

Mary Taylor, CPA
Auditor of State

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
LAKE COUNTY**

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**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
LAKE COUNTY**

**FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2010**

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>					
<i>Passed Through Ohio Department of Education:</i>					
Nutrition Cluster:					
School Breakfast Program	10.553	\$115,227	\$0	\$115,227	\$0
National School Lunch Program	10.555	<u>672,913</u>	<u>84,621</u>	<u>672,913</u>	<u>84,621</u>
Total Nutrition Cluster		<u>788,140</u>	<u>0</u>	<u>788,140</u>	<u>0</u>
Total U.S. Department of Agriculture		<u>788,140</u>	<u>84,621</u>	<u>788,140</u>	<u>84,621</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>					
<i>Passed Through Ohio Department of Education:</i>					
Special Education Cluster:					
Special Education: Grants to States	84.027	1,923,019	0	1,952,895	0
ARRA : Grants to States	84.391	1,155,977	0	1,082,742	0
Special Education: Preschool Grants	84.173	42,894	0	46,886	0
ARRA : Preschool Grants	84.392	<u>14,288</u>	<u>0</u>	<u>14,288</u>	<u>0</u>
Total Special Education Cluster		<u>3,136,178</u>	<u>0</u>	<u>3,096,811</u>	<u>0</u>
Title I Grants to Local Educational Agencies	84.010	580,485	0	606,242	0
ARRA: Title I	84.389	172,494	0	158,640	0
Safe and Drug-Free Schools and Communities State Grants	84.186	24,507	0	20,857	0
Innovative Education Program Strategies	84.298	0	0	10,768	0
Education Technology State Grants	84.318	6,298	0	6,298	0
Vocational Education - Basic Grants to States	84.048	336,477	0	330,647	0
English Language Acquisition Grants	84.365	35,003	0	40,335	0
Improving Teacher Quality State Grants	84.367	255,559	0	192,776	0
ARRA - State Fiscal Stabilization Fund	84.394	<u>1,005,971</u>	<u>0</u>	<u>890,822</u>	<u>0</u>
Total U.S. Department of Education		<u>5,552,972</u>	<u>0</u>	<u>5,354,196</u>	<u>0</u>
Total Federal Awards Receipts and Expenditures		<u>\$ 6,341,112</u>	<u>\$ 84,621</u>	<u>\$ 6,142,336</u>	<u>\$ 84,621</u>

The accompanying notes to this schedule are an integral part of this schedule.

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
LAKE COUNTY**

**NOTES TO THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FISCAL YEAR ENDED JUNE 30, 2010**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Receipts and Expenditures Schedule (the Schedule) summarizes activity of the District's federal award programs. The schedule has been prepared on the cash basis of accounting.

NOTE B - CHILD NUTRITION CLUSTER

Cash receipts from the U.S. Department of Agriculture are commingled with State grants and local revenue. It is assumed federal monies are expended first.

NOTE C – FOOD DONATION PROGRAM

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This non-monetary assistance (expenditures) is reported in the Schedule at the fair value of the commodities received.



Mary Taylor, CPA

Auditor of State

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

Mentor Exempted Village School District
Lake County
6451 Center Street Road
Mentor, Ohio 44060

To the Board of Education:

We have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Mentor Exempted Village School District, Lake County, Ohio, (the District) as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 30, 2010, wherein we noted the District implemented Governmental Accounting Standard Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" and restated the June 30, 2009 net assets of the Governmental Activities and the fund balances of the General Fund and the Nonmajor Governmental Funds due to a change in fund structure. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, 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 more than a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and timely corrected.

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

Compliance and Other Matters

As part of reasonably assuring whether the District'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, providing an opinion 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*.

We intend this report solely for the information and use of the audit committee, management, the Board of Education, federal awarding agencies, pass-through entities and others within the District. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

November 30, 2010



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM, ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133, AND ON THE FEDERAL AWARDS RECEIPTS AND EXPENDITURE SCHEDULE

Mentor Exempted Village School District
Lake County
6451 Center Street Road
Mentor, Ohio 44060

To the Board of Education:

Compliance

We have audited the compliance of the Mentor Exempted Village School District, Lake County, Ohio, (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of the Mentor Exempted Village School District's major federal programs for the year ended June 30, 2010. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits 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*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the Mentor Exempted Village School District, Lake County, Ohio, complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District'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 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.

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Federal Awards Receipts and Expenditures Schedule

We have also audited the financial statements of the governmental activities, the major fund and the aggregate remaining fund information of Mentor Exempted Village School District, Lake County, Ohio, as of and for the year ended June 30, 2010, and have issued our report thereon dated November 30, 2010, wherein we noted the District implemented Governmental Accounting Standard Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" and restated the June 30, 2009 net assets of the Governmental Activities and the fund balances of the General Fund and the Nonmajor Governmental Funds due to a change in fund structure. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying federal awards receipts and expenditures schedule provides additional information 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 used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information 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 information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of the audit committee, management, the Board of Education, others within the District, federal awarding agencies and pass-through entities. It is not intended for anyone other than these specified parties.



Mary Taylor, CPA
Auditor of State

November 30, 2010

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
LAKE COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2010**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510 (a)?	No
(d)(1)(vii)	Major Programs (list):	Special Education Cluster # 84.027 Special Education – Grants to States # 84.173& 84.392 Special Education – Preschool Grants Title I # 84.010 & 84.389 Vocational Education # 84.048 State Fiscal Stabilization # 84.394
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	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

None



THE CORNERSTONE OF THE COMMUNITY

Mentor Exempted Village School District
Mentor, Ohio

**Comprehensive
Annual Financial Report**
for the year ended June 30, 2010

Prepared by the Chief Financial Officer's Office
Daniel L. Wilson, Chief Financial Officer



Introductory Section

Mentor Exempted Village School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2010
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**AnneMarie Suglio
Printmaking
Mentor High School**

Administration Building

Jacqueline A. Hoynes, Ph.D.
Superintendent

Daniel L. Wilson
Chief Financial Officer

Board of Education

Alan J. Mihok, President
Thomas V. Tuttle, Vice President
Mary L. Bryner, Member
Gwen J. Corban, Member
William J. Shaw, Member

November 30, 2010

Board of Education and Residents of Mentor Exempted Village School District:

It is our privilege to present to you the Comprehensive Annual Financial Report (CAFR) of the Mentor Exempted Village School District (“School District”) for the fiscal year ended June 30, 2010. This CAFR enables the School District to comply with the Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38 which requires school districts reporting on a GAAP basis to file an unaudited annual report with the Auditor of State within 150 days of fiscal year end.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that the School District has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The Ohio Auditor of State’s office has issued an unqualified opinion on the Mentor Exempted Village School District’s financial statements for the year ended June 30, 2010. The Independent Accountants’ Report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the Independent Accountants’ Report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

Profile of School District

The Mentor Exempted Village School District is the twenty-sixth largest of the 614 school districts in the State of Ohio and the second largest of nine school districts in Lake County. The School District provided education to 8,245 students in grades kindergarten through twelve during the 2009-2010 school year. Additionally, the School District provides preschool and after school services to a number of students. The Mentor Exempted Village School District is located in northeastern Ohio, approximately twenty-five miles east of downtown Cleveland and covers over thirty-five square miles.

The Mentor Exempted Village School District serves the Cities of Mentor, Mentor-on-the-Lake, and portions of the Village of Kirtland Hills, Chardon Township and Concord Township. The School District operates one high school, three middle schools and ten elementary schools.

The students enrolled in the Mentor Exempted School District attend classes in the following School District owned buildings:

- Mentor High School, constructed in 1965 with additions and renovations in 1993 and 2008, provides instruction for students in grades nine through twelve.
- Memorial Middle School, constructed in 1922 with additions and renovations in 1930 and 1990, provides instruction for students in grades six through eight.
- Ridge Middle School, constructed in 1963, provides instruction for students in grades six through eight.
- Shore Middle School, constructed in 1949 with additions and renovations in 1972, provides instruction for students in grades six through eight.
- Bellflower Elementary School, constructed in 1973, provides instruction for students in grades kindergarten through five.
- Brentmoor Elementary School, constructed in 1954 with additions and renovations in 1966, provides instruction for students in grades pre-kindergarten through five.
- Fairfax Elementary School, constructed in 1967, provides instruction for students in grades pre-kindergarten through five.
- Garfield Elementary School, constructed in 1938 with additions and renovations in 1965, provides instruction for students in grades kindergarten through five.
- Headlands Elementary School, constructed in 1954 with additions and renovations in 1956 and 1964, provides instruction for students in grades pre-kindergarten through five.
- Hopkins Elementary School, constructed in 1960 with additions and renovations in 1989, provides instruction for students in grades kindergarten through five.
- Lake Elementary School, constructed in 1969, provides instruction for students in grades kindergarten through five.
- Orchard Hollow Elementary School, constructed in 1969 with additions and renovations in 1973, provides instruction for students in grades kindergarten through five.
- Rice Elementary School, constructed in 1958 with additions and renovations in 1963, provides instruction for students in grades kindergarten through five.
- Sterling Morton Elementary School, constructed in 1961 with additions and renovations in 1964, provides instruction for students in grades kindergarten through five.

Kindergarten The School District operates all day, every day kindergarten programs in all ten elementary school buildings. These programs are designed to prepare children for school, to develop social skills and to promote the foundation for future learning.

Elementary The elementary school program provides students with exposure to reading, language arts, mathematics, science, social studies, health, music, art and physical education. Basic skill development is the key, and problem solving has been a focus in mathematics instruction. Science is hands-on in the School District's ten elementary schools, and manipulatives are used extensively in the math classes. Currently, the elementary schools service students in kindergarten through grade five. Three of these schools also receive

reading intervention services through Title I staff members. Members of the Central Office staff have been challenged by the Superintendent to volunteer approximately one hour a week as Ohio Reads Volunteers at a school of their choice within the School District.

Middle School Serving students in grades six through eight, the three middle schools offer an extension and continuation of the skill building work done at the elementary level by stressing student achievement in the core academic subjects of English, mathematics, science and social studies. Exploratory reading, keyboarding, exploratory languages and exploratory technology are also required courses depending upon a student's grade level. Electives are offered in music and art. Our middle schools also continue to offer a full extracurricular program of sports, clubs, and service groups. Students excel in all areas and benefit from a well-rounded preparation that allows them to be successful at the high school and beyond.

High School The School District has one comprehensive high school serving 2,780 students in grades nine through twelve. It is accredited by the North Central Association of Colleges and Schools and by the Ohio Board of Education. Students select from a wide array of courses and electives from basic academic core subjects to advanced placement coursework, which offer the student the opportunity to do college level work. The Career Technical Program also offers the opportunity for students to pursue career objectives while in high school including the opportunity to earn college credit through the completion of college courses. Mentor High School continues to offer a full extracurricular program of sports, clubs and service groups. Students excel in all areas and benefit from a well-rounded preparation that allows them to be successful in whatever career path they choose.

High School Athletics Mentor High School competes in the Lake Erie League. The high school qualifies for the highly competitive Division I classification. Fall, winter and spring varsity sports are available for students, including football, soccer, volleyball, track, cross country, basketball, baseball, softball, wrestling, tennis, golf, swimming, lacrosse and hockey. There are also ninth grade, junior varsity, and middle school athletic programs offered. Cheerleading is offered at each level.

Transportation The transportation system of the Mentor Exempted Village School District exceeds the State's minimum standards and allows kindergarten through twelfth grade students to ride. The School District maintains a fleet of buses for this purpose and has additional vehicles to transport physically challenged students. A computer program assigns students to the appropriate bus route. Parents and students are informed by mail of appropriate bus number, time and location of street pick-up to school and drop-off for the return trip home. Annually, the Ohio Department of Education measures transportation efficiency. The School District was recognized as providing the most efficient transportation services in Lake County during the 2009-2010 school year.

Certified Staff The average experience of the certificated staff is 15.09 years and 76.6 percent of the teaching staff have at least a master's degree. Textbook authors, doctorates, nationally known speakers and recognized experts in specific fields of study are among the School District's teachers and administrators. A blend of experienced staff along with new teachers offers students of the Mentor Exempted Village School District one of the strongest faculties in the area.

Economic Condition and Outlook

The City of Mentor and the surrounding areas have a strong and stable economic base. In the last two decades homes have been constructed to accommodate the large number of families moving into Mentor out of the more heavily populated Cleveland area. The current economic climate has significantly reduced the construction of new homes.

With major employers including the Steris Corporation, Lincoln Electric Corporation, PCC Airfoil, and Avery Dennison, the area continues to be stable. These major employers have remained stable during the current economic climate. The Steris Corporation has gone forward with a major addition to their corporate headquarters with completion scheduled for early 2011.

The involvement of local businesses and community groups in partnership with Mentor Exempted Village School District enhances the relationship between free enterprise and government entities.

Fortunately, the current economic downturn has not severely impacted the local economic base and our major employers' involvement with the School District. City officials are optimistic regarding future economic growth following the recovery from the recession.

Long-Term Financial Planning

The theme of the 2009-2010 fiscal year was maintaining educational excellence during economic uncertainty. The fiscal management of the School District has been integrated into the School District's Strategic Plan. In addition, the Board of Education, Superintendent and Chief Financial Officer remain committed to managing long-term plans that include:

- District Strategic Plan
- Enrollment Projections
- Five Year Budget Plan
- Auditor of State Performance Audit
- Capital Repair Plan
- Technology Plan

The diligence of the School District in managing to long-term plans has become evident in that the current forecasted future budgets indicate that the 2004 emergency levy, originally planned to support four fiscal years of spending, has been extended for an eighth year. This is especially noteworthy in that the State average life of a new levy is three years. In addition, prudent fiscal management has balanced the projected 2012-2013 budget. In November 2008, the community renewed for an additional five years, a 7.44 mill operating levy that will continue to provide \$15,015,997 annually through calendar year 2014. For only the second time in the last several decades, the end of year change in operating fund expenses was a negative \$51,709.

Relevant Financial Policies

Statutorily, the School District operates under the standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide education services prescribed by State and/or Federal agencies. The Board of Education is made up of five members elected at large, for overlapping four-year terms. The Board of Education elects its President and Vice President annually, and appoints two officials: the Superintendent, who serves as the Chief Executive Officer, and the Treasurer, who serves as the Chief Financial Officer.

Internal Accounting and Budgetary Control The School District's accounting system is organized on a "fund" basis. Each fund is a distinct self-balancing accounting entity. Reports for governmental fund operations are presented on the modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. Reports of the School District's proprietary fund operations are presented on the accrual basis whereby revenues are recognized when earned and expenses when incurred.

In developing the School District's accounting system much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The School District utilizes a fully automated accounting system as well as an automated system of control for payroll. These systems, coupled with the manual auditing of each voucher prior to payment, ensures that the financial information generated is both accurate and reliable.

At the beginning of each fiscal year, the Board of Education adopts a temporary appropriation measure for that fiscal year. By statute, permanent appropriations must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates. The School District is required to adopt the permanent appropriations in September by Board Policy.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board of Education's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. All funds are controlled at the fund level. The Treasurer has been given the authority to allocate board appropriations to the function and object levels within each fund. All purchase order requests must be approved by the site administrator, a central office administrator, and certified by the Chief Financial Officer, necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriation are rejected until additional appropriations are secured. Each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible. In addition, an online inquiry system is available at each cost center site. As an additional safeguard, all employees are covered by a blanket bond and certain individuals in policy-making roles are covered by a separate, higher limit bond.

Major Initiatives

During the 2009-2010 school year, the Superintendent implemented several major school district initiatives.

In June and July 2010, the Superintendent convened a facilities task force to study enrollment data and determine the number of school buildings needed in the foreseeable future. Based upon the task force's work, the Superintendent recommended to the Board of Education that an elementary school be closed at the conclusion of the 2010-2011 school year. The Board of Education approved the Superintendent's recommendation at the August 24, 2010 board meeting.

The School District participated in Stage 1 and 2 of the Ohio Improvement Process (OIP) in the 2009-2010 school year. The OIP is a strategy for ensuring a systematic and coherent approach for improving student performance. Stage 1 involved working with our State Support Team (SST) in the development of an OIP District Leadership Team (DLT). The team analyzed district data to identify the critical needs of the School District. Stage 2 of the process involved developing a focused School District plan. The academic focus of the plan is to increase student achievement in reading and math by implementing the district-wide use of two research-based strategies, common formative assessments and response to intervention. The School District began introducing the strategies by providing high quality professional development throughout the school year. AIMSweb, a benchmark and progress monitoring system was purchased for reading in grades K-8 to determine response to intervention. This web-based data management and reporting system is based on direct, frequent and continuous student assessment.

The Ohio Department of Education awarded the Mentor Public Schools an "Excellent" rating for achieving 26 out of 26 indicators for the 2009-2010 school year. This the sixth time in the last seven years Mentor Schools has earned at least the "Excellent" rating.

Awards and Acknowledgements

Awards

GFOA Certificate of Achievement The Government Finance Officers Association in the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Mentor Exempted Village School District for its comprehensive annual financial report for the fiscal year ended June 30, 2009. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

The publication of this CAFR represents an important achievement in the ability of the School District to provide significantly enhanced financial information and accountability to the taxpayers of the Mentor Exempted Village School District, its elected officials, management, staff and investors. This report is a continuation of the efforts of the Treasurer's Office to improve overall financial accounting, management and reporting capabilities.

The accomplishment of this report would not have been made possible without the assistance, support and efforts of the Treasurer's Office employees, particularly the Assistant Treasurer, various administrators, employees of the School District, and the Local Government Services Section of Auditor of State Mary Taylor's Office. Assistance from the County Auditor's office staff and outside agencies made possible the fair presentation of statistical data.

Sincere appreciation is extended to the Board of Education, where the commitment to improved financial management and reporting begins.

Respectfully submitted,



Daniel L. Wilson
Chief Financial Officer



Jacqueline A. Hoynes, Ph.D.
Superintendent

Mentor Exempted Village School District

Principal Officials

June 30, 2010

Board of Education

Mr. Alan J. Mihok..... President
Mr. Thomas V. Tuttle Vice-President
Mrs. Mary L. Bryner.....Member
Mrs. Gwen J. CorbanMember
Mr. William J. ShawMember

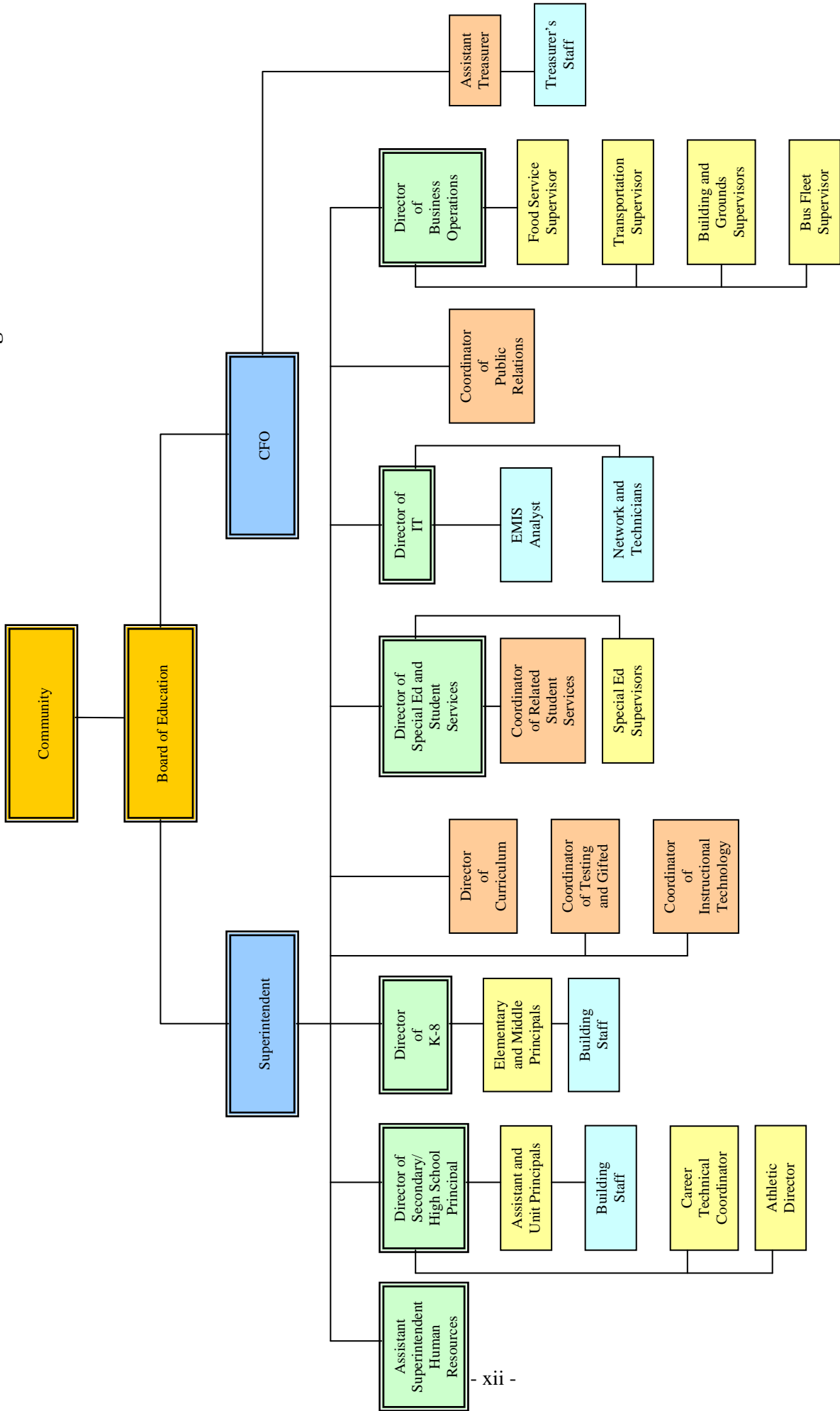
Superintendent

Dr. Jacqueline A. Hoynes

Chief Financial Officer

Mr. Daniel L. Wilson

Mentor Exempted Village School District Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Mentor Exempted Village
School District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

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



A stylized handwritten signature in black ink, consisting of several loops and a long horizontal stroke.

President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director



Colleen Crowle
Fine Art
Mentor High School



Financial Section



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Mentor Exempted Village School District
Lake County
6451 Center Street Road
Mentor, Ohio 44060

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Mentor Exempted Village School District, Lake County, Ohio, (the District) as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Mentor Exempted Village School District, Lake County, Ohio, as of June 30, 2010, and the respective changes in financial position, and where applicable, cash flows, thereof and the budgetary comparison for the General fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, the District implemented Governmental Accounting Standard Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" and restated the June 30, 2009 net assets of the Governmental Activities and the fund balances of the General Fund and the Nonmajor Governmental Funds due to a change in fund structure.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2010, on our consideration of the District'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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Lausche Building / 615 Superior Ave., NW / Twelfth Floor / Cleveland, OH 44113-1801
Telephone: (216) 787-3665 (800) 626-2297 Fax: (216) 787-3361
www.auditor.state.oh.us

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, as 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 have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the District'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 provide additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information 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 information is 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.



Mary Taylor, CPA
Auditor of State

November 30, 2010

Mentor Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited*

The discussion and analysis of the Mentor Exempted Village School District's (the "School District") financial performance provides an overview of the School District's financial activities for the fiscal year ended June 30, 2010. The intent of this discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the transmittal letter, basic financial statements and the notes to the basic financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2010 are as follows:

In total, net assets of governmental activities increased \$12,738,158 which represents a 25.27 percent increase from 2009.

Total general revenues accounted for \$103,012,473 in revenue or 88.46 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions and capital grants and contributions accounted for \$13,444,652 or 11.54 percent of total revenues of \$116,457,125.

The School District had \$103,718,967 in expenses related to governmental activities. Of these expenses, only \$13,444,652 was offset by program specific charges for services, operating and capital grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$103,012,473 were able to provide for these programs resulting in an increase of net assets of governmental activities from \$50,412,280 to \$63,150,438.

The School District's major governmental fund was the general fund. The general fund had \$102,287,080 in revenues and \$93,551,848 in expenditures. The general fund increased \$7,104,168 from \$41,868,984 to \$48,973,152.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the School District as a whole, or complete operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Assets and the Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate and longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements explain how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the School District, the general fund is by far the most significant fund.

Mentor Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited*

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

While these statements contain information about the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2010?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all non-fiduciary assets and liabilities using the accrual basis of accounting, similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the School District as a whole the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's current property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the Statement of Net Assets and the Statement of Activities, most of the School District's activities are classified as governmental. Most of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, operation of food services and extracurricular activities.

Reporting the School District's Most Significant Funds

The analysis of the School District's major funds begins on page 8. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental fund is the general fund.

Governmental Funds Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at fiscal 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 School District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Fund The School District maintains proprietary funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the School District's various functions. The School District's internal service funds account for medical and prescription drug self-insurance and workers' compensation. The proprietary fund uses the accrual basis of accounting.

Mentor Exempted Village School District

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited

Fiduciary Funds Fiduciary funds are used to account for resources held for the benefit of parties outside the School District. Fiduciary funds are not reflected on the government-wide financial statements because the resources from these funds are not available to support the School District's programs. These funds use the accrual basis of accounting.

The School District as a Whole

Recall that the statement of net assets provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net assets for 2010 compared to 2009:

	2010	2009	Change
Assets			
Current and Other Assets	\$131,517,594	\$128,589,164	\$2,928,430
Capital Assets, Net	16,766,906	15,724,841	1,042,065
<i>Total Assets</i>	<u>148,284,500</u>	<u>144,314,005</u>	<u>3,970,495</u>
Liabilities			
Current Liabilities	71,153,651	76,722,308	(5,568,657)
Long-Term Liabilities			
Due Within One Year	4,562,752	5,345,068	(782,316)
Due In More Than One Year	9,417,659	11,834,349	(2,416,690)
<i>Total Liabilities</i>	<u>85,134,062</u>	<u>93,901,725</u>	<u>(8,767,663)</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	12,508,243	9,772,640	2,735,603
Restricted for:			
Capital Projects	362,698	762,518	(399,820)
Debt Service	1,282,983	1,169,344	113,639
Other Purposes	816,437	1,156,763	(340,326)
Unrestricted	48,180,077	37,551,015	10,629,062
<i>Total Net Assets</i>	<u>\$63,150,438</u>	<u>\$50,412,280</u>	<u>\$12,738,158</u>

Total assets increased by \$3,970,495 mainly due to a large increase in cash at the end of the fiscal year. This 2.75 percent increase in cash is mainly due to management's continued efforts to control the increases in expenditures. On a cash basis, as a result of active expense management by the School District, total general fund expenses were less than the fiscal year 2009 general fund expenses.

In order to further understand what makes up the changes in net assets for the current year, the following table gives further details regarding the results of activities for the current year.

Mentor Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited*

Table 2 shows total revenues, expenses and changes in net assets for the fiscal year 2010 and 2009.

Table 2
Governmental Activities

	2010	2009	Change
Program Revenues			
Charges for Services and Sales	\$5,238,573	\$5,969,678	(\$731,105)
Operating Grants, Interest and Contributions	7,906,021	5,682,667	2,223,354
Capital Grants and Contributions	300,058	212,228	87,830
<i>Total Program Revenues</i>	<u>13,444,652</u>	<u>11,864,573</u>	<u>1,580,079</u>
General Revenues			
Property Taxes	\$67,600,450	\$70,411,276	(\$2,810,826)
Grants and Entitlements	34,257,793	33,523,296	734,497
Payment in Lieu of Taxes	281,912	154,534	127,378
Investment Earnings	624,575	1,466,058	(841,483)
Unrestricted Contributions and Donations	1,000	0	1,000
Gain on Sale of Capital Assets	24,547	6,600	17,947
Miscellaneous	222,196	124,763	97,433
<i>Total General Revenues</i>	<u>103,012,473</u>	<u>105,686,527</u>	<u>(2,674,054)</u>
<i>Total Revenues</i>	<u>116,457,125</u>	<u>117,551,100</u>	<u>(1,093,975)</u>
Program Expenses			
Instruction:			
Regular	43,854,284	46,237,935	2,383,651
Special	12,494,286	12,369,370	(124,916)
Vocational	2,115,566	2,400,243	284,677
Student Intervention	242,414	871,025	628,611
Support Services			
Pupils	7,009,557	6,614,344	(395,213)
Instructional Staff	5,508,798	5,431,287	(77,511)
Board of Education	604,673	475,375	(129,298)
Administration	5,803,805	6,067,851	264,046
Fiscal	2,179,768	2,602,233	422,465
Business	678,606	600,821	(77,785)
Operation and Maintenance of Plant	8,593,179	9,331,618	738,439
Pupil Transportation	6,380,577	6,379,443	(1,134)
Central	2,151,550	1,608,402	(543,148)
Operation of Non-Instructional Services	1,521,042	1,600,570	79,528
Operation of Food Service	2,272,614	2,706,117	433,503
Extracurricular Activities	1,986,932	1,973,168	(13,764)
Interest and Fiscal Charges	321,316	376,700	55,384
<i>Total Program Expenses</i>	<u>103,718,967</u>	<u>107,646,502</u>	<u>3,927,535</u>
<i>Increase in Net Assets</i>	12,738,158	9,904,598	2,833,560
Net Assets Beginning of Year	<u>50,412,280</u>	<u>40,507,682</u>	<u>9,904,598</u>
Net Assets End of Year	<u>\$63,150,438</u>	<u>\$50,412,280</u>	<u>\$12,738,158</u>

Mentor Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited*

Governmental Activities

Net assets of the School District's governmental activities increased by \$12,738,158. Program revenues of \$13,444,652 and general revenues of \$103,012,473 were sufficient to offset total governmental expenses of \$103,718,967. An increase in net assets is mainly due to a reduction of 42 full time equivalent positions in the instructional services area as well as significantly lower utility expenses. Also, as mentioned before, management has made an effort to control increases in expenditures, even in times of increasing revenues, thus creating a positive increase from the prior year.

