
Personal Services	202,000	191,000	187,134	3,866
Travel and Transportation	3,500	2,700	1,586	1,114
Materials and Supplies	105,200	94,960	78,346	16,614
Contractual Services	60,000	69,800	53,813	15,987
Capital Outlay	5,000	4,500	3,953	547
Total Pool	<u>375,700</u>	<u>362,960</u>	<u>324,832</u>	<u>38,128</u>
Total Leisure Time Activities	<u>842,156</u>	<u>848,647</u>	<u>780,951</u>	<u>67,696</u>
<b>Community Environment:</b>				
<b>Miscellaneous Area Development, Tree Care and Trimming, Planning and Zoning:</b>				
Materials and Supplies	22,300	22,340	22,176	164
Contractual Services	18,372	18,195	8,492	9,703
Total Community Environment	<u>40,672</u>	<u>40,535</u>	<u>30,668</u>	<u>9,867</u>
<b>Transportation:</b>				
<b>Miscellaneous:</b>				
<b>Rivers and Harbors, Airport, Yauger Road Project, and Kokosing Gap Trail:</b>				
Materials and Supplies	41,700	45,959	45,150	809
Contractual Services	15,000	19,591	4,772	14,819
Total Transportation	<u>56,700</u>	<u>65,550</u>	<u>49,922</u>	<u>15,628</u>
<b>General Government:</b>				
<b>Council:</b>				
Personal Services	67,024	67,024	67,024	0
Travel and Transportation	5,000	5,000	0	5,000
Materials and Supplies	1,000	1,100	577	523
Contractual Services	650	650	0	650
Total Council	<u>73,674</u>	<u>73,774</u>	<u>67,601</u>	<u>6,173</u>

(Continued)

**CITY OF MOUNT VERNON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Mayor:</b>				
Personal Services	106,168	106,168	102,701	3,467
Travel and Transportation	500	500	0	500
Materials and Supplies	5,000	5,375	4,138	1,237
Contractual Services	700	700	465	235
Total Mayor	112,368	112,743	107,304	5,439
<b>Auditor:</b>				
Personal Services	252,726	261,566	253,676	7,890
Travel and Transportation	500	500	100	400
Materials and Supplies	39,500	42,840	39,979	2,861
Contractual Services	26,750	32,012	20,538	11,474
Total Auditor	319,476	336,918	314,293	22,625
<b>Treasurer:</b>				
Personal Services	8,888	8,888	8,888	0
Materials and Supplies	300	300	0	300
Total Treasurer	9,188	9,188	8,888	300
<b>Law Director:</b>				
Personal Services	277,988	274,988	264,941	10,047
Travel and Transportation	2,000	2,000	1,445	555
Materials and Supplies	17,500	31,184	28,479	2,705
Contractual Services	10,000	38,000	34,854	3,146
Total Law Director	307,488	346,172	329,719	16,453
<b>Income Tax:</b>				
Personal Services	134,500	134,500	132,747	1,753
Travel and Transportation	2,500	2,545	1,209	1,336
Materials and Supplies	17,200	18,731	13,451	5,280
Contractual Services	135,000	164,760	162,884	1,876
Capital Outlay	2,500	2,500	0	2,500
Total Income Tax	291,700	323,036	310,291	12,745

(Continued)

**CITY OF MOUNT VERNON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Municipal Court:				
Personal Services	591,915	597,725	546,906	50,819
Travel and Transportation	10,000	10,750	6,376	4,374
Materials and Supplies	49,900	52,936	49,686	3,250
Contractual Services	2,000	2,000	744	1,256
Total Municipal Court	<u>653,815</u>	<u>663,411</u>	<u>603,712</u>	<u>59,699</u>
Civil Services:				
Personal Services	9,430	9,430	9,399	31
Materials and Supplies	6,250	7,725	7,397	328
Total Civil Services	<u>15,680</u>	<u>17,155</u>	<u>16,796</u>	<u>359</u>
Safety Service:				
Personal Services	120,361	120,361	119,470	891
Travel and Transportation	100	100	0	100
Materials and Supplies	6,700	7,080	5,894	1,186
Contractual Services	57,000	65,615	53,354	12,261
Total Safety Service	<u>184,161</u>	<u>193,156</u>	<u>178,718</u>	<u>14,438</u>
Engineering:				
Personal Services	314,463	315,063	282,945	32,118
Travel and Transportation	3,000	3,000	150	2,850
Materials and Supplies	13,800	14,369	11,845	2,524
Contractual Services	468,733	470,683	334,491	136,192
Capital Outlay	17,000	21,000	18,921	2,079
Total Engineering	<u>816,996</u>	<u>824,115</u>	<u>648,352</u>	<u>175,763</u>
Public Land and Buildings:				
Personal Services	93,700	93,818	89,519	4,299
Travel and Transportation	200	200	90	110
Materials and Supplies	21,000	144,887	141,948	2,939
Contractual Services	464,500	531,669	461,432	70,237
Total Public Land and Buildings	<u>579,400</u>	<u>770,574</u>	<u>692,989</u>	<u>77,585</u>

(Continued)

**CITY OF MOUNT VERNON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2013***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Summer Work Program:				
Personal Services	0	48,396	18,239	30,157
Total Summer Work Program	0	48,396	18,239	30,157
Miscellaneous:				
Personal Services	2,317,753	2,459,308	2,226,263	233,045
Materials and Supplies	10,000	9,500	5,555	3,945
Contractual Services	649,938	537,554	366,452	171,102
Total Miscellaneous	<u>2,977,691</u>	<u>3,006,362</u>	<u>2,598,270</u>	<u>408,092</u>
Total General Government	<u>6,341,637</u>	<u>6,725,000</u>	<u>5,895,172</u>	<u>829,828</u>
Total Expenditures	<u>13,233,070</u>	<u>13,079,544</u>	<u>11,709,640</u>	<u>1,369,904</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,184,800)	(1,840,074)	313,367	2,153,441
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	0	0	31,689	31,689
Transfers Out	<u>(1,496,747)</u>	<u>(1,464,247)</u>	<u>(1,410,926)</u>	<u>53,321</u>
Total Other Financing Sources (Uses)	<u>(1,496,747)</u>	<u>(1,464,247)</u>	<u>(1,379,237)</u>	<u>85,010</u>
Net Change in Fund Balance	(2,681,547)	(3,304,321)	(1,065,870)	2,238,451
Fund Balance at Beginning of Year	2,681,547	2,681,547	2,681,547	0
Prior Year Encumbrances	<u>623,877</u>	<u>623,877</u>	<u>623,877</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 623,877</u>	<u>\$ 1,103</u>	<u>\$ 2,239,554</u>	<u>\$ 2,238,451</u>

**CITY OF MOUNT VERNON, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Special Revenue Fund – Municipal Income Tax ½% (Voted) Fund  
For the Year Ended December 31, 2013**

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 0	\$ 955,000	\$ 1,286,514	\$ 331,514
Total Revenues	<u>0</u>	<u>955,000</u>	<u>1,286,514</u>	<u>331,514</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Personal Services	0	955,000	955,000	0
Total Expenditures	<u>0</u>	<u>955,000</u>	<u>955,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	331,514	331,514
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 331,514</u>	<u>\$ 331,514</u>

**CITY OF MOUNT VERNON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Debt Service Fund – General Bond Retirement Fund  
For the Year Ended December 31, 2013***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Investment Earnings	\$ 0	\$ 0	\$ 3	\$ 3
All Other Revenues	41,485	41,485	37,265	(4,220)
Total Revenues	<u>41,485</u>	<u>41,485</u>	<u>37,268</u>	<u>(4,217)</u>
<b>Expenditures:</b>				
Debt Service:				
Principal Retirement	1,764,601	1,764,601	1,764,601	0
Interest and Fiscal Charges	776,562	782,828	764,236	18,592
Total Expenditures	<u>2,541,163</u>	<u>2,547,429</u>	<u>2,528,837</u>	<u>18,592</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,499,678)	(2,505,944)	(2,491,569)	14,375
<b>Other Financing Sources (Uses):</b>				
Transfers In	2,505,474	2,505,474	2,490,864	(14,610)
Total Other Financing Sources (Uses)	<u>2,505,474</u>	<u>2,505,474</u>	<u>2,490,864</u>	<u>(14,610)</u>
Net Change in Fund Balance	5,796	(470)	(705)	(235)
Fund Balance at Beginning of Year	705	705	705	0
Fund Balance at End of Year	<u>\$ 6,501</u>	<u>\$ 235</u>	<u>\$ 0</u>	<u>\$ (235)</u>

**CITY OF MOUNT VERNON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Capital Projects Funds – Capital Improvements Fund  
For the Year Ended December 31, 2013***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Municipal Income Taxes	\$ 655,534	\$ 655,534	\$ 716,491	\$ 60,957
Intergovernmental Revenues	1,094,179	2,875,105	30,000	(2,845,105)
Investment Earnings	0	0	2,941	2,941
All Other Revenues	110,000	600,975	680,322	79,347
Total Revenues	1,859,713	4,131,614	1,429,754	(2,701,860)
<b>Expenditures:</b>				
Leisure Time Activities:				
Parks:				
Capital Outlay	20,000	20,000	20,000	0
Total Leisure Time Activities	20,000	20,000	20,000	0
Transportation:				
Street:				
Capital Outlay	1,627,979	4,366,880	1,122,968	3,243,912
Total Transportation	1,627,979	4,366,880	1,122,968	3,243,912
General Government:				
Mayor:				
Capital Outlay	2,000	2,000	1,696	304
Auditor:				
Capital Outlay	7,500	20,500	14,099	6,401
Law Director:				
Capital Outlay	2,000	2,000	1,200	800
Engineering:				
Capital Outlay	25,000	25,000	24,994	6
Public Lands and Buildings:				
Capital Outlay	1,412,000	1,215,000	1,213,869	1,131
Total General Government	1,448,500	1,264,500	1,255,858	8,642
Total Expenditures	3,096,479	5,651,380	2,398,826	3,252,554
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,236,766)	(1,519,766)	(969,072)	550,694
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	300,000	472,575	172,575
Total Other Financing Sources (Uses)	0	300,000	472,575	172,575
Net Change in Fund Balance	(1,236,766)	(1,219,766)	(496,497)	723,269
Fund Balance at Beginning of Year	2,310,852	2,310,852	2,310,852	0
Prior Year Encumbrances	13,000	13,000	13,000	0
Fund Balance at End of Year	\$ 1,087,086	\$ 1,104,086	\$ 1,827,355	\$ 723,269

**CITY OF MOUNT VERNON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013***

	<b>STREET CONSTRUCTION, MAINTENANCE AND REPAIR</b>			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Municipal Income Taxes	\$ 196,660	\$ 196,660	\$ 214,947	\$ 18,287
Intergovernmental Revenues	585,000	585,000	578,273	(6,727)
Licenses and Permits	1,000	1,000	750	(250)
Investment Earnings	25	25	14	(11)
All Other Revenues	0	0	16,715	16,715
Total Revenues	<u>782,685</u>	<u>782,685</u>	<u>810,699</u>	<u>28,014</u>
<b>Expenditures:</b>				
Transportation:				
Personal Services	762,792	776,267	683,912	92,355
Travel and Transportation	600	600	533	67
Materials and Supplies	101,500	99,014	69,312	29,702
Contractual Services	64,100	71,208	46,867	24,341
Capital Outlay	5,300	5,300	0	5,300
Total Expenditures	<u>934,292</u>	<u>952,389</u>	<u>800,624</u>	<u>151,765</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(151,607)	(169,704)	10,075	179,779
Fund Balance at Beginning of Year	151,607	151,607	151,607	0
Prior Year Encumbrances	18,097	18,097	18,097	0
Fund Balance at End of Year	<u>\$ 18,097</u>	<u>\$ 0</u>	<u>\$ 179,779</u>	<u>\$ 179,779</u>

**CITY OF MOUNT VERNON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013***

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	STATE HIGHWAY IMPROVEMENT			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 47,000	\$ 47,000	\$ 46,349	\$ (651)
Investment Earnings	20	20	7	(13)
Total Revenues	<u>47,020</u>	<u>47,020</u>	<u>46,356</u>	<u>(664)</u>
<b>Expenditures:</b>				
Transportation:				
Capital Outlay	<u>127,735</u>	<u>133,202</u>	<u>58,213</u>	<u>74,989</u>
Total Expenditures	<u>127,735</u>	<u>133,202</u>	<u>58,213</u>	<u>74,989</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(80,715)	(86,182)	(11,857)	74,325
Fund Balance at Beginning of Year	80,714	80,714	80,714	0
Prior Year Encumbrances	<u>5,468</u>	<u>5,468</u>	<u>5,468</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 5,467</u>	<u>\$ 0</u>	<u>\$ 74,325</u>	<u>\$ 74,325</u>

**CITY OF MOUNT VERNON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013***

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	<b>PERMISSIVE AUTO LICENSE TAX</b>			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 75,000	\$ 75,000	\$ 68,712	\$ (6,288)
Total Revenues	<u>75,000</u>	<u>75,000</u>	<u>68,712</u>	<u>(6,288)</u>
<b>Expenditures:</b>				
Transportation:				
Capital Outlay	85,578	85,578	75,000	10,578
Total Expenditures	<u>85,578</u>	<u>85,578</u>	<u>75,000</u>	<u>10,578</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,578)	(10,578)	(6,288)	4,290
Fund Balance at Beginning of Year	<u>10,578</u>	<u>10,578</u>	<u>10,578</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,290</u>	<u>\$ 4,290</u>

**CITY OF MOUNT VERNON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013***

<b>CEMETERY FUND</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Municipal Income Taxes	\$ 262,213	\$ 262,213	\$ 286,596	\$ 24,383
Charges for Services	60,000	60,000	69,003	9,003
Investment Earnings	400	400	218	(182)
All Other Revenues	0	0	4,308	4,308
Total Revenues	<u>322,613</u>	<u>322,613</u>	<u>360,125</u>	<u>37,512</u>
<b>Expenditures:</b>				
Public Health and Welfare Services:				
Personal Services	292,815	293,678	272,455	21,223
Travel and Transportation	500	665	400	265
Materials and Supplies	8,573	10,449	8,923	1,526
Contractual Services	35,860	40,960	31,364	9,596
Capital Outlay	27,666	29,426	2,738	26,688
Total Expenditures	<u>365,414</u>	<u>375,178</u>	<u>315,880</u>	<u>59,298</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(42,801)	(52,565)	44,245	96,810
Fund Balance at Beginning of Year	42,801	42,801	42,801	0
Prior Year Encumbrances	9,764	9,764	9,764	0
Fund Balance at End of Year	<u>\$ 9,764</u>	<u>\$ 0</u>	<u>\$ 96,810</u>	<u>\$ 96,810</u>

**CITY OF MOUNT VERNON, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013**

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<b>PARK DEVELOPMENT</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues:</b>				
Charges for Services	\$ 2,000	\$ 2,000	\$ 1,020	\$ (980)
Total Revenues	<u>2,000</u>	<u>2,000</u>	<u>1,020</u>	<u>(980)</u>
<b>Expenditures:</b>				
Leisure Time Activities:				
Capital Outlay	<u>10,213</u>	<u>10,213</u>	<u>0</u>	<u>10,213</u>
Total Expenditures	<u>10,213</u>	<u>10,213</u>	<u>0</u>	<u>10,213</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,213)	(8,213)	1,020	9,233
<b>Other Financing Sources (Uses):</b>				
Transfers In	<u>2,000</u>	<u>2,000</u>	<u>1,020</u>	<u>(980)</u>
Total Other Financing Sources (Uses)	<u>2,000</u>	<u>2,000</u>	<u>1,020</u>	<u>(980)</u>
Net Change in Fund Balance	(6,213)	(6,213)	2,040	8,253
Fund Balance at Beginning of Year	<u>6,213</u>	<u>6,213</u>	<u>6,213</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 8,253</u>	<u>\$ 8,253</u>

**CITY OF MOUNT VERNON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013***

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<b>COMMUNITY DEVELOPMENT BLOCK GRANT</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 906,000	\$ 917,000	\$ 672,876	\$ (244,124)
Investment Earnings	0	0	1	1
All Other Revenues	0	0	709	709
Total Revenues	<u>906,000</u>	<u>917,000</u>	<u>673,586</u>	<u>(243,414)</u>
<b>Expenditures:</b>				
Community Environment:				
Contractual Services	<u>907,997</u>	<u>935,688</u>	<u>621,512</u>	<u>314,176</u>
Total Expenditures	<u>907,997</u>	<u>935,688</u>	<u>621,512</u>	<u>314,176</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,997)	(18,688)	52,074	70,762
Fund Balance at Beginning of Year	1,997	1,997	1,997	0
Prior Year Encumbrances	<u>16,691</u>	<u>16,691</u>	<u>16,691</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 16,691</u>	<u>\$ 0</u>	<u>\$ 70,762</u>	<u>\$ 70,762</u>

**CITY OF MOUNT VERNON, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013**

	PARKING			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Licenses and Permits	\$ 0	\$ 0	\$ 730	\$ 730
Fines and Forfeitures	1,000	1,000	1,680	680
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>2,410</u>	<u>1,410</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Personal Services	9,540	9,540	1,465	8,075
Materials and Supplies	200	200	0	200
Contractual Services	<u>17,000</u>	<u>19,450</u>	<u>11,675</u>	<u>7,775</u>
Total Expenditures	<u>26,740</u>	<u>29,190</u>	<u>13,140</u>	<u>16,050</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(25,740)	(28,190)	(10,730)	17,460
Fund Balance at Beginning of Year	59,555	59,555	59,555	0
Prior Year Encumbrances	<u>2,450</u>	<u>2,450</u>	<u>2,450</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 36,265</u>	<u>\$ 33,815</u>	<u>\$ 51,275</u>	<u>\$ 17,460</u>

**CITY OF MOUNT VERNON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013***

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LAW ENFORCEMENT TRUST				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Fines and Forfeitures	\$ 1,250	\$ 1,250	\$ 1,214	\$ (36)
Total Revenues	<u>1,250</u>	<u>1,250</u>	<u>1,214</u>	<u>(36)</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Contractual Services	1,950	1,950	1,944	6
Total Expenditures	<u>1,950</u>	<u>1,950</u>	<u>1,944</u>	<u>6</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(700)	(700)	(730)	(30)
Fund Balance at Beginning of Year	<u>11,421</u>	<u>11,421</u>	<u>11,421</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 10,721</u>	<u>\$ 10,721</u>	<u>\$ 10,691</u>	<u>\$ (30)</u>

**CITY OF MOUNT VERNON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 15,150	\$ 15,150	\$ 15,130	\$ (20)
Total Revenues	<u>15,150</u>	<u>15,150</u>	<u>15,130</u>	<u>(20)</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Contractual Services	12,000	12,000	11,499	501
Total Expenditures	<u>12,000</u>	<u>12,000</u>	<u>11,499</u>	<u>501</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,150	3,150	3,631	481
Fund Balance at Beginning of Year	<u>41,133</u>	<u>41,133</u>	<u>41,133</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 44,283</u>	<u>\$ 44,283</u>	<u>\$ 44,764</u>	<u>\$ 481</u>

**CITY OF MOUNT VERNON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 100,000	\$ 100,000	\$ 103,035	\$ 3,035
Total Revenues	<u>100,000</u>	<u>100,000</u>	<u>103,035</u>	<u>3,035</u>
<b>Expenditures:</b>				
Transportation:				
Materials and Supplies	112,964	138,260	119,408	18,852
Contractual Services	8,000	8,453	4,445	4,008
Total Expenditures	<u>120,964</u>	<u>146,713</u>	<u>123,853</u>	<u>22,860</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(20,964)	(46,713)	(20,818)	25,895
Fund Balance at Beginning of Year	20,964	20,964	20,964	0
Prior Year Encumbrances	25,749	25,749	25,749	0
Fund Balance at End of Year	<u>\$ 25,749</u>	<u>\$ 0</u>	<u>\$ 25,895</u>	<u>\$ 25,895</u>

**CITY OF MOUNT VERNON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013***

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<b>INDIGENT DRIVERS ALCOHOL TREATMENT</b>				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Fines and Forfeitures	\$ 28,000	\$ 28,000	\$ 18,891	\$ (9,109)
Total Revenues	<u>28,000</u>	<u>28,000</u>	<u>18,891</u>	<u>(9,109)</u>
<b>Expenditures:</b>				
General Government:				
Contractual Services	28,000	28,000	18,891	9,109
Total Expenditures	<u>28,000</u>	<u>28,000</u>	<u>18,891</u>	<u>9,109</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CITY OF MOUNT VERNON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013***