The primary source of revenue for governmental activities is derived from property taxes, homestead and rollback reimbursements, tangible personal property hold harmless payments and grants. These revenue sources represent 87.46 percent of total governmental revenue.

Instruction and support services comprise 56.60 and 37.52 percent, respectively, of governmental program expenses. Interest expense was less than one percent. Interest expense was attributable to the outstanding bonds and notes for various projects. Overall, governmental program expenses decreased \$3,927,535, mainly due to a decrease in regular education, student intervention education and operation and maintenance of plant. These expenses decreased due to a reduction of 35 full time equivalent teacher and tutoring positions.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3
Total and Net Cost of Program Services
Governmental Activities

	2010		2009	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction:				
Regular	\$43,854,284	(\$40,984,693)	\$46,237,935	(\$44,227,959)
Special	12,494,286	(9,269,197)	12,369,370	(11,051,447)
Vocational	2,115,566	(1,920,601)	2,400,243	(2,177,884)
Student Intervention	242,414	(235,241)	871,025	(846,009)
Support Services:				
Pupils	7,009,557	(5,003,622)	6,614,344	(4,461,328)
Instructional Staff	5,508,798	(5,281,883)	5,431,287	(5,034,616)
Board of Education	604,673	(604,673)	475,375	(475,375)
Administration	5,803,805	(5,803,805)	6,067,851	(6,067,851)
Fiscal	2,179,768	(2,179,768)	2,602,233	(2,602,233)
Business	678,606	(678,606)	600,821	(600,821)
Operation and Maintenance of Plant	8,593,179	(8,284,854)	9,331,618	(9,055,454)
Pupil Transportation	6,380,577	(6,286,478)	6,379,443	(6,280,811)
Central	2,151,550	(1,993,384)	1,608,402	(1,299,893)
Operation of Non-Instructional Services	1,521,042	(358,547)	1,600,570	(236,382)
Operation of Food Service	2,272,614	489,641	2,706,117	120,083
Extracurricular Activities	1,986,932	(1,557,288)	1,973,168	(1,107,249)
Interest and Fiscal Charges	321,316	(321,316)	376,700	(376,700)
Total	\$103,718,967	(\$90,274,315)	\$107,646,502	(\$95,781,929)

Mentor Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited*

The dependence upon tax revenues during fiscal year 2010 for governmental activities is apparent, as 87.04 percent of 2010 governmental activities are supported through taxes and other general revenues. The School District's taxpayers, as a whole, are by far the primary support for the School District's students.

The School District's Funds

The School District's governmental funds (as presented on the balance sheet on page 15) reported a combined fund balance of \$51,363,258, which is greater than last year's fund balance of \$44,479,609 by \$6,883,649.

General Fund

The general fund is the chief operating fund of the School District. At the end of the current year, total fund balance for the general fund was \$48,973,152, of which \$75,796 was nonspendable because of inventory, \$1,317,737 was assigned to uniform school supplies, public school support and contracts, and \$47,579,619 was unassigned. The general fund balance increased by \$7,104,168, mainly due to a reduction of 42 full time equivalent staff positions and the fiscal year 2008 payoff of tax anticipation notes. The primary reason for fiscal year 2010 decreased expenditures is the result of the reduction in full time employees as well as lower utility expenses.

General Fund Budgeting Highlights

The School District'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 fund to be budgeted is the main operating fund of the School District, the general fund. The legal level of control has been set by the Board of Education at the fund, function and object level for the general fund and at the fund level for all other funds.

The Lake County Budget Commission approved original and final estimated resources in the amount of \$103,318,618 and \$103,309,738, respectively, not including carryover balances. In an effort to control expenses and preserve carryover balances, the School District budgeted \$95,192,043 and \$95,195,543, respectively, in revenues. Actual revenues for fiscal year 2010 exceeded the School District's budgeted revenues by 1.9 percent. This can be primarily attributed to higher than certified property tax collections and higher than budgeted intergovernmental revenue.

General fund original appropriations were \$99,866,518 which included carryover encumbrances. Final appropriations were \$99,753,874 which also included carryover encumbrances. The actual expenditures for fiscal year 2010 totaled \$94,531,954, which was \$5,221,920 less than the final budget appropriations. The difference between original and final appropriations and actual expenditures is due to prudent spending by the Superintendent in fiscal year 2010.

Mentor Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited*

Capital Assets and Debt Administration

Capital Assets

Table 4 shows fiscal 2010 balances compared to 2009:

Table 4
Capital Assets at June 30
(Net of Depreciation)
Governmental Activities

	2010	2009
Land	\$725,721	\$725,721
Construction in Progress	24,745	599,853
Land Improvements	1,152,918	723,223
Buildings and Improvements	11,176,625	10,191,866
Furniture and Fixtures	2,102,849	1,939,546
Vehicles	1,584,048	1,544,632
<i>Total Capital Assets</i>	<u>\$16,766,906</u>	<u>\$15,724,841</u>

Acquisition for governmental activities totaled \$3,817,263 which included \$1,406,318 of outstanding projects completed during 2010, as well as \$24,745 of new projects started in 2010. Depreciation of governmental activities totaled \$1,359,981 for the year. Detailed information regarding capital asset activities is included in the notes to the financial statements (Note 10).

Debt

Table 5 summarizes the bonds outstanding.

Table 5
Outstanding Long-term Debt at June 30
Governmental Activities

	2010	2009
2001 School Improvements Bonds 2.20-4.15%	\$1,805,007	\$2,215,007
2005 School Improvements Bonds 3.00%	2,271,187	3,318,945
Energy Conservation Notes	618,667	696,000
Capital Leases	0	56,205
Total	<u>\$4,694,861</u>	<u>\$6,286,157</u>

At June 30, 2010, the School District had \$4,694,861 in outstanding long-term debt, not including accrued compensated absences and early retirement incentives, claims payable and short-term debt of \$1,637,333. The School District paid \$1,560,000 in bonds outstanding, \$696,000 in long-term notes outstanding, and \$56,205 to pay off capital leases during the year. Detailed information regarding short-term notes payables activity, long-term debt activity and capital lease obligations is included in the notes to the financial statements (Notes 12 and 13, respectively).

Mentor Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited*

Current Financial Related Activities

The theme for the 2009-2010 general fund budget was "Maintaining Educational Excellence during Economic Uncertainty." Our plan for executing the theme was detailed in the September 8, 2009 annual appropriations document and noted that we were continuing to manage to our long term plans. We utilized the five year forecasting system, the Strategic Plan, the resources of the Citizens Financial Advisory Committee and the Citizen Audit Committee, the Financial Recovery Plan, as well as the Auditor of State Performance Audit. And finally, we have successfully linked our financial management to our strategic plan.

The Board of Education, the Superintendent and Chief Financial Officer continued to relentlessly pursue cost reductions without sacrificing the quality of the School District's educational programs. The Superintendent instituted the following cost reduction strategies in the 2009-2010 general fund budget:

- Reduced 3.0 teacher positions as a result of changes in enrollment
- Added 3.0 classroom assistants instead of teachers to accommodate last minute enrollment adjustments
- Restructured the tutoring program which reduced 26.0 tutor positions with estimated savings of \$1,443,218
- Utilized budget controls for new staff hiring
- Utilized budget controls for overtime and substitutes
- Developed cost reduction strategies for out of district tuition
- Developed cost reduction strategies for special education transportation
- Recommended administrative and exempt employee wage freezes
- Incorporated wellness into the Strategic Plan to create future savings for health insurance

In addition, the Board of Education began to self insure the employee health insurance program in January 2009.

The School District has received permission from the Ohio Bureau of Workers Compensation to retrospectively fund the 2009 policy year. This creates the possibility to save as much as \$255,200 over the next ten years. The health insurance rate adjustment has been moved from July 1 to January 1, 2010. The dental insurance rate adjustment has also been moved from July 1 to January 1, 2010. The vision insurance rate did not increase for 2009-2010. This extended the current rates from twelve months to eighteen months.

Overall the 2009-2010 original budget was an increase of 3.5 percent. The budget was \$4,089,282 less than projected in the five year fiscal projections.

The original 2009-2010 budget was the lowest growth budget in over ten years with the exception of the fiscal crisis year. The success of basing the financial management on long term plans and diligently executing our budget theme of "Maintaining Educational Excellence during Economic Uncertainty" has cushioned the impact of the nation's economy problems and protected our high quality educational programs. The Board of Education and Superintendent's success in demonstrating fiscal prudence has allowed the School District to delay the original time frame for future revenue increases.

Mentor Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited*

The 2009-2010 year over year cash basis general fund net expense decrease was .1 percent! This is the second year expenses have decreased in the recent history of the School District (with the exception of the fiscal emergency in 2004-2005). This remarkable decrease in expenses demonstrates the Superintendent's recognition of the economic climate that currently exists.

The Board of Education and Superintendent's active fiscal management of the School District is allowing the School District to maintain educational excellence during these very trying economic times.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information contact Mr. Daniel L. Wilson, Chief Financial Officer, Mentor Exempted Village School District, 6451 Center Street, Mentor, Ohio 44060, by calling (440) 974-5230 or by e-mail wilson@mentorschools.org.



Liz Gregory
Digital Photography
Mentor High School

Mentor Exempted Village School District

Statement of Net Assets

June 30, 2010

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$64,175,992
Accounts Receivable	389,209
Accrued Interest Receivable	69,996
Intergovernmental Receivable	826,925
Inventory Held for Resale	32,431
Materials and Supplies Inventory	130,277
Property Taxes Receivable	65,892,764
Nondepreciable Capital Assets	750,466
Depreciable Capital Assets, Net	<u>16,016,440</u>
 <i>Total Assets</i>	 <u>148,284,500</u>
Liabilities	
Accounts Payable	1,149,046
Contracts Payable	23,847
Accrued Wages and Benefits	9,390,187
Retainage Payable	1,720
Intergovernmental Payable	4,020,321
Matured Compensated Absences Payable	227,231
Deferred Revenue	53,073,214
Accrued Interest Payable	28,561
Notes Payable	1,637,333
Claims Payable	1,602,191
Long-Term Liabilities:	
Due Within One Year	4,562,752
Due In More Than One Year	<u>9,417,659</u>
 <i>Total Liabilities</i>	 <u>85,134,062</u>
Net Assets	
Invested in Capital Assets, Net of Related Debt	12,508,243
Restricted for:	
Capital Projects	362,698
Debt Service	1,282,983
Food Service Operations	276,107
Athletics	100,290
Other Grants	94,163
Other Purposes	345,877
Unrestricted	<u>48,180,077</u>
 <i>Total Net Assets</i>	 <u><u>\$63,150,438</u></u>

See accompanying notes to the basic financial statements

Mentor Exempted Village School District

Statement of Activities

For the Fiscal Year Ended June 30, 2010

	Program Revenues			Governmental Activities	Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services and Sales	Operating Grants and Contributions		
Governmental Activities					
Current:					
Instruction:					
Regular	\$43,854,284	\$1,724,146	\$1,145,445	\$0	(\$40,984,693)
Special	12,494,286	299,639	2,925,450	0	(9,269,197)
Vocational	2,115,566	86,816	108,149	0	(1,920,601)
Student Intervention	242,414	7,173	0	0	(235,241)
Support Services:					
Pupils	7,009,557	595,714	1,410,221	0	(5,003,622)
Instructional Staff	5,508,798	0	226,915	0	(5,281,883)
Board of Education	604,673	0	0	0	(604,673)
Administration	5,803,805	0	0	0	(5,803,805)
Fiscal	2,179,768	0	0	0	(2,179,768)
Business	678,606	0	0	0	(678,606)
Operation and Maintenance of Plant	8,593,179	7,894	373	300,058	(8,284,854)
Pupil Transportation	6,380,577	0	94,099	0	(6,286,478)
Central	2,151,550	97,297	60,869	0	(1,993,384)
Operation of Non-Instructional Services	1,521,042	1,818	1,160,677	0	(358,547)
Operation of Food Service	2,272,614	2,039,957	722,298	0	489,641
Extracurricular Activities	1,986,932	378,119	51,525	0	(1,557,288)
Interest and Fiscal Charges	321,316	0	0	0	(321,316)
Totals	\$103,718,967	\$5,238,573	\$7,906,021	\$300,058	(90,274,315)
General Revenues					
Property Taxes Levied for:					
					65,057,347
					1,271,091
					1,272,012
					34,257,793
					281,912
					624,575
					1,000
					24,547
					222,196
					103,012,473
					12,738,158
					50,412,280
					\$63,150,438

See accompanying notes to the basic financial statements

Mentor Exempted Village School District

Balance Sheet

Governmental Funds

June 30, 2010

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$54,056,169	\$4,639,553	\$58,695,722
Accounts Receivable	380,401	8,808	389,209
Accrued Interest Receivable	59,723	10,273	69,996
Intergovernmental Receivable	460,694	366,231	826,925
Interfund Receivable	95,489	110	95,599
Inventory Held for Resale	0	32,431	32,431
Materials and Supplies Inventory	75,796	54,481	130,277
Property Taxes Receivable	63,416,642	2,476,122	65,892,764
<i>Total Assets</i>	<u>\$118,544,914</u>	<u>\$7,588,009</u>	<u>\$126,132,923</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$863,414	\$285,632	\$1,149,046
Contracts Payable	0	23,847	23,847
Accrued Wages and Benefits	8,747,663	642,524	9,390,187
Interfund Payable	431,550	122,144	553,694
Intergovernmental Payable	3,524,353	238,189	3,762,542
Retainage Payable	0	1,720	1,720
Deferred Revenue	55,777,551	2,243,097	58,020,648
Matured Compensated Absences Payable	227,231	0	227,231
Accrued Interest Payable	0	3,417	3,417
Notes Payable	0	1,637,333	1,637,333
<i>Total Liabilities</i>	<u>69,571,762</u>	<u>5,197,903</u>	<u>74,769,665</u>
Fund Balances			
Nonspendable	75,796	86,912	162,708
Restricted	0	2,248,818	2,248,818
Committed	0	176,519	176,519
Assigned	1,317,737	0	1,317,737
Unassigned (Deficit)	47,579,619	(122,143)	47,457,476
<i>Total Fund Balances</i>	<u>48,973,152</u>	<u>2,390,106</u>	<u>51,363,258</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$118,544,914</u>	<u>\$7,588,009</u>	<u>\$126,132,923</u>

See accompanying notes to the basic financial statements

Mentor Exempted Village School District
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2010*

Total Governmental Fund Balances	\$51,363,258
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Amounts reported for governmental activities in the statement of net assets are different because

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	16,766,906
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Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.

Property Taxes	4,622,915
Intergovernmental	81,125
Tuition and Fees	<u>243,394</u>

Total	4,947,434
-------	-----------

The internal service funds are used by management to charge the costs of insurance and workers' compensation to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.

Net Assets	3,491,242
Claims Payable	<u>587,153</u>

Total	4,078,395
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In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(25,144)
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:

General Obligation Bonds	(3,000,007)
Capital Appreciation Bonds	(1,076,187)
Energy Conservation Notes	(618,667)
Claims Payable	(587,153)
Compensated Absences	(5,892,147)
Early Retirement Incentives	<u>(2,806,250)</u>

Total	<u>(13,980,411)</u>
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<i>Net Assets of Governmental Activities</i>	<u><u>\$63,150,438</u></u>
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See accompanying notes to the basic financial statements

Mentor Exempted Village School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2010

	General	Other Governmental Funds	Total Governmental Funds
Revenues			
Property Taxes	\$64,651,376	\$2,525,841	\$67,177,217
Intergovernmental	34,033,266	8,137,243	42,170,509
Interest	620,196	0	620,196
Tuition and Fees	1,864,850	65,584	1,930,434
Extracurricular Activities	528,574	810,475	1,339,049
Contributions and Donations	67,931	148,879	216,810
Charges for Services	33,693	2,038,436	2,072,129
Rentals	25,283	73,644	98,927
Payment in Lieu of Taxes	281,912	0	281,912
Miscellaneous	179,999	40,344	220,343
<i>Total Revenues</i>	<u>102,287,080</u>	<u>13,840,446</u>	<u>116,127,526</u>
Expenditures			
Current:			
Instruction:			
Regular	44,128,039	1,120,456	45,248,495
Special	10,388,760	2,347,207	12,735,967
Vocational	2,005,475	110,194	2,115,669
Student Intervention	234,632	0	234,632
Support Services:			
Pupils	5,367,154	1,619,954	6,987,108
Instructional Staff	5,061,178	467,760	5,528,938
Board of Education	601,620	1,500	603,120
Administration	5,340,173	523,468	5,863,641
Fiscal	2,117,955	65,573	2,183,528
Business	672,979	0	672,979
Operation and Maintenance of Plant	8,169,726	2,293,093	10,462,819
Pupil Transportation	5,898,724	179,368	6,078,092
Central	2,051,722	53,665	2,105,387
Operation of Non-Instructional Services	68,901	1,418,758	1,487,659
Operation of Food Service	0	2,349,998	2,349,998
Extracurricular Activities	1,387,679	498,801	1,886,480
Debt Service:			
Principal Retirement	39,615	2,272,590	2,312,205
Interest and Fiscal Charges	17,516	205,368	222,884
<i>Total Expenditures</i>	<u>93,551,848</u>	<u>15,527,753</u>	<u>109,079,601</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>8,735,232</u>	<u>(1,687,307)</u>	<u>7,047,925</u>
Other Financing Sources (Uses)			
Sale of Capital Assets	32,918	528	33,446
Energy Conservation Notes Issued	0	618,667	618,667
Transfers In	1,081	1,007,292	1,008,373
Transfers Out	(1,665,063)	(159,699)	(1,824,762)
<i>Total Other Financing Sources (Uses)</i>	<u>(1,631,064)</u>	<u>1,466,788</u>	<u>(164,276)</u>
<i>Net Change in Fund Balances</i>	7,104,168	(220,519)	6,883,649
<i>Fund Balances Beginning of Year - Restated (See Note 3)</i>	<u>41,868,984</u>	<u>2,610,625</u>	<u>44,479,609</u>
<i>Fund Balances End of Year</i>	<u>\$48,973,152</u>	<u>\$2,390,106</u>	<u>\$51,363,258</u>

See accompanying notes to the basic financial statements

Mentor Exempted Village School District
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2010*

Net Change in Fund Balances - Total Governmental Funds \$6,883,649

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 outlay exceeded depreciation in the current period.

Capital Outlay	2,397,945	
Capital Contributions	13,000	
Depreciation	<u>(1,359,981)</u>	
Total		1,050,964

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (8,899)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property Taxes	423,233	
Intergovernmental	64,553	
Charges for Services	520	
Tuition and Fees	(190,407)	
Rentals	(12,079)	
Miscellaneous	<u>1,853</u>	
Total		287,673

Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

General Obligation Bond Payable	1,560,000	
Energy Conservation Notes Payable	696,000	
Capital Leases Payable	<u>56,205</u>	
Total		2,312,205

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Accrued Interest	3,810	
Annual Accretion on Capital Appreciation Bonds	<u>(102,242)</u>	
Total		(98,432)

Some expenses reported in the statement of activities, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences	245,893	
Early Retirement Incentives	<u>1,356,250</u>	
Total		1,602,143

The internal service funds used by management are not reported in the district-wide statements of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities. 1,327,522

Other financing sources, such as proceeds from an Energy Conservation Note, in the governmental funds increase long-term liabilities in the statement of net assets. (618,667)

Change in Net Assets of Governmental Activities \$12,738,158

See accompanying notes to the basic financial statements

Mentor Exempted Village School District
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$66,374,692	\$66,374,692	\$59,458,922	(\$6,915,770)
Intergovernmental	31,698,106	31,698,106	33,933,794	2,235,688
Interest	1,359,331	1,359,331	1,027,772	(331,559)
Tuition and Fees	1,865,484	1,858,606	1,746,223	(112,383)
Extracurricular Activities	711,267	707,032	528,809	(178,223)
Contributions and Donations	137,731	139,964	52,931	(87,033)
Charges for Services	34,831	34,831	30,618	(4,213)
Rentals	29,859	29,859	25,569	(4,290)
Payment in Lieu of Taxes	1,073,421	1,073,421	31,912	(1,041,509)
Miscellaneous	33,896	33,896	179,671	145,775
<i>Total Revenues</i>	<u>103,318,618</u>	<u>103,309,738</u>	<u>97,016,221</u>	<u>(6,293,517)</u>
Expenditures				
Current:				
Instruction:				
Regular	45,175,779	44,169,971	43,684,268	485,703
Special	10,734,415	11,809,538	10,765,101	1,044,437
Vocational	3,640,838	3,031,193	2,229,485	801,708
Student Intervention	244,956	360,638	325,168	35,470
Support Services:				
Pupils	5,851,511	5,877,263	5,346,253	531,010
Instructional Staff	4,995,987	5,189,150	5,088,223	100,927
Board of Education	747,183	747,254	654,693	92,561
Administration	6,008,746	5,639,025	5,347,069	291,956
Fiscal	3,010,727	2,927,778	2,335,036	592,742
Business	696,138	696,138	673,244	22,894
Operation and Maintenance of Plant	8,695,882	8,856,889	8,185,539	671,350
Pupil Transportation	6,226,062	6,204,618	6,076,629	127,989
Central	2,342,741	2,632,005	2,343,790	288,215
Operation of Non-Instructional Services	57,346	71,000	69,203	1,797
Operation of Food Service	6,342	6,342	741	5,601
Extracurricular Activities	1,431,865	1,535,072	1,407,512	127,560
<i>Total Expenditures</i>	<u>99,866,518</u>	<u>99,753,874</u>	<u>94,531,954</u>	<u>5,221,920</u>
<i>Excess of Revenues Over Expenditures</i>	<u>3,452,100</u>	<u>3,555,864</u>	<u>2,484,267</u>	<u>(1,071,597)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	14,818	14,818	32,918	18,100
Advances In	10,000	10,000	12,602	2,602
Advances Out	(200,000)	(20,000)	(5,404)	14,596
Transfers In	2,561	11,441	1,081	(10,360)
Transfers Out	(1,357,734)	(1,696,357)	(1,665,063)	31,294
<i>Total Other Financing Sources (Uses)</i>	<u>(1,530,355)</u>	<u>(1,680,098)</u>	<u>(1,623,866)</u>	<u>56,232</u>
<i>Net Change in Fund Balance</i>	1,921,745	1,875,766	860,401	(1,015,365)
<i>Fund Balance Beginning of Year</i>	48,884,314	48,884,314	48,884,314	0
Prior Year Encumbrances Appropriated	2,453,116	2,453,116	2,453,116	0
<i>Fund Balance End of Year</i>	<u>\$53,259,175</u>	<u>\$53,213,196</u>	<u>\$52,197,831</u>	<u>(\$1,015,365)</u>

See accompanying notes to the basic financial statements

Mentor Exempted Village School District

Statement of Fund Net Assets

Internal Service Funds

June 30, 2010

	Internal Service
Assets	
Equity in Pooled Cash and Cash Equivalents	\$5,480,270
Interfund Receivable	458,095
<i>Total Assets</i>	<u>5,938,365</u>
Liabilities	
<i>Current Liabilities:</i>	
Intergovernmental Payable	257,779
Claims Payable	1,726,631
<i>Total Current Liabilities</i>	1,984,410
<i>Long-Term Liabilities (net of current portion):</i>	
Claims Payable	462,713
<i>Total Liabilities</i>	<u>2,447,123</u>
Net Assets	
Unrestricted	<u>\$3,491,242</u>

See accompanying notes to the basic financial statements

Mentor Exempted Village School District
*Statement of Revenues,
Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Fiscal Year Ended June 30, 2010*

	Internal Service
Operating Revenues	
Charges for Services	\$13,430,537
Operating Expenses	
Purchased Services	257,779
Claims	12,666,004
<i>Total Operating Expenses</i>	12,923,783
<i>Operating Income</i>	506,754
Non-Operating Income	
Interest	4,379
<i>Income Before Transfers</i>	511,133
Transfers In	816,389
<i>Change in Net Assets</i>	1,327,522
<i>Net Assets Beginning of Year</i>	2,163,720
<i>Net Assets End of Year</i>	\$3,491,242

See accompanying notes to the basic financial statements

Mentor Exempted Village School District

Statement of Cash Flows

Internal Service Funds

For the Fiscal Year Ended June 30, 2010

	<u>Internal Service</u>
Increase (Decrease) in Cash and Cash Equivalents	
Cash Flows from Operating Activities	
Cash Received from Interfund Services Provided	\$13,691,792
Cash Payments for Services	(249,958)
Cash Payments for Claims	<u>(12,649,621)</u>
<i>Net Cash Provided by Operating Activities</i>	792,213
Cash Flows from Noncapital Financing Activities	
Transfers In	816,389
Cash Flows from Investing Activities	
Interest	<u>4,379</u>
<i>Net Increase in Cash and Cash Equivalents</i>	1,612,981
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>3,867,289</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$5,480,270</u></u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income	\$506,754
<i>Adjustments:</i>	
Decrease in Assets:	
Interfund Receivable	261,255
Increase in Liabilities:	
Intergovernmental Payable	7,821
Claims Payable	<u>16,383</u>
<i>Total Adjustments</i>	<u>285,459</u>
<i>Net Cash Provided by Operating Activities</i>	<u><u>\$792,213</u></u>

See accompanying notes to the basic financial statements

Mentor Exempted Village School District

Statement of Fiduciary Assets and Liabilities

Agency Fund

June 30, 2010

Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$304,806</u>
Liabilities	
Due to Students	<u>\$304,806</u>

See accompanying notes to the basic financial statements



Deen Ibrahim
Fine Art
Mentor High School

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2010

Note 1 - Description of the School District and Reporting Entity

The Mentor Exempted Village School District (the School District) operates under a locally elected five member Board form of government and provides educational services as mandated by State and federal agencies. The Board of Education controls the School District's 14 public instructional facilities, made up of one high school, three middle schools and ten elementary schools.

The School District is located east of Cleveland, Ohio and serves primarily residences of Lake County and a small section of Geauga County. The School District's population is drawn primarily from the Cities of Mentor and Mentor-on-the-Lake while also serving sections of the Village of Kirtland Hills, Concord Township and Chardon Township. The School District is staffed by 337 classified employees, 545 certificated teaching personnel, and 36 administrators who provide services to 8,245 students and other community members.

Reporting Entity

A reporting entity is composed of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards and agencies that are not legally separate from the School District. For the School District, this includes the agencies and departments that provide the following services: general operations, food service and student related activities of the School District.

Non-public Schools - Within the School District boundaries, there are various non-public schools. Current State legislature provides funding to these non-public schools. These monies are received and disbursed on behalf of the non-public school by the Treasurer of the School District, as directed by the non-public school. These transactions are reported in a special revenue fund and as a governmental activity of the School District.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt or the levying of taxes. The School District has no component units.

The School District participates in three jointly governed organizations and one related organization. These organizations are the Ohio Schools' Council Association, the Lakeshore Northeast Ohio Computer Association, the Northeast Ohio Network for Educational Technology and the Mentor Public Library. These organizations are presented in Notes 19 and 20 to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

The financial statements of the School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB)

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010*

statements and interpretations issued on or before November 30, 1989, to its governmental activities and to its internal service funds unless those pronouncements conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described below.

Basis of Presentation

The School District's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service funds are eliminated to avoid "doubling up" revenues and expenses. These statements usually distinguish between those activities of the School District that are governmental and those that are considered business-type. The School District, however, has no business-type activities.

The statement of net assets presents the financial condition of the governmental activities of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District'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, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements During the year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service funds are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

Fund Accounting

The School District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The School District's only major fund is the general fund.

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General Fund The general fund is the operating fund of the School District and is used to account for and report all financial resources except those required to be accounted for in another fund. The general fund balance is available to the School District for any purpose provided it is expended or transferred according to the general laws of Ohio.

The other governmental funds of the School District account for grants and other resources whose use is restricted, committed or assigned to a particular purpose.

Proprietary Funds Proprietary funds reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows and are classified as enterprise or internal service; the School District has no enterprise funds.

Internal Service Fund Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis. The School District's internal service funds report on costs of workers' compensation and self insurance programs for employee medical and prescription benefits.

Fiduciary Funds Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. The School District does not have any trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's only agency fund accounts for student activities.

Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the Statement of Net Assets. The Statement of Activities presents increases (e.g. revenues) and decreases (e.g. expenditures) in total net assets.

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide 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.

Like the government-wide statements, the internal service funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of fund net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activity.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and the statements presented for the

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proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-Exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of fiscal year-end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year in which the taxes are levied (See Note 8). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available as an advance, interest, tuition, grants, fees and rentals.

Deferred Revenue Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of June 30, 2010, but which were levied to finance fiscal year 2011 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Expenses/Expenditures On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Budgetary Data

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need

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for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and set annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund, function and object level for the general fund and at the fund level for all other funds. The Treasurer has been given the authority to allocate appropriations to the function and object levels within all funds but the general fund.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original and final budgeted amounts in the budgetary statements reflect the amounts in the amended certificate when the original and final appropriations were passed by the Board of Education.

The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations may not exceed estimated revenues. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior fiscal years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the fiscal year.

Cash and Cash Equivalents

To improve cash management, cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the School District's records. Interest in the pool is presented as "equity in pooled cash and cash equivalents" on the financial statements.

During fiscal year 2010, investments were limited to nonnegotiable certificates of deposits, which are reported at cost.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2010 amounted to \$620,196, which includes \$562,675 assigned from other School District funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents.

Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventories consist of donated food, purchased food and school supplies held for resale, and materials and supplies held for consumption.

Capital Assets

The School District's only capital assets are general capital assets. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The School District was able to estimate the historical cost for the initial reporting of assets by backtrending (i.e., estimating the current replacement cost of the asset to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated

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Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2010

acquisition year.) Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of five thousand dollars. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets, except land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives
Land Improvements	5 - 20 years
Buildings and Improvements	10 - 40 years
Furniture, Fixtures, and Equipment	5 - 15 years
Vehicles	5 - 10 years

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental activities column of the statement of net assets.

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy. The School District records a liability for accumulated unused sick leave for all employees who are within five years of retiring.

The entire compensated absence liability is reported on the government-wide financial statements.

On the government fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the fund(s) from which the employees who have resigned or retired will be paid.

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

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For the Fiscal Year Ended June 30, 2010

In general, governmental fund payables and accrued liabilities that once incurred, are paid in a timely manner and in full from current financial resources, and are reported as obligations of the funds. However, claims and judgments, compensated absences and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Bonds and capital leases are recognized as a liability on the fund financial statements when due.

Internal Activity

Transfers between governmental activities are eliminated on the government wide financial statements. Internal events that are allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Interfund payments for services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. 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. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt 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 assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for adult education services, extracurricular activities and auxiliary services.

The School District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the School is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

Restricted Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions.

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*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010*

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies and authorized purchase commitments by the School District Board of Education.

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

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

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are charges for services for self-insurance programs and workers' compensation. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. Any revenues and expenses not meeting the definitions of operating are reported as nonoperating.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 3 – Change in Accounting Principles and Restatement of Prior Year's Net Assets and Fund Balance

Changes in Accounting Principles

For fiscal year 2010, the School District has implemented Governmental Accounting Standard Board (GASB) Statement No. 51, "Accounting and Reporting for Intangible Assets", Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments", Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions", Statement No. 57, "OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans", and Statement No. 58, "Accounting and Financial Reporting for Chapter 9 Bankruptcies".

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GASB Statement No. 51 establishes accounting and financial reporting requirements for intangible assets to reduce inconsistencies thereby enhancing the comparability of accounting and financial reporting of such assets among state and local governments. The implementation of this statement did not result in any change to the School District's financial statements.

GASB Statement No. 53 enhances the usefulness and comparability of derivative instrument information reported by state and local governments. This Statement provides a comprehensive framework for the measurement, recognition, and disclosure of derivative instrument transactions. The implementation of this statement did not result in any change to the School District's financial statements.

GASB Statement No. 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The implementation of this statement resulted in the reclassification of certain funds and restatement of the School District's financial statements.

GASB Statement No. 57 addresses issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans (that is, agent employers). The requirements in this Statement will allow more agent employers to use the alternative measurement method to produce actuarially based information for purposes of financial reporting and clarify that OPEB measures reported by agent multiple-employer OPEB plans and their participating employers should be determined at the same minimum frequency and as of a common date to improve the consistency of reporting with regard to funded status and funding progress information. The implementation of this statement did not result in any change in the School District's financial statements.

GASB Statement No. 58 provides accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. The requirements in this Statement will provide more consistent recognition, measurement, display, and disclosure guidance for governments that file for Chapter 9 bankruptcy. The implementation of this statement did not result in any change in the School District's financial statements.

Restatement of Prior Year's Net Assets and Fund Balance

During fiscal year 2010, it was determined the accretion on capital appreciation bonds was overstated. This restatement increased net assets at June 30, 2009 by \$639,989 from \$49,772,291 to \$50,412,280.

The implementation of GASB Statement No. 54 had the following effect on fund balances of the major and nonmajor funds as they were previously reported.

	General	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balance at June 30, 2009	\$41,565,522	\$2,914,087	\$44,479,609
Change in Fund Structure	303,462	(303,462)	0
Adjusted Fund Balance at June 30, 2009	<u>\$41,868,984</u>	<u>\$2,610,625</u>	<u>\$44,479,609</u>

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Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2010

Note 4 - Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	Nonmajor Governmental Funds	Total
<i>Nonspendable</i>			
Inventory	\$75,796	\$86,912	\$162,708
<i>Restricted for</i>			
Food Service Operations	0	275,969	275,969
Special Trust	0	53,312	53,312
Driver's Training	0	94,163	94,163
Athletics and Music	0	100,290	100,290
Non-Public Schools	0	70,952	70,952
Technology Improvements	0	21,773	21,773
Clean Diesel Buses	0	5,817	5,817
Vocational Education	0	8,143	8,143
Classroom Reduction	0	8,582	8,582
Debt Service Payments		1,230,644	1,230,644
Capital Improvements	0	379,173	379,173
<i>Total Restricted</i>	<u>0</u>	<u>2,248,818</u>	<u>2,248,818</u>
<i>Committed to</i>			
Summer School	0	74,765	74,765
Adult Education	0	5,974	5,974
Other Purposes	0	95,780	95,780
<i>Total Committed</i>	<u>0</u>	<u>176,519</u>	<u>176,519</u>
<i>Assigned to</i>			
Instructional Services	965,885	0	965,885
Other Purposes	351,852	0	351,852
<i>Total Assigned</i>	<u>1,317,737</u>	<u>0</u>	<u>1,317,737</u>
<i>Unassigned (Deficit)</i>	<u>47,579,619</u>	<u>(122,143)</u>	<u>47,457,476</u>
<i>Total Fund Balances</i>	<u><u>\$48,973,152</u></u>	<u><u>\$2,390,106</u></u>	<u><u>\$51,363,258</u></u>

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*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010*

Note 5 - Fund Deficits

At June 30, 2010, the following funds had deficit fund balances:

Fund	Deficit
Nonmajor Special Revenue Funds	
Title VI-B	\$4,966
Federal Stimulus Grant	4,487
Title III	7,552
Title I	23,964
Drug Free Schools	1,780
Preschool Grant	100
Nonmajor Capital Project Fund	
Building	79,294

The deficit fund balances in the special revenue funds resulted from adjustments for accrued liabilities. The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur.

The building capital projects fund had a deficit fund balance as a result of the issuance of short-term bond anticipations notes which are used to finance the project until bonds are issued. Once the notes are retired or bonds are issued, the deficit will be eliminated.

Note 6 - Budgetary Basis of Accounting

While the School District is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as restricted, committed or assigned fund balance (GAAP).
4. Advances-In and Advances-Out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).

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5. Unrecorded cash, which consists of unrecorded interest, is not reported by the School District on the budget basis operating statements, but is reported on the GAAP basis operating statements.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements are as follows:

	<u>General</u>
GAAP Basis	\$7,104,168
Net Adjustment for Revenue Accruals	(5,269,431)
Advances In	12,602
Ending Unrecorded Cash	32,620
Net Adjustment for Expenditure Accruals	876,804
Advances Out	(5,404)
Encumbrances	<u>(1,890,958)</u>
Budget Basis	<u><u>\$860,401</u></u>

Note 7 - Deposits and Investments

Monies held by the School District are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the School District treasury. Active monies must be maintained either as cash in the School District treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Board has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Interim monies held by the School District can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home

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- Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in securities listed above;
 4. Bonds and other obligations of the State of Ohio;
 5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
 6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2);
 7. The State Treasurer's investment pool (STAROhio); and
 8. Commercial paper and bankers acceptances if training requirements have been met.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Investments may only be made through specified dealers and institutions.

Deposits

Custodial Credit Risk. Custodial credit risk for deposits is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$55,901,677 of the School District's bank balance of \$64,628,152 was uninsured and uncollateralized. Although the collateral securities were held by the pledging financial institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the School District to a successful claim by the FDIC.

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

Note 8 – Property Taxes

Property taxes are levied and assessed on a calendar year basis while the School District fiscal year runs from July through June. First half tax collections are received by the School District in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar 2010 represents collections of calendar year 2009 taxes. Real property taxes received in calendar year 2010 were levied after April 1, 2009, on the assessed value listed as of January 1, 2009, the lien date. Assessed values for

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Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2010

real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar 2010 represents collections of calendar year 2009 taxes. Public utility real and tangible personal property taxes received in calendar year 2010 became a lien December 31, 2008, were levied after April 1, 2009 and are collected in 2010 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property tax revenue received during calendar 2010 (other than public utility property tax) represents the collection of 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, furniture and fixtures is no longer levied and collected. Tangible personal property taxes received from telephone companies in calendar year 2010 were levied after October 1, 2009, on the value as of December 31, 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30; however this year the settlement was late.

The School District receives property taxes from Lake County and Geauga County. The County Auditors periodically advance to the School District its portion of the taxes collected. Second-half real property tax payments collected by the Counties by June 30, 2010, are available to finance fiscal year 2010 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2010 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the late settlement of tangible personal property taxes and the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2010 was \$7,597,136 in the general fund, \$201,084 in the bond retirement fund and \$107,621 in the permanent improvements capital projects fund. The amount available as an advance at June 30, 2009 was \$3,952,974 in the general fund, \$97,979 in the bond retirement fund and \$57,442 in the permanent improvements capital projects fund.

On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been deferred.

The assessed values upon which the fiscal year 2010 taxes were collected are:

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2010

	2009 Second Half Collections		2010 First Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$1,949,271,920	95.86%	\$1,787,595,530	97.43%
Public Utility Personal	42,200,590	2.07	45,020,040	2.45
General Business Personal	41,999,485	2.07	2,163,150	0.12
Total	\$2,033,471,995	100.00%	\$1,834,778,720	100.00%
Full Tax Rate per \$1,000 of assessed valuation	\$76.89		\$77.64	

As a result of the Lake County triennial update, the Lake County Auditor applied a 9.77 percent decrease in property tax values for the School District; therefore, the School District's millage was increased in order to generate the approved emergency levy dollar amount.

Note 9 - Receivables

Receivables at June 30, 2010, consisted of taxes, accounts, tuition and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables, except for delinquent property taxes, are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

Intergovernmental Receivables	Amounts
Title VI-B	\$197,988
Tuition	352,542
State of Ohio	139,116
Title I	80,995
Carl Perkins Grant	22,270
Title II-A	11,994
Title III	9,699
City of Painesville	5,365
Preschool	3,589
Drug Free Schools	1,844
City of Mentor	1,523
Total	\$826,925

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010*

Note 10 – Capital Assets

Capital asset activity for the fiscal year ended June 30, 2010, was as follows:

	Balance June 30, 2009	Additions	Deletions	Balance June 30, 2010
Capital Assets Not Being Depreciated				
Land	\$725,721	\$0	\$0	\$725,721
Construction in Progress	599,853	831,210	(1,406,318)	24,745
<i>Total Capital Assets Not Being Depreciated</i>	<u>1,325,574</u>	<u>831,210</u>	<u>(1,406,318)</u>	<u>750,466</u>
Capital Assets Being Depreciated				
Land Improvements	3,470,044	503,175	0	3,973,219
Buildings and Improvements	37,118,869	1,580,346	0	38,699,215
Furniture, Fixtures and Equipment	6,211,399	541,380	(28,506)	6,724,273
Vehicles	5,793,846	361,152	0	6,154,998
<i>Total Capital Assets Being Depreciated</i>	<u>52,594,158</u>	<u>2,986,053</u>	<u>(28,506)</u>	<u>55,551,705</u>
Less: Accumulated Depreciation				
Land Improvements	(2,746,821)	(73,480)	0	(2,820,301)
Buildings and Improvements	(26,927,003)	(595,587)	0	(27,522,590)
Furniture, Fixtures and Equipment	(4,271,853)	(369,178)	19,607	(4,621,424)
Vehicles	(4,249,214)	(321,736)	0	(4,570,950)
<i>Total Accumulated Depreciation</i>	<u>(38,194,891)</u>	<u>(1,359,981) *</u>	<u>19,607</u>	<u>(39,535,265)</u>
<i>Capital Assets Being Depreciated, Net</i>	<u>14,399,267</u>	<u>1,626,072</u>	<u>(8,899)</u>	<u>16,016,440</u>
<i>Governmental Activities Capital Assets, Net</i>	<u>\$15,724,841</u>	<u>\$2,457,282</u>	<u>(\$1,415,217)</u>	<u>\$16,766,906</u>

The School District received trailers for the band valued at \$13,000. The School District has recorded these as capital contributions.

* Depreciation expense was charged to governmental functions as follows:

Instruction	
Regular	\$278,682
Vocational	13,363
Support Services	
Pupils	6,390
Instructional Staff	40,196
Board of Education	1,553
Administration	41,620
Fiscal	7,901
Operation and Maintenance of Plant	191,299
Pupil Transportation	603,661
Central	41,695
Operation of Food Service	31,483
Extracurricular Activities	102,138
Total Depreciation Expense	<u>\$1,359,981</u>

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2010

Note 11 - Interfund Transfers and Balances

Interfund Transfers

Transfers made during the year ended June 30, 2010 were as follows:

Transfers To	Transfers From		
	General	Nonmajor Governmental Funds	Total
General Fund	\$0	\$1,081	\$1,081
Nonmajor Governmental Funds	848,674	158,618	1,007,292
Total Governmental Funds	848,674	159,699	1,008,373
Internal Service Fund:			
Employee Benefits Self Insurance	816,389	0	816,389
<i>Total Transfers</i>	<u>\$1,665,063</u>	<u>\$159,699</u>	<u>\$1,824,762</u>

During the year, the general fund made transfers to nonmajor governmental funds to move unrestricted balances to support programs and projects accounted for in other funds, and to move resources as debt payments came due. The general fund made a transfer to the employee benefits self insurance fund to set up a reserve for the payment of medical and prescription claims. The athletics and music and other grants special revenue funds made transfers to the general fund to close out accounts. The other grants fund made transfers to the permanent improvement capital projects fund to cover costs associated with improvements made to the auxiliary gym.

Interfund Balances

Interfund balances at June 30, 2010, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting records and (3) payments between funds are made. All are expected to be paid within one year.

Interfund Payable	Interfund Receivable			
	General Fund	Nonmajor Governmental Funds	Internal Service	Total
General Fund	\$2,265	\$0	\$429,285	\$431,550
Nonmajor Governmental Funds	93,224	110	28,810	122,144
<i>Totals</i>	<u>\$95,489</u>	<u>\$110</u>	<u>\$458,095</u>	<u>\$553,694</u>

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2010

Note 12 – Fund Obligations

The School District’s note activity, including amounts outstanding and interest rates, are as follows:

	<u>Outstanding June 30, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Outstanding June 30, 2010</u>
2.875% 2004 Tax Anticipation Notes				
- Maturing December 1, 2009	<u>\$1,400,000</u>	<u>\$0</u>	<u>\$1,400,000</u>	<u>\$0</u>
2.15% 2008 Energy Conservation Notes				
- Maturing July 2, 2009	77,333	0	77,333	0
2.55% 2009 Energy Conservation Notes				
- Maturing July 2, 2010	<u>0</u>	<u>77,333</u>	<u>0</u>	<u>77,333</u>
<i>Total Energy Conservation Notes</i>	<u>77,333</u>	<u>77,333</u>	<u>77,333</u>	<u>77,333</u>
2.79% 2009 School Improvement Notes				
- Maturing June 4, 2010	1,755,000	0	1,755,000	0
1.31% 2010 School Improvement Notes				
- Maturing June 3, 2011	<u>0</u>	<u>1,560,000</u>	<u>0</u>	<u>1,560,000</u>
<i>Total School Improvement Notes</i>	<u>1,755,000</u>	<u>1,560,000</u>	<u>1,755,000</u>	<u>1,560,000</u>
<i>Total Notes</i>	<u>\$3,232,333</u>	<u>\$1,637,333</u>	<u>\$3,232,333</u>	<u>\$1,637,333</u>

The tax anticipation notes were used to pay operating expenditures of the School District until the tax levy collections began. The tax anticipation notes were completely paid from the general fund in fiscal year 2010 with a principal payment of \$1,400,000 and interest of \$20,125.

The energy conservation notes were issued to refinance previous notes issued to finance installations, modifications and remodeling of school buildings to conserve energy. The energy conservation notes are backed by the full faith and credit of the School District and will mature within one year. The note liability is reflected in the building capital projects fund.

The school improvement notes were issued to refinance previous notes issued to improve School District facilities. The school improvement notes are backed by the full faith and credit of the School District and will mature within one year. The note liability is reflected in the permanent improvement capital projects fund.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2010

Note 13 – Long-Term Obligations

Changes in long-term obligations of the School District during fiscal year 2010 were as follows:

	Principal Outstanding June 30, 2009	Additions	Deductions	Principal Outstanding June 30, 2010	Amount Due in One Year
Long-term Notes					
2008 2.15%					
Energy Conservation Notes	\$696,000	\$0	(\$696,000)	\$0	\$0
2009 2.55%					
Energy Conservation Notes	0	618,667	0	618,667	0
<i>Total Long-term Notes</i>	<u>696,000</u>	<u>618,667</u>	<u>(696,000)</u>	<u>618,667</u>	<u>0</u>
General Obligation Bonds					
2001 2.20-4.15%					
School Improvement Refunding Bonds					
Serial Bonds	2,215,007	0	(410,000)	1,805,007	425,000
2005 3.00%					
School Improvement Refunding Bonds					
Serial Bonds	2,345,000	0	(1,150,000)	1,195,000	1,195,000
Capital Appreciation Bonds	639,989	0	0	639,989	0
Accretion on Capital Appreciation Bonds	333,956	102,242	0	436,198	0
<i>Total General Obligation Bonds</i>	<u>5,533,952</u>	<u>102,242</u>	<u>(1,560,000)</u>	<u>4,076,194</u>	<u>1,620,000</u>
Other Long-term Obligations					
Capital Leases	56,205	0	(56,205)	0	0
Workers Compensation Claims	592,720	154,319	(159,886)	587,153	124,440
Compensated Absences	6,138,040	1,252,084	(1,497,977)	5,892,147	1,437,062
Early Retirement Incentive	4,162,500	0	(1,356,250)	2,806,250	1,381,250
<i>Total Other Long-term Obligations</i>	<u>10,949,465</u>	<u>1,406,403</u>	<u>(3,070,318)</u>	<u>9,285,550</u>	<u>2,942,752</u>
<i>Total Governmental Activities</i>					
Long-Term Liabilities	<u>\$17,179,417</u>	<u>\$2,127,312</u>	<u>(\$5,326,318)</u>	<u>\$13,980,411</u>	<u>\$4,562,752</u>

On July 2, 2009, the School District issued \$618,667 in energy conservation notes to finance installations, modifications and remodeling of school buildings to conserve energy.

On October 1, 2001, the School District issued \$4,514,993 in school improvement refunding bonds to advance refund bonds previously issued in fiscal year 1991, in the amount of \$8,600,000, for improving school buildings and facilities.

On April 21, 2005, the School District issued \$6,439,989 in school improvement refunding bonds which included serial and capital appreciation bonds in the amount of \$5,800,000 and \$639,989, respectively. The general obligation bonds were issued for the purpose of advance refunding a portion of the 1993 school improvement bonds to take advantage of lower interest rates. The bonds were issued for a ten year period with final maturity at December 1, 2014. The bonds will be retired from the debt service fund.

The serial and capital appreciation bonds remained outstanding at June 30, 2010. The capital appreciation bonds were originally sold at a discount of \$600,011, which is being accreted annually until the point of maturity of the capital appreciation bonds, which is 2012.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2010

The maturity amount of outstanding capital appreciation bonds at June 30, 2010 is \$1,240,000. The accretion recorded for 2010 was \$102,242, for a total outstanding bond liability of \$1,076,187 at June 30, 2010.

The energy conservation notes will be paid from the building capital projects funds. General obligation bonds will be paid from the general obligation bond retirement fund. Workers' compensation claims will be paid from the workers' compensation internal service fund. Compensated absences will be paid from the general fund and the food service, special rotary, title VI-B, and title I special revenue funds. Early retirement incentives will be paid from the general fund and title IV-B special revenue fund.

The debt limit of the School District as of June 30, 2010 was \$164,935,401. The amount of debt subject to the debt limit was \$3,969,352, leaving an overall debt margin of \$160,966,049.

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2010 are as follows:

Fiscal Year Ending June 30	General Obligation Bonds			
	Serial		Capital Appreciation	
	Principal	Interest	Principal	Interest
2011	\$1,620,000	\$84,455	\$0	\$0
2012	445,000	46,790	639,989	600,011
2013	460,000	28,913	0	0
2014	475,007	9,856	0	0
Total	<u>\$3,000,007</u>	<u>\$170,014</u>	<u>\$639,989</u>	<u>\$600,011</u>

Note 14 – Defined Benefit Pension Plans

School Employees Retirement System

Plan Description – The School District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2010, 12.78 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The School District's required contributions for pension obligations to SERS for the fiscal

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010*

years ended June 30, 2010, 2009 and 2008 were \$1,664,769, \$1,172,339 and \$1,164,764 respectively; 92.25 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

State Teachers Retirement System of Ohio

Plan Description – The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, Ohio 43215-3771, or by calling (888) 227-7877, or by visiting the STRS Ohio Web site at www.strsoh.org.

New member have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years of credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - For the fiscal year ended June 30, 2010, plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2009, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2010, 2009, and 2008 were \$5,731,098, \$5,876,621 and \$6,106,514 respectively; 67.04 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008. Contributions to the DC and Combined Plans for fiscal year 2010 were \$204,370 made by the School District and \$145,978 made by the plan members.

Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Employees Retirement System. As of June 30, 2010, two members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages paid.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2010

Note 15 – Postemployment Benefits

School Employee Retirement System

Plan Description – The School District participates in two cost-sharing multiple employer defined benefit OPEB plans administered by the School Employees Retirement System for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 Broad St., Suite 100, Columbus, Ohio 43215-3746.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 401h. For 2010, .46 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2010, this amount was \$35,800. During fiscal year 2010, the School District paid \$260,545 in surcharge.

Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

The School District's contributions for health care for fiscal years ended June 30, 2010, 2009, and 2008 were \$158,922, \$536,516, and \$531,519 respectively; 92.25 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2010, this actuarially required allocation was 0.76 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2010, 2009, and 2008 were \$99,000, \$53,318, and \$83,924 respectively; 92.25 percent has been contributed for fiscal year 2010, and 100 percent for fiscal years 2009 and 2008.

State Teachers Retirement System

Plan Description – The School District contributes to the cost sharing multiple employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which may be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2010, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010*

Fund. The School District's contributions for health care for the fiscal years ended June 30, 2010, 2009, and 2008 were \$456,574, \$457,968, and \$439,938 respectively; 67.04 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

Note 16 - Other Employee Benefits

Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty-five days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers do not earn vacation time. Each employee earns sick leave at the rate of one and one-fourth days per month. The total accumulation of sick leave during any year shall not, however, exceed fifteen days. Upon retirement, classified employees will be paid one fourth of their total unused accumulated sick leave. Teachers will be paid one fourth of the total sick leave accumulation, up to a maximum accumulation of 72 days. Administrators will be paid a total of seventy-three days, not based on unused sick leave, upon retirement. An employee receiving such payment must meet the retirement provisions set by STRS or SERS. The liability of unpaid severance, in the amount of \$2,806,250 has been included as long-term liabilities on the Statement of Net Assets. This obligation will ultimately be paid from the fund which the employee was paid.

Early Retirement Incentive

The School District Board of Education offered employees participation in an Early Retirement Incentive program beginning August 1, 2004 through June 30, 2009. Participation was open to classified employees who were eligible for service retirement under SERS before July 1, 2009, and certified employees who were eligible for service retirement under STRS pursuant to O.R.C. 3307.38 and any applicable STRS regulations prior to July 1, 2009. Employees who were not eligible to retire under STRS requirements until July 1, 2009 were also able to participate. The negotiated agreement dated August 1, 2009 through June 30, 2010 does not provide for an early retirement incentive program for certified and classified employees. The previously approved certified employee early retirement incentive programs will be completely paid out in fiscal year 2013.

Note 17 - Contingencies

Grants

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2010.

Litigation

The School District is party to legal proceedings. The School District is of the opinion that ultimate disposition of claims will not have a material effect, if any, on the financial condition of the School District.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2010

Note 18 - Risk Management

Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2010, the School District had the following insurance coverage:

<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage</u>
Netherlands Insurance Company	Buildings and Contents	\$194,990,344
	General Liability	
	Per Occurance	1,000,000
	In Aggregate	2,000,000
	Errors and Omissions	
	Per Inquiry	1,000,000
	Commercial Auto Coverage	
	Each Accident	1,000,000
	Uninsured Motorists	1,000,000
	Employee Benefits	
	Each Employee	1,000,000
	Aggregate	3,000,000
	Employers Stop Loss	
	Each Employee	1,000,000
Aggregate	2,000,000	
Midwestern Indemnity Company	Commercial Umbrella	10,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant reductions in coverage from last year.

Worker's Compensation

The School District participates in the State Workers' Compensation retrospective rating and payment system. Compensable Benefits serves as the School District's third party administrator. Once the School District receives notice of the 2009 claims paid by the Bureau of Workers' Compensation, Compensable Benefits will reimburse the State for claims paid on the School District's behalf. The payable is reclassified from claims payable to intergovernmental payable. This plan involves the payment of a minimum premium for administrative services and stop-loss coverage in addition to the actual claim costs for employees injured in 2010. The maintenance of these benefits is accounted for in the Workers' Compensation internal service fund.

Incurred but not reported claims and premium of \$587,153 have been accrued as a liability at June 30, 2010, based on an estimate by Compensable Benefits and the Bureau of Workers' Compensation. Of this amount, \$124,440 is due within one year. The claims liability reported in the workers' compensation internal service fund at June 30, 2010, is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claims adjustment expenses.

Mentor Exempted Village School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Changes in the fund's claims liability amounts for 2009 and 2010 were:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2009	\$634,602	\$254,227	\$296,109	\$592,720
2010	592,720	254,602	260,169	587,153

Employee Insurance Benefits

The School District offers medical and prescription drug insurance to employees through a self-insurance internal service fund. Anthem Blue Cross Blue Shield serves as the School District's third party administrator. The School District's monthly premiums are paid to the fiscal agent who in turn pays the claims on the School District's behalf. A specific excess loss coverage (stop-loss) insurance policy covers claims in excess of \$125,000 per employee, per year. The claims liability of \$1,602,191 reported in the internal service fund at June 30, 2010, is based on an estimate by the third party administrator and is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claims adjustment expenses. In fiscal year 2010, the employee vision and dental programs were fully insured. Management's expectation is the claims liabilities will be paid within one year. Changes in the funds' claims liability amount for 2010 was:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2009	\$0	\$11,982,663	\$10,402,422	\$1,580,241
2010	\$1,580,241	12,411,402	12,389,452	1,602,191

Note 19 - Jointly Governed Organizations

Ohio Schools' Council Association The Ohio Schools Council Association (Council) is a jointly governed organization among 126 school districts. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying an annual participation fee. Each school district member superintendent serves as a representative of the Assembly. The Assembly elects five of the Council's Board members and the remaining four are representatives of the Greater Cleveland School Superintendents' Association. The Council operates under a nine-member Board of Directors (the Board). The Board is the policy making authority of the Council. The Board meets monthly from September through June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. In fiscal year 2010, the School District paid \$4,338 to the Council. Financial information can be obtained by contacting Dr. David A. Cottrell, the Executive Director of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

The School District participates in the natural gas purchase program. This program allows the School District to purchase natural gas at reduced rates. Energy USA was selected as the new natural gas supplier and program manager. The new program runs from October 1, 2008 to September 30, 2010. There are

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010*

currently 143 participants in the Program. The participants make monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). Districts that paid more in estimated billings than their actual billings are issued credits on future billings in September until the credits are exhausted and districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

The School District also participates in the Council's electric purchase program. The Council provides 238 school districts and 11 MR/DD boards in the First Energy territory (Cleveland Electric Illuminating, Ohio Edison, and Toledo Edison) the ability to purchase electricity at the reduced rates. Each month, the Council invoices participants based on estimated payments which are compared to their usage for the year (July to June). Refund checks are issued to districts that consumed less than their projected usage of electrical energy and districts that over-consumed are invoiced. With the end of the program on December 31, 2008, the School District purchased its electricity from the local area utility, Cleveland Electric Illuminating. In late October 2009, the School District joined a new Ohio Schools Council consortium electricity purchasing program which provides for additional discounts above what the School District would receive otherwise.

Lakeshore Northeast Ohio Computer Association The Lakeshore Northeast Ohio Computer Association (LNOCA) is a jointly governed computer service bureau owned and operated by eleven public school districts. The primary function of LNOCA is to provide data services to the thirteen member districts. Major areas of service provided by LNOCA include accounting, payroll, inventory, career guidance services, handicapped student tracking, pupil scheduling, attendance reporting and grade reporting. Each school is represented on the LNOCA Board of Directors by its superintendent. Each school district supports LNOCA based upon a per student charge dependent upon software package used. The School District paid \$129,254 for fiscal year 2010 to purchase EMIS reporting services, internet services and library services. The Cuyahoga County Education Service Center serves as the fiscal agent of LNOCA. Financial information can be obtained by contacting the Treasurer of the fiscal agent at 5700 West Canal Road, Valleyview, OH 44125.

Northeast Ohio Network for Educational Technology The Northeast Ohio Network for Educational Technology (NEONET) is the computer service organization or Data Acquisition Site (DAS) used by the School District. NEONET is a jointly governed organization among twenty-seven school districts and the Summit County Educational Service Center. The Summit County Educational Service Center acts as the fiscal agent for the consortium. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The Board of Directors consists of member district superintendents and treasurers. The manager/director is a permanent, non-voting member of the board of directors. Each school district's control is limited to its representation on the board. The Board of Directors exercise total control over the operations of the association including budgeting, appropriating, contracting and designating management. All association revenues are generated from charges for services and State funding. The School District does not retain an ongoing financial interest or an ongoing financial responsibility in NEONET. Payments to NEONET are made from the general fund. During the current fiscal year, the School District paid \$61,136 to NEONET for payroll services. Financial information can be obtained by writing to the Summit County Educational Service Center, 420 Washington Avenue, Suite 200, Cuyahoga Falls, OH 44221.

Note 20 - Related Organization

The Mentor Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the Mentor

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2010

Exempted Village School District Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the School District for operational subsidies. Although the School District does serve as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Mentor Public Library, Fiscal Officer, at 8215 Mentor Avenue, Mentor, Ohio 44060.