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	<b>DUI - ENFORCEMENT AND EDUCATION</b>			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Fines and Forfeitures	\$ 1,500	\$ 1,500	\$ 1,318	\$ (182)
Total Revenues	<u>1,500</u>	<u>1,500</u>	<u>1,318</u>	<u>(182)</u>
<b>Expenditures:</b>				
General Government:				
Contractual Services	41,840	42,090	250	41,840
Total Expenditures	<u>41,840</u>	<u>42,090</u>	<u>250</u>	<u>41,840</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(40,340)	(40,590)	1,068	41,658
Fund Balance at Beginning of Year	40,340	40,340	40,340	0
Prior Year Encumbrances	250	250	250	0
Fund Balance at End of Year	<u>\$ 250</u>	<u>\$ 0</u>	<u>\$ 41,658</u>	<u>\$ 41,658</u>

**CITY OF MOUNT VERNON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013***

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	COURT COMPUTERIZATION			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Fines and Forfeitures	\$ 70,000	\$ 70,000	\$ 57,361	\$ (12,639)
Total Revenues	<u>70,000</u>	<u>70,000</u>	<u>57,361</u>	<u>(12,639)</u>
<b>Expenditures:</b>				
General Government:				
Personal Services	13,000	13,000	0	13,000
Contractual Services	<u>239,783</u>	<u>261,477</u>	<u>94,162</u>	<u>167,315</u>
Total Expenditures	<u>252,783</u>	<u>274,477</u>	<u>94,162</u>	<u>180,315</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(182,783)	(204,477)	(36,801)	167,676
Fund Balance at Beginning of Year	182,783	182,783	182,783	0
Prior Year Encumbrances	<u>21,694</u>	<u>21,694</u>	<u>21,694</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 21,694</u>	<u>\$ 0</u>	<u>\$ 167,676</u>	<u>\$ 167,676</u>

**CITY OF MOUNT VERNON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013***

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<b>PROBATION SERVICES</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues:</b>				
Charges for Services	\$ 30,000	\$ 30,000	\$ 26,677	\$ (3,323)
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>26,677</u>	<u>(3,323)</u>
<b>Expenditures:</b>				
General Government:				
Personal Services	20,000	26,300	12,649	13,651
Materials and Supplies	<u>85,809</u>	<u>79,509</u>	<u>8,018</u>	<u>71,491</u>
Total Expenditures	<u>105,809</u>	<u>105,809</u>	<u>20,667</u>	<u>85,142</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(75,809)	(75,809)	6,010	81,819
Fund Balance at Beginning of Year	<u>75,809</u>	<u>75,809</u>	<u>75,809</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 81,819</u>	<u>\$ 81,819</u>

**CITY OF MOUNT VERNON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 0	\$ 32,075	\$ 32,075	\$ 0
Total Revenues	<u>0</u>	<u>32,075</u>	<u>32,075</u>	<u>0</u>
<b>Expenditures:</b>				
General Government:				
Personal Services	0	13,044	13,044	0
Materials and Supplies	0	19,031	19,031	0
Total Expenditures	<u>0</u>	<u>32,075</u>	<u>32,075</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CITY OF MOUNT VERNON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013***

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	<b>LODGING EXCISE TAX</b>			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Other Local Taxes	\$ 93,900	\$ 93,900	\$ 88,832	\$ (5,068)
Total Revenues	<u>93,900</u>	<u>93,900</u>	<u>88,832</u>	<u>(5,068)</u>
<b>Expenditures:</b>				
General Government:				
Contractual Services	93,900	93,900	88,832	5,068
Total Expenditures	<u>93,900</u>	<u>93,900</u>	<u>88,832</u>	<u>5,068</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CITY OF MOUNT VERNON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues:</b>				
Fines and Forfeitures	\$ 20,000	\$ 20,000	\$ 19,980	\$ (20)
Total Revenues	<u>20,000</u>	<u>20,000</u>	<u>19,980</u>	<u>(20)</u>
<b>Expenditures:</b>				
General Government:				
Contractual Services	87,014	87,014	0	87,014
Total Expenditures	<u>87,014</u>	<u>87,014</u>	<u>0</u>	<u>87,014</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(67,014)	(67,014)	19,980	86,994
Fund Balance at Beginning of Year	<u>67,014</u>	<u>67,014</u>	<u>67,014</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 86,994</u>	<u>\$ 86,994</u>

**CITY OF MOUNT VERNON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013***

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	<b>PUBLIC SERVICE STREET REPAIR</b>			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Licenses and Permits	\$ 1,200	\$ 1,200	\$ 1,395	\$ 195
Total Revenues	<u>1,200</u>	<u>1,200</u>	<u>1,395</u>	<u>195</u>
<b>Expenditures:</b>				
General Government:				
Capital Outlay	2,815	2,815	0	2,815
Total Expenditures	<u>2,815</u>	<u>2,815</u>	<u>0</u>	<u>2,815</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,615)	(1,615)	1,395	3,010
Fund Balance at Beginning of Year	<u>1,615</u>	<u>1,615</u>	<u>1,615</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,010</u>	<u>\$ 3,010</u>

**CITY OF MOUNT VERNON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013***

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<b>HIAWATHA WATER PARK SCHOLARSHIP</b>				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
All Other Revenues	\$ 400	\$ 400	\$ 2,161	\$ 1,761
Total Revenues	<u>400</u>	<u>400</u>	<u>2,161</u>	<u>1,761</u>
<b>Expenditures:</b>				
General Government:				
Materials and Supplies	1,354	1,354	0	1,354
Total Expenditures	<u>1,354</u>	<u>1,354</u>	<u>0</u>	<u>1,354</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(954)	(954)	2,161	3,115
Fund Balance at Beginning of Year	954	954	954	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,115</u>	<u>\$ 3,115</u>

**CITY OF MOUNT VERNON, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013**

	<b>POLICE PENSION</b>			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Property Taxes	\$ 71,500	\$ 71,500	\$ 66,908	\$ (4,592)
Municipal Income Taxes	65,553	65,553	71,649	6,096
Intergovernmental Revenues	9,300	9,300	13,020	3,720
Total Revenues	<u>146,353</u>	<u>146,353</u>	<u>151,577</u>	<u>5,224</u>
<b>Expenditures:</b>				
Security of Persons and Property				
Personal Services	322,598	416,497	361,913	54,584
General Government:				
Contractual Services	2,500	2,500	1,666	834
Total Expenditures	<u>325,098</u>	<u>418,997</u>	<u>363,579</u>	<u>55,418</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(178,745)	(272,644)	(212,002)	60,642
<b>Other Financing Sources (Uses):</b>				
Transfers In	175,000	175,000	150,000	(25,000)
Total Other Financing Sources (Uses)	<u>175,000</u>	<u>175,000</u>	<u>150,000</u>	<u>(25,000)</u>
Net Change in Fund Balance	(3,745)	(97,644)	(62,002)	35,642
Fund Balance at Beginning of Year	3,745	3,745	3,745	0
Prior Year Encumbrances	93,899	93,899	93,899	0
Fund Balance at End of Year	<u>\$ 93,899</u>	<u>\$ 0</u>	<u>\$ 35,642</u>	<u>\$ 35,642</u>

**CITY OF MOUNT VERNON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013***

	<b>FIRE PENSION</b>			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Property Taxes	\$ 71,500	\$ 71,500	\$ 66,908	\$ (4,592)
Municipal Income Taxes	65,553	65,553	71,649	6,096
Intergovernmental Revenues	9,300	9,300	13,020	3,720
Total Revenues	<u>146,353</u>	<u>146,353</u>	<u>151,577</u>	<u>5,224</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Personal Services	447,488	635,813	635,218	595
General Government:				
Contractual Services	2,500	2,500	1,666	834
Total Expenditures	<u>449,988</u>	<u>638,313</u>	<u>636,884</u>	<u>1,429</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(303,635)	(491,960)	(485,307)	6,653
<b>Other Financing Sources (Uses):</b>				
Transfers In	300,000	375,000	425,000	50,000
Total Other Financing Sources (Uses)	<u>300,000</u>	<u>375,000</u>	<u>425,000</u>	<u>50,000</u>
Net Change in Fund Balance	(3,635)	(116,960)	(60,307)	56,653
Fund Balance at Beginning of Year	3,635	3,635	3,635	0
Prior Year Encumbrances	113,325	113,325	113,325	0
Fund Balance at End of Year	<u>\$ 113,325</u>	<u>\$ 0</u>	<u>\$ 56,653</u>	<u>\$ 56,653</u>

**CITY OF MOUNT VERNON, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013**

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	MAUSOLEUM			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Investment Earnings	\$ 10	\$ 10	\$ 3	\$ (7)
Total Revenues	<u>10</u>	<u>10</u>	<u>3</u>	<u>(7)</u>
<b>Expenditures:</b>				
Public Health and Welfare Services:				
Contractual Services	5,349	5,349	3,660	1,689
Total Expenditures	<u>5,349</u>	<u>5,349</u>	<u>3,660</u>	<u>1,689</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,339)	(5,339)	(3,657)	1,682
Fund Balance at Beginning of Year	<u>5,339</u>	<u>5,339</u>	<u>5,339</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,682</u>	<u>\$ 1,682</u>

**CITY OF MOUNT VERNON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2013***

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<b>VETERANS HONOR WALKWAY</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues:</b>				
Charges for Services	\$ 1,500	\$ 1,500	\$ 1,150	\$ (350)
Investment Earnings	60	60	11	(49)
Total Revenues	<u>1,560</u>	<u>1,560</u>	<u>1,161</u>	<u>(399)</u>
<b>Expenditures:</b>				
Leisure Time Activities:				
Materials and Supplies	63,896	63,896	363	63,533
Contractual Services	5,000	5,000	440	4,560
Total Expenditures	<u>68,896</u>	<u>68,896</u>	<u>803</u>	<u>68,093</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(67,336)	(67,336)	358	67,694
Fund Balance at Beginning of Year	<u>67,336</u>	<u>67,336</u>	<u>67,336</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 67,694</u>	<u>\$ 67,694</u>

**CITY OF MOUNT VERNON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Debt Service Fund  
For the Year Ended December 31, 2013***

<b>GENERAL BOND RETIREMENT - INCOME TAX</b>				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Municipal Income Tax	\$ 155,610	\$ 155,610	\$ 143,647	\$ (11,963)
Total Revenues	<u>155,610</u>	<u>155,610</u>	<u>143,647</u>	<u>(11,963)</u>
<b>Expenditures:</b>				
Debt Service:				
Principal Retirement	195,000	195,000	195,000	0
Interest and Fiscal Charges	116,231	116,231	92,300	23,931
Total Expenditures	<u>311,231</u>	<u>311,231</u>	<u>287,300</u>	<u>23,931</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(155,621)	(155,621)	(143,653)	11,968
<b>Other Financing Sources (Uses):</b>				
Transfers In	143,650	143,650	143,650	0
Total Other Financing Sources (Uses)	<u>143,650</u>	<u>143,650</u>	<u>143,650</u>	<u>0</u>
Net Change in Fund Balance	(11,971)	(11,971)	(3)	11,968
Fund Balance at Beginning of Year	<u>11,971</u>	<u>11,971</u>	<u>11,971</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 11,968</u>	<u>\$ 11,968</u>