Note 21 - Set Asides

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at year end and carried forward to be used for the same purposes in future years.

The following cash basis information describes the change in the fiscal year end set aside amounts for textbooks and capital acquisition. Disclosure of this information is required by State statute.

	Capital Improvements Reserve	Textbooks Instructional Materials Reserve
	<u> </u>	<u> </u>
Set-Aside Reserve Balance as of June 30, 2009	\$0	(\$4,332,429)
Current Year Set-aside Requirement	1,422,613	1,422,613
Qualifying Disbursements	<u>(3,778,885)</u>	<u>(2,261,238)</u>
Total	<u>(\$2,356,272)</u>	<u>(\$5,171,054)</u>
Set-aside Balance Carried Forward to Future Fiscal Years	<u> \$0</u>	<u> (\$5,171,054)</u>
Set-aside Reserve Balance as of June 30, 2010	<u> \$0</u>	<u> \$0</u>

The School District had qualifying disbursements during the fiscal year that reduced the textbook set-aside amount below zero. This extra amount may be used to reduce the set-aside requirements in future fiscal years. Although the School District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the capital acquisition set-aside, this amount may not be used to reduce the set-aside requirement of future years. This negative balance is therefore not presented as being carried forward to future years.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2010

Note 22 – Subsequent Events

On July 2, 2010, the School District issued \$618,667 Energy Conservation Improvement Notes to refinance previously issued notes for the installation, modification and remodeling of school buildings to conserve energy. The notes were issued at the rate of 4.50 percent, with maturity at July 2, 2011.

On July 1, 2010, the School District was approved for self-insured status by the Bureau of Workers' Compensation and began to administer its own workers' compensation program (the program). The School District has established a workers' compensation internal service fund to account for assets set aside for claim settlements and related liabilities associated with the program. The School District utilizes the services of Compensable Benefits, the third party administrator, to review, process, and pay employee claims.

Combining and Individual Fund Statements and Schedules

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

The Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Following is a description of the School District's nonmajor special revenue funds:

Food Service Fund This fund accounts for charges for services and operating grants restricted to the food service operations of the School District.

Special Trust Fund This fund accounts for donations received that are restricted for purposes that are beneficial to the overall operation of the School District.

Rotary Special Services Fund This fund accounts for tuition and fees charged for summer school that are committed to the costs of running the summer school program.

Adult Education Fund This fund accounts for tuition and fees charged for the adult education program that are committed to the costs of running the adult education program.

Rotary Fund This fund accounts for tuition and fees charged for services and equipment provided by the School District that are committed to the costs of running the We Care program.

Other Grants Fund This fund accounts for the proceeds of specific revenue sources, except for State and Federal grants that are legally restricted to expenditures for driver's training.

Athletics and Music Fund This fund accounts for gate receipts and other revenues from athletic events restricted for the costs (except supplemental coaching contracts) of the School District's athletic program and transportation of the band to and from athletic events.

Auxiliary Services Fund This fund accounts for restricted State monies used to provide services and materials to pupils attending non-public schools within the School District.

Educational Management Information Systems Fund This fund accounts for restricted State monies which support the development of hardware and software or other costs associated with the requirements of the management information system.

Entry Year Teachers Fund This fund accounts for restricted State monies used to mentor new teachers into the School District.

OneNet Data Communications Fund This fund accounts for restricted State monies to provide for wiring to all classrooms in the State and to provide a computer workstation and related technology for every classroom in Ohio's low-wealth school districts.

SchoolNet Professional Development Fund This fund accounts for restricted State monies to assist staff in gaining knowledge of technology.

Miscellaneous State Grants Fund This fund accounts for other restricted State grants which are not required to be accounted for in a separate fund.

(continued)

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

Title VI-B Fund This fund accounts for restricted Federal monies used to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

Carl Perkins Grant Fund This fund accounts for restricted Federal monies used for the development of vocational education programs in the following categories: secondary, post-secondary, adult, disadvantaged and handicapped persons, exemplary programs, cooperative education, ancillary services, research, advisory committees, and work study projects.

State Fiscal Stabilization Fund This fund accounts for restricted Federal grant monies used to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels.

Technology Title II-D This fund accounts for restricted Federal grant monies used for technology.

Title III Fund This fund accounts for restricted Federal monies used for costs associated with English proficiency.

Title I Fund This fund accounts for restricted Federal monies used to assist the School District in meeting the special needs of educationally deprived children.

Title V Fund This fund accounts for restricted Federal revenues which support the implementation of a variety of programs such as computer education, gifted and talented programs, in-service and staff development.

Drug Free Schools Fund This fund accounts for restricted Federal revenues which support the implementation of programs for drug abuse education and prevention.

Preschool Grant Fund This fund accounts for restricted Federal revenues used for speech therapy services and instructional supplies used in preschool programs.

E-Rate Reimbursement Fund This fund accounts for restricted Federal monies that is paid directly to the telecommunications service provider.

Classroom Reduction Fund This fund accounts for restricted Federal monies received to encourage and help fund smaller classroom size and additional staffing needs.

Miscellaneous Federal Grants Fund This fund accounts for other restricted Federal grants, which are not required to be accounted for in a separate fund.

Nonmajor Debt Service Fund

The Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest.

Bond Retirement Fund This fund accounts for property taxes restricted for the retirement of principal and interest on outstanding bonds.

(continued)

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Capital Projects Funds

The Capital Projects Funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary fund or for assets that will be held in trust. Following is a description of the nonmajor capital project funds:

Permanent Improvement Fund This fund accounts for property taxes restricted for various capital improvements within the School District.

Building Fund This fund accounts for bond and note proceeds restricted for the purchase of major capital equipment and facilities renovation. The operations of this fund are not budgeted.

Mentor Exempted Village School District

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2010

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,759,181	\$1,024,897	\$1,855,475	\$4,639,553
Accounts Receivable	8,270	0	538	8,808
Accrued Interest Receivable	7,130	1,113	2,030	10,273
Intergovernmental Receivable	366,231	0	0	366,231
Interfund Receivable	110	0	0	110
Inventory Held for Resale	32,431	0	0	32,431
Materials and Supplies Inventory	54,481	0	0	54,481
Property Taxes Receivable	0	1,558,940	917,182	2,476,122
<i>Total Assets</i>	<u>\$2,227,834</u>	<u>\$2,584,950</u>	<u>\$2,775,225</u>	<u>\$7,588,009</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$282,387	\$0	\$3,245	\$285,632
Contracts Payable	0	0	23,847	23,847
Accrued Wages and Benefits	642,524	0	0	642,524
Interfund Payable	122,144	0	0	122,144
Intergovernmental Payable	238,189	0	0	238,189
Retainage Payable	0	0	1,720	1,720
Deferred Revenue	83,007	1,354,306	805,784	2,243,097
Accrued Interest Payable	0	0	3,417	3,417
Notes Payable	0	0	1,637,333	1,637,333
<i>Total Liabilities</i>	<u>1,368,251</u>	<u>1,354,306</u>	<u>2,475,346</u>	<u>5,197,903</u>
Fund Balances				
Nonspendable	86,912	0	0	86,912
Restricted	639,001	1,230,644	379,173	2,248,818
Committed	176,519	0	0	176,519
Unassigned (Deficit)	(42,849)	0	(79,294)	(122,143)
<i>Total Fund Balances</i>	<u>859,583</u>	<u>1,230,644</u>	<u>299,879</u>	<u>2,390,106</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$2,227,834</u>	<u>\$2,584,950</u>	<u>\$2,775,225</u>	<u>\$7,588,009</u>

Mentor Exempted Village School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2010

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property Taxes	\$0	\$1,260,659	\$1,265,182	\$2,525,841
Intergovernmental	7,671,955	224,527	240,761	8,137,243
Tuition and Fees	65,584	0	0	65,584
Extracurricular Activities	810,475	0	0	810,475
Contributions and Donations	102,582	0	46,297	148,879
Charges for Services	2,038,436	0	0	2,038,436
Rentals	66,714	0	6,930	73,644
Miscellaneous	28,262	0	12,082	40,344
<i>Total Revenues</i>	<u>10,784,008</u>	<u>1,485,186</u>	<u>1,571,252</u>	<u>13,840,446</u>
Expenditures				
Current:				
Instruction:				
Regular	1,112,831	0	7,625	1,120,456
Special	2,347,207	0	0	2,347,207
Vocational	110,194	0	0	110,194
Support Services:				
Pupils	1,619,954	0	0	1,619,954
Instructional Staff	467,760	0	0	467,760
Board of Education	1,500	0	0	1,500
Administration	523,468	0	0	523,468
Fiscal	31,304	22,561	11,708	65,573
Operation and Maintenance of Plant	32,483	0	2,260,610	2,293,093
Pupil Transportation	179,368	0	0	179,368
Central	53,665	0	0	53,665
Operation of Non-Instructional Services	1,418,758	0	0	1,418,758
Operation of Food Service	2,349,998	0	0	2,349,998
Extracurricular Activities	498,801	0	0	498,801
Debt Service:				
Principal Retirement	16,590	1,560,000	696,000	2,272,590
Interest and Fiscal Charges	350	141,152	63,866	205,368
<i>Total Expenditures</i>	<u>10,764,231</u>	<u>1,723,713</u>	<u>3,039,809</u>	<u>15,527,753</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>19,777</u>	<u>(238,527)</u>	<u>(1,468,557)</u>	<u>(1,687,307)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	528	0	0	528
Energy Conservation Notes Issued	0	0	618,667	618,667
Transfers In	147,141	337,924	522,227	1,007,292
Transfers Out	(159,699)	0	0	(159,699)
<i>Total Other Financing Sources (Uses)</i>	<u>(12,030)</u>	<u>337,924</u>	<u>1,140,894</u>	<u>1,466,788</u>
<i>Net Change in Fund Balances</i>	7,747	99,397	(327,663)	(220,519)
<i>Fund Balances Beginning of Year</i>	<u>851,836</u>	<u>1,131,247</u>	<u>627,542</u>	<u>2,610,625</u>
<i>Fund Balances End of Year</i>	<u>\$859,583</u>	<u>\$1,230,644</u>	<u>\$299,879</u>	<u>\$2,390,106</u>

Mentor Exempted Village School District

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2010

	Food Service	Special Trust	Rotary Special Services	Adult Education	Rotary
Assets					
Equity in Pooled Cash and					
Cash Equivalents	\$465,847	\$56,207	\$80,943	\$5,974	\$154,717
Accounts Receivable	5,033	0	0	0	3,237
Accrued Interest Receivable	507	20	0	0	0
Intergovernmental Receivable	37,304	0	0	0	178
Interfund Receivable	110	0	0	0	0
Inventory Held for Resale	32,431	0	0	0	0
Materials and Supplies Inventory	54,481	0	0	0	0
<i>Total Assets</i>	<u>\$595,713</u>	<u>\$56,227</u>	<u>\$80,943</u>	<u>\$5,974</u>	<u>\$158,132</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$5,686	\$1,864	\$0	\$0	\$1,388
Accrued Wages and Benefits	120,597	0	0	0	5,832
Interfund Payable	6,683	1,051	0	0	5,760
Intergovernmental Payable	97,984	0	6,178	0	49,372
Deferred Revenue	1,882	0	0	0	0
<i>Total Liabilities</i>	<u>232,832</u>	<u>2,915</u>	<u>6,178</u>	<u>0</u>	<u>62,352</u>
Fund Balances					
Nonspendable	86,912	0	0	0	0
Restricted	275,969	53,312	0	0	0
Committed	0	0	74,765	5,974	95,780
Unassigned (Deficit)	0	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>362,881</u>	<u>53,312</u>	<u>74,765</u>	<u>5,974</u>	<u>95,780</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$595,713</u>	<u>\$56,227</u>	<u>\$80,943</u>	<u>\$5,974</u>	<u>\$158,132</u>

Other Grants	Athletics and Music	Auxiliary Services	Educational Management Information Systems	OneNet Data Communications	Miscellaneous State Grants	Title VI-B
\$90,330	\$116,902	\$257,416	\$11,169	\$26,722	\$10,901	\$174,727
0	0	0	0	0	0	0
4,557	0	2,046	0	0	0	0
0	0	0	0	0	100	198,258
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$94,887</u>	<u>\$116,902</u>	<u>\$259,462</u>	<u>\$11,169</u>	<u>\$26,722</u>	<u>\$11,001</u>	<u>\$372,985</u>
\$724	\$14,492	\$134,309	\$11,169	\$4,949	\$0	\$32,271
0	0	0	0	0	3,533	261,355
0	1,999	54,201	0	0	186	17,141
0	121	0	0	0	1,543	41,725
0	0	0	0	0	0	25,459
<u>724</u>	<u>16,612</u>	<u>188,510</u>	<u>11,169</u>	<u>4,949</u>	<u>5,262</u>	<u>377,951</u>
0	0	0	0	0	0	0
94,163	100,290	70,952	0	21,773	5,739	0
0	0	0	0	0	0	0
0	0	0	0	0	0	(4,966)
<u>94,163</u>	<u>100,290</u>	<u>70,952</u>	<u>0</u>	<u>21,773</u>	<u>5,739</u>	<u>(4,966)</u>
<u>\$94,887</u>	<u>\$116,902</u>	<u>\$259,462</u>	<u>\$11,169</u>	<u>\$26,722</u>	<u>\$11,001</u>	<u>\$372,985</u>

(continued)

Mentor Exempted Village School District*Combining Balance Sheet**Nonmajor Special Revenue Funds (continued)**June 30, 2010*

	Carl Perkins Grant	State Fiscal Stabilization Fund	Title III	Title I	Drug Free Schools
Assets					
Equity in Pooled Cash and					
Cash Equivalents	\$39,831	\$165,145	\$14,664	\$55,122	\$8,587
Accounts Receivable	0	0	0	0	0
Accrued Interest Receivable	0	0	0	0	0
Intergovernmental Receivable	22,270	0	9,699	80,995	1,844
Interfund Receivable	0	0	0	0	0
Inventory Held for Resale	0	0	0	0	0
Materials and Supplies Inventory	0	0	0	0	0
<i>Total Assets</i>	<u>\$62,101</u>	<u>\$165,145</u>	<u>\$24,363</u>	<u>\$136,117</u>	<u>\$10,431</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$24,036	\$0	\$359	\$21,181	\$10,367
Accrued Wages and Benefits	0	144,908	0	101,007	0
Interfund Payable	2,165	6,417	21,194	4,385	0
Intergovernmental Payable	5,487	18,307	663	14,251	0
Deferred Revenue	22,270	0	9,699	19,257	1,844
<i>Total Liabilities</i>	<u>53,958</u>	<u>169,632</u>	<u>31,915</u>	<u>160,081</u>	<u>12,211</u>
Fund Balances					
Nonspendable	0	0	0	0	0
Restricted	8,143	0	0	0	0
Committed	0	0	0	0	0
Unassigned (Deficit)	0	(4,487)	(7,552)	(23,964)	(1,780)
<i>Total Fund Balances (Deficit)</i>	<u>8,143</u>	<u>(4,487)</u>	<u>(7,552)</u>	<u>(23,964)</u>	<u>(1,780)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$62,101</u>	<u>\$165,145</u>	<u>\$24,363</u>	<u>\$136,117</u>	<u>\$10,431</u>

Preschool Grant	Classroom Reduction	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$3,394	\$20,505	\$78	\$1,759,181
0	0	0	8,270
0	0	0	7,130
3,589	11,994	0	366,231
0	0	0	110
0	0	0	32,431
0	0	0	54,481
<u>\$6,983</u>	<u>\$32,499</u>	<u>\$78</u>	<u>\$2,227,834</u>
\$3,189	\$16,403	\$0	\$282,387
2,685	2,607	0	642,524
825	137	0	122,144
384	2,174	0	238,189
0	2,596	0	83,007
<u>7,083</u>	<u>23,917</u>	<u>0</u>	<u>1,368,251</u>
0	0	0	86,912
0	8,582	78	639,001
0	0	0	176,519
(100)	0	0	(42,849)
<u>(100)</u>	<u>8,582</u>	<u>78</u>	<u>859,583</u>
<u>\$6,983</u>	<u>\$32,499</u>	<u>\$78</u>	<u>\$2,227,834</u>

Mentor Exempted Village School District
*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010*

	Food Service	Special Trust	Rotary Special Services	Adult Education	Rotary
Revenues					
Intergovernmental	\$722,298	\$0	\$0	\$0	\$178
Tuition and Fees	0	0	65,584	0	0
Extracurricular Activities	0	964	0	0	512,623
Contributions and Donations	0	36,239	0	500	30,706
Charges for Services	2,038,436	0	0	0	0
Rentals	0	0	0	0	0
Miscellaneous	0	0	518	0	17,154
<i>Total Revenues</i>	<u>2,760,734</u>	<u>37,203</u>	<u>66,102</u>	<u>500</u>	<u>560,661</u>
Expenditures					
Current:					
Instruction:					
Regular	0	16,837	57,350	0	17,999
Special	0	2,620	0	0	0
Vocational	0	0	0	0	24,310
Support Services:					
Pupils	0	585	0	0	537,468
Instructional Staff	0	37,189	0	0	0
Board of Education	0	1,500	0	0	0
Administration	0	3,069	0	0	0
Fiscal	26,661	0	0	0	4,643
Operation and Maintenance of Plant	0	849	0	0	0
Pupil Transportation	0	480	0	0	0
Central	0	301	0	0	8,917
Operation of Non-Instructional Services	0	257	0	484	0
Operation of Food Service	2,349,998	0	0	0	0
Extracurricular Activities	0	23,357	0	0	44,240
Debt Service:					
Principal Retirement	16,590	0	0	0	0
Interest and Fiscal Charges	350	0	0	0	0
<i>Total Expenditures</i>	<u>2,393,599</u>	<u>87,044</u>	<u>57,350</u>	<u>484</u>	<u>637,577</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>367,135</u>	<u>(49,841)</u>	<u>8,752</u>	<u>16</u>	<u>(76,916)</u>
Other Financing Sources (Uses)					
Sale of Capital Assets	528	0	0	0	0
Transfers In	0	6,027	0	0	41,714
Transfers Out	0	(29,010)	0	0	(3,676)
<i>Total Other Financing Sources (Uses)</i>	<u>528</u>	<u>(22,983)</u>	<u>0</u>	<u>0</u>	<u>38,038</u>
<i>Net Change in Fund Balances</i>	367,663	(72,824)	8,752	16	(38,878)
<i>Fund Balances (Deficit) Beginning of Year</i>	(4,782)	126,136	66,013	5,958	134,658
<i>Fund Balances (Deficit) End of Year</i>	<u>\$362,881</u>	<u>\$53,312</u>	<u>\$74,765</u>	<u>\$5,974</u>	<u>\$95,780</u>

Other Grants	Athletics and Music	Auxiliary Services	Educational Management Information Systems	Entry Year Teachers	OneNet Data Communications	Miscellaneous State Grants
\$0	\$0	\$1,159,811	\$15,739	\$0	\$32,008	\$68,794
0	0	0	0	0	0	0
0	296,888	0	0	0	0	0
2,408	32,729	0	0	0	0	0
0	0	0	0	0	0	0
66,714	0	0	0	0	0	0
10,590	0	0	0	0	0	0
<u>79,712</u>	<u>329,617</u>	<u>1,159,811</u>	<u>15,739</u>	<u>0</u>	<u>32,008</u>	<u>68,794</u>
5,342	0	0	0	0	0	2,564
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	25,488
1,400	0	0	0	1,746	0	0
0	0	0	0	0	0	0
35,465	0	0	0	0	0	0
0	0	0	0	0	0	0
23,889	0	0	0	0	0	0
0	0	0	0	0	0	43,006
0	0	0	34,212	0	10,235	0
0	0	1,185,661	0	0	0	0
0	0	0	0	0	0	0
5,020	426,184	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>71,116</u>	<u>426,184</u>	<u>1,185,661</u>	<u>34,212</u>	<u>1,746</u>	<u>10,235</u>	<u>71,058</u>
<u>8,596</u>	<u>(96,567)</u>	<u>(25,850)</u>	<u>(18,473)</u>	<u>(1,746)</u>	<u>21,773</u>	<u>(2,264)</u>
0	0	0	0	0	0	0
0	99,400	0	0	0	0	0
<u>(125,932)</u>	<u>(333)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(748)</u>
<u>(125,932)</u>	<u>99,067</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(748)</u>
<u>(117,336)</u>	<u>2,500</u>	<u>(25,850)</u>	<u>(18,473)</u>	<u>(1,746)</u>	<u>21,773</u>	<u>(3,012)</u>
<u>211,499</u>	<u>97,790</u>	<u>96,802</u>	<u>18,473</u>	<u>1,746</u>	<u>0</u>	<u>8,751</u>
<u>\$94,163</u>	<u>\$100,290</u>	<u>\$70,952</u>	<u>\$0</u>	<u>\$0</u>	<u>\$21,773</u>	<u>\$5,739</u>

(continued)

Mentor Exempted Village School District
*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances*
Nonmajor Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2010

	Title VI-B	Carl Perkins Grant	State Fiscal Stabilization Fund	Technology Title II-D	Title III
Revenues					
Intergovernmental	\$3,083,090	\$330,877	\$1,055,967	\$6,298	\$33,238
Tuition and Fees	0	0	0	0	0
Extracurricular Activities	0	0	0	0	0
Contributions and Donations	0	0	0	0	0
Charges for Services	0	0	0	0	0
Rentals	0	0	0	0	0
Miscellaneous	0	0	0	0	0
<i>Total Revenues</i>	<u>3,083,090</u>	<u>330,877</u>	<u>1,055,967</u>	<u>6,298</u>	<u>33,238</u>
Expenditures					
Current:					
Instruction:					
Regular	0	0	983,035	2,932	0
Special	1,563,279	768	77,419	0	34,491
Vocational	0	85,884	0	0	0
Support Services:					
Pupils	827,426	200,935	0	0	0
Instructional Staff	56,957	34,254	0	2,450	3,210
Board of Education	0	0	0	0	0
Administration	442,141	16,395	0	0	0
Fiscal	0	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0	0
Pupil Transportation	34,017	5,608	0	0	0
Central	0	0	0	0	0
Operation of Non-Instructional Services	203,667	0	0	916	580
Operation of Food Service	0	0	0	0	0
Extracurricular Activities	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Expenditures</i>	<u>3,127,487</u>	<u>343,844</u>	<u>1,060,454</u>	<u>6,298</u>	<u>38,281</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(44,397)</u>	<u>(12,967)</u>	<u>(4,487)</u>	<u>0</u>	<u>(5,043)</u>
Other Financing Sources (Uses)					
Sale of Capital Assets	0	0	0	0	0
Transfers In	0	0	0	0	0
Transfers Out	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(44,397)</u>	<u>(12,967)</u>	<u>(4,487)</u>	<u>0</u>	<u>(5,043)</u>
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>39,431</u>	<u>21,110</u>	<u>0</u>	<u>0</u>	<u>(2,509)</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>(\$4,966)</u>	<u>\$8,143</u>	<u>(\$4,487)</u>	<u>\$0</u>	<u>(\$7,552)</u>

Title I	Title V	Drug Free Schools	Preschool Grant	Classroom Reduction	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$781,636	\$0	\$24,206	\$55,864	\$208,063	\$93,888	\$7,671,955
0	0	0	0	0	0	65,584
0	0	0	0	0	0	810,475
0	0	0	0	0	0	102,582
0	0	0	0	0	0	2,038,436
0	0	0	0	0	0	66,714
0	0	0	0	0	0	28,262
<u>781,636</u>	<u>0</u>	<u>24,206</u>	<u>55,864</u>	<u>208,063</u>	<u>93,888</u>	<u>10,784,008</u>
0	9,074	17,698	0	0	0	1,112,831
634,042	0	0	34,588	0	0	2,347,207
0	0	0	0	0	0	110,194
0	0	8,288	19,764	0	0	1,619,954
124,680	0	4,780	697	200,397	0	467,760
0	0	0	0	0	0	1,500
26,398	0	0	0	0	0	523,468
0	0	0	0	0	0	31,304
0	0	0	0	0	7,745	32,483
0	0	0	2,369	0	93,888	179,368
0	0	0	0	0	0	53,665
26,581	0	0	612	0	0	1,418,758
0	0	0	0	0	0	2,349,998
0	0	0	0	0	0	498,801
0	0	0	0	0	0	16,590
0	0	0	0	0	0	350
<u>811,701</u>	<u>9,074</u>	<u>30,766</u>	<u>58,030</u>	<u>200,397</u>	<u>101,633</u>	<u>10,764,231</u>
<u>(30,065)</u>	<u>(9,074)</u>	<u>(6,560)</u>	<u>(2,166)</u>	<u>7,666</u>	<u>(7,745)</u>	<u>19,777</u>
0	0	0	0	0	0	528
0	0	0	0	0	0	147,141
0	0	0	0	0	0	(159,699)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(12,030)</u>
<u>(30,065)</u>	<u>(9,074)</u>	<u>(6,560)</u>	<u>(2,166)</u>	<u>7,666</u>	<u>(7,745)</u>	<u>7,747</u>
<u>6,101</u>	<u>9,074</u>	<u>4,780</u>	<u>2,066</u>	<u>916</u>	<u>7,823</u>	<u>851,836</u>
<u>(\$23,964)</u>	<u>\$0</u>	<u>(\$1,780)</u>	<u>(\$100)</u>	<u>\$8,582</u>	<u>\$78</u>	<u>\$859,583</u>



Alexandra Korsok
Digital Photography
Mentor High School

Mentor Exempted Village School District

Combining Balance Sheet

Nonmajor Capital Projects Funds

June 30, 2010

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Total Nonmajor Capital Projects Funds</u>
Assets			
Equity in Pooled Cash and			
Cash Equivalents	\$1,855,475	\$0	\$1,855,475
Accounts Receivable	538	0	538
Accrued Interest Receivable	2,030	0	2,030
Property Taxes Receivable	917,182	0	917,182
	<u> </u>	<u> </u>	<u> </u>
<i>Total Assets</i>	<u>\$2,775,225</u>	<u>\$0</u>	<u>\$2,775,225</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$3,245	\$0	\$3,245
Contracts Payable	23,847	0	23,847
Retainage Payable	1,720	0	1,720
Deferred Revenue	805,784	0	805,784
Accrued Interest Payable	1,456	1,961	3,417
Notes Payable	1,560,000	77,333	1,637,333
	<u> </u>	<u> </u>	<u> </u>
<i>Total Liabilities</i>	<u>2,396,052</u>	<u>79,294</u>	<u>2,475,346</u>
Fund Balances			
Restricted	379,173	0	379,173
Unassigned (Deficit)	0	(79,294)	(79,294)
	<u> </u>	<u> </u>	<u> </u>
<i>Total Fund Balances (Deficit)</i>	<u>379,173</u>	<u>(79,294)</u>	<u>299,879</u>
	<u> </u>	<u> </u>	<u> </u>
<i>Total Liabilities and Fund Balances</i>	<u>\$2,775,225</u>	<u>\$0</u>	<u>\$2,775,225</u>

Mentor Exempted Village School District
*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2010*

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Revenues			
Property Taxes	\$1,171,222	\$93,960	\$1,265,182
Intergovernmental	240,761	0	240,761
Contributions and Donations	46,297	0	46,297
Rentals	6,930	0	6,930
Miscellaneous	12,082	0	12,082
<i>Total Revenues</i>	<u>1,477,292</u>	<u>93,960</u>	<u>1,571,252</u>
Expenditures			
Current:			
Instruction:			
Regular	7,625	0	7,625
Support Services:			
Fiscal	11,708	0	11,708
Operation and Maintenance of Plant	2,260,610	0	2,260,610
Debt Service:			
Principal Retirement	0	696,000	696,000
Interest and Fiscal Charges	46,932	16,934	63,866
<i>Total Expenditures</i>	<u>2,326,875</u>	<u>712,934</u>	<u>3,039,809</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(849,583)</u>	<u>(618,974)</u>	<u>(1,468,557)</u>
Other Financing Sources			
Energy Conservation Notes Issued	0	618,667	618,667
Transfers In	522,227	0	522,227
<i>Total Other Financing Sources</i>	<u>522,227</u>	<u>618,667</u>	<u>1,140,894</u>
<i>Net Change in Fund Balances</i>	(327,356)	(307)	(327,663)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>706,529</u>	<u>(78,987)</u>	<u>627,542</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$379,173</u></u>	<u><u>(\$79,294)</u></u>	<u><u>\$299,879</u></u>

Combining Statements - Internal Service Funds

Internal service funds are used to account for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost-reimbursement basis.

Employee Benefits Fund - To account for claims and administration of the medical and prescription program for covered School District employees and eligible dependents, and the accumulation and allocation of costs associated with the medical and prescription program.

Workers' Compensation Fund - To provide self-insurance to the School District through a retrospective rating plan with the State of Ohio for workers' compensation.

Mentor Exempted Village School District

Combining Statement of Fund Net Assets

Internal Service Funds

June 30, 2010

	<u>Employee Benefits</u>	<u>Workers' Compensation</u>	<u>Total Internal Service Funds</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$4,177,769	\$1,302,501	\$5,480,270
Interfund Receivable	<u>0</u>	<u>458,095</u>	<u>458,095</u>
<i>Total Assets</i>	<u>4,177,769</u>	<u>1,760,596</u>	<u>5,938,365</u>
Liabilities			
<i>Current Liabilities</i>			
Intergovernmental Payable	0	257,779	257,779
Claims Payable	<u>1,602,191</u>	<u>124,440</u>	<u>1,726,631</u>
<i>Total Current Liabilities</i>	1,602,191	382,219	1,984,410
<i>Long-Term Liabilities (net of current portion):</i>			
Claims Payable	<u>0</u>	<u>462,713</u>	<u>462,713</u>
<i>Total Liabilities</i>	<u>1,602,191</u>	<u>844,932</u>	<u>2,447,123</u>
Net Assets			
Unrestricted	<u>\$2,575,578</u>	<u>\$915,664</u>	<u>\$3,491,242</u>

Mentor Exempted Village School District

*Combining Statement of Revenues,
Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Fiscal Year Ended June 30, 2010*

	<u>Employee Benefits</u>	<u>Workers' Compensation</u>	<u>Total Internal Service Funds</u>
Operating Revenues			
Charges for Services	<u>\$12,452,812</u>	<u>\$977,725</u>	<u>\$13,430,537</u>
Operating Expenses			
Purchased Services	0	257,779	257,779
Claims	<u>12,411,402</u>	<u>254,602</u>	<u>12,666,004</u>
<i>Total Operating Expenses</i>	<u>12,411,402</u>	<u>512,381</u>	<u>12,923,783</u>
<i>Operating Income</i>	41,410	465,344	506,754
Non-Operating Income			
Interest	<u>2,169</u>	<u>2,210</u>	<u>4,379</u>
<i>Income Before Transfers</i>	43,579	467,554	511,133
Transfers In	<u>816,389</u>	<u>0</u>	<u>816,389</u>
<i>Change in Net Assets</i>	859,968	467,554	1,327,522
<i>Net Assets Beginning of Year</i>	<u>1,715,610</u>	<u>448,110</u>	<u>2,163,720</u>
<i>Net Assets End of Year</i>	<u>\$2,575,578</u>	<u>\$915,664</u>	<u>\$3,491,242</u>

Mentor Exempted Village School District

Combining Statement of Cash Flows

Internal Service Funds

For the Fiscal Year Ended June 30, 2010

	<u>Employee Benefits</u>	<u>Workers' Compensation</u>	<u>Total Internal Service Funds</u>
<i>Increase (Decrease) in Cash and Cash Equivalents</i>			
Cash Flows from Operating Activities			
Cash Received from Interfund			
Services Provided	\$12,452,812	\$1,238,980	\$13,691,792
Cash Payments for Services	0	(249,958)	(249,958)
Cash Payments for Claims	<u>(12,389,452)</u>	<u>(260,169)</u>	<u>(12,649,621)</u>
<i>Net Cash Provided by Operating Activities</i>	63,360	728,853	792,213
Cash Flows from Noncapital Financing Activities			
Transfers In	816,389	0	816,389
Cash Flows from Investing Activities			
Interest	<u>2,169</u>	<u>2,210</u>	<u>4,379</u>
<i>Net Increase in Cash and Cash Equivalents</i>	881,918	731,063	1,612,981
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>3,295,851</u>	<u>571,438</u>	<u>3,867,289</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$4,177,769</u>	<u>\$1,302,501</u>	<u>\$5,480,270</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating Income	\$41,410	\$465,344	\$506,754
<i>Adjustments:</i>			
Decrease in Interfund Receivable	0	261,255	261,255
<i>Increase/(Decrease) in Liabilities:</i>			
Intergovernmental Payable	0	7,821	7,821
Claims Payable	<u>21,950</u>	<u>(5,567)</u>	<u>16,383</u>
<i>Total Adjustments</i>	<u>21,950</u>	<u>263,509</u>	<u>285,459</u>
<i>Net Cash Provided by Operating Activities</i>	<u>\$63,360</u>	<u>\$728,853</u>	<u>\$792,213</u>

Mentor Exempted Village School District
Statement of Changes in Assets and Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2010

	<u>Balance</u> <u>July 1, 2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2010</u>
Student Activities Fund				
Assets				
Equity in Pooled Cash and Cash Equivalents	<u>\$336,807</u>	<u>\$300,755</u>	<u>\$332,756</u>	<u>\$304,806</u>
Liabilities				
Due to Students	<u>\$336,807</u>	<u>\$300,755</u>	<u>\$332,756</u>	<u>\$304,806</u>



Rachel Lewis
Digital Photography
Mentor High School

**Individual Fund Schedules of Revenues,
Expenditures/Expenses and Change in Fund Balance/Equity –
Budget (Non-GAAP Basis) and Actual**

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
General Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$66,374,692	\$66,374,692	\$59,458,922	(\$6,915,770)
Intergovernmental	31,698,106	31,698,106	33,933,794	2,235,688
Interest	1,359,331	1,359,331	1,027,772	(331,559)
Tuition and Fees	1,865,484	1,858,606	1,746,223	(112,383)
Extracurricular Activities	711,267	707,032	528,809	(178,223)
Contributions and Donations	137,731	139,964	52,931	(87,033)
Charges for Services	34,831	34,831	30,618	(4,213)
Rentals	29,859	29,859	25,569	(4,290)
Payment in Lieu of Taxes	1,073,421	1,073,421	31,912	(1,041,509)
Miscellaneous	33,896	33,896	179,671	145,775
<i>Total Revenues</i>	<u>103,318,618</u>	<u>103,309,738</u>	<u>97,016,221</u>	<u>(6,293,517)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	31,055,916	30,190,855	30,185,252	5,603
Fringe Benefits	10,320,322	10,183,857	9,893,986	289,871
Purchased Services	1,315,760	1,386,834	1,292,072	94,762
Materials and Supplies	2,314,804	2,242,685	2,166,795	75,890
Capital Outlay - New	128,777	131,640	123,458	8,182
Capital Outlay - Replacement	2,200	1,100	0	1,100
Other	38,000	33,000	22,705	10,295
Total Regular	<u>45,175,779</u>	<u>44,169,971</u>	<u>43,684,268</u>	<u>485,703</u>
Special:				
Salaries and Wages	5,274,336	6,053,491	6,052,618	873
Fringe Benefits	2,276,717	2,276,717	2,077,080	199,637
Purchased Services	3,160,362	3,464,330	2,621,112	843,218
Materials and Supplies	9,000	10,000	9,303	697
Capital Outlay - New	14,000	5,000	4,988	12
Total Special	<u>10,734,415</u>	<u>11,809,538</u>	<u>10,765,101</u>	<u>1,044,437</u>
Vocational:				
Salaries and Wages	2,208,904	1,722,575	1,237,189	485,386
Fringe Benefits	657,030	530,617	392,810	137,807
Purchased Services	725,289	730,429	560,546	169,883
Materials and Supplies	36,411	40,951	35,244	5,707
Capital Outlay - New	9,084	3,006	81	2,925
Other	4,120	3,615	3,615	0
Total Vocational	<u>\$3,640,838</u>	<u>\$3,031,193</u>	<u>\$2,229,485</u>	<u>\$801,708</u>

(continued)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Student Intervention:				
Salaries and Wages	\$111,803	\$255,684	\$255,684	\$0
Fringe Benefits	133,153	104,954	69,484	35,470
Total Student Intervention	244,956	360,638	325,168	35,470
Total Instruction	59,795,988	59,371,340	57,004,022	2,367,318
Support Services:				
Pupils:				
Salaries and Wages	4,005,709	4,031,209	3,777,545	253,664
Fringe Benefits	1,771,629	1,775,978	1,512,650	263,328
Purchased Services	41,327	38,680	34,555	4,125
Materials and Supplies	31,346	29,746	19,908	9,838
Capital Outlay - New	0	1,650	1,595	55
Capital Outlay - Replacement	1,500	0	0	0
Total Pupils	5,851,511	5,877,263	5,346,253	531,010
Instructional Staff:				
Salaries and Wages	2,973,690	2,973,690	2,968,592	5,098
Fringe Benefits	1,601,128	1,835,050	1,835,029	21
Purchased Services	135,865	138,429	57,866	80,563
Materials and Supplies	201,304	198,381	183,136	15,245
Capital Outlay - New	82,000	41,600	41,600	0
Other	2,000	2,000	2,000	0
Total Instructional Staff	4,995,987	5,189,150	5,088,223	100,927
Board of Education:				
Salaries and Wages	11,150	10,580	9,790	790
Fringe Benefits	1,272	1,913	1,913	0
Purchased Services	405,508	405,508	385,562	19,946
Materials and Supplies	2,500	2,500	1,500	1,000
Capital Outlay - New	35,000	35,000	30,000	5,000
Other	291,753	291,753	225,928	65,825
Total Board of Education	747,183	747,254	654,693	92,561
Administration:				
Salaries and Wages	3,994,910	3,620,712	3,617,328	3,384
Fringe Benefits	1,706,575	1,728,091	1,545,939	182,152
Purchased Services	180,216	164,707	111,723	52,984
Materials and Supplies	52,699	51,597	28,446	23,151
Capital Outlay - New	13,500	13,500	2,274	11,226
Other	60,846	60,418	41,359	19,059
Total Administration	\$6,008,746	\$5,639,025	\$5,347,069	\$291,956

(continued)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Fiscal:				
Salaries and Wages	\$822,290	\$822,290	\$791,861	\$30,429
Fringe Benefits	375,865	375,865	365,087	10,778
Purchased Services	632,900	645,714	445,052	200,662
Materials and Supplies	28,104	23,854	22,470	1,384
Capital Outlay - Replacement	5,000	10,407	10,407	0
Other	1,146,568	1,049,648	700,159	349,489
Total Fiscal	3,010,727	2,927,778	2,335,036	592,742
Business:				
Salaries and Wages	484,160	484,160	472,632	11,528
Fringe Benefits	201,728	201,728	196,458	5,270
Purchased Services	2,650	2,650	2,041	609
Other	7,600	7,600	2,113	5,487
Total Business	696,138	696,138	673,244	22,894
Operation and Maintenance of Plant:				
Salaries and Wages	3,559,805	3,559,805	3,312,273	247,532
Fringe Benefits	1,190,070	1,424,474	1,424,474	0
Purchased Services	3,338,345	3,253,424	2,857,746	395,678
Materials and Supplies	512,457	512,072	501,545	10,527
Capital Outlay - New	5,500	15,500	15,048	452
Capital Outlay - Replacement	66,205	68,114	55,016	13,098
Other	23,500	23,500	19,437	4,063
Total Operation and Maintenance of Plant	8,695,882	8,856,889	8,185,539	671,350
Pupil Transportation:				
Salaries and Wages	2,678,840	2,856,760	2,856,709	51
Fringe Benefits	1,405,994	1,405,994	1,399,390	6,604
Purchased Services	997,122	805,724	772,395	33,329
Materials and Supplies	805,536	797,245	709,458	87,787
Capital Outlay - Replacement	338,570	338,570	338,352	218
Other	0	325	325	0
Total Pupil Transportation	6,226,062	6,204,618	6,076,629	127,989
Central:				
Salaries and Wages	558,200	558,750	448,371	110,379
Fringe Benefits	164,959	224,824	217,917	6,907
Purchased Services	761,352	850,367	758,569	91,798
Materials and Supplies	231,869	285,066	257,290	27,776
Capital Outlay - New	504,375	570,788	549,942	20,846
Capital Outlay - Replacement	52,000	51,624	49,896	1,728
Other	69,986	90,586	61,805	28,781
Total Central	2,342,741	2,632,005	2,343,790	288,215
Total Support Services	\$38,574,977	\$38,770,120	\$36,050,476	\$2,719,644

(continued)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	\$42,000	\$51,398	\$51,392	\$6
Fringe Benefits	12,846	17,102	16,351	751
Other	2,500	2,500	1,460	1,040
Total Operation of Non-Instructional Services	57,346	71,000	69,203	1,797
Operation of Food Service:				
Materials and Supplies	3,642	3,642	741	2,901
Capital Outlay - New	2,000	2,000	0	2,000
Other	700	700	0	700
Total Operation of Food Service	6,342	6,342	741	5,601
Extracurricular Activities:				
Academic Oriented Activities:				
Salaries and Wages	162,730	183,269	183,269	0
Fringe Benefits	48,242	48,242	29,360	18,882
Purchased Services	24,525	24,150	21,561	2,589
Materials and Supplies	5,950	5,050	4,506	544
Capital Outlay - New	1,400	800	800	0
Other	4,750	4,325	3,573	752
Total Academic Oriented Activities	247,597	265,836	243,069	22,767
Occupation Oriented Activities:				
Salaries and Wages	3,482	3,482	416	3,066
Fringe Benefits	751	751	66	685
Purchased Services	1,400	1,400	259	1,141
Materials and Supplies	6,814	6,814	1,627	5,187
Capital Outlay - New	100	100	0	100
Other	700	700	0	700
Total Occupation Oriented Activities	13,247	13,247	2,368	10,879
Athletic Oriented Activities:				
Salaries and Wages	755,962	755,963	746,604	9,359
Fringe Benefits	132,784	150,640	150,640	0
Purchased Services	0	22,000	22,000	0
Capital Outlay - New	0	38,048	38,048	0
Total Athletic Oriented Activities	\$888,746	\$966,651	\$957,292	\$9,359

(continued)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
School and Public Service Co-Curricular Activities:				
Salaries and Wages	\$118,050	\$124,186	\$118,256	\$5,930
Fringe Benefits	46,270	46,270	19,281	26,989
Purchased Services	10,955	1,500	410	1,090
Materials and Supplies	64,000	74,532	51,586	22,946
Capital Outlay - New	9,000	9,000	1,145	7,855
Other	34,000	33,850	14,105	19,745
Total School and Public Service Co-Curricular Activities	<u>282,275</u>	<u>289,338</u>	<u>204,783</u>	<u>84,555</u>
Total Extracurricular Activities	<u>1,431,865</u>	<u>1,535,072</u>	<u>1,407,512</u>	<u>127,560</u>
Total Expenditures	<u>99,866,518</u>	<u>99,753,874</u>	<u>94,531,954</u>	<u>5,221,920</u>
Excess of Revenues Over Expenditures	<u>3,452,100</u>	<u>3,555,864</u>	<u>2,484,267</u>	<u>(1,071,597)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	14,818	14,818	32,918	18,100
Advances In	10,000	10,000	12,602	2,602
Advances Out	(200,000)	(20,000)	(5,404)	14,596
Transfers In	2,561	11,441	1,081	(10,360)
Transfers Out	(1,357,734)	(1,696,357)	(1,665,063)	31,294
Total Other Financing Sources (Uses)	<u>(1,530,355)</u>	<u>(1,680,098)</u>	<u>(1,623,866)</u>	<u>56,232</u>
Net Change in Fund Balance	1,921,745	1,875,766	860,401	(1,015,365)
Fund Balance Beginning of Year	48,884,314	48,884,314	48,884,314	0
Prior Year Encumbrances Appropriated	<u>2,453,116</u>	<u>2,453,116</u>	<u>2,453,116</u>	<u>0</u>
Fund Balance End of Year	<u>\$53,259,175</u>	<u>\$53,213,196</u>	<u>\$52,197,831</u>	<u>(\$1,015,365)</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$638,016	\$638,016	\$804,084	\$166,068
Interest	17	17	592	575
Charges for Services	2,231,967	2,231,967	2,039,072	(192,895)
<i>Total Revenues</i>	<u>2,870,000</u>	<u>2,870,000</u>	<u>2,843,748</u>	<u>(26,252)</u>
Expenditures				
Support Services:				
Fiscal:				
Other	27,000	27,000	26,681	319
Operation of Food Service:				
Salaries and Wages	983,768	983,768	857,665	126,103
Fringe Benefits	714,312	714,312	654,483	59,829
Purchased Services	45,809	45,809	28,423	17,386
Materials and Supplies	1,159,364	1,159,364	985,800	173,564
Capital Outlay - New	30,000	30,000	0	30,000
Capital Outlay - Replacement	40,000	40,000	12,906	27,094
<i>Total Operation of Food Service</i>	<u>2,973,253</u>	<u>2,973,253</u>	<u>2,539,277</u>	<u>433,976</u>
<i>Total Expenditures</i>	<u>3,000,253</u>	<u>3,000,253</u>	<u>2,565,958</u>	<u>434,295</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(130,253)</u>	<u>(130,253)</u>	<u>277,790</u>	<u>408,043</u>
Other Financing Sources				
Sale of Capital Assets	0	0	528	528
Advances In	130,000	130,000	0	(130,000)
<i>Total Other Financing Sources</i>	<u>130,000</u>	<u>130,000</u>	<u>528</u>	<u>(129,472)</u>
<i>Net Change in Fund Balance</i>	(253)	(253)	278,318	278,571
<i>Fund Balance Beginning of Year</i>	133,727	133,727	133,727	0
Prior Year Encumbrances Appropriated	31,613	31,613	31,613	0
<i>Fund Balance End of Year</i>	<u>\$165,087</u>	<u>\$165,087</u>	<u>\$443,658</u>	<u>\$278,571</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Special Trust Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Interest	\$0	\$0	\$32	\$32
Extracurricular Activities	15,000	16,000	1,071	(14,929)
Contributions and Donations	85,000	81,649	36,239	(45,410)
<i>Total Revenues</i>	<u>100,000</u>	<u>97,649</u>	<u>37,342</u>	<u>(60,307)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	490	580	490	90
Fringe Benefits	86	93	78	15
Purchased Services	0	1,450	1,350	100
Materials and Supplies	13,457	12,849	8,872	3,977
Capital Outlay - New	4,243	12,090	11,815	275
Other	9,500	9,529	29	9,500
Total Regular	<u>27,776</u>	<u>36,591</u>	<u>22,634</u>	<u>13,957</u>
Special:				
Purchased Services	809	3,180	2,661	519
Capital Outlay - New	0	129	129	0
Total Special	<u>809</u>	<u>3,309</u>	<u>2,790</u>	<u>519</u>
Total Instruction	<u>28,585</u>	<u>39,900</u>	<u>25,424</u>	<u>14,476</u>
Support Services:				
Pupils:				
Purchased Services	299	885	585	300
Instructional Staff:				
Purchased Services	1,330	15,830	15,500	330
Materials and Supplies	2,737	3,237	575	2,662
Capital Outlay - New	900	21,997	21,097	900
Other	138	186	92	94
Total Instructional Staff	<u>\$5,105</u>	<u>\$41,250</u>	<u>\$37,264</u>	<u>\$3,986</u>

(continued)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Special Trust Fund (continued)
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Board of Education:				
Other	\$10,000	\$10,000	\$2,100	\$7,900
Administration:				
Purchased Services	155	155	0	155
Capital Outlay - New	0	3,069	3,069	0
Total Administration	155	3,224	3,069	155
Operation and Maintenance of Plant:				
Capital Outlay - New	0	849	849	0
Pupil Transportation:				
Purchased Services	696	1,387	1,176	211
Central:				
Materials and Supplies	1,328	1,328	0	1,328
Other	4,195	4,195	452	3,743
Total Central	5,523	5,523	452	5,071
Total Support Services:	21,778	63,118	45,495	17,623
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	257	257	257	0
Extracurricular Activities:				
Academic Oriented Activities:				
Capital Outlay - New	0	11,000	11,000	0
Other	25,000	27,000	9,000	18,000
Total Academic Oriented Activities	\$25,000	\$38,000	\$20,000	\$18,000

(continued)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Special Trust Fund (continued)
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
School and Public Service Co-Curricular Activities:				
Materials and Supplies	\$0	\$980	\$980	\$0
Other	9,450	15,801	2,452	13,349
Total School and Public Service Co-Curricular Activities	9,450	16,781	3,432	13,349
Total Extracurricular Activities	34,450	54,781	23,432	31,349
<i>Total Expenditures</i>	<i>85,070</i>	<i>158,056</i>	<i>94,608</i>	<i>63,448</i>
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>14,930</i>	<i>(60,407)</i>	<i>(57,266)</i>	<i>3,141</i>
Other Financing Sources (Uses)				
Transfers In	0	2,351	6,027	3,676
Transfers Out	0	(29,010)	(29,010)	0
<i>Total Other Financing Sources (Uses)</i>	<i>0</i>	<i>(26,659)</i>	<i>(22,983)</i>	<i>3,676</i>
<i>Net Change in Fund Balance</i>	<i>14,930</i>	<i>(87,066)</i>	<i>(80,249)</i>	<i>6,817</i>
<i>Fund Balance Beginning of Year</i>	<i>123,261</i>	<i>123,261</i>	<i>123,261</i>	<i>0</i>
Prior Year Encumbrances Appropriated	9,123	9,123	9,123	0
<i>Fund Balance End of Year</i>	<i>\$147,314</i>	<i>\$45,318</i>	<i>\$52,135</i>	<i>\$6,817</i>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Rotary Special Services Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Tuition and Fees	\$99,300	\$124,300	\$65,584	(\$58,716)
Miscellaneous	700	700	518	(182)
<i>Total Revenues</i>	<u>100,000</u>	<u>125,000</u>	<u>66,102</u>	<u>(58,898)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	71,080	139,580	47,181	92,399
Fringe Benefits	12,510	25,110	7,974	17,136
Purchased Services	700	700	180	520
Materials and Supplies	1,380	2,380	0	2,380
Other	2,650	3,650	862	2,788
<i>Total Expenditures</i>	<u>88,320</u>	<u>171,420</u>	<u>56,197</u>	<u>115,223</u>
<i>Net Change in Fund Balance</i>	11,680	(46,420)	9,905	56,325
<i>Fund Balance Beginning of Year</i>	70,608	70,608	70,608	0
Prior Year Encumbrances Appropriated	<u>330</u>	<u>330</u>	<u>330</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$82,618</u></u>	<u><u>\$24,518</u></u>	<u><u>\$80,843</u></u>	<u><u>\$56,325</u></u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Adult Education Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Contributions and Donations	\$10,000	\$10,000	\$500	(\$9,500)
Expenditures				
Current:				
Instruction:				
Adult/Continuing:				
Purchased Services	371	371	0	371
Materials and Supplies	0	4,048	0	4,048
Total Instruction	371	4,419	0	4,419
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	650	650	340	310
Materials and Supplies	1,410	1,410	144	1,266
Total Operation of Non-Instructional Services	2,060	2,060	484	1,576
<i>Total Expenditures</i>	2,431	6,479	484	5,995
<i>Net Change in Fund Balance</i>	7,569	3,521	16	(3,505)
<i>Fund Balance Beginning of Year</i>	5,958	5,958	5,958	0
<i>Fund Balance End of Year</i>	\$13,527	\$9,479	\$5,974	(\$3,505)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Rotary Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Extracurricular Activities	\$761,895	\$744,024	\$512,623	(\$231,401)
Contributions and Donations	103,400	103,830	30,706	(73,124)
Miscellaneous	12,582	26,261	17,807	(8,454)
<i>Total Revenues</i>	877,877	874,115	561,136	(312,979)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	15,688	15,705	15,705	0
Fringe Benefits	2,721	2,501	2,501	0
Purchased Services	0	55	21	34
<i>Total Regular</i>	18,409	18,261	18,227	34
Vocational:				
Materials and Supplies	16,201	27,355	23,994	3,361
Capital Outlay - New	0	3,806	3,806	0
<i>Total Vocational</i>	16,201	31,161	27,800	3,361
<i>Total Instruction</i>	34,610	49,422	46,027	3,395
Support Services:				
Pupils:				
Salaries and Wages	294,673	294,799	284,334	10,465
Fringe Benefits	84,272	84,294	75,659	8,635
Purchased Services	71,470	87,042	81,590	5,452
Materials and Supplies	88,813	85,515	74,971	10,544
Capital Outlay - New	5,000	1,757	425	1,332
Other	6,057	4,145	3,430	715
<i>Total Pupils</i>	550,285	557,552	520,409	37,143
Fiscal:				
Other	4,000	4,643	4,643	0
Central:				
Purchased Services	20,906	20,906	8,917	11,989
<i>Total Support Services</i>	\$575,191	\$583,101	\$533,969	\$49,132

(continued)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Rotary Fund (continued)
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Extracurricular Activities:				
Occupation Oriented Activities:				
Other	\$20,000	\$20,000	\$0	\$20,000
School and Public Service Co-Curricular Activities:				
Purchased Services	11,000	12,400	6,482	5,918
Materials and Supplies	2,500	2,500	1,000	1,500
Capital Outlay - New	3,000	3,000	0	3,000
Other	96,990	97,090	37,259	59,831
Total School and Public Service Co-Curricular Activities	113,490	114,990	44,741	70,249
Total Extracurricular Activities	133,490	134,990	44,741	90,249
<i>Total Expenditures</i>	743,291	767,513	624,737	142,776
<i>Excess of Revenues Over (Under) Expenditures</i>	134,586	106,602	(63,601)	(170,203)
Other Financing Sources (Uses)				
Advances In	10,000	15,404	5,404	(10,000)
Advances Out	0	(8,940)	(8,940)	0
Transfers In	12,123	10,481	41,714	31,233
Transfers Out	(1,331)	(3,676)	(3,676)	0
<i>Total Other Financing Sources (Uses)</i>	20,792	13,269	34,502	21,233
<i>Net Change in Fund Balance</i>	155,378	119,871	(29,099)	(148,970)
<i>Fund Balance Beginning of Year</i>	145,868	145,868	145,868	0
Prior Year Encumbrances Appropriated	13,230	13,230	13,230	0
<i>Fund Balance End of Year</i>	\$314,476	\$278,969	\$129,999	(\$148,970)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Other Grants Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues				
Interest	\$403	\$403	\$348	(\$55)
Contributions and Donations	61,526	61,526	27,196	(34,330)
Rent	107,335	107,335	66,714	(40,621)
Miscellaneous	30,736	30,736	11,850	(18,886)
<i>Total Revenues</i>	<u>200,000</u>	<u>200,000</u>	<u>106,108</u>	<u>(93,892)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Materials and Supplies	9,525	8,603	4,603	4,000
Capital Outlay - New	33,810	33,810	2,558	31,252
Other	37,231	3,686	1,686	2,000
Total Instruction	<u>80,566</u>	<u>46,099</u>	<u>8,847</u>	<u>37,252</u>
Support Services:				
Instructional Staff:				
Purchased Services	2,500	3,150	1,400	1,750
Administration:				
Materials and Supplies	23,248	22,041	21,698	343
Capital Outlay - New	126,846	36,961	17,185	19,776
Other	500	500	0	500
Total Administration	<u>150,594</u>	<u>59,502</u>	<u>38,883</u>	<u>20,619</u>
Operation and Maintenance of Plant:				
Capital Outlay - New	0	23,889	23,889	0
Central:				
Other	21,968	21,968	0	21,968
Total Support Services	<u>\$175,062</u>	<u>\$108,509</u>	<u>\$64,172</u>	<u>\$44,337</u>

(continued)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Other Grants Fund (continued)
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Extracurricular Activities:				
Academic Oriented Activities:				
Capital Outlay - New	\$4,500	\$4,500	\$4,500	\$0
School and Public Service Co-Curricular Activities:				
Purchased Services	<u>0</u>	<u>520</u>	<u>520</u>	<u>0</u>
Total Extracurricular Activities	<u>4,500</u>	<u>5,020</u>	<u>5,020</u>	<u>0</u>
<i>Total Expenditures</i>	<u>260,128</u>	<u>159,628</u>	<u>78,039</u>	<u>81,589</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(60,128)	40,372	28,069	(12,303)
Other Financing Uses				
Transfers Out	<u>0</u>	<u>(125,932)</u>	<u>(125,932)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(60,128)	(85,560)	(97,863)	(12,303)
<i>Fund Balance Beginning of Year</i>	174,567	174,567	174,567	0
Prior Year Encumbrances Appropriated	<u>8,560</u>	<u>8,560</u>	<u>8,560</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$122,999</u></u>	<u><u>\$97,567</u></u>	<u><u>\$85,264</u></u>	<u><u>(\$12,303)</u></u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Athletics and Music Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget Positive (Negative)
Revenues				
Tuition and Fees	\$3,000	\$3,000	\$0	(\$3,000)
Extracurricular Activities	1,015,216	1,013,437	295,859	(717,578)
Contributions and Donations	156,037	164,239	32,477	(131,762)
<i>Total Revenues</i>	<u>1,174,253</u>	<u>1,180,676</u>	<u>328,336</u>	<u>(852,340)</u>
Expenditures				
Current:				
Extracurricular Activities:				
Sports Oriented Activities:				
Salaries and Wages	26,580	27,680	15,620	12,060
Fringe Benefits	5,440	5,640	2,488	3,152
Purchased Services	284,505	312,633	212,757	99,876
Materials and Supplies	191,625	213,190	97,411	115,779
Capital Outlay - New	9,300	17,300	8,585	8,715
Other	167,320	179,177	110,933	68,244
<i>Total Expenditures</i>	<u>684,770</u>	<u>755,620</u>	<u>447,794</u>	<u>307,826</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>489,483</u>	<u>425,056</u>	<u>(119,458)</u>	<u>(544,514)</u>
Other Financing Sources (Uses)				
Transfers In	225,747	218,669	99,400	(119,269)
Transfers Out	0	(988)	(333)	655
<i>Total Other Financing Sources (Uses)</i>	<u>225,747</u>	<u>217,681</u>	<u>99,067</u>	<u>(118,614)</u>
<i>Net Change in Fund Balance</i>	715,230	642,737	(20,391)	(663,128)
<i>Fund Balance Beginning of Year</i>	94,356	94,356	94,356	0
Prior Year Encumbrances Appropriated	18,130	18,130	18,130	0
<i>Fund Balance End of Year</i>	<u>\$827,716</u>	<u>\$755,223</u>	<u>\$92,095</u>	<u>(\$663,128)</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Auxiliary Services Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$1,300,000	\$1,299,412	\$1,172,774	(\$126,638)
Interest	0	588	588	0
<i>Total Revenues</i>	1,300,000	1,300,000	1,173,362	(126,638)
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	1,082,974	877,225	868,100	9,125
Materials and Supplies	135,488	399,258	350,957	48,301
Capital Outlay - New	42,364	96,611	90,509	6,102
<i>Total Expenditures</i>	1,260,826	1,373,094	1,309,566	63,528
<i>Net Change in Fund Balance</i>	39,174	(73,094)	(136,204)	(63,110)
<i>Fund Balance Beginning of Year</i>	2,835	2,835	2,835	0
Prior Year Encumbrances Appropriated	196,990	196,990	196,990	0
<i>Fund Balance End of Year</i>	\$238,999	\$126,731	\$63,621	(\$63,110)