**CITY OF MOUNT VERNON, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2013***

<b>TIF DISTRICT-COSHOCTON ROAD</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 1,575,000	\$ 1,575,000	\$ 748,799	\$ (826,201)
Total Revenues	<u>1,575,000</u>	<u>1,575,000</u>	<u>748,799</u>	<u>(826,201)</u>
<b>Expenditures:</b>				
Transportation:				
Street:				
Contractual Services	498,000	363,000	219,120	143,880
Capital Outlay	1,930,957	1,930,957	183,938	1,747,019
Total Expenditures	<u>2,428,957</u>	<u>2,293,957</u>	<u>403,058</u>	<u>1,890,899</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(853,957)	(718,957)	345,741	1,064,698
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(70,214)	(205,214)	(204,201)	1,013
Total Other Financing Sources (Uses)	<u>(70,214)</u>	<u>(205,214)</u>	<u>(204,201)</u>	<u>1,013</u>
Net Change in Fund Balance	(924,171)	(924,171)	141,540	1,065,711
Fund Balance at Beginning of Year	924,172	924,172	924,172	0
Fund Balance at End of Year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1,065,712</u>	<u>\$ 1,065,711</u>

**CITY OF MOUNT VERNON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2013***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
General Government:				
Contractual Services	8,238	8,238	0	8,238
Total Expenditures	8,238	8,238	0	8,238
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,238)	(8,238)	0	8,238
Fund Balance at Beginning of Year	8,238	8,238	8,238	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 8,238	\$ 8,238

**CITY OF MOUNT VERNON, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2013**

<b>TIF DISTRICT-INDUSTRIAL AREA</b>				
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 42,000	\$ 42,000	\$ 42,918	\$ 918
Total Revenues	<u>42,000</u>	<u>42,000</u>	<u>42,918</u>	<u>918</u>
<b>Expenditures:</b>				
Transportation:				
Street:				
Contractual Services	1,000	1,000	802	198
Total Expenditures	<u>1,000</u>	<u>1,000</u>	<u>802</u>	<u>198</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	41,000	41,000	42,116	1,116
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(41,012)	(41,012)	(41,012)	0
Total Other Financing Sources (Uses)	<u>(41,012)</u>	<u>(41,012)</u>	<u>(41,012)</u>	<u>0</u>
Net Change in Fund Balance	(12)	(12)	1,104	1,116
Fund Balance at Beginning of Year	12	12	12	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,116</u>	<u>\$ 1,116</u>

**CITY OF MOUNT VERNON, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Permanent Fund  
For the Year Ended December 31, 2013***

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	PERPETUAL CARE			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u></u>
<b>Revenues:</b>				
All Other Revenues	\$ 10,000	\$ 10,000	\$ 13,036	\$ 3,036
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>13,036</u>	<u>3,036</u>
<b>Expenditures:</b>				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,000	10,000	13,036	3,036
Fund Balance at Beginning of Year	<u>392,530</u>	<u>392,530</u>	<u>392,530</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 402,530</u>	<u>\$ 402,530</u>	<u>\$ 405,566</u>	<u>\$ 3,036</u>

***Fiduciary Funds***

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Fiduciary fund types are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

***Agency Funds***

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**Insurance Trust Fund**

To account for insurance funds on deposit to insure the clean up of damaged property.

**Bonds and Inspection Fee Trust Fund**

To account for funds on deposit as required by City ordinance for subdivision construction.

**Municipal Court Fund**

To account for funds that flow through the municipal court office.

**CITY OF MOUNT VERNON, OHIO**

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**Combining Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Year Ended December 31, 2013**

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	Balance December 31, 2012		Additions	Deductions	Balance December 31, 2013
<b><u>Insurance Trust Fund</u></b>					
Assets:					
Cash and Cash Equivalents	\$27,220	\$0	\$0	\$27,220	
Total Assets	\$27,220	\$0	\$0	\$27,220	
Liabilities:					
Due to Others	\$27,220	\$0	\$0	\$27,220	
Total Liabilities	\$27,220	\$0	\$0	\$27,220	
<b><u>Bonds and Inspection Fee Trust Fund</u></b>					
Assets:					
Cash	\$8,651	\$24,000	(\$14,000)	\$18,651	
Total Assets	\$8,651	\$24,000	(\$14,000)	\$18,651	
Liabilities:					
Due to Others	8,651	24,000	(14,000)	18,651	
Total Liabilities	\$8,651	\$24,000	(\$14,000)	\$18,651	
<b><u>Municipal Court Fund</u></b>					
Assets:					
Cash and Cash Equivalents	\$86,364	\$1,121,240	(\$1,126,604)	\$81,000	
Total Assets	\$86,364	\$1,121,240	(\$1,126,604)	\$81,000	
Liabilities:					
Intergovernmental Payable	\$25,669	\$406,247	(\$407,414)	\$24,502	
Due to Others	60,695	714,993	(719,190)	56,498	
Total Liabilities	\$86,364	\$1,121,240	(\$1,126,604)	\$81,000	
<b><u>Totals - All Agency Funds</u></b>					
Assets:					
Cash and Cash Equivalents	\$122,235	\$1,145,240	(\$1,140,604)	\$126,871	
Total Assets	\$122,235	\$1,145,240	(\$1,140,604)	\$126,871	
Liabilities:					
Intergovernmental Payables	\$25,669	\$406,247	(\$407,414)	\$24,502	
Due to Others	96,566	738,993	(733,190)	102,369	
Total Liabilities	\$122,235	\$1,145,240	(\$1,140,604)	\$126,871	

# Statistical Section





## ***STATISTICAL TABLES***

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This part of the City’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

### ***Contents***

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<b>Financial Trends</b>	S 2 – S 13
These schedules contain trend information to help the reader understand how the City’s financial position has changed over time.	
<b>Revenue Capacity</b>	S 14 – S 17
These schedules contain information to help the reader understand and assess the factors affecting the City’s ability to generate its most significant local revenue sources, which is income tax.	
<b>Debt Capacity</b>	S 18 – S 27
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.	
<b>Economic and Demographic Information</b>	S 28 – S 31
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
<b>Operating Information</b>	S 32 – S 37
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	
<b>Sources Note:</b>	
Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.	

## City of Mount Vernon, Ohio

*Net Position by Component  
Last Ten Years  
(accrual basis of accounting)*

	2004	2005	2006	2007
<b>Governmental Activities:</b>				
Net Investment in Capital Assets	\$7,615,083	\$32,127,147	\$33,477,918	\$35,789,973
Restricted	2,985,534	4,339,253	5,717,336	4,503,529
Unrestricted	2,256,937	2,639,997	3,097,916	4,954,398
Total Governmental Activities Net Position	<u>\$12,857,554</u>	<u>\$39,106,397</u>	<u>\$42,293,170</u>	<u>\$45,247,900</u>
<b>Business-type Activities:</b>				
Net Investment in Capital Assets	\$13,240,227	\$14,093,254	\$13,580,280	\$13,897,047
Restricted	694,806	1,258,730	2,353,194	1,391,876
Unrestricted	7,056,119	5,409,331	4,731,739	5,345,814
Total Business-type Activities Net Postion	<u>\$20,991,152</u>	<u>\$20,761,315</u>	<u>\$20,665,213</u>	<u>\$20,634,737</u>
<b>Primary Government:</b>				
Net Investment in Capital Assets	\$20,855,310	\$46,220,401	\$47,058,198	\$49,687,020
Restricted	3,680,340	5,597,983	8,070,530	5,895,405
Unrestricted	9,313,056	8,049,328	7,829,655	10,300,212
Total Primary Government Net Position	<u>\$33,848,706</u>	<u>\$59,867,712</u>	<u>\$62,958,383</u>	<u>\$65,882,637</u>

(1) Net Position was restated in 2009 as a result of a prior period adjustment.

Source: City Auditor's Office

*City of Mount Vernon, Ohio*

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2008	2009	2010	2011	2012	2013
	(1)				
\$37,018,250	\$36,745,484	\$38,627,947	\$39,308,561	\$39,426,306	\$41,446,062
7,235,132	5,911,959	6,397,410	3,034,793	3,094,466	4,315,346
4,528,143	6,241,067	4,489,751	5,784,699	8,349,905	6,347,089
<u>\$48,781,525</u>	<u>\$48,898,510</u>	<u>\$49,515,108</u>	<u>\$48,128,053</u>	<u>\$50,870,677</u>	<u>\$52,108,497</u>
\$14,278,602	\$15,255,947	\$13,393,510	\$16,312,403	\$15,012,084	\$16,711,092
1,248,880	3,475,907	3,329,674	1,847,384	1,008,353	1,646,248
4,734,074	1,297,180	3,398,489	2,603,447	5,388,497	3,616,486
<u>\$20,261,556</u>	<u>\$20,029,034</u>	<u>\$20,121,673</u>	<u>\$20,763,234</u>	<u>\$21,408,934</u>	<u>\$21,973,826</u>
\$51,296,852	\$52,001,431	\$52,021,457	\$55,620,964	\$54,438,390	\$58,157,154
8,484,012	9,387,866	9,727,084	4,882,177	4,102,819	5,961,594
9,262,217	7,538,247	7,888,240	8,388,146	13,738,402	9,963,575
<u>\$69,043,081</u>	<u>\$68,927,544</u>	<u>\$69,636,781</u>	<u>\$68,891,287</u>	<u>\$72,279,611</u>	<u>\$74,082,323</u>