Mentor Exempted Village School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Educational Management Information Systems Fund
 For the Fiscal Year Ended June 30, 2010*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	<u>\$80,000</u>	<u>\$80,000</u>	<u>\$15,739</u>	<u>(\$64,261)</u>
Expenditures				
Current:				
Support Services:				
Central:				
Purchased Services	21,541	26,112	26,112	0
Materials and Supplies	250	250	250	0
Capital Outlay - New	<u>0</u>	<u>11,169</u>	<u>11,169</u>	<u>0</u>
<i>Total Expenditures</i>	<u>21,791</u>	<u>37,531</u>	<u>37,531</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	58,209	42,469	(21,792)	(64,261)
<i>Fund Balance Beginning of Year</i>	139	139	139	0
Prior Year Encumbrances Appropriated	<u>21,653</u>	<u>21,653</u>	<u>21,653</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$80,001</u></u>	<u><u>\$64,261</u></u>	<u><u>\$0</u></u>	<u><u>(\$64,261)</u></u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Entry Year Teachers Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$50,000	\$50,000	\$0	(\$50,000)
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	1,314	1,314	1,314	0
Fringe Benefits	228	228	228	0
Materials and Supplies	341	341	341	0
<i>Total Expenditures</i>	<u>1,883</u>	<u>1,883</u>	<u>1,883</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	48,117	48,117	(1,883)	(50,000)
<i>Fund Balance Beginning of Year</i>	1,881	1,881	1,881	0
Prior Year Encumbrances Appropriated	<u>2</u>	<u>2</u>	<u>2</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$50,000</u></u>	<u><u>\$50,000</u></u>	<u><u>\$0</u></u>	<u><u>(\$50,000)</u></u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
OneNet Data Communications Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$10,000	\$50,000	\$32,008	(\$17,992)
Expenditures				
Current:				
Support Services:				
Central:				
Capital Outlay - New	5,695	37,704	37,686	18
<i>Net Change in Fund Balance</i>	4,305	12,296	(5,678)	(17,974)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	5,695	5,695	5,695	0
<i>Fund Balance End of Year</i>	<u>\$10,000</u>	<u>\$17,991</u>	<u>\$17</u>	<u>(\$17,974)</u>

Mentor Exempted Village School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 SchoolNet Professional Development Fund
 For the Fiscal Year Ended June 30, 2010*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$50,000	\$50,000	\$0	(\$50,000)
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	50,000	50,000	0	(50,000)
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$50,000</u></u>	<u><u>\$50,000</u></u>	<u><u>\$0</u></u>	<u><u>(\$50,000)</u></u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Miscellaneous State Grants Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$100,000	\$100,000	\$68,694	(\$31,306)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	982	959	712	247
Fringe Benefits	225	248	123	125
Purchased Services	350	350	0	350
Materials and Supplies	7,291	6,491	1,311	5,180
Capital Outlay - New	2,363	3,163	800	2,363
Total Instruction	11,211	11,211	2,946	8,265
Support Services:				
Pupils:				
Salaries and Wages	25,544	25,628	21,906	3,722
Fringe Benefits	4,430	4,346	3,726	620
Purchased Services	21,895	21,895	21,895	0
Total Pupils	51,869	51,869	47,527	4,342
Instructional Staff:				
Fringe Benefits	193	193	0	193
Pupil Transportation:				
Purchased Services	8,448	8,448	8,448	0
Materials and Supplies	35,646	34,558	34,558	0
Total Pupil Transportation	44,094	43,006	43,006	0
Total Support Services	\$96,156	\$95,068	\$90,533	\$4,535

(continued)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Miscellaneous State Grants Fund (continued)
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Extracurricular Activities:				
Sports Oriented Activities:				
Other	\$748	\$0	\$0	\$0
<i>Total Expenditures</i>	<u>108,115</u>	<u>106,279</u>	<u>93,479</u>	<u>12,800</u>
<i>Excess of Revenues Under Expenditures</i>	(8,115)	(6,279)	(24,785)	(18,506)
Other Financing Uses				
Transfers Out	<u>0</u>	<u>(748)</u>	<u>(748)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(8,115)	(7,027)	(25,533)	(18,506)
<i>Fund Balance Beginning of Year</i>	13,876	13,876	13,876	0
Prior Year Encumbrances Appropriated	<u>22,176</u>	<u>22,176</u>	<u>22,176</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$27,937</u></u>	<u><u>\$29,025</u></u>	<u><u>\$10,519</u></u>	<u><u>(\$18,506)</u></u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Title VI-B Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$4,500,000	\$4,500,000	\$3,078,996	(\$1,421,004)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	1,058,558	1,170,466	574,412	596,054
Fringe Benefits	433,905	465,109	191,825	273,284
Purchased Services	203,126	238,281	236,482	1,799
Materials and Supplies	559,519	418,845	415,408	3,437
Capital Outlay - New	69,728	78,619	78,619	0
Total Instruction	2,324,836	2,371,320	1,496,746	874,574
Support Services:				
Pupils:				
Salaries and Wages	600,535	628,679	542,904	85,775
Fringe Benefits	189,274	203,106	173,034	30,072
Purchased Services	92,605	98,854	93,439	5,415
Materials and Supplies	37,227	24,528	24,323	205
Capital Outlay - New	24,127	24,004	24,004	0
Total Pupils	943,768	979,171	857,704	121,467
Instructional Staff:				
Salaries and Wages	0	15,096	14,916	180
Fringe Benefits	0	2,524	2,494	30
Purchased Services	47,639	48,008	47,592	416
Materials and Supplies	750	500	72	428
Total Instructional Staff	48,389	66,128	65,074	1,054
Administration:				
Salaries and Wages	324,264	329,529	289,139	40,390
Fringe Benefits	144,616	147,635	128,553	19,082
Purchased Services	6,203	10,294	8,672	1,622
Materials and Supplies	2,515	2,780	2,780	0
Total Administration	\$477,598	\$490,238	\$429,144	\$61,094

(continued)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Title VI-B Fund (continued)
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Pupil Transportation:				
Purchased Services	\$48,221	\$11,154	\$11,154	\$0
Capital Outlay - New	120,000	45,001	43,572	1,429
Total Pupil Transportation	168,221	56,155	54,726	1,429
Total Support Services	1,637,976	1,591,692	1,406,648	185,044
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	283,027	283,027	205,619	77,408
Materials and Supplies	700	500	0	500
Total Operation of Non-Instructional Services	283,727	283,527	205,619	77,908
<i>Total Expenditures</i>	4,246,539	4,246,539	3,109,013	1,137,526
<i>Net Change in Fund Balance</i>	253,461	253,461	(30,017)	(283,478)
<i>Fund Balance Beginning of Year</i>	469	469	469	0
Prior Year Encumbrances Appropriated	132,761	132,761	132,761	0
<i>Fund Balance End of Year</i>	\$386,691	\$386,691	\$103,213	(\$283,478)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Carl Perkins Grant Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$500,000	\$500,000	\$336,477	(\$163,523)
Expenditures				
Current:				
Instruction:				
Vocational:				
Salaries and Wages	5,000	2,359	2,359	0
Fringe Benefits	900	399	399	0
Purchased Services	35,692	37,045	33,965	3,080
Materials and Supplies	11,870	38,535	29,627	8,908
Capital Outlay - New	21,838	42,032	41,896	136
Total Instruction	75,300	120,370	108,246	12,124
Support Services:				
Pupils:				
Salaries and Wages	50,890	25,627	25,627	0
Fringe Benefits	9,148	4,502	4,153	349
Purchased Services	171,189	168,723	162,761	5,962
Materials and Supplies	8,000	6,392	5,693	699
Capital Outlay - New	0	1,639	1,639	0
Total Pupils	239,227	206,883	199,873	7,010
Instructional Staff:				
Purchased Services	41,235	42,310	39,803	2,507
Administration:				
Salaries and Wages	13,470	13,470	13,470	0
Fringe Benefits	2,425	2,425	2,425	0
Other	500	500	500	0
Total Administration	16,395	16,395	16,395	0
Pupil Transportation:				
Purchased Services	6,773	7,773	6,848	925
Total Support Services	\$303,630	\$273,361	\$262,919	\$10,442

(continued)

Mentor Exempted Village School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Carl Perkins Grant Fund (continued)
 For the Fiscal Year Ended June 30, 2010*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	\$200	\$0	\$0	\$0
<i>Total Expenditures</i>	<u>379,130</u>	<u>393,731</u>	<u>371,165</u>	<u>22,566</u>
<i>Net Change in Fund Balance</i>	120,870	106,269	(34,688)	(140,957)
<i>Fund Balance Beginning of Year</i>	10,698	10,698	10,698	0
Prior Year Encumbrances Appropriated	<u>24,285</u>	<u>24,285</u>	<u>24,285</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$155,853</u>	<u>\$141,252</u>	<u>\$295</u>	<u>(\$140,957)</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
State Fiscal Stabilization Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$1,600,000	\$1,600,000	\$1,055,967	(\$544,033)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	354,633	679,135	566,339	112,796
Fringe Benefits	138,243	249,751	209,731	40,020
Purchased Services	0	49,996	49,996	0
Total Regular	492,876	978,882	826,066	152,816
Special:				
Salaries and Wages	0	53,070	44,225	8,845
Fringe Benefits	0	24,015	20,531	3,484
Total Special	0	77,085	64,756	12,329
<i>Total Expenditures</i>	492,876	1,055,967	890,822	165,145
<i>Net Change in Fund Balance</i>	1,107,124	544,033	165,145	(378,888)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$1,107,124	\$544,033	\$165,145	(\$378,888)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Technology Title II-D Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$10,000	\$10,000	\$6,298	(\$3,702)
Expenditures				
Current:				
Instruction:				
Regular:				
Capital Outlay - New	3,286	3,286	2,932	354
Support Services:				
Instructional Staff:				
Purchased Services	2,450	2,450	2,450	0
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	916	916	916	0
<i>Total Expenditures</i>	<u>6,652</u>	<u>6,652</u>	<u>6,298</u>	<u>354</u>
<i>Net Change in Fund Balance</i>	3,348	3,348	0	(3,348)
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,348</u></u>	<u><u>\$3,348</u></u>	<u><u>\$0</u></u>	<u><u>(\$3,348)</u></u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Title III Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$80,000	\$80,000	\$35,003	(\$44,997)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	32,288	39,611	31,093	8,518
Fringe Benefits	5,692	6,812	5,519	1,293
Materials and Supplies	5,065	14,941	8,122	6,819
Capital Outlay - New	1,280	6,078	5,460	618
Total Instruction	44,325	67,442	50,194	17,248
Support Services:				
Instructional Staff:				
Purchased Services	6,478	4,417	4,192	225
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	1,035	1,000	505	495
<i>Total Expenditures</i>	<u>51,838</u>	<u>72,859</u>	<u>54,891</u>	<u>17,968</u>
<i>Net Change in Fund Balance</i>	28,162	7,141	(19,888)	(27,029)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	<u>19,996</u>	<u>19,996</u>	<u>19,996</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$48,158</u></u>	<u><u>\$27,137</u></u>	<u><u>\$108</u></u>	<u><u>(\$27,029)</u></u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$1,300,000	\$1,300,000	\$752,979	(\$547,021)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	520,163	566,898	403,496	163,402
Fringe Benefits	185,879	223,512	152,094	71,418
Purchased Services	33,252	0	0	0
Materials and Supplies	10,042	67,800	65,896	1,904
Capital Outlay - New	1,523	0	0	0
Total Instruction	750,859	858,210	621,486	236,724
Support Services:				
Instructional Staff:				
Salaries and Wages	253,442	179,742	76,042	103,700
Fringe Benefits	104,814	75,814	20,340	55,474
Purchased Services	29,370	22,810	10,386	12,424
Materials and Supplies	17,739	5,739	5,326	413
Total Instructional Staff	405,365	284,105	112,094	172,011
Administration:				
Salaries and Wages	25,832	27,503	23,556	3,947
Fringe Benefits	5,532	9,617	7,701	1,916
Total Administration	31,364	37,120	31,257	5,863
Total Support Services	\$436,729	\$321,225	\$143,351	\$177,874

(continued)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Title I Fund (continued)
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	\$6,100	\$2,608	\$2,544	\$64
Fringe Benefits	628	448	404	44
Purchased Services	32,533	24,761	15,584	9,177
Materials and Supplies	4,282	3,800	3,440	360
Total Operation of Non-Instructional Services	<u>43,543</u>	<u>31,617</u>	<u>21,972</u>	<u>9,645</u>
<i>Total Expenditures</i>	<u>1,231,131</u>	<u>1,211,052</u>	<u>786,809</u>	<u>424,243</u>
<i>Net Change in Fund Balance</i>	68,869	88,948	(33,830)	(122,778)
<i>Fund Balance Beginning of Year</i>	65,481	65,481	65,481	0
Prior Year Encumbrances Appropriated	<u>1,844</u>	<u>1,844</u>	<u>1,844</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$136,194</u></u>	<u><u>\$156,273</u></u>	<u><u>\$33,495</u></u>	<u><u>(\$122,778)</u></u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Title V Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$150,000	\$150,000	\$0	(\$150,000)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	708	708	708	0
Fringe Benefits	115	115	115	0
Materials and Supplies	9,944	9,944	9,944	0
<i>Total Expenditures</i>	<u>10,767</u>	<u>10,767</u>	<u>10,767</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	139,233	139,233	(10,767)	(150,000)
<i>Fund Balance Beginning of Year</i>	830	830	830	0
Prior Year Encumbrances Appropriated	<u>9,937</u>	<u>9,937</u>	<u>9,937</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$150,000</u>	<u>\$150,000</u>	<u>\$0</u>	<u>(\$150,000)</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Drug Free Schools Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$50,000	\$50,000	\$24,506	(\$25,494)
Expenditures				
Current:				
Instruction:				
Regular:				
Fringe Benefits	500	0	0	0
Purchased Services	0	4,000	4,000	0
Materials and Supplies	1,000	14,222	12,077	2,145
Total Instruction	1,500	18,222	16,077	2,145
Support Services:				
Pupils:				
Purchased Services	0	8,287	8,287	0
Instructional Staff:				
Purchased Services	29,789	4,780	4,780	0
Total Support Services	29,789	13,067	13,067	0
<i>Total Expenditures</i>	31,289	31,289	29,144	2,145
<i>Net Change in Fund Balance</i>	18,711	18,711	(4,638)	(23,349)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	4,938	4,938	4,938	0
<i>Fund Balance End of Year</i>	\$23,649	\$23,649	\$300	(\$23,349)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Preschool Grant Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$200,000	\$200,000	\$56,732	(\$143,268)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	10,000	10,000	346	9,654
Fringe Benefits	2,300	2,300	58	2,242
Purchased Services	5,295	8,643	4,248	4,395
Materials and Supplies	30,895	33,251	22,740	10,511
Capital Outlay - New	11,973	10,000	10,000	0
Total Instruction	60,463	64,194	37,392	26,802
Support Services:				
Pupils:				
Salaries and Wages	41,936	31,029	12,889	18,140
Fringe Benefits	12,868	10,736	5,285	5,451
Purchased Services	8,317	6,405	1,244	5,161
Materials and Supplies	6,156	4,500	78	4,422
Capital Outlay - New	1,350	2,698	1,042	1,656
Total Pupils	70,627	55,368	20,538	34,830
Instructional Staff:				
Salaries and Wages	0	2,557	0	2,557
Fringe Benefits	0	444	0	444
Purchased Services	10,233	11,525	780	10,745
Materials and Supplies	4,083	5,083	0	5,083
Total Instructional Staff	14,316	19,609	780	18,829
Administration:				
Purchased Services	575	1,000	0	1,000
Materials and Supplies	2,500	2,500	0	2,500
Capital Outlay - New	1,000	0	0	0
Total Administration	\$4,075	\$3,500	\$0	\$3,500

(continued)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Preschool Grant Fund (continued)
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Pupil Transportation:				
Purchased Services	\$6,000	\$10,000	\$1,700	\$8,300
Total Support Services	<u>95,018</u>	<u>88,477</u>	<u>23,018</u>	<u>65,459</u>
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	4,690	5,500	612	4,888
Materials and Supplies	<u>3,000</u>	<u>5,000</u>	<u>0</u>	<u>5,000</u>
Total Operation of Non-Instructional Services	<u>7,690</u>	<u>10,500</u>	<u>612</u>	<u>9,888</u>
<i>Total Expenditures</i>	<u>163,171</u>	<u>163,171</u>	<u>61,022</u>	<u>102,149</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	36,829	36,829	(4,290)	(41,119)
Other Financing Sources				
Advances Out	<u>(3,662)</u>	<u>(3,662)</u>	<u>(3,662)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	33,167	33,167	(7,952)	(41,119)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	<u>8,482</u>	<u>8,482</u>	<u>8,482</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$41,649</u></u>	<u><u>\$41,649</u></u>	<u><u>\$530</u></u>	<u><u>(\$41,119)</u></u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
E-Rate Reimbursement Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$80,000	\$80,000	\$0	(\$80,000)
Expenditures				
Current:				
Support Services:				
Central:				
Capital Outlay - New	<u>1,636</u>	<u>1,636</u>	<u>1,636</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	78,364	78,364	(1,636)	(80,000)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	<u>1,636</u>	<u>1,636</u>	<u>1,636</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$80,000</u></u>	<u><u>\$80,000</u></u>	<u><u>\$0</u></u>	<u><u>(\$80,000)</u></u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Classroom Reduction Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$450,000	\$450,000	\$201,838	(\$248,162)
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	252,322	143,902	70,323	73,579
Fringe Benefits	43,032	24,651	11,603	13,048
Purchased Services	82,528	159,676	103,194	56,482
Materials and Supplies	18,058	66,355	10,556	55,799
Capital Outlay - New	11,458	11,304	10,190	1,114
<i>Total Expenditures</i>	<u>407,398</u>	<u>405,888</u>	<u>205,866</u>	<u>200,022</u>
<i>Net Change in Fund Balance</i>	42,602	44,112	(4,028)	(48,140)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	<u>7,880</u>	<u>7,880</u>	<u>7,880</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$50,482</u></u>	<u><u>\$51,992</u></u>	<u><u>\$3,852</u></u>	<u><u>(\$48,140)</u></u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Miscellaneous Federal Grants Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$350,000	\$350,000	\$93,888	(\$256,112)
Expenditures				
Current:				
Support Services:				
Pupils:				
Salaries and Wages	68	68	0	68
Fringe Benefits	11	11	0	11
Total Pupils	79	79	0	79
Instructional Staff:				
Purchased Services	5,849	0	0	0
Fiscal Services:				
Salaries and Wages	409	0	0	0
Operation and Maintenance of Plant:				
Salaries and Wages	337	0	0	0
Purchased Services	9,580	7,745	7,745	0
Total Operation and Maintenance of Plant	9,917	7,745	7,745	0
Pupil Transportation:				
Purchased Services	22,160	20,478	20,478	0
Materials and Supplies	72,622	73,410	73,410	0
Total Pupil Transportation	94,782	93,888	93,888	0
Total Support Services	111,036	101,712	101,633	79
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	916	0	0	0
Total Expenditures	111,952	101,712	101,633	79
Net Change in Fund Balance	238,048	248,288	(7,745)	(256,033)
Fund Balance Beginning of Year	7,823	7,823	7,823	0
Fund Balance End of Year	\$245,871	\$256,111	\$78	(\$256,033)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Bond Retirement Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$1,601,095	\$1,601,095	\$2,913,792	\$1,312,697
Intergovernmental	252,954	252,954	232,635	(20,319)
<i>Total Revenues</i>	<u>1,854,049</u>	<u>1,854,049</u>	<u>3,146,427</u>	<u>1,292,378</u>
Expenditures				
Current:				
Support Services:				
Fiscal:				
Purchased Services	12,000	9,426	3,375	6,051
Other	21,500	22,970	19,186	3,784
Total Support Services	<u>33,500</u>	<u>32,396</u>	<u>22,561</u>	<u>9,835</u>
Debt Service:				
Principal Retirement	5,488,333	5,488,333	5,488,333	0
Interest and Fiscal Charges	245,042	236,267	226,868	9,399
Total Debt Service	<u>5,733,375</u>	<u>5,724,600</u>	<u>5,715,201</u>	<u>9,399</u>
<i>Total Expenditures</i>	<u>5,766,875</u>	<u>5,756,996</u>	<u>5,737,762</u>	<u>19,234</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(3,912,826)</u>	<u>(3,902,947)</u>	<u>(2,591,335)</u>	<u>1,311,612</u>
Other Financing Sources				
Energy Conservation Notes Issued	2,831,514	2,831,514	2,256,000	(575,514)
Transfers In	415,532	405,653	337,924	(67,729)
<i>Total Other Financing Sources</i>	<u>3,247,046</u>	<u>3,237,167</u>	<u>2,593,924</u>	<u>(643,243)</u>
<i>Net Change in Fund Balance</i>	(665,780)	(665,780)	2,589	668,369
<i>Fund Balance Beginning of Year</i>	<u>1,022,308</u>	<u>1,022,308</u>	<u>1,022,308</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$356,528</u></u>	<u><u>\$356,528</u></u>	<u><u>\$1,024,897</u></u>	<u><u>\$668,369</u></u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$945,235	\$945,235	\$875,397	(\$69,838)
Intergovernmental	237,402	366,879	240,761	(126,118)
Interest	50,358	54,088	6,936	(47,152)
Contributions and Donations	2,364	26,973	45,759	18,786
Rentals	358	4,085	6,930	2,845
Miscellaneous	1,415	16,134	29,871	13,737
<i>Total Revenues</i>	<u>1,237,132</u>	<u>1,413,394</u>	<u>1,205,654</u>	<u>(207,740)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Capital Outlay - New	0	5,536	0	5,536
Capital Outlay - Replacement	15,536	10,000	7,625	2,375
<i>Total Instruction</i>	<u>15,536</u>	<u>15,536</u>	<u>7,625</u>	<u>7,911</u>
Support Services:				
Fiscal Services:				
Other	12,500	12,438	11,708	730
Operation and Maintenance of Plant:				
Purchased Services	3,044,137	3,704,348	2,961,787	742,561
Materials and Supplies	35,800	35,800	17,225	18,575
Capital Outlay - New	392,002	373,185	262,112	111,073
Capital Outlay - Replacement	525,783	571,850	441,055	130,795
Other	50	112	112	0
<i>Total Operation and Maintenance of Plant</i>	<u>3,997,772</u>	<u>4,685,295</u>	<u>3,682,291</u>	<u>1,003,004</u>
Central:				
Capital Outlay - New	811	811	0	811
<i>Total Support Services</i>	<u>4,011,083</u>	<u>4,698,544</u>	<u>3,693,999</u>	<u>1,004,545</u>
<i>Total Expenditures</i>	<u>4,026,619</u>	<u>4,714,080</u>	<u>3,701,624</u>	<u>1,012,456</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(\$2,789,487)</u>	<u>(\$3,300,686)</u>	<u>(\$2,495,970)</u>	<u>\$804,716</u>

(continued)

Mentor Exempted Village School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Permanent Improvement Fund (continued)
 For the Fiscal Year Ended June 30, 2010*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Other Financing Sources				
Transfers In	\$58,103	\$304,579	\$522,227	\$217,648
<i>Net Change in Fund Balance</i>	(2,731,384)	(2,996,107)	(1,973,743)	1,022,364
<i>Fund Balance Beginning of Year</i>	882,769	882,769	882,769	0
Prior Year Encumbrances Appropriated	2,137,426	2,137,426	2,137,426	0
<i>Fund Balance End of Year</i>	<u>\$288,811</u>	<u>\$24,088</u>	<u>\$1,046,452</u>	<u>\$1,022,364</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP) and Actual
Employee Benefits Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$9,320,000	\$9,320,000	\$12,452,812	\$3,132,812
Interest	5,000	5,000	1,795	(3,205)
<i>Total Revenues</i>	9,325,000	9,325,000	12,454,607	3,129,607
Expenses				
Claims	12,194,877	12,419,877	12,389,452	30,425
<i>Excess of Revenues Over (Under)</i> <i>Expenses Before Transfers</i>	(2,869,877)	(3,094,877)	65,155	3,160,032
Transfers In	675,000	675,000	816,389	141,389
<i>Net Change in Fund Equity</i>	(2,194,877)	(2,419,877)	881,544	3,301,421
<i>Fund Equity Beginning of Year</i>	3,295,851	3,295,851	3,295,851	0
<i>Fund Equity End of Year</i>	<u>\$1,100,974</u>	<u>\$875,974</u>	<u>\$4,177,395</u>	<u>\$3,301,421</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP) and Actual
Workers' Compensation Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$1,700,000	\$1,700,000	\$1,238,980	(\$461,020)
Interest	0	0	2,085	2,085
<i>Total Revenues</i>	<u>1,700,000</u>	<u>1,700,000</u>	<u>1,241,065</u>	<u>(458,935)</u>
Expenses				
Purchased Services	249,958	249,958	249,958	0
Claims	1,513,877	1,513,887	260,169	1,253,718
<i>Total Expenses</i>	<u>1,763,835</u>	<u>1,763,845</u>	<u>510,127</u>	<u>1,253,718</u>
<i>Net Change in Fund Equity</i>	(63,835)	(63,845)	730,938	794,783
<i>Fund Equity Beginning of Year</i>	<u>571,438</u>	<u>571,438</u>	<u>571,438</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$507,603</u></u>	<u><u>\$507,593</u></u>	<u><u>\$1,302,376</u></u>	<u><u>\$794,783</u></u>



Halle Roland
Digital Photography
Mentor High School



Statistical Section

Statistical Section

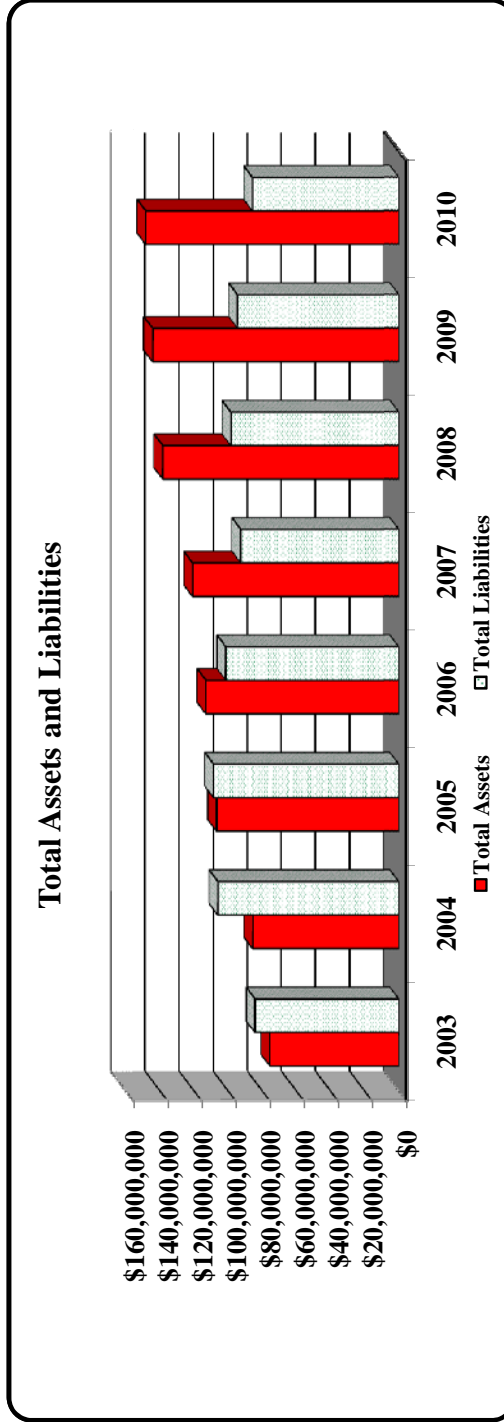
This part of the Mentor Exempted Village School District's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the School District's overall financial health.

Contents	Pages(s)
<i>Financial Trends</i>	S2 – S7
These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	S8 – S14
These schedules contain information to help the reader assess the School District's most significant local revenue, the property tax.	
<i>Debt Capacity</i>	S15 – S17
These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	
<i>Economic and Demographic Information</i>	S18 - S19
These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place.	
<i>Operating Information</i>	S20 – S24
These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The School District implemented GASB Statement No. 34 in fiscal year 2003; schedules presenting government-wide information include information beginning in that year.