## City of Mount Vernon, Ohio

### Changes in Net Position Last Ten Years (accrual basis of accounting)

	2004	2005	2006	2007
<b>Expenses</b>				
Governmental Activities:				
Security of Persons and Property	\$4,664,297	\$4,875,188	\$5,506,801	\$5,599,365
Public Health and Welfare Services	556,057	593,592	567,989	666,167
Leisure Time Activities	314,140	332,477	407,254	777,880
Community Environment	717,905	245,735	446,970	745,733
Transportation	1,193,206	2,392,740	1,730,910	2,097,746
General Government	3,282,747	3,955,560	3,915,618	4,627,294
Interest and Fiscal Charges	137,418	130,057	126,090	355,174
<i>Total Governmental Activities Expenses</i>	10,865,770	12,525,349	12,701,632	14,869,359
Business-type Activities:				
Water	2,863,797	3,215,544	3,135,091	3,216,980
Sewer	2,240,963	2,436,112	2,847,417	2,873,468
<i>Total Business-type Activities Expenses</i>	5,104,760	5,651,656	5,982,508	6,090,448
<i>Total Primary Government Expenses</i>	\$15,970,530	\$18,177,005	\$18,684,140	\$20,959,807
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services and Sales				
Security of Persons and Property	\$218,347	\$367,877	\$529,972	\$939,779
Public Health and Welfare Services	68,147	58,751	51,710	54,678
Leisure Time Activities	54,464	54,994	52,904	294,296
Community Environment	395	421	585	953
Transportation	1,066	2,254	9,712	1,400
General Government	705,234	877,480	845,758	897,668
Operating Grants and Contributions	870,878	1,439,733	898,391	871,919
Capital Grants and Contributions	1,995,939	1,376,854	884,203	1,508,148
<i>Total Governmental Activities Program Revenues</i>	3,914,470	4,178,364	3,273,235	4,568,841

*City of Mount Vernon, Ohio*

2008	2009	2010	2011	2012	2013
\$5,728,419	\$6,257,913	\$5,950,098	\$6,372,507	\$6,188,789	\$6,492,718
644,241	769,637	693,029	709,622	723,360	709,251
952,192	881,252	963,163	1,143,295	719,024	980,442
211,150	293,474	1,560,761	591,187	528,995	648,532
2,433,003	2,898,557	2,586,915	4,440,371	4,228,585	3,367,249
4,627,134	4,685,914	4,711,970	4,188,865	4,852,231	5,316,607
263,523	321,941	350,672	287,411	510,896	276,071
<u>14,859,662</u>	<u>16,108,688</u>	<u>16,816,608</u>	<u>17,733,258</u>	<u>17,751,880</u>	<u>17,790,870</u>
3,379,191	3,388,734	3,347,380	3,180,709	3,019,406	3,049,583
<u>2,858,183</u>	<u>2,885,616</u>	<u>3,103,781</u>	<u>3,035,080</u>	<u>3,194,971</u>	<u>3,118,011</u>
<u>6,237,374</u>	<u>6,274,350</u>	<u>6,451,161</u>	<u>6,215,789</u>	<u>6,214,377</u>	<u>6,167,594</u>
<u>\$21,097,036</u>	<u>\$22,383,038</u>	<u>\$23,267,769</u>	<u>\$23,949,047</u>	<u>\$23,966,257</u>	<u>\$23,958,464</u>
\$1,016,173	\$1,141,818	\$1,200,644	\$1,172,890	\$1,175,624	\$1,119,039
56,052	68,352	83,842	82,027	80,494	82,513
309,238	256,078	296,300	296,650	291,563	255,558
3,989	6,621	20,387	14,411	16,471	18,872
500	3,070	2,702	200	313	750
863,175	819,170	898,161	910,868	866,410	768,254
1,761,824	2,336,173	1,807,522	888,663	2,024,553	1,937,129
447,392	854,233	880,033	173,557	2,169,916	1,590,955
<u>4,458,343</u>	<u>5,485,515</u>	<u>5,189,591</u>	<u>3,539,266</u>	<u>6,625,344</u>	<u>5,773,070</u>

(continued)

## City of Mount Vernon, Ohio

### Changes in Net Position Last Ten Years (accrual basis of accounting)

	2004	2005	2006	2007
<b>Business-type Activities:</b>				
Charges for Services and Sales				
Water	3,034,525	2,931,081	2,991,511	3,197,165
Sewer	2,459,814	2,475,962	2,681,466	2,675,408
Operating Grants and Contributions	0	14,776	0	0
Capital Grants and Contributions	0	0	0	0
<i>Total Business-type Activities Program Revenues</i>	<u>5,494,339</u>	<u>5,421,819</u>	<u>5,672,977</u>	<u>5,872,573</u>
<i>Total Primary Government Program Revenues</i>	<u>9,408,809</u>	<u>9,600,183</u>	<u>8,946,212</u>	<u>10,441,414</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(6,951,300)	(8,346,985)	(9,428,397)	(10,300,518)
Business-type Activities	389,579	(229,837)	(309,531)	(217,875)
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$6,561,721)</u>	<u>(\$8,576,822)</u>	<u>(\$9,737,928)</u>	<u>(\$10,518,393)</u>
<b>General Revenues and Other Changes in Net Position</b>				
<b>Governmental Activities:</b>				
Property Taxes Levied for:				
General Purposes	\$832,058	\$628,011	\$590,185	\$736,982
Special Purposes	0	0	0	0
Debt Service	193,664	151,338	131,866	181,624
Capital Outlay	510,867	566,001	919,577	1,058,750
Income Taxes	6,988,358	8,018,764	9,035,177	9,260,355
Other Local Taxes	2,727	2,899	107,926	106,968
Grants and Entitlements not Restricted to Specific Programs	939,630	971,834	1,239,375	1,057,943
Investment Earnings	103,091	214,335	471,742	675,429
Miscellaneous	122,869	107,067	119,322	177,197
Transfers	49,500	0	0	0
<i>Total Governmental Activities</i>	<u>9,742,764</u>	<u>10,660,249</u>	<u>12,615,170</u>	<u>13,255,248</u>
<b>Business-type Activities:</b>				
Investment Earnings	0	0	213,429	187,399
Transfers	(49,500)	0	0	0
<i>Total Business-type Activities</i>	<u>(49,500)</u>	<u>0</u>	<u>213,429</u>	<u>187,399</u>
<i>Total Primary Government</i>	<u>\$9,693,264</u>	<u>\$10,660,249</u>	<u>\$12,828,599</u>	<u>\$13,442,647</u>
<b>Change in Net Position</b>				
Governmental Activities	\$2,791,464	\$2,313,264	\$3,186,773	\$2,954,730
Business-type Activities	340,079	(229,837)	(96,102)	(30,476)
<i>Total Primary Government Change in Net Position</i>	<u>\$3,131,543</u>	<u>\$2,083,427</u>	<u>\$3,090,671</u>	<u>\$2,924,254</u>

Source: City Auditor's Office

*City of Mount Vernon, Ohio*

2008	2009	2010	2011	2012	2013
3,308,139	3,287,232	3,392,757	3,371,924	3,559,198	3,450,880
2,515,147	2,718,245	3,105,361	3,290,355	3,257,271	3,243,715
0	41,618	40,709	42,936	42,069	37,266
0	0	0	148,735	0	0
<u>5,823,286</u>	<u>6,047,095</u>	<u>6,538,827</u>	<u>6,853,950</u>	<u>6,858,538</u>	<u>6,731,861</u>
<u>10,281,629</u>	<u>11,532,610</u>	<u>11,728,418</u>	<u>10,393,216</u>	<u>13,483,882</u>	<u>12,504,931</u>
(10,401,319)	(10,623,173)	(11,627,017)	(14,193,992)	(11,126,536)	(12,017,800)
(414,088)	(227,255)	87,666	638,161	644,161	564,267
<u>(\$10,815,407)</u>	<u>(\$10,850,428)</u>	<u>(\$11,539,351)</u>	<u>(\$13,555,831)</u>	<u>(\$10,482,375)</u>	<u>(\$11,453,533)</u>
\$632,956	\$682,820	\$589,285	\$556,875	\$571,710	\$552,305
0	0	0	0	134,352	130,272
158,796	175,254	167,876	152,820	32,707	143,647
1,176,352	1,263,314	1,381,766	1,521,575	1,441,186	720,963
10,359,164	9,383,772	8,688,085	9,262,187	10,566,350	10,805,563
99,236	94,493	87,796	84,821	98,030	94,973
842,850	992,167	1,087,350	963,370	725,574	451,426
421,642	190,437	60,858	21,582	37,698	29,448
243,948	152,110	180,599	243,707	261,553	327,023
0	0	0	0	0	0
<u>13,934,944</u>	<u>12,934,367</u>	<u>12,243,615</u>	<u>12,806,937</u>	<u>13,869,160</u>	<u>13,255,620</u>
40,907	6,394	4,973	3,400	1,539	625
0	0	0	0	0	0
<u>40,907</u>	<u>6,394</u>	<u>4,973</u>	<u>3,400</u>	<u>1,539</u>	<u>625</u>
<u>\$13,975,851</u>	<u>\$12,940,761</u>	<u>\$12,248,588</u>	<u>\$12,810,337</u>	<u>\$13,870,699</u>	<u>\$13,256,245</u>
\$3,533,625	\$2,311,194	\$616,598	(\$1,387,055)	\$2,742,624	\$1,237,820
(373,181)	(220,861)	92,639	641,561	645,700	564,892
<u>\$3,160,444</u>	<u>\$2,090,333</u>	<u>\$709,237</u>	<u>(\$745,494)</u>	<u>\$3,388,324</u>	<u>\$1,802,712</u>

**City of Mount Vernon, Ohio**

*Fund Balances, Governmental Funds  
Last Ten Years  
(modified accrual basis of accounting)*

	2004	2005	2006	2007	2008
<b>General Fund</b>					
Nonspendable	\$0	\$0	\$0	\$0	\$0
Restricted	0	0	0	0	0
Committed	0	0	0	0	0
Assigned	0	0	0	0	0
Unassigned	0	0	0	0	0
Reserved	270,566	230,254	301,509	607,319	395,128
Unreserved	2,041,286	2,335,202	3,338,049	4,212,879	4,458,073
<i>Total General Fund</i>	<u>2,311,852</u>	<u>2,565,456</u>	<u>3,639,558</u>	<u>4,820,198</u>	<u>4,853,201</u>
<b>All Other Governmental Funds</b>					
Nonspendable	0	0	0	0	0
Restricted	0	0	0	0	0
Committed	0	0	0	0	0
Reserved	286,964	278,367	371,377	322,041	271,232
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	701,300	824,716	900,067	1,189,268	1,479,376
Debt Service Funds	0	0	840	0	0
Capital Projects Funds	824,861	1,623,553	801,833	2,655,574	4,463,434
Permanent Fund	308,934	318,268	325,010	334,058	343,534
<i>Total All Other   Governmental Funds</i>	<u>2,122,059</u>	<u>3,044,904</u>	<u>2,399,127</u>	<u>4,500,941</u>	<u>6,557,576</u>
<i>Total Governmental Funds</i>	<u><u>\$4,433,911</u></u>	<u><u>\$5,610,360</u></u>	<u><u>\$6,038,685</u></u>	<u><u>\$9,321,139</u></u>	<u><u>\$11,410,777</u></u>

Source: City Auditor's Office

Note: The City implemented GASB 54 in 2011 which established new fund balance classifications for governmental funds.

*City of Mount Vernon, Ohio*

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2009	2010	2011	2012	2013
\$0	\$0	\$130,262	\$127,232	\$135,855
0	0	8,080	8,080	8,080
0	0	16,480	16,480	16,480
0	0	374,348	3,152,283	2,680,908
0	0	4,175,053	1,787,773	970,240
442,209	416,367	0	0	0
4,216,231	4,593,098	0	0	0
<u>4,658,440</u>	<u>5,009,465</u>	<u>4,704,223</u>	<u>5,091,848</u>	<u>3,811,563</u>
0	0	408,506	420,915	454,286
0	0	3,116,931	4,653,008	4,653,741
0	0	84,729	138,982	134,995
156,330	403,850	0	0	0
1,894,352	1,182,665	0	0	0
10,568	0	0	0	0
3,529,741	3,071,740	0	0	0
350,823	369,072	0	0	0
<u>5,941,814</u>	<u>5,027,327</u>	<u>3,610,166</u>	<u>5,212,905</u>	<u>5,243,022</u>
<u>\$10,600,254</u>	<u>\$10,036,792</u>	<u>\$8,314,389</u>	<u>\$10,304,753</u>	<u>\$9,054,585</u>

## City of Mount Vernon, Ohio

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

	2004	2005	2006	2007
<b>Revenues:</b>				
Taxes	\$8,243,192	\$9,237,011	\$10,980,389	\$11,440,727
Intergovernmental Revenues	4,128,601	3,329,519	2,995,086	3,138,477
Charges for Services	385,912	661,031	689,374	1,422,430
Licenses and Permits	4,834	34,329	34,776	21,786
Investment Earnings	103,091	214,335	471,742	675,429
Fines and Forfeitures	645,627	656,958	758,950	761,462
All Other Revenue	191,174	174,126	247,003	782,894
<b>Total Revenue</b>	<u>13,702,431</u>	<u>14,307,309</u>	<u>16,177,320</u>	<u>18,243,205</u>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	4,353,302	4,617,588	5,197,207	5,274,270
Public Health and Welfare Services	541,546	578,186	564,521	654,455
Leisure Time Activities	270,347	287,260	1,325,158	655,489
Community Environment	620,049	446,243	301,064	745,733
Transportation	3,268,392	2,852,792	2,735,444	2,393,098
General Government	3,626,077	4,017,230	5,295,380	7,721,022
Debt Service:				
Principal Retirement	217,786	212,377	217,413	217,763
Interest and Fiscal Charges	133,006	125,645	121,678	350,762
<b>Total Expenditures</b>	<u>13,030,505</u>	<u>13,137,321</u>	<u>15,757,865</u>	<u>18,012,592</u>
Excess (Deficiency) of Revenues Over Expenditures	671,926	1,169,988	419,455	230,613

*City of Mount Vernon, Ohio*

2008	2009	2010	2011	2012	2013
\$12,456,495	\$11,494,371	\$10,836,690	\$11,205,072	\$12,728,720	\$12,820,372
1,910,413	3,395,984	4,269,553	2,710,045	2,736,097	2,243,029
1,464,750	1,529,878	1,632,849	1,642,971	1,628,400	1,538,771
15,661	15,471	16,952	11,545	20,135	10,252
421,642	190,437	60,858	21,582	37,698	29,448
759,240	746,363	845,195	812,749	785,523	696,006
301,400	157,238	191,701	232,273	1,224,294	1,004,302
<u>17,329,601</u>	<u>17,529,742</u>	<u>17,853,798</u>	<u>16,636,237</u>	<u>19,160,867</u>	<u>18,342,180</u>
5,517,450	5,828,902	5,584,614	6,166,170	5,548,197	6,201,515
631,418	754,709	677,715	694,326	707,922	696,102
683,733	706,685	728,146	718,703	700,979	762,156
211,150	293,474	1,560,761	591,187	528,995	648,532
4,177,685	3,940,483	3,675,011	3,901,070	4,047,663	2,868,350
5,567,468	6,369,728	5,443,844	5,590,698	6,627,844	7,660,676
325,179	2,434,814	422,401	436,723	484,756	500,756
250,142	329,738	339,425	287,960	359,602	279,021
<u>17,364,225</u>	<u>20,658,533</u>	<u>18,431,917</u>	<u>18,386,837</u>	<u>19,005,958</u>	<u>19,617,108</u>
(34,624)	(3,128,791)	(578,119)	(1,750,600)	154,909	(1,274,928)

(Continued)

**City of Mount Vernon, Ohio**

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

	2004	2005	2006	2007
<b>Other Financing Sources (Uses):</b>				
Proceeds from the Sale of Capital Assets	11,171	4,541	2,784	23,688
Ohio Public Works Commission Loan	0	0	0	0
General Obligation Bonds Issued	0	0	0	3,035,000
General Obligation Notes Issued	0	0	0	0
General Obligation Refunding Bonds Issued	0	0	0	0
Special Obligation Bonds Issued	0	0	0	0
Premium on General Obligation Notes	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0
Transfers In	709,532	1,519,676	1,546,311	1,712,982
Transfers Out	(660,032)	(1,519,676)	(1,546,311)	(1,712,982)
<b>Total Other Financing Sources (Uses)</b>	<u>60,671</u>	<u>4,541</u>	<u>2,784</u>	<u>3,058,688</u>
<b>Net Change in Fund Balance</b>	<u>\$732,597</u>	<u>\$1,174,529</u>	<u>\$422,239</u>	<u>\$3,289,301</u>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	3.41%	3.14%	3.05%	4.29%

Source: City Auditor's Office

*City of Mount Vernon, Ohio*

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2008	2009	2010	2011	2012	2013
12,298	17,865	3,259	38,177	11,342	31,689
0	125,000	0	0	0	0
0	2,165,000	0	0	0	0
2,100,000	0	0	0	0	0
0	0	0	0	1,654,000	0
0	0	0	0	1,775,000	0
7,245	8,232	0	0	0	0
0	0	0	0	(1,600,053)	0
2,785,286	1,286,170	827,126	1,028,456	1,275,651	1,656,139
(2,785,286)	(1,286,170)	(827,126)	(1,028,456)	(1,275,651)	(1,656,139)
2,119,543	2,316,097	3,259	38,177	1,840,289	31,689
<u>\$2,084,919</u>	<u>(\$812,694)</u>	<u>(\$574,860)</u>	<u>(\$1,712,423)</u>	<u>\$1,995,198</u>	<u>(\$1,243,239)</u>
4.41%	16.75%	5.10%	4.72%	5.51%	5.03%

**City of Mount Vernon, Ohio**

*Income Tax Revenues by Source, Governmental Funds  
Last Ten Years*

<b>Tax year</b>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Income Tax Rate	1.50%	1.50%	1.50%	1.50%
Estimated Personal Income (in thousands) (1)	\$393,803	\$396,137	\$416,840	\$434,109
Total Tax Collected	\$6,693,710	\$7,815,703	\$8,887,353	\$9,448,716
Income Tax Receipts				
Withholding	5,563,637	6,142,087	6,571,546	7,098,813
Percentage	83.11%	78.58%	73.94%	75.13%
Corporate	489,726	1,032,072	1,555,469	1,696,194
Percentage	7.32%	13.21%	17.50%	17.95%
Individuals	640,347	641,544	760,338	653,709
Percentage	9.57%	8.21%	8.56%	6.92%

Source: City Income Tax Department

(1) US Department of Commerce, Bureau of Economic Analysis.

*City of Mount Vernon, Ohio*

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2008	2009	2010	2011	2012	2013
1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
\$451,730	\$462,638	\$513,183	\$542,270	\$580,616	\$580,616
\$10,273,944	\$9,446,804	\$8,556,302	\$9,017,691	\$10,128,973	\$11,210,717
7,083,885	7,159,863	6,967,691	7,408,369	7,854,868	8,088,514
68.95%	75.79%	81.43%	82.15%	77.55%	72.15%
2,486,687	1,673,288	926,225	961,045	1,578,706	2,396,265
24.20%	17.71%	10.83%	10.66%	15.59%	21.37%
703,372	613,653	662,386	648,277	695,399	725,938
6.85%	6.50%	7.74%	7.19%	6.86%	6.48%



**City of Mount Vernon, Ohio**

*Income Tax Collections  
Current Year and Nine Years Ago*

Calendar Year 2013

Income Tax Filers	Taxable Income	Percent of Income	Income Tax Collections	Percent of Income
Top Ten	\$392,401,581	52.50%	\$5,886,028	52.50%
All Others	354,979,267	47.50%	5,324,689	47.50%
Total	<u>\$747,380,848</u>	<u>100.00%</u>	<u>\$11,210,717</u>	<u>100.00%</u>

Calendar Year 2004

Income Tax Filers	Taxable Income	Percent of Income	Income Tax Collections	Percent of Income
Top Ten	\$204,569,267	45.84%	\$3,068,539	45.84%
All Others	\$241,678,067	54.16%	3,625,171	54.16%
Total	<u>\$446,247,333</u>	<u>100.00%</u>	<u>\$6,693,710</u>	<u>100.00%</u>

Source: City Income Tax Department

## City of Mount Vernon, Ohio

### Ratio of Outstanding Debt By Type Last Ten Years

	2004	2005	2006	2007
<b>Governmental Activities</b> <sup>(1)</sup>				
Long-Term Notes Payable	\$0	\$0	\$0	\$0
General Obligation Bonds Payable	3,239,365	3,056,065	2,868,065	5,715,065
Special Obligation Bonds Payable	0	0	0	0
Ohio Public Works Commission Loan Payable	414,375	393,125	371,875	350,625
<b>Business-type Activities</b> <sup>(1)</sup>				
Ohio Public Works Commission Loan Payable	\$0	\$0	\$0	\$0
Ohio Water Development Authority	0	0	0	0
General Obligation Bonds Payable	10,625,635	10,053,935	9,461,935	12,229,935
Special Obligation Bonds Payable	0	0	0	0
Mortgage Revenue Bonds Payable	6,505,000	6,155,000	5,790,000	5,410,000
Total Primary Government	<u>\$20,784,375</u>	<u>\$19,658,125</u>	<u>\$18,491,875</u>	<u>\$23,705,625</u>
<b>Population</b> <sup>(2)</sup>				
City of Mount Vernon	15,256	15,256	15,256	15,256
Outstanding Debt Per Capita	\$1,362	\$1,289	\$1,212	\$1,554
<b>Income</b> <sup>(3)</sup>				
Personal (in thousands)	393,803	396,137	416,840	434,109
Percentage of Personal Income	5.28%	4.96%	4.44%	5.46%

**Sources:**

(1) City Auditor's Office

(2) US Bureau of Census, Population Division

(3) US Department of Commerce, Bureau of Economic Analysis

(a) Per Capita Income is only available by County, Total Personal Income is a calculation.