Mentor Exempted Village School District
Net Assets by Component
Last Eight Fiscal Years
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010
Invested in Capital Assets,								
Net of Related Debt	\$2,769,355	\$2,075,701	\$3,824,625	\$2,177,800	\$4,047,119	\$6,090,322	\$9,772,640	\$12,508,243
Restricted for:								
Capital Projects	0	0	0	0	0	0	762,518	362,698
Debt Service	0	0	0	1,136,473	1,168,686	1,178,731	1,169,344	1,282,983
Other Purposes	1,948,950	2,518,126	559,121	314,165	332,212	613,393	1,156,763	816,437
Unrestricted (Deficit)	(13,398,944)	(25,068,073)	(6,130,308)	8,077,267	22,733,447	31,985,247	37,551,015	48,180,077
Total Net Assets	(\$8,680,639)	(\$20,474,246)	(\$1,746,562)	\$11,705,705	\$28,281,464	\$39,867,693	\$50,412,280	\$63,150,438



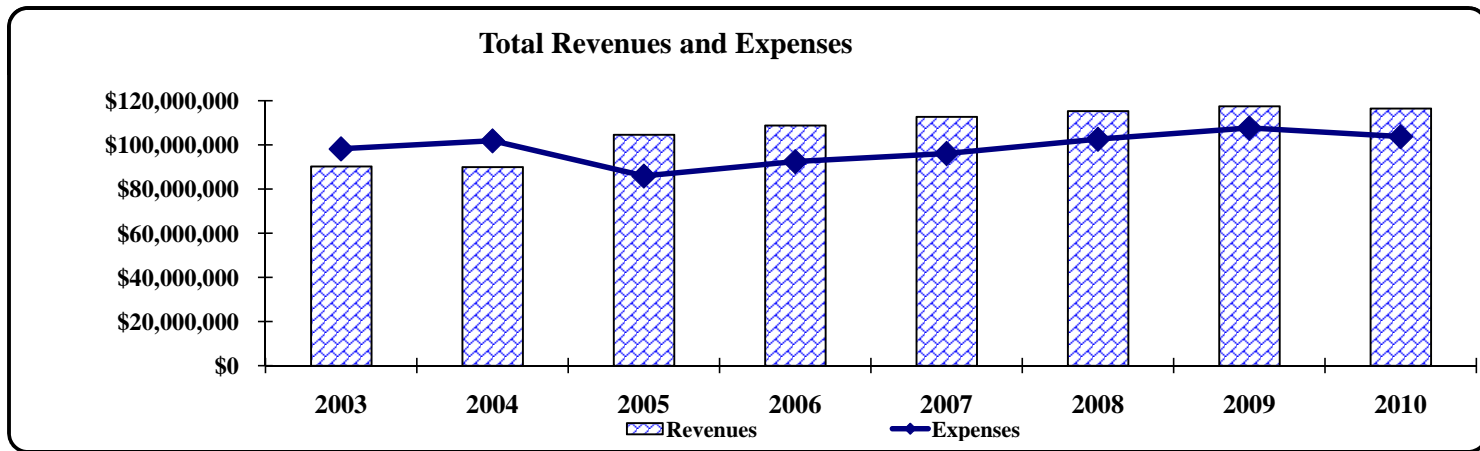
Mentor Exempted Village School District
Changes in Net Assets of Governmental Activities
Last Eight Fiscal Years
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010
Expenses								
Regular Instruction	\$41,253,846	\$43,510,151	\$36,594,768	\$40,477,789	\$42,102,682	\$44,945,941	\$46,237,935	\$43,854,284
Special Instruction	8,260,968	9,584,464	9,724,457	10,705,438	10,390,051	11,212,042	12,369,370	12,494,286
Vocational Instruction	2,544,369	2,835,166	2,714,935	2,168,793	2,312,758	2,316,091	2,400,243	2,115,566
Adult/Continuing Instruction	71,533	4,251	0	0	0	0	0	0
Student Intervention	2,298,419	1,513,815	3,238	616,275	801,047	797,941	871,025	242,414
Pupil Support	5,683,969	6,128,799	5,154,883	6,038,086	6,260,266	6,220,899	6,614,344	7,009,557
Instructional Staff Support	4,816,165	5,393,115	3,704,672	4,011,014	4,140,106	5,264,426	5,431,287	5,508,798
Board of Education	629,729	479,902	704,216	572,005	519,445	629,220	475,375	604,673
Administration	6,311,385	6,440,990	5,819,677	4,998,141	5,112,076	5,525,373	6,067,851	5,803,805
Fiscal	1,694,931	2,119,153	2,066,562	2,092,249	2,400,896	2,505,210	2,602,233	2,179,768
Business	23,205	302,004	334,689	388,929	667,976	425,188	600,821	678,606
Operation and Maintenance of Plant	8,766,874	8,494,172	7,174,525	8,032,060	8,111,466	8,292,228	9,331,618	8,593,179
Pupil Transportation	5,635,017	5,668,170	4,887,065	4,830,605	5,679,537	6,260,899	6,379,443	6,380,577
Central Support	1,960,997	1,321,251	712,769	1,607,286	1,268,216	1,592,739	1,608,402	2,151,550
Operation of Non-Instructional Services	1,147,828	2,041,709	1,420,093	1,287,970	1,456,939	1,530,928	1,600,570	1,521,042
Operation of Food Services	2,712,308	2,703,619	2,355,277	2,470,584	2,597,515	2,597,209	2,706,117	2,272,614
Extracurricular Activities	3,046,462	1,690,191	1,355,855	1,553,679	1,629,409	1,852,683	1,973,168	1,986,932
Interest and Fiscal Charges	1,321,916	1,604,865	1,134,454	567,851	644,526	590,868	376,700	321,316
<i>Total Expenses</i>	<u>98,179,921</u>	<u>101,835,787</u>	<u>85,862,135</u>	<u>92,418,754</u>	<u>96,094,911</u>	<u>102,559,885</u>	<u>107,646,502</u>	<u>103,718,967</u>
Program Revenues								
Charges for Services								
Regular Instruction	339,177	1,021,921	1,676,092	938,994	992,262	1,262,324	1,821,519	1,724,146
Special Instruction	273,771	234,357	14,495	452,284	682,485	361,110	329,952	299,639
Vocational Instruction	0	0	0	215,703	300,087	339,466	70,415	86,816
Student Intervention	0	0	0	0	2,660	3,540	25,016	7,173
Pupil Support	0	44,399	0	0	0	0	593,183	595,714
Administration	841,692	101,073	57,979	1,322,511	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0	0	22,164	63,936	7,894
Pupil Transportation	76,840	125,243	92,643	47,715	72,344	64,480	0	0
Central Support	0	0	4,275	27,668	27,118	17,155	84,230	97,297
Operation of Non-Instructional Services	244,332	197,114	0	500	500	500	0	1,818
Operation of Food Service	1,849,378	1,968,096	1,846,313	1,810,431	1,852,301	1,858,070	2,188,505	2,039,957
Extracurricular Activities	713,093	705,261	893,328	648,558	729,717	759,950	792,922	378,119
Operating Grants, and Contributions	5,372,482	5,974,321	6,210,320	5,498,826	5,984,274	6,536,486	5,682,667	7,906,021
Capital Grants and Contributions	161,631	0	0	550,000	500,639	500,000	212,228	300,058
<i>Total Program Revenues</i>	<u>9,872,396</u>	<u>10,371,785</u>	<u>10,795,445</u>	<u>11,513,190</u>	<u>11,144,387</u>	<u>11,725,245</u>	<u>11,864,573</u>	<u>13,444,652</u>
Net Expense	<u>(\$88,307,525)</u>	<u>(\$91,464,002)</u>	<u>(\$75,066,690)</u>	<u>(\$80,905,564)</u>	<u>(\$84,950,524)</u>	<u>(\$90,834,640)</u>	<u>(\$95,781,929)</u>	<u>(\$90,274,315)</u>

(continued)

Mentor Exempted Village School District
Changes in Net Assets of Governmental Activities (continued)
Last Eight Fiscal Years
(accrual basis of accounting)

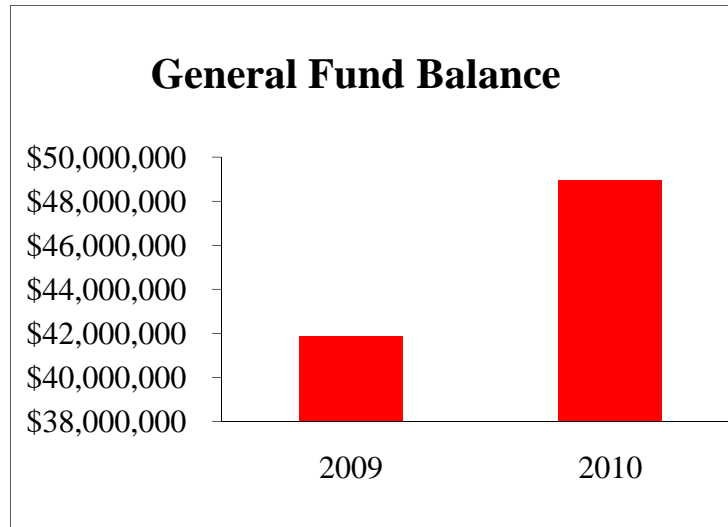
	2003	2004	2005	2006	2007	2008	2009	2010
General Revenues								
Property Taxes Levied for:								
General Purposes	\$54,910,178	\$52,424,690	\$64,136,454	\$65,732,858	\$65,961,789	\$65,257,692	\$67,927,056	\$65,057,347
Debt Service	1,934,762	1,525,603	2,351,745	3,691,781	3,658,620	3,557,490	1,178,780	1,271,091
Capital Outlay	1,216,247	963,442	994,258	972,153	995,885	975,018	1,305,440	1,272,012
Grants and Entitlements not								
Restricted to Specific Programs	21,901,553	23,729,703	24,663,202	25,207,274	28,279,885	31,027,122	33,523,296	34,257,793
Payment in Lieu of Taxes	0	0	0	0	0	0	154,534	281,912
Investment Earnings	96,748	95,345	752,740	1,248,601	2,316,115	2,180,793	1,466,058	624,575
Unrestricted Contributions and Donations	0	0	0	0	0	0	0	1,000
Gain on Sale of Capital Assets	13,142	0	3,285	0	0	0	6,600	24,547
Miscellaneous	267,402	931,612	892,690	477,796	313,989	665,328	124,763	222,196
Total General Revenues	80,340,032	79,670,395	93,794,374	97,330,463	101,526,283	103,663,443	105,686,527	103,012,473
Change in Net Assets	(\$7,967,493)	(\$11,793,607)	\$18,727,684	\$16,424,899	\$16,575,759	\$12,828,803	\$9,904,598	\$12,738,158



Mentor Exempted Village School District
Fund Balances, Governmental Funds
Last Two Fiscal Years
(modified accrual basis of accounting)

	2009	2010
General Fund		
Nonspendable	\$60,329	\$75,796
Assigned	1,724,986	1,317,737
Unassigned	40,083,669	47,579,619
<i>Total General Fund</i>	<u>41,868,984</u>	<u>48,973,152</u>
All Other Governmental Funds		
Nonspendable	46,527	86,912
Restricted	2,443,747	2,248,818
Committed	206,629	176,519
Unassigned (Deficit)	(86,278)	(122,143)
<i>Total All Other Governmental Funds</i>	<u>2,610,625</u>	<u>2,390,106</u>
<i>Total Governmental Funds</i>	<u><u>\$44,479,609</u></u>	<u><u>\$51,363,258</u></u>

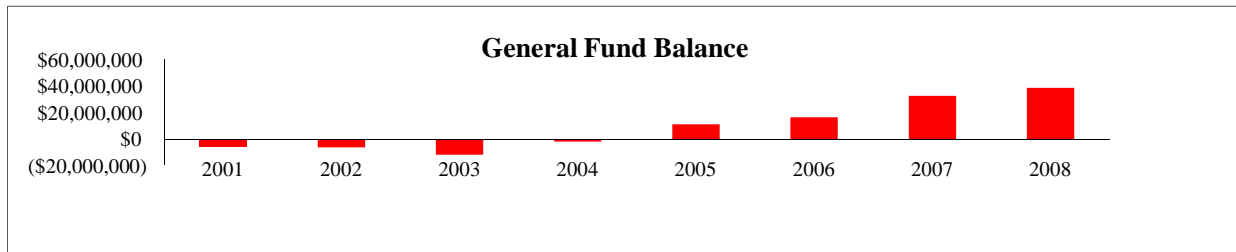
Note: The School District implemented GASB 54 in 2010.



Mentor Exempted Village School District
Fund Balances, Governmental Funds
Last Eight Fiscal Years
(modified accrual basis of accounting)

	2001	2002	2003	2004	2005	2006	2007	2008
General Fund								
Reserved	\$1,846,769	\$1,771,250	\$7,240,318	\$6,516,061	\$11,365,628	\$8,725,459	\$6,726,103	\$6,627,563
Unreserved (Deficit)	(7,882,059)	(7,931,436)	(19,073,107)	(8,451,274)	(272,828)	7,774,628	25,887,979	32,169,530
<i>Total General Fund</i>	<u>(6,035,290)</u>	<u>(6,160,186)</u>	<u>(11,832,789)</u>	<u>(1,935,213)</u>	<u>11,092,800</u>	<u>16,500,087</u>	<u>32,614,082</u>	<u>38,797,093</u>
All Other Governmental Funds								
Reserved	2,733,932	2,015,652	2,115,786	1,601,966	2,298,209	2,480,667	2,060,827	1,570,990
Unreserved, Undesignated, Reported in:								
Special Revenue funds (Deficit)	44,574	(50,292)	(397,608)	302,389	477,949	306,393	450,641	568,541
Debt Service funds	0	0	0	0	0	0	0	1,042,860
Capital Projects funds (Deficit)	(1,896,679)	(1,122,171)	(451,078)	(849,791)	390,439	1,414,391	1,311,087	1,034,907
<i>Total All Other Governmental Funds</i>	<u>881,827</u>	<u>843,189</u>	<u>1,267,100</u>	<u>1,054,564</u>	<u>3,166,597</u>	<u>4,201,451</u>	<u>3,822,555</u>	<u>4,217,298</u>
<i>Total Governmental Funds</i>	<u>(\$5,153,463)</u>	<u>(\$5,316,997)</u>	<u>(\$10,565,689)</u>	<u>(\$880,649)</u>	<u>\$14,259,397</u>	<u>\$20,701,538</u>	<u>\$36,436,637</u>	<u>\$43,014,391</u>

Note: The School District implemented GASB 54 in 2010.



Mentor Exempted Village School District
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues										
Property Taxes	\$50,558,752	\$55,537,652	\$57,447,184	\$55,371,277	\$66,964,875	\$71,898,835	\$72,038,853	\$69,020,927	\$67,270,002	\$67,177,217
Intergovernmental	26,290,117	27,870,998	26,916,535	28,852,517	30,553,613	30,076,860	33,317,849	36,092,948	39,365,158	42,170,509
Interest	765,183	252,298	92,509	91,535	415,479	1,245,215	2,309,938	2,179,248	1,477,837	620,196
Tuition and Fees	195,240	230,179	175,267	975,959	1,375,810	1,113,377	1,543,831	1,494,705	1,844,293	1,930,434
Extracurricular Activities	250,519	250,084	329,170	433,844	782,771	761,198	837,151	853,846	1,347,160	1,339,049
Contributions and Donations	232,435	254,724	0	0	0	0	0	0	217,593	216,810
Charges for Services	105,312	103,111	89,570	0	4,275	0	0	0	2,222,931	2,072,129
Rentals	0	0	0	0	0	0	0	0	116,632	98,927
Payment in Lieu of Taxes	0	0	0	0	0	0	0	0	154,534	281,912
Miscellaneous	437,325	357,755	519,531	433,976	820,136	1,095,693	1,124,940	1,857,229	119,918	220,343
Total Revenues	78,834,883	84,856,801	85,569,766	86,159,108	100,916,959	106,191,178	111,172,562	111,498,903	114,136,058	116,127,526
Expenditures										
Current:										
Instruction:										
Regular	35,654,069	36,160,991	39,424,976	40,447,432	36,010,389	39,403,762	39,570,542	42,274,204	46,043,804	45,248,495
Special	7,482,792	7,589,181	8,274,200	9,366,190	9,753,168	10,568,947	10,246,902	10,999,145	11,860,208	12,735,967
Vocational	2,337,730	2,370,967	2,584,977	2,727,370	2,739,969	2,331,028	2,283,750	2,248,335	2,229,173	2,115,669
Adult/Continuing	64,691	65,611	71,533	7,046	0	0	0	0	0	0
Student Intervention	2,078,581	2,108,133	2,298,419	1,511,020	3,238	616,275	801,047	797,941	785,850	234,632
Support Services:										
Pupils	4,679,347	4,901,974	5,709,112	5,803,632	5,386,707	5,962,647	6,278,693	5,869,905	6,933,129	6,987,108
Instructional Staff	3,500,607	4,043,172	4,830,999	5,163,861	3,798,426	4,043,939	4,025,630	5,265,019	5,556,065	5,528,938
Board of Education	614,501	677,709	629,729	479,902	704,216	572,005	519,445	629,220	485,459	603,120
Administration	4,953,635	5,085,796	5,464,582	5,544,785	4,424,330	5,105,722	5,112,244	5,519,624	5,730,195	5,863,641
Fiscal	1,742,146	2,336,762	1,680,799	2,097,989	2,067,938	2,081,479	2,446,827	2,493,429	2,519,317	2,183,528
Business	674,150	644,005	705,305	636,011	595,051	626,486	680,252	422,564	538,882	672,979
Operation and Maintenance of Plant	8,344,673	9,295,466	9,109,353	9,565,657	7,473,930	8,406,260	7,227,783	8,802,705	11,883,307	10,462,819
Pupil Transportation	4,389,336	4,669,889	6,464,715	5,139,482	5,073,907	4,800,294	5,677,350	6,162,044	6,035,216	6,078,092
Central	954,721	1,429,671	1,998,367	1,322,314	879,218	1,572,181	1,470,520	1,567,040	1,648,620	2,105,387
Operation of Non-Instructional Services	1,169,267	1,199,116	322,672	1,353,307	1,207,360	1,279,536	1,437,796	1,526,416	1,574,901	1,487,659
Operation of Food Services	87,765	87,786	0	0	5,346	961	684	1,230	2,648,929	2,349,998
Extracurricular Activities	1,359,030	1,500,117	2,890,030	1,535,319	1,346,644	1,547,156	1,612,396	1,842,457	1,909,087	1,886,480
Capital Outlay	0	0	0	0	0	0	2,338,403	1,062,487	0	0
Debt Service:										
Principal Retirement	416,507	394,540	466,933	464,926	16,661,000	12,866,334	4,110,690	4,101,642	2,385,531	2,312,205
Interest and Fiscal Charges	1,462,360	1,400,911	1,305,993	1,596,861	1,091,276	604,982	652,414	598,562	313,476	222,884
Total Expenditures	81,965,908	85,961,797	94,232,694	94,763,104	99,222,113	102,389,994	96,493,368	102,183,969	111,081,149	109,079,601
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>(3,131,025)</i>	<i>(1,104,996)</i>	<i>(8,662,928)</i>	<i>(8,603,996)</i>	<i>1,694,846</i>	<i>3,801,184</i>	<i>14,679,194</i>	<i>9,314,934</i>	<i>3,054,909</i>	<i>7,047,925</i>
Other Financing Sources (Uses)										
Sale of Capital Assets	21,322	18,001	13,142	0	12,624	1,286,203	43,085	32,121	0	33,446
General Obligation Bonds Issued	0	0	0	0	6,439,989	0	0	0	0	0
General Obligation Notes Issued	0	0	0	19,480,000	8,005,334	928,000	850,668	773,335	696,000	618,667
Capital Lease Issued	275,536	328,183	1,007,040	0	0	0	174,000	0	0	0
Transfers In	561,452	367,167	465,646	859,850	1,046,636	260,378	271,836	361,054	470,543	1,008,373
Transfers Out	(1,352,948)	(940,053)	(465,646)	(2,050,814)	(1,128,530)	(298,214)	(283,684)	(551,284)	(2,756,234)	(1,824,762)
Total Other Financing Sources (Uses)	(494,638)	(226,702)	1,020,182	18,289,036	14,376,053	2,176,367	1,055,905	615,226	(1,589,691)	(164,276)
Net Change in Fund Balances	(\$3,625,663)	(\$1,331,698)	(\$7,642,746)	\$9,685,040	\$16,070,899	\$5,977,551	\$15,735,099	\$9,930,160	\$1,465,218	\$6,883,649
Debt Service as a Percentage of Noncapital Expenditures	0.51%	0.46%	0.50%	0.49%	16.79%	12.57%	4.37%	4.06%	2.50%	2.38%

Mentor Exempted Village School District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Collection Year	Real Property			Tangible Personal			Public Utility		Total		Weighted Average Tax Rate
	Assessed Value			Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
	Residential/ Agricultural	Commercial/ Industrial	Total								
2001	\$1,058,883,670	\$339,022,600	\$1,397,906,270	\$3,994,017,914	\$180,221,171	\$720,884,684	\$51,178,790	\$58,157,716	\$1,629,306,231	\$4,773,060,314	35.69157
2002	1,069,396,670	345,954,380	1,415,351,050	4,043,860,143	189,809,721	759,238,884	45,157,500	51,315,341	1,650,318,271	4,854,414,368	35.66816
2003	1,082,668,730	357,639,810	1,440,308,540	4,115,167,257	182,121,185	728,484,740	42,606,670	48,416,670	1,665,036,395	4,892,068,668	35.22210
2004	1,285,690,270	403,335,090	1,689,025,360	4,825,786,743	175,348,750	701,395,000	43,567,080	49,508,045	1,907,941,190	5,576,689,788	34.08413
2005	1,301,630,250	412,470,960	1,714,101,210	4,897,432,029	165,803,385	663,213,540	44,678,810	50,771,375	1,924,583,405	5,611,416,944	41.79342
2006	1,316,883,880	416,926,760	1,733,810,640	4,953,744,686	175,597,461	936,519,792	42,829,470	48,669,852	1,952,237,571	5,938,934,330	41.72249
2007	1,445,692,450	458,183,160	1,903,875,610	5,439,644,600	132,931,392	1,063,451,136	43,396,780	49,314,523	2,080,203,782	6,552,410,259	40.75699
2008	1,456,756,250	469,202,860	1,925,959,110	5,502,740,314	91,698,060	1,467,168,960	40,113,310	45,583,307	2,057,770,480	7,015,492,581	37.49022
2009	1,466,659,870	482,612,050	1,949,271,920	5,569,348,343	41,999,485	671,991,760	42,200,590	47,955,216	2,033,471,995	6,289,295,319	36.53375
2010	1,323,197,610	464,397,920	1,787,595,530	5,107,415,800	2,163,150	34,610,400	45,020,040	51,159,136	1,834,778,720	5,193,185,336	34.73484

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Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax was phased out beginning in 2006. Both types of general business tangible personal property were assessed at 12.5 for 2007, 6.25 percent for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers (except telephone companies whose last year to pay tangible personal property tax is 2010).

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/industrial property has been eliminated.

Source: Office of the County Auditor, Lake County, Ohio

Mentor Exempted Village School District
Property Tax Rates - Direct and Overlapping Governments
(per \$1,000 of assessed value)
Last Ten Years

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Unvoted Millage										
Operating	\$4.8000	\$4.8000	\$4.8000	\$4.8000	\$4.8000	\$4.8000	\$4.8000	\$4.8000	\$4.8000	\$4.8000
Voted Millage - by levy										
1976 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	5.6852	5.6851	5.6633	4.8221	4.8226	4.8172	4.4198	4.4234	4.4191	4.9259
Commercial/Industrial	8.8520	8.8520	8.6801	7.8969	7.9804	8.0124	7.3664	7.4290	7.1919	7.3969
Tangible/Public Utility Personal	29.8000	29.8000	29.8000	29.8000	29.8000	29.8000	29.8000	29.8000	29.8000	29.8000
1977 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	1.4963	1.4963	1.4905	1.2691	1.2692	1.2678	1.1632	1.1642	1.1630	1.2964
Commercial/Industrial	1.9227	1.9227	1.8854	1.7153	1.7334	1.7404	1.6000	1.6136	1.5621	1.6067
Tangible/Public Utility Personal	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000
1984 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	4.4739	4.4738	4.4566	3.7947	3.7950	3.7908	3.4781	3.4808	3.4774	3.8762
Commercial/Industrial	6.2118	6.2118	6.0911	5.5416	5.6002	5.6226	5.1693	5.2131	5.0468	5.1906
Tangible/Public Utility Personal	8.9000	8.9000	8.9000	8.9000	8.9000	8.9000	8.9000	8.9000	8.9000	8.9000
1986 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	3.6459	3.6458	3.6318	3.0924	3.0927	3.0892	2.8344	2.8366	2.8339	3.1589
Commercial/Industrial	5.5458	5.5458	5.4381	4.9474	4.9997	5.0197	4.6150	4.6542	4.5057	4.6341
Tangible/Public Utility Personal	6.9000	6.9000	6.9000	6.9000	6.9000	6.9000	6.9000	6.9000	6.9000	6.9000
1988 Bond (\$9,500,000)	0.6100	0.5600	0.5600	0.4900	0.4800	0.4600	0.2500	0.3400	0.3400	0.6700
1988 Library Bond (\$4,000,000)	0.2000	0.2000	0.2000	0.1700	0.1900	0.1900	0.3500	0.2400	0.2600	0.0000
1988 Permanent Improvement - continuing										
Effective Millage Rates										
Residential/Agricultural	0.5410	0.5410	0.5389	0.4589	0.4589	0.4584	0.4206	0.4209	0.4205	4.6870
Commercial/Industrial	0.8049	0.8049	0.7893	0.7181	0.7257	0.7286	0.6698	0.6755	0.6540	0.6726
Tangible/Public Utility Personal	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
1991 Bond (\$8,600,000)	0.3300	0.3300	0.3100	0.2600	0.2600	0.2600	0.2400	0.2300	0.2300	0.2700
1992 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	3.2537	3.2536	3.2411	2.7597	2.7600	2.7569	2.5295	2.5315	2.5290	2.8190
Commercial/Industrial	3.9797	3.9797	3.9024	3.5503	3.5878	3.6000	3.3118	3.3399	3.2333	3.3255
Tangible/Public Utility Personal	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000
1996 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	3.4116	3.4115	3.3983	2.8936	2.8939	2.8906	2.6522	2.6543	2.6517	2.9558
Commercial/Industrial	3.7997	3.7997	3.7259	3.3897	3.4256	3.4393	3.1620	3.1888	3.0871	3.1751
Tangible/Public Utility Personal	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000

(continued)

Mentor Exempted Village School District
Property Tax Rates - Direct and Overlapping Governments (continued)
(per \$1,000 of assessed value)
Last Ten Years

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
2003 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	\$0.0000	\$0.0000	\$0.0000	\$2.5537	\$2.5540	\$2.5511	\$2.3407	\$2.3425	\$2.3402	\$2.6086
Commercial/Industrial	0.0000	0.0000	0.0000	2.7380	2.7670	2.7780	2.5541	2.5757	2.4935	2.5646
Tangible/Public Utility Personal	0.0000	0.0000	0.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000
2004 Emergency (\$15,015,990)	0.0000	0.0000	0.0000	0.0000	7.8300	7.6700	7.1400	7.1900	7.3600	8.0000
Total Effective Voted Millage by type of property										
Residential/Agricultural	\$23.6476	\$23.5971	\$23.4905	\$22.5642	\$30.4063	\$30.2020	\$27.8185	\$27.8542	\$28.0248	\$35.2678
Commercial/Industrial	32.2566	32.2066	31.5823	31.4173	39.5798	39.5210	36.4284	36.6898	35.9644	37.5061
Tangible/Public Utility Personal	62.0400	61.9900	61.9700	64.8200	72.6600	72.4800	71.8800	71.9000	72.0900	72.8400
Total Millage by type of property										
Residential/Agricultural	\$28.4476	\$28.3971	\$28.2905	\$27.3642	\$35.2063	\$35.0020	\$32.6185	\$32.6542	\$32.8248	\$40.0678
Commercial/Industrial	37.0566	37.0066	36.3823	36.2173	44.3798	44.3210	41.2284	41.4898	40.7644	42.3061
Tangible/Public Utility Personal	66.8400	66.7900	66.7700	69.6200	77.4600	77.2800	76.6800	76.7000	76.8900	77.6400
Overlapping Rates by Taxing District										
Concord Township Voted Millage										
Effective Millage Rates										
Residential/Agricultural	\$7.7648	\$7.7560	\$9.0921	\$8.3384	\$8.7563	\$8.7238	\$8.0785	\$8.0667	\$8.0655	\$8.7392
Commercial/Industrial	8.1676	7.8800	9.0131	8.3144	8.7428	8.6002	8.3470	8.2272	8.2134	8.2516
Tangible/Public Utility Personal	9.4000	9.4000	9.4000	9.4000	9.4000	9.4000	9.4000	9.4000	9.4000	9.4000
City of Mentor Voted Millage										
Effective Millage Rates										
Residential/Agricultural	3.7582	3.7577	3.7555	3.6423	3.6423	3.6414	3.5878	3.5882	3.5875	3.6528
Commercial/Industrial	4.0610	4.0646	4.0360	3.9484	3.9589	3.9616	3.8820	3.8899	3.8607	3.8854
Tangible/Public Utility Personal	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000
Mentor Public Library										
Effective Millage Rates										
Residential/Agricultural	0.5590	0.5588	0.5569	0.4741	0.4741	0.4736	0.4345	0.4349	1.0989	5.5000
Commercial/Industrial	0.5519	0.5537	0.5394	0.4923	0.4975	0.4995	0.4593	0.4632	1.0649	5.4756
Tangible/Public Utility Personal	0.6250	0.6250	0.6250	0.6250	0.6250	0.6250	0.6250	0.6250	1.1000	5.5000
City of Mentor-on-the-Lake Voted Millage										
Effective Millage Rates										
Residential/Agricultural	12.8994	12.9063	12.9254	11.9564	11.9611	11.9770	11.6233	11.6272	11.6276	12.1447
Commercial/Industrial	13.9104	13.9074	13.8231	13.1237	13.1415	13.3065	12.9483	13.0560	12.8826	13.1061
Tangible/Public Utility Personal	24.0000	24.0000	24.0000	24.0000	24.0000	24.0000	24.0000	24.0000	24.0000	24.0000
Village of Kirtland Hills Voted Millage										
Effective Millage Rates										
Residential/Agricultural	23.0000	23.0000	23.0000	20.0000	20.0000	20.0000	20.0000	18.0000	18.0000	18.0000
Commercial/Industrial	23.0000	23.0000	23.0000	20.0000	20.0000	20.0000	20.0000	18.0000	18.0000	18.0000
Tangible/Public Utility Personal	23.0000	23.0000	23.0000	20.0000	20.0000	20.0000	20.0000	18.0000	18.0000	18.0000
Chardon Township Voted Millage										
Effective Millage Rates										
Residential/Agricultural	5.2610	5.2607	5.0165	6.2290	6.6647	6.3308	6.3279	6.3289	6.3295	7.0161
Commercial/Industrial	5.6088	5.6088	5.4828	6.4039	6.6744	6.2408	6.2408	6.2408	6.2408	6.9704
Tangible/Public Utility Personal	8.7000	8.7000	8.7000	6.7000	6.7000	6.7000	6.7000	6.7000	6.7000	7.2000

(continued)

Mentor Exempted Village School District
Property Tax Rates - Direct and Overlapping Governments (continued)
(per \$1,000 of assessed value)
Last Ten Years

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Lake County Voted Millage										
Effective Millage Rates										
Residential/Agricultural	\$8.2206	\$8.2263	\$8.2778	\$7.3213	\$7.3125	\$7.6276	\$7.0884	\$7.2608	\$7.6470	\$8.1390
Commercial/Industrial	9.4893	9.4788	9.4029	8.9778	9.0975	9.2551	8.6297	8.7551	8.8311	8.8061
Tangible/Public Utility Personal	10.3000	10.3000	10.3000	10.3000	10.3000	10.3000	10.3000	10.4000	10.4000	10.4000
Metropolitan Park District Voted Millage										
Effective Millage Rates										
Residential/Agricultural	1.2568	1.2581	1.2538	1.0564	1.0547	2.0838	1.8767	1.8762	1.8752	2.0872
Commercial/Industrial	1.8881	1.8854	1.8585	1.7488	1.7797	2.1575	1.9663	1.9616	1.9321	1.9248
Tangible/Public Utility Personal	2.2000	2.2000	2.2000	2.2000	2.2000	2.2000	2.2000	2.2000	2.2000	2.2000
Lakeland Community College Voted Millage										
Effective Millage Rates										
Residential/Agricultural	1.3274	1.3287	1.8254	1.5381	1.5355	1.5313	1.3792	1.3787	1.3781	1.5338
Commercial/Industrial	1.9875	1.9846	2.1308	2.0050	2.0403	2.0492	1.8676	1.8632	1.8352	1.8283
Tangible/Public Utility Personal	3.2000	3.2000	3.2000	3.2000	3.2000	3.2000	3.2000	3.2000	3.2000	3.2000
Geauga County Voted Millage										
Effective Millage Rates										
Residential/Agricultural	10.0209	10.9916	10.3876	10.8587	11.8767	10.8912	10.8750	10.8584	10.9013	11.2064
Commercial/Industrial	10.5950	11.5822	11.2985	11.7554	12.6037	11.4143	11.5035	11.4913	11.5893	12.0949
Tangible/Public Utility Personal	13.4000	14.4000	14.6000	15.1000	15.1000	15.1000	15.1000	15.1000	15.1000	15.1000

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes.