*City of Mount Vernon, Ohio*

2008	2009	2010	2011	2012	2013
\$2,100,000	\$0	\$0	\$0	\$0	\$0
5,420,015	7,280,711	6,881,718	6,482,568	6,177,200	5,812,400
0	0	0	0	1,775,000	1,677,500
329,375	433,125	419,375	391,875	364,375	336,875
\$0	\$125,362	\$122,228	\$115,960	\$109,692	\$103,424
0	0	0	2,303,347	6,289,243	6,476,726
11,469,985	13,274,289	12,348,282	11,392,432	10,522,800	9,582,600
0	0	0	0	1,775,000	1,677,500
5,015,000	4,420,000	4,020,000	3,620,000	3,205,000	2,780,000
<u>\$24,334,375</u>	<u>\$25,533,487</u>	<u>\$23,791,603</u>	<u>\$24,306,182</u>	<u>\$30,218,310</u>	<u>\$28,447,025</u>

15,256	15,256	16,990	16,990	16,990	16,990
\$1,595	\$1,674	\$1,400.33	\$1,430.62	\$1,778.59	\$1,674.34

451,730	462,638	513,183	542,270	580,616	580,616
5.39%	5.52%	4.64%	4.48%	5.20%	4.90%

**City of Mount Vernon, Ohio**

*Ratios of General Bonded Debt Outstanding  
Last Ten Years*

Year	2004	2005	2006	2007
<b>Population</b> <sup>(1)</sup>	15,256	15,256	15,256	15,256
<b>Assessed Value</b> <sup>(2)</sup>	\$287,409,437	\$296,485,180	\$282,994,466	\$285,828,244
<b>General Bonded Debt</b> <sup>(3)</sup>				
General Obligation Bonds	\$13,865,000	\$13,110,000	\$12,330,000	\$17,945,000
<b>Resources Available to Pay Principal</b> <sup>(4)</sup>	\$2	\$0	\$840	\$0
<b>Net General Bonded Debt</b>	\$13,864,998	\$13,110,000	\$12,329,160	\$17,945,000
<b>Ratio of Net Bonded Debt to Assessed Value</b>	4.82%	4.42%	4.36%	6.28%
<b>Net Bonded Debt per Capita</b>	\$908.82	\$859.33	\$808.15	\$1,176.26

**Source:**

- (1) U.S. Bureau of Census of Population
- (2) Knox County Auditor
- (3) Includes all general obligation bonded debt.
- (4) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

*City of Mount Vernon, Ohio*

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2008	2009	2010	2011	2012	2013
15,256	15,256	16,990	16,990	16,990	16,990
\$258,440,860	\$261,803,090	\$259,179,980	\$247,090,750	\$247,754,300	\$249,053,880
\$16,890,000	\$20,555,000	\$19,230,000	\$17,875,000	\$16,700,000	\$15,395,000
\$0	\$10,568	\$0	\$0	\$966	\$0
\$16,890,000	\$20,544,432	\$19,230,000	\$17,875,000	\$16,699,034	\$15,395,000
6.54%	7.85%	7.42%	7.23%	6.74%	6.18%
\$1,107.11	\$1,346.65	\$1,131.84	\$1,052.09	\$982.87	\$906.12



**City of Mount Vernon, Ohio**

*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
December 31, 2013*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to the City of Mount Vernon</u>	<u>Amount Applicable to the City of Mount Vernon</u>
<b>Direct:</b>			
City of Mount Vernon	\$7,826,775	100.00%	\$7,826,775
<b>Overlapping:</b>			
Knox County	13,693,000	21.07%	2,885,115
Mount Vernon School District	4,390,000	46.36%	2,035,204
Knox County Career Center	3,769,000	23.41%	882,323
		Subtotal	<u>5,802,642</u>
		Total	<u><u>\$13,629,417</u></u>

**Source:** Knox County Auditor and Fiscal Officers of Subdivision

(1) Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

**City of Mount Vernon, Ohio**

*Debt Limitations  
Last Ten Years*

<b>Collection Year</b>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>Total Debt</b>				
Net Assessed Valuation	\$287,409,437	\$296,485,180	\$282,994,466	\$285,828,244
Legal Debt Limitation (%) (1)	10.50%	10.50%	10.50%	10.50%
Legal Debt Limitation (\$) (1)	30,177,991	31,130,944	29,714,419	30,011,966
City Debt Outstanding (2)	230,095	218,395	4,206,395	3,229,395
Less: Applicable Debt Service Fund Amounts	(2)	0	(840)	0
Net Indebtedness Subject to Limitation	<u>230,093</u>	<u>218,395</u>	<u>4,205,555</u>	<u>3,229,395</u>
Overall Legal Debt Margin	<u>\$29,947,898</u>	<u>\$30,912,549</u>	<u>\$25,508,864</u>	<u>\$26,782,571</u>
<b>Unvoted Debt</b>				
Net Assessed Valuation	\$287,409,437	\$296,485,180	\$282,994,466	\$285,828,244
Legal Debt Limitation (%) (1)	5.50%	5.50%	5.50%	5.50%
Legal Debt Limitation (\$) (1)	15,807,519	16,306,685	15,564,696	15,720,553
City Debt Outstanding (2)	230,095	218,395	4,206,395	3,229,395
Less: Applicable Debt Service Fund Amounts	(2)	0	(840)	0
Net Indebtedness Subject to Limitation	<u>230,093</u>	<u>218,395</u>	<u>4,205,555</u>	<u>3,229,395</u>
Overall Legal Debt Margin	<u>\$15,577,426</u>	<u>\$16,088,290</u>	<u>\$11,359,141</u>	<u>\$12,491,158</u>

(1) Direct Debt Limitation based upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(2) City Debt Outstanding includes Non Self-Supporting General Obligation Bonds and Notes only.  
Enterprise Debt is not considered in the computation of the Legal Debt Margin.  
Tax Increment Financing Bonds are not considered in the computation of the Legal Debt Margin.

Source: City Auditor's Office

*City of Mount Vernon, Ohio*

2008	2009	2010	2011	2012	2013
\$258,440,860	\$261,803,090	\$259,179,980	\$247,090,750	\$247,754,300	\$249,053,880
10.50%	10.50%	10.50%	10.50%	10.50%	10.50%
27,136,290	27,489,324	27,213,898	25,944,529	26,014,202	26,150,657
3,116,945	2,999,195	2,876,145	2,752,795	2,607,800	2,477,600
0	(10,568)	0	0	(966)	0
3,116,945	2,988,627	2,876,145	2,752,795	2,606,834	2,477,600
\$24,019,345	\$24,500,697	\$24,337,753	\$23,191,734	\$23,407,368	\$23,673,057
\$258,440,860	\$261,803,090	\$259,179,980	\$247,090,750	\$247,754,300	\$249,053,880
5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
14,214,247	14,399,170	14,254,899	13,589,991	13,626,487	13,697,963
3,116,945	2,999,195	2,876,145	2,752,795	2,607,800	2,477,600
0	(10,568)	0	0	(966)	0
3,116,945	2,988,627	2,876,145	2,752,795	2,606,834	2,477,600
\$11,097,302	\$11,410,543	\$11,378,754	\$10,837,196	\$11,019,653	\$11,220,363

## *City of Mount Vernon, Ohio*

### *Pledged Revenue Coverage Last Ten Years*

	2004	2005	2006	2007
<b>Water System Bonds 1999 Series (1)</b>				
Gross Revenues (2)	\$3,034,525	\$2,931,081	\$3,091,208	\$3,348,689
Direct Operating Expenses (3)	(1,621,464)	(1,698,652)	(1,648,878)	(1,784,855)
Net Revenue Available for Debt Service	1,413,061	1,232,429	1,442,330	1,563,834
Annual Debt Service Requirement	637,078	634,158	635,858	636,623
Coverage	2.22	1.94	2.27	2.46
<b>Tax Increment Financing (TIF) Bonds (4)</b>				
Payment In Lieu of Taxes (PILOT) Collections	\$510,867	\$566,671	\$917,141	\$1,060,626
Debt Service				
Principal	186,722	171,600	176,000	176,000
Interest	102,245	98,857	95,397	91,905
Coverage	1.77	2.10	3.38	3.96

(1) The Water system 1st Mortgage Revenue Bonds were issued in 1999, in the amount of \$8,370,000.

(2) Gross revenues include operating revenues plus interest income.

(3) Direct operating expenses include operating expenses less depreciation.

(4) The Coshocton Road Tax Increment Financing Bonds were issued in 2003, in the amount of \$3,371,992

Source: City Auditor's Office

*City of Mount Vernon, Ohio*

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2008	2009	2010	2011	2012	2013
\$3,344,136	\$3,292,955	\$3,394,458	\$3,373,589	\$3,560,407	\$3,451,448
(1,956,474)	(1,991,293)	(2,026,472)	(1,933,228)	(1,805,985)	(1,853,530)
1,387,662	1,301,662	1,367,986	1,440,361	1,754,422	1,597,918
636,612	638,600	542,383	539,650	542,650	540,200
2.18	2.04	2.52	2.67	3.23	2.96
\$1,155,370	\$1,232,200	\$1,320,086	\$1,262,210	\$1,572,036	\$748,799
182,600	186,554	190,943	195,800	231,000	149,600
88,297	84,361	79,136	72,745	87,076	74,120
4.26	4.55	4.89	4.70	4.94	3.35

## *City of Mount Vernon, Ohio*

### *Demographic and Economic Statistics Last Ten Years*

Calendar Year	2004	2005	2006	2007
<b>Population</b> <sup>(1)</sup>				
City of Mount Vernon	15,256	15,256	15,256	15,256
Knox County	54,500	54,500	54,500	54,500
<b>Income</b> <sup>(2) (a)</sup>				
Total Personal (in thousands)	393,803	396,137	416,840	434,109
Per Capita	25,813	25,966	27,323	28,455
<b>Unemployment Rate</b> <sup>(3)</sup>				
Federal	6.0%	5.5%	5.0%	4.6%
State	6.1%	6.0%	5.9%	5.6%
Knox County	5.6%	5.4%	5.1%	5.4%
<b>Civilian Work Force Estimates</b> <sup>(3)</sup>				
State	5,875,300	5,900,400	5,934,000	5,976,500
Knox County	29,200	30,100	30,500	31,000

**Sources:**

(1) US Bureau of Census of Population

(2) US Department of Commerce, Bureau of Economic Analysis information is only available through 2012 for the presentation of 2013 statistics, the City is using the latest information available.

(a) Per Capita Income is only available by County, Total Personal Income is a calculation

(3) State Department of Labor Statistics. Information is not available at the City level.

*City of Mount Vernon, Ohio*

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2008	2009	2010	2011	2012	2013
15,256	15,256	16,990	16,990	16,990	16,990
54,500	54,500	60,921	60,921	60,921	60,705
451,730	462,638	513,183	542,270	580,616	580,616
29,610	30,325	30,205	31,917	34,174	34,174
5.8%	5.8%	9.1%	8.3%	7.6%	7.4%
6.6%	6.6%	9.3%	7.6%	6.6%	7.4%
6.3%	6.3%	9.1%	7.6%	6.2%	6.7%
5,986,400	5,986,400	5,986,400	5,806,000	5,701,000	5,765,700
30,800	30,800	30,800	29,600	29,400	30,600



## City of Mount Vernon, Ohio

### Principal Employers Current Year and Nine Years Ago

Employer	Nature of Business	2013	
		Number of Employees	Rank
Ariel Corporation	Manufacturing	1,265	1
Rolls Royce Energy Systems, Inc	Manufacturing	1,150	2
Knox Community Hospital	Medical Care	936	3
Jeld-Wen Windows & Doors	Manufacturing	545	4
Knox County	Government	425	5
Mount Vernon City Schools	Education	414	6
Mount Vernon Nazarene University	Education	370	7
Wal-Mart	Retail	325	8
Sanoh America, Inc.	Manufacturing	290	9
First Knox National Bank	Financial	206	10
Total		5,926	

Employer	Nature of Business	2004	
		Number of Employees	Rank
Rolls-Royce Energy Systems, Inc.	Manufacturing	950	1
Knox Community Hospital	Medical Care	550	2
Knox County	Government	535	3
Kelsey-Hayes	Manufacturing	500	4
Mount Vernon Nazarene College	Education	456	5
Ariel Corporation	Manufacturing	445	6
Board of Education (City)	Education	436	7
Jeld-Wen, Inc.	Manufacturing	275	8
Wal-Mart	Retail	200	9
Breon, Inc.	Restaurant	149	10
Total		4,496	

**Sources:**

City Auditor's Office

Total Employment within the City is not available

## City of Mount Vernon, Ohio

### Full Time Equivalent Employees by Function Last Ten Years

	2004	2005	2006	2007	2008
<b>Governmental Activities</b>					
General Government					
Administration	1.00	1.00	1.00	1.00	1.00
Finance	2.50	2.00	2.00	2.00	2.00
Law Director	3.00	4.00	4.00	4.00	4.00
Income Tax	3.00	3.00	3.00	3.00	3.00
Legal/Court	10.50	10.50	10.50	10.50	11.00
Safety-Service	2.00	2.00	2.00	2.00	2.00
Civil Service	0.50	0.50	0.50	0.50	0.50
Engineering	6.00	5.00	5.50	6.00	6.50
Public Buildings/Lands	2.25	1.75	1.75	1.75	1.75
Security of Persons and Property					
Police	29.00	29.00	28.50	32.00	31.00
Fire	33.00	31.00	33.00	40.00	40.00
Transportation					
Street	13.25	12.75	13.00	12.50	12.50
Leisure Time Activities					
Parks/Recreation	16.50	16.75	16.75	58.25	53.75
Public Health and Welfare					
Cemetery	5.25	5.00	5.00	6.00	6.00
<b>Business-Type Activities</b>					
Utilities					
Water	16.50	17.50	17.50	17.50	17.50
Sewer	18.00	19.00	19.00	19.50	19.50
<i>Total Employees</i>	<u>162.25</u>	<u>160.75</u>	<u>163.00</u>	<u>216.50</u>	<u>212.00</u>

**Method:** 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

Elected Officials have been omitted from this table

Source: City Auditor's Office

*City of Mount Vernon, Ohio*

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<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00
4.00	4.00	4.00	4.00	4.00
3.00	3.00	3.00	3.00	3.00
11.00	11.00	11.00	11.00	11.00
2.00	2.00	2.00	2.00	2.00
0.50	0.50	0.50	0.50	0.50
6.50	6.50	6.50	6.50	6.50
1.75	1.75	1.75	1.75	1.75
32.00	32.00	32.00	32.00	32.00
40.00	40.00	40.00	40.00	40.00
12.50	12.50	12.50	12.50	12.50
53.75	53.75	55.25	56.50	56.50
6.00	5.25	5.25	5.25	5.25
17.50	17.50	17.50	17.50	17.50
19.50	19.50	19.50	19.50	19.50
<u>213.00</u>	<u>212.25</u>	<u>213.75</u>	<u>215.00</u>	<u>215.00</u>

**City of Mount Vernon, Ohio**

*Operating Indicators by Function  
Last Ten Years*

	2004	2005	2006	2007
<b>Governmental Activities</b>				
General Government				
Court				
Number of Civil Cases	1,193	1,098	1,078	1,252
Number of Criminal Cases	1,151	1,146	1,170	1,088
Number of Traffic Cases	5,257	6,002	6,571	5,491
Number of Open Cases	959	985	928	1,020
Licenses and Permits				
Number of Building Permits	223	218	211	119
Security of Persons and Property				
Police				
Number of Citations Issued	2,953	3,608	3,322	3,081
Fire				
Number of Fire Calls	4,003	4,003	868	752
Number of EMS Runs			2,814	2,911
Number of Inspections	325	325	125	375
<b>Business-Type Activities</b>				
Water				
Number of Service Connections	6,249	6,307	6,369	6,421
Daily Average Consumption (thousands of gallons)	2,607,683	2,252,603	2,465,836	2,508,356
Sewer				
Number of Service Connections	6,488	6,536	6,590	6,637
Daily Average Sewage Treatment (thousands of gallons)	3,514,664	3,524,293	3,122,181	3,145,699

Source: City Auditor's Office

*City of Mount Vernon, Ohio*

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2008	2009	2010	2011	2012	2013
1,484	1,425	1,259	1,394	1,258	780
1,335	1,246	1,378	1,551	1,365	1,280
5,811	5,867	6,234	5,825	5,500	4,978
1,003	1,038	884	514	547	440
160	162	159	157	150	122
3,857	3,295	3,640	3,117	2,557	3,117
871	1,032	1,067	1,032	1,185	918
3,259	3,282	3,386	3,649	3,817	3,583
1,250	1,009	685	820	750	740
6,449	6,469	6,484	6,495	6,507	6,514
2,704,110	3,026,000	2,565,381	2,409,501	2,530,735	2,748,137
6,655	6,682	6,704	6,717	6,726	6,734
3,282,192	2,979,515	2,881,773	3,524,871	2,676,145	2,779,449

## City of Mount Vernon, Ohio

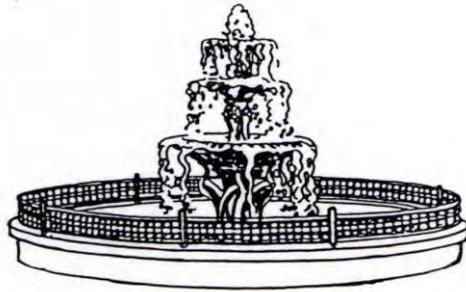
### Capital Asset Statistics by Function Last Ten Years

	2004	2005	2006	2007
<b>Governmental Activities</b>				
General Government				
Public Land and Buildings				
Land (acres)	9.2	9.2	9.2	9.2
Buildings	9	9	9	9
Security of Persons and Property				
Police				
Stations	1	1	1	1
Vehicles	13	13	13	13
Fire				
Stations	2	2	2	2
Vehicles	11	11	11	11
Transportation				
Street				
Streets (lane miles)	82	82	82	82
Street Lights	1,470	1,470	1,470	1,470
Traffic Signals	50	50	50	51
Vehicles	13	13	13	13
Leisure Time Activities				
Parks/Recreation				
Land (acres)	176.58	176.58	210.32	241.86
Buildings	14	14	14	14
Parks	8	8	8	8
Playgrounds	4	4	4	4
Swimming Pools	2	2	2	4
Tennis Courts	10	10	10	10
Baseball/Softball Diamonds	11	11	11	11
Soccer Fields	2	2	2	2
<b>Business-Type Activities</b>				
Utilities				
Water				
Waterlines (Miles)	63	63	63	63
Number of Hydrants	484	484	484	484
Average Daily Consumption	2,607,683	2,252,603	2,465,836	2,508,356
Storage Capacity (thousands of gallons)	7,000	7,000	7,000	7,000
Sewer				
Sewerlines (Miles)	62	62	62	62
Average Daily Treatment	3,514,664	3,524,293	3,122,181	3,145,699
Treatment Capacity (thousands of gallons)	5,000	5,000	5,000	5,000

Source: City Auditor's Office

*City of Mount Vernon, Ohio*

2008	2009	2010	2011	2012	2013
9.8 9	9.8 9	12.4 9	12.4 9	12.4 9	12.7 9
1 13	1 13	1 13	1 13	1 13	1 13
2 11	2 11	2 11	2 11	2 11	2 11
82 1,470 52 13	82 1,470 53 13	82 1,470 53 13	82 1,470 53 13	82 1,470 54 13	82 1,470 54 13
241.86 14 8 4 4 10 11 2	241.86 14 8 4 4 10 11 2	244.98 14 8 4 4 10 11 2	244.98 14 8 4 4 10 11 2	244.98 14 8 4 4 10 11 2	244.98 14 8 4 4 10 11 2
63 484 2,704,110 7,000	63 484 3,026,000 7,000	63 484 2,565,381 7,000	63 484 2,409,501 7,000	63 484 2,530,735 7,000	63 484 2,748,137 7,000
62 3,282,192 5,000	62 2,979,515 5,000	62 2,881,773 5,000	62 3,524,871 5,000	62 2,676,145 5,000	62 2,779,449 5,000





# Dave Yost • Auditor of State

**CITY OF MOUNT VERNON**

**KNOX COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
SEPTEMBER 02, 2014**