Overlapping rates are those of local and county governments that apply to property owners with the School District.

Source: Ohio Department of Taxation

Note: Emergency and Debt Service levies are designed to raise a fixed amount of revenue each year. A rate is set each year so that when it is applied to the total assessed value, that fixed amount is generated.

Mentor Exempted Village School District

Property Tax Levies and Collections (1)

Last Ten Years

<u>Collection Year (2)</u>	<u>Current Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Current Tax Collections to Current Tax Levy</u>	<u>Delinquent Tax Collections (3)</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Current Tax Levy</u>
2000	\$56,626,512	\$54,995,114	97.12%	\$1,631,398	\$56,626,512	100.00%
2001	56,704,322	55,441,703	97.77	1,262,619	56,704,322	100.00
2002	58,892,070	56,889,448	96.60	1,022,971	57,912,419	98.34
2003	59,032,060	57,073,211	96.68	1,606,667	58,679,878	99.40
2004 (4)	58,608,457	56,910,391	97.10	1,719,718	58,630,109	100.04
2005	64,618,639	63,309,098	97.97	1,268,514	64,577,612	99.94
2006	81,991,123	79,113,652	96.49	1,699,737	80,813,389	98.56
2007	77,912,807	74,325,101	95.40	1,844,777	76,169,878	97.76
2008 (4)	73,884,407	72,084,664	97.56	2,362,672	74,447,336	100.76
2009	71,372,380	68,620,175	96.14	2,166,834	70,787,009	99.18

Source: Office of the County Auditor, Lake, Ohio

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.
- (2) The 2010 information cannot be presented because all collections have not been made by June 30, 2010.
- (3) The County does not maintain delinquency information by tax year.
- (4) The County was able to collect on prior year delinquencies.

Mentor Exempted Village School District

Principal Taxpayers

Real Estate Tax

2010 and 2001

Name of Taxpayer	Line of Business	2010	
		Assessed Value	Percent of Real Property Assessed Value
Simon Property Group, LP	Retail Mall	\$27,595,230	1.55%
Steris Corporation	Manufacturing Infection Prevention	10,703,340	0.60
Points East	Port Authority	7,307,240	0.41
First Interstate	Public Utility	4,882,590	0.27
FI Mentor Commons, Ltd.	Retail Sales	4,603,940	0.26
Harbour Run Apartments	Apartment Rental	4,116,060	0.23
Deepwood North Co.	Condominiums	3,785,250	0.21
Michaels, Inc.	Retail Sales	3,466,810	0.19
FI Mentor II Ltd.	Retail Sales	3,447,440	0.19
McKay Real	Real Estate	3,313,160	0.19
Totals		<u>\$73,221,060</u>	<u>4.10%</u>
Real Property Assessed Valuation		<u>\$1,787,595,530</u>	
Name of Taxpayer	Line of Business	2001	
		Assessed Value	Percent of Real Property Assessed Value
Debartolo Realty Partnership	Retail Mall	\$20,163,060	1.43%
Steris Corporation	Medical Equipment	\$7,510,120	0.54
Points East	Retail Sales	6,151,250	0.44
Euclid Clinic Foundation	Medical	4,005,170	0.29
Deepwood North Company	Condominiums	3,584,460	0.26
First Interstate	Holding Company	3,446,690	0.25
James A. Brown	Auto Sales	3,430,730	0.25
Mentor Commons Ltd.	Retail Sales	3,343,650	0.24
Royal Appliance Manufacturing	Manufacturing	3,262,290	0.23
Lincoln Electric Company	Manufacturing	3,198,160	0.23
Totals		<u>\$58,095,580</u>	<u>4.16%</u>
Real Property Assessed Valuation		<u>\$1,397,906,270</u>	

Source: Office of the County Auditor, Lake County, Ohio

Mentor Exempted Village School District

Principal Taxpayers

Public Utilities Tax

2010 and 2001

Name of Taxpayer	2010	
	Assessed Value	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$22,466,870	49.90%
Aqua Ohio, Inc.	18,904,530	41.99
American Transmission	1,826,400	4.06
East Ohio Gas	1,340,760	2.98
Total	\$44,538,560	98.93%
Public Utility Assessed Valuation	\$45,020,040	
Name of Taxpayer	2001	
	Assessed Value	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$28,141,620	54.99%
Ohio Bell Telephone Company	7,705,120	15.06
Consumer Ohio Water	9,599,420	18.76
East Ohio Gas Company	3,768,210	7.35
Total	\$49,214,370	96.16%
Public Utility Assessed Valuation	\$51,178,790	

Source: Office of the County Auditor, Lake County, Ohio

Mentor Exempted Village School District
*Ratio of General Bonded Debt to Estimated Actual
Value, Ratio of General Debt to Personal Income and Debt per Capita
Last Ten Fiscal Years*

Fiscal Year	General Bonded Debt			Other General Debt			Ratio of General Debt to Personal Income (3)	General Debt per Capita (2)
	General Bonded Debt	Ratio of Bonded Debt to Estimated Actual Value (1)	Bonded Debt per Capita (2)	Energy Conservation Notes	Capital Leases	Total Debt		
2001	\$13,316,399	0.28	\$265	\$1,000,000	\$858,023	\$15,174,422	1.23	\$301.81
2002	12,921,859	0.27	257.01	750,000	733,869	14,405,728	1.17	286.52
2003	12,454,926	0.25	247.72	500,000	1,213,657	14,168,583	1.15	281.80
2004	11,990,000	0.22	238.47	1,410,000	851,439	14,251,439	1.15	283.45
2005	10,764,989	0.19	214.11	1,005,334	562,934	12,333,257	1.00	245.30
2006	9,299,989	0.16	184.97	928,000	301,081	10,529,070	0.85	209.42
2007	8,013,299	0.12	159.38	850,668	235,496	9,099,463	0.74	180.98
2008	6,719,996	0.10	133.66	773,335	148,401	7,641,732	0.62	151.99
2009	5,533,952	0.09	110.07	696,000	56,205	6,286,157	0.51	125.03
2010	4,076,194	0.08	81.07	618,667	0	4,694,861	0.38	93.38

(1) The Estimated Actual Value can be found on S8

(2) The population can be found on S19

(3) The personal income can be found on S19

Mentor Exempted Village School District
Computation of Legal Debt Margin
Last Ten Fiscal Years

	2001	2002	2003	2004	2005	2006 (1)	2007 (1)	2008 (1)	2009 (1)	2010 (1)
Residential/Agricultural Real Property	\$1,058,883,670	\$1,069,396,670	\$1,082,668,730	\$1,285,690,270	\$1,301,630,250	\$1,316,883,880	\$1,445,692,450	\$1,456,756,250	\$1,466,659,870	\$1,323,197,610
Commercial/Industrial Real Property	339,022,600	345,954,380	357,639,810	403,335,090	412,470,960	416,926,760	458,183,160	469,202,860	482,612,050	464,397,920
Tangible Personal Property	180,221,171	189,809,721	182,121,185	175,348,750	165,803,385	0	0	0	0	2,163,150
Public Utility Tangible	51,178,790	45,157,500	42,606,670	43,567,080	44,678,810	42,829,470	43,396,780	40,113,310	42,200,590	45,020,040
Less: Rail Road and Telephone Tangible Property	0	0	0	0	0	(8,518,690)	(11,602,850)	(4,757,030)	(3,299,460)	(2,163,150)
Total Assessed Valuation	\$1,629,306,231	\$1,650,318,271	\$1,665,036,395	\$1,907,941,190	\$1,924,583,405	\$1,768,121,420	\$1,935,669,540	\$1,961,315,390	\$1,988,173,050	\$1,832,615,570
Debt Limit - 9% of Assessed Value (2)	\$146,637,561	\$148,528,644	\$149,853,276	\$171,714,707	\$173,212,506	\$159,130,928	\$174,210,259	\$176,518,385	\$178,935,575	\$164,935,401
Amount of Debt Applicable to Debt Limit										
General Obligation Bonds	13,316,399	12,921,859	12,454,926	11,990,000	10,764,989	9,299,989	8,013,299	6,719,996	5,199,996	3,639,996
Energy Conservation Notes	1,000,000	750,000	500,000	1,410,000	1,082,667	1,005,334	928,001	850,668	773,333	696,000
Tax Anticipation Notes	0	0	5,000,000	2,480,000	1,984,000	7,088,000	5,192,000	3,296,000	1,400,000	0
School Improvement Note	0	0	0	0	0	0	0	1,950,000	1,755,000	1,560,000
Less Amount Available in Debt Service	0	0	(1,094,882)	(992,110)	(1,212,649)	(1,136,473)	(1,069,854)	(1,136,701)	(1,131,247)	(1,230,644)
Total	14,316,399	13,671,859	16,860,044	14,887,890	12,619,007	16,256,850	13,063,446	11,679,963	7,997,082	4,665,352
Exemptions:										
Energy Conservation Notes	0	0	(500,000)	(1,410,000)	(1,082,667)	(1,005,334)	(928,001)	(850,668)	(773,333)	(696,000)
Tax Anticipation Notes	0	0	(5,000,000)	(2,480,000)	(1,984,000)	(7,088,000)	(5,192,000)	(3,296,000)	(1,400,000)	0
Amount of Debt Subject to Limit	14,316,399	13,671,859	11,360,044	10,997,890	9,552,340	8,163,516	6,943,445	7,533,295	5,823,749	3,969,352
Legal Debt Margin	\$132,321,162	\$134,856,785	\$138,493,232	\$160,716,817	\$163,660,166	\$150,967,412	\$167,266,814	\$168,985,090	\$173,111,826	\$160,966,049
Legal Debt Margin as a Percentage of the Debt Limit	90.24%	90.80%	92.42%	93.60%	94.49%	94.87%	96.01%	95.73%	96.75%	97.59%
Unvoted Debt Limit - .10% of Assessed Value (2)	\$1,629,306	\$1,650,318	\$1,665,036	\$1,907,941	\$1,924,583	\$1,768,121	\$1,935,670	\$1,961,315	\$1,988,173	\$1,832,616
Amount of Debt Applicable	0	0	0	0	0	0	0	0	0	0
Unvoted Legal Debt Margin	\$1,629,306	\$1,650,318	\$1,665,036	\$1,907,941	\$1,924,583	\$1,768,121	\$1,935,670	\$1,961,315	\$1,988,173	\$1,832,616
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Lake County Auditor and School District Financial Records

(1) HB530 changed the assessed valuation utilized in the legal debt margin calculation to exclude tangible personal property as well as railroad and telephone tangible property.

(2) Ohio Bond Law sets a limit of 9% for overall debt and 1/10 of 1% for unvoted debt.

Mentor Exempted Village School District

Computation of Direct and Overlapping

Governmental Activities Debt

December 31, 2009

	<u>Governmental Activities Debt Outstanding</u>	<u>Percentage Applicable to School District (1)</u>	<u>Amount of Direct and Overlapping Debt</u>
Direct:			
Mentor Exempted Village School District			
General Obligation Bonds	\$4,076,194	100.00%	\$4,076,194
Energy Conservation Note	696,000	100.00%	696,000
School Improvement Note	<u>1,560,000</u>	100.00%	<u>1,560,000</u>
 Total Direct	 <u>6,332,194</u>	 100.00%	 <u>6,332,194</u>
Overlapping:			
City of Mentor			
General Obligation Bonds	19,991,107	76.68%	15,329,181
Special Assessment Bonds	12,413,893	76.68%	9,518,973
OWDA Loans	248,840	76.68%	190,811
OPWC Loans	391,896	76.68%	300,506
 City of Mentor-on-the-Lake			
Various Purpose Notes	1,015,000	76.68%	778,302
OPWC Loans	419,309	76.68%	321,526
State Infrastructure Loans	2,416,263	76.68%	1,852,790
 Lake County			
General Obligation Bonds	18,992,000	29.51%	5,604,539
Special Assessment Bonds	10,803,000	29.51%	3,187,965
OWDA Loans	24,238,884	29.51%	7,152,895
OPWC Loans	127,500	29.51%	37,625
 Geauga County			
Revenue Bonds	3,522,000	23.00%	810,060
General Obligation Bonds	650,000	23.00%	149,500
Special Assessment Bonds	2,291,402	23.00%	527,022
Various Purpose Notes	3,200,000	23.00%	736,000
OWDA Loans	13,518,819	23.00%	3,109,328
OPWC Loans	<u>277,501</u>	23.00%	<u>63,825</u>
 Total Overlapping	 <u>114,517,414</u>		 <u>49,670,848</u>
 Total	 <u>\$120,849,608</u>		 <u>\$56,003,042</u>

Source: Office of the Auditor, Lake County, Ohio

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2009 collection year.

Mentor Exempted Village School District

Principal Employers

Current Year and Nine Years Ago

Employer	2010		
	Number of Employees	Rank	Percent of Employment
Mentor Public Schools	1,026	1	3.04%
City of Mentor	851	2	2.53
Steris Corporation	796	3	2.36
Deepwood/Lake County DD	468	4	1.39
PCC Airfoil	455	5	1.35
Avery Dennison	450	6	1.34
U.S. Endoscopy	330	7	0.98
Lincoln Electric	327	8	0.97
Component Repair Technologies	308	9	0.91
JC Penney Co.	275	10	0.82
Total	5,286		15.69%
Total Employment within the School District	33,696		
Employer	2001		
	Number of Employees	Rank	Percent of Employment
Mentor Public Schools	1,202	1	3.82%
City of Mentor	788	2	2.50
Steris Corporation	700	3	2.22
Lincoln Electric	515	4	1.64
Deepwood/Lake County DD	500	5	1.59
PCC Airfoil - Mentor	480	6	1.53
Super K-Mart	450	7	1.43
Sear's Roebuck & Co.	375	8	1.19
Mag-Nif, Co.	350	9	1.11
JC Penney Co.	310	10	0.99
Total	5,670		18.02%
Total Employment within the School District	31,460		

Source: City of Mentor, Department of Economic Development

Mentor Exempted Village School District
Demographic and Economic Statistics
Last Ten Years

Year	Population	Total Personal Income	Personal Income Per Capita	Median Household Income	Median Age	Median Value of Residential Property	Lake County Unemployment Rate	Total Assessed Property Value
2001	50,278	\$1,236,436,576	\$24,592	\$57,230	38.90	\$147,400	3.2%	\$1,629,306,231
2002	50,278	1,236,436,576	24,592	57,230	38.90	147,400	4.0	1,650,318,271
2003	50,278	1,236,436,576	24,592	57,230	38.90	147,400	4.9	1,665,036,395
2004	50,278	1,236,436,576	24,592	57,230	38.90	147,400	4.7	1,907,941,190
2005	50,278	1,236,436,576	24,592	57,230	38.90	147,400	4.5	1,924,583,405
2006	50,278	1,236,436,576	24,592	57,230	38.90	147,400	4.2	1,952,237,571
2007	50,278	1,236,436,576	24,592	57,230	38.90	147,400	4.7	2,080,203,782
2008	50,278	1,236,436,576	24,592	57,230	38.90	147,400	5.8	2,057,770,480
2009	50,278	1,236,436,576	24,592	57,230	38.90	147,400	8.3	2,033,471,995
2010	50,278	1,236,436,576	24,592	57,230	38.90	147,400	9.6	1,834,778,720

Source: 2000 U.S. Census Bureau, U.S. Department of Labor

Mentor Exempted Village School District

Building Statistics by Function/Program

Last Three Fiscal Years (1)

	2008	2009	2010
Mentor High School			
Constructed in 1965			
Total Building Square Footage	364,490	364,490	364,490
Enrollment Grades 9-12	2,917	2,838	2,780
Memorial Middle School			
Constructed in 1922			
Total Building Square Footage	144,787	144,787	144,787
Enrollment Grades 6-8	731	763	754
Mentor Ridge Middle School			
Constructed in 1963			
Total Building Square Footage	87,865	87,865	87,865
Enrollment Grades 6-8	535	543	536
Mentor Shore Middle School			
Constructed in 1949			
Total Building Square Footage	118,450	118,450	118,450
Enrollment Grades 6-8	702	695	685
Bellflower Elementary School			
Constructed in 1973			
Total Building Square Footage	40,552	40,552	40,552
Enrollment Grades K-5	425	444	438
Brentmoor Elementary School			
Constructed in 1954			
Total Building Square Footage	35,276	35,276	35,276
Enrollment Grades K-5	294	281	277
Fairfax Elementary School			
Constructed in 1967			
Total Building Square Footage	33,770	33,770	33,770
Enrollment Grades K-5	278	285	281
Garfield Elementary School			
Constructed in 1938			
Total Building Square Footage	40,909	40,909	40,909
Enrollment Grades K-5	410	449	442
Headlands Elementary School			
Constructed in 1954			
Total Building Square Footage	28,167	28,167	28,167
Enrollment Grades K-5	210	195	196

(continued)

Mentor Exempted Village School District
Building Statistics by Function/Program (continued)
Last Three Fiscal Years (1)

	2008	2009	2010
Hopkins Elementary School			
Constructed in 1960			
Total Building Square Footage	41,706	41,706	41,706
Enrollment Grades K-5	509	496	489
Lake Elementary School			
Constructed in 1969			
Total Building Square Footage	40,559	40,559	40,559
Enrollment Grades K-5	334	348	345
Sterling Morton Elementary School			
Constructed in 1961			
Total Building Square Footage	34,589	34,589	34,589
Enrollment Grades K-5	313	296	291
Orchard Hollow Elementary School			
Constructed in 1969			
Total Building Square Footage	48,157	48,157	48,157
Enrollment Grades K-5	420	417	412
Rice Elementary School			
Constructed in 1958			
Total Building Square Footage	31,621	31,621	31,621
Enrollment Grades K-5	299	323	319

Source: School District Records

(1) Information prior to 2008 is not available.

Mentor Exempted Village School District
Per Pupil Cost
Last Ten Fiscal Years

Fiscal Year	Student Enrollment		General Government		Governmental Activities			Pupil/Teacher Ratio	Food Service Operations	
	Average Enrollment	Percentage Change	Total Expenditures (1)	Cost Per Pupil	Total Expenses (1)(2)	Cost Per Pupil	Teaching Staff		Number of Students Receiving Free or Reduced Lunch	Percentage of Free or Reduced Lunches to Total Enrollment
2001	10,272	0.11%	\$80,087,041	\$7,797	N/A	N/A	682	15.06	N/A	N/A
2002	10,154	(1.15)	84,166,346	8,289	N/A	N/A	682	14.89	N/A	N/A
2003	9,887	(2.63)	92,460,768	9,352	\$96,858,005	\$9,797	765	12.92	791	8.00%
2004	9,759	(1.29)	92,701,317	9,499	100,230,922	10,271	557	17.52	615	6.30
2005	9,407	(3.61)	81,469,837	8,661	84,727,681	9,007	568	16.56	1,157	12.30
2006	9,077	(3.51)	88,918,678	9,796	91,850,903	10,119	600	15.13	1,225	13.50
2007	8,876	(2.21)	91,730,264	10,335	95,450,385	10,754	581	15.28	1,296	14.60
2008	8,495	(4.29)	97,483,765	11,475	102,330,377	12,046	549	15.47	1,359	16.00
2009	8,373	(5.67)	108,382,142	12,944	107,269,802	12,811	609	13.75	1,340	16.00
2010	8,245	(2.94)	106,544,512	12,922	103,397,651	12,541	545	15.13	1,319	16.00

Source: School District Records
Ohio Department of Education

(1) Debt Service totals have been excluded.

(2) The School District implemented GASB-34 in fiscal year 2003.

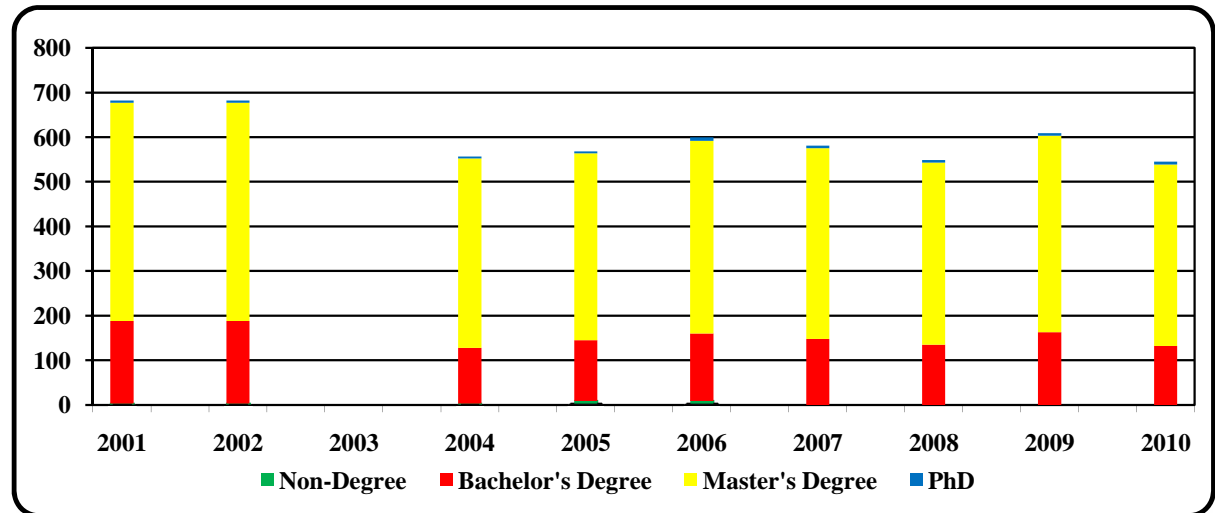
n/a - Information prior to 2003 is not available.

Mentor Exempted Village School District
Full-Time Equivalent School District Teachers by Education
Last Ten Fiscal Years

Degree	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Non-Degree	3	3	n/a	3	9	9	0	0	0	0
Bachelor's Degree	185	185	n/a	125	136	151	148	135	163	132
Master's Degree	489	489	n/a	424	419	432	427	408	440	407
PhD	5	5	n/a	5	4	8	6	6	6	6
Total	682	682	0	557	568	600	581	549	609	545
Years of Experience										
0 - 5	126	126	n/a	41	129	93	89	76	152	112
6 - 10	105	105	n/a	109	118	110	83	61	67	56
11 and over	451	451	n/a	407	321	397	409	412	390	377
Total	682	682	0	557	568	600	581	549	609	545

Source: School District Records

n/a - information is not available

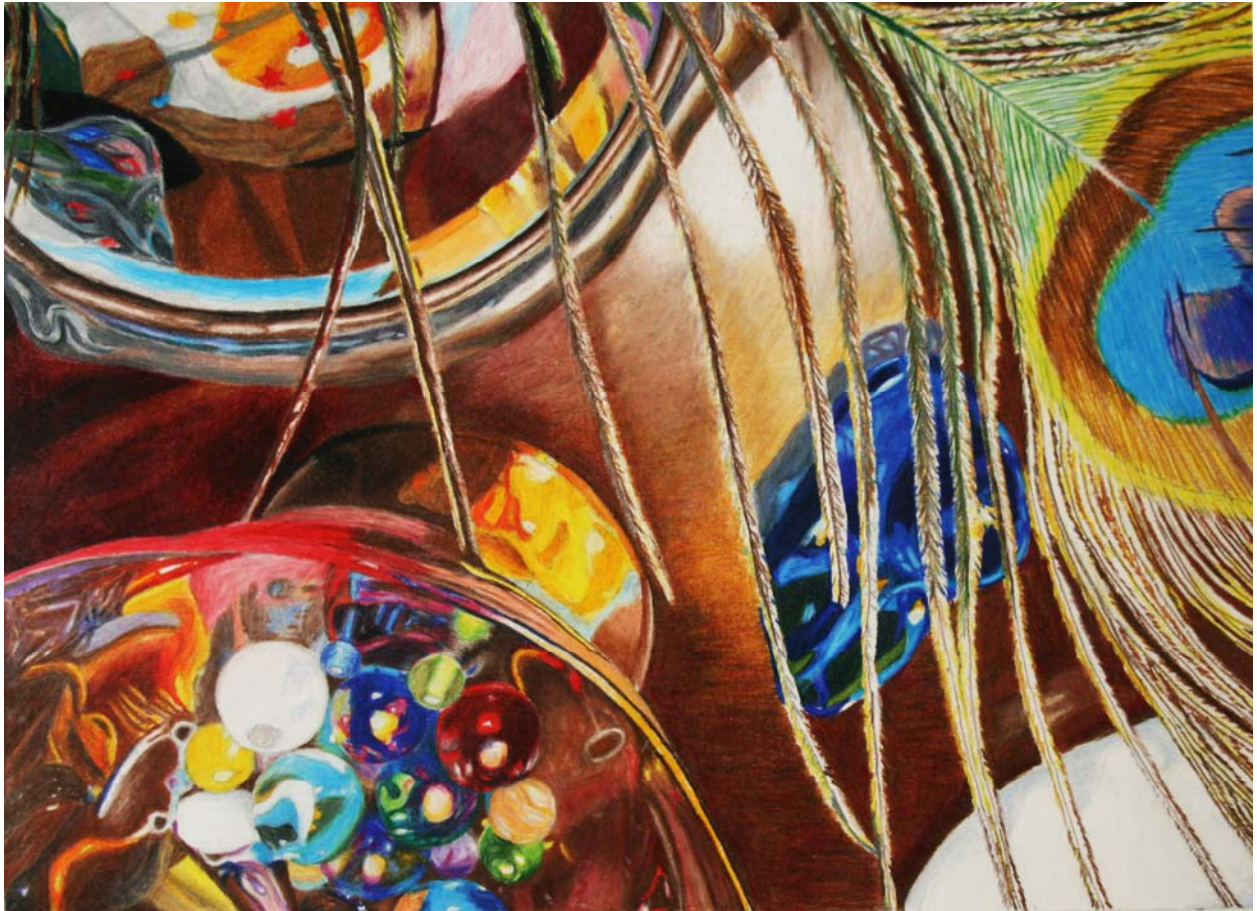


Mentor Exempted Village School District
School District Employees by Function/Program
Last Six Fiscal Years (1)

Function/Program	2005	2006	2007	2008	2009	2010
Current:						
Instruction:						
Regular	539	563	545	538	504	457
Special	6	6	24	25	116	122
Vocational	23	24	18	16	17	16
Student Intervention	8	7	4	11	9	9
Support Services:						
Pupils	106	91	96	96	113	117
Instructional Staff	61	52	50	41	49	55
Board of Education	1	1	1	1	0	0
Administration	38	35	45	45	57	57
Fiscal	18	15	17	17	11	11
Business	12	10	7	6	6	6
Operation and Maintenance of Plant	76	65	66	66	45	45
Pupil Transportation	69	59	58	58	6	6
Central	11	9	3	3	7	7
Operation of Non-Instructional Services	1	1	1	1	1	1
Operation of Food Service	21	18	25	25	14	14
Extracurricular Activities	22	19	11	11	12	12
Totals	<u>1,012</u>	<u>975</u>	<u>971</u>	<u>960</u>	<u>967</u>	<u>935</u>

Method: Using 1.0 for each full-time equivalent at fiscal year end.

(1) Information prior to 2005 is not available



Molly Jukes
Fine Art
Mentor High School



Mentor Public Schools

Treasurer's Office



Educating students from Mentor, Mentor-on-the-Lake, Concord Township and Kirtland Hills.

6451 Center Street, Mentor, Ohio 44060 • phone: 440.255.4444 • facsimile: 440.255.4622

www.mentorschools.org



Mary Taylor, CPA
Auditor of State

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

LAKE COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
DECEMBER 21, 2010**