



Dave Yost • Auditor of State

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
LAKE COUNTY**

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**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
LAKE COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2017**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal CFDA Number	Total Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE		
<i>Passed Through Ohio Department of Education</i>		
<u>Child Nutrition Cluster:</u>		
School Breakfast Program	10.553	\$190,927
National School Lunch Program	10.555	854,566
National School Lunch Program - Non-Cash Assistance	10.555	189,310
Total - National School Lunch Program		<u>1,043,876</u>
Total U.S. Department of Agriculture/Child Nutrition Cluster		<u>1,234,803</u>
U.S. DEPARTMENT OF EDUCATION		
<i>Passed Through Ohio Department of Education</i>		
<u>Special Education Cluster:</u>		
Special Education: Grants to States	84.027	1,553,501
		<u>217,076</u>
Total - Special Education: Grants to States		1,770,577
Special Education Preschool Grants	84.173	28,248
		<u>10,005</u>
Total - Special Education: Preschool Grants		<u>38,253</u>
Total - Special Education Cluster		1,808,830
Title I Grant to Local Educational Agencies	84.010	104,179
		<u>618,096</u>
Total- Title I Grants to Local Educational Agencies		722,275
Career and Technical Education - Basic Grants to States	84.048	45,268
		<u>306,716</u>
Total - Career and Technical Education - Basic Grants to States		351,984
English Language Acquisition State Grants	84.365	1,477
		<u>21,918</u>
Total - English Language Acquisition State Grants		23,395
Supporting Effective Instruction State Grant	84.367	197,666
		<u>43,288</u>
Total - Supporting Effective Instruction State Grant		<u>240,954</u>
Total U.S. Department of Education		<u>3,147,438</u>
Total		<u><u>\$4,382,241</u></u>

The accompanying notes are an integral part of this schedule.

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
LAKE COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE A – BASIS OF PRESENTATION

The accompanying Federal Awards Expenditures Schedule (the Schedule) includes the federal award activity of the Mentor Exempted Village School District, Lake County, Ohio (the District's) under programs of the federal government for the year ended June 30, 2017. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C - CHILD NUTRITION CLUSTER

The District commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the District assumes it expends federal monies first.

NOTE D – FOOD DONATION PROGRAM

The District reports commodities consumed on the Schedule at the fair value. The District allocated donated food commodities to the respective program that benefitted from the use of those donated food commodities.



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S 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
Mentor, Ohio 44060

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Mentor Exempted Village School District, Lake County, Ohio (the District) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 15, 2017.

Internal Control Over Financial Reporting

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

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

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

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, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

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

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

Dave Yost
Auditor of State
Columbus, Ohio

December 15, 2017



Dave Yost • Auditor of State

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

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

To the Board of Education:

Report on Compliance for Each Major Federal Program

We have audited the Mentor Exempted Village School District's (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *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, 2017. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal programs.

Management's Responsibility

The District's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the District's compliance for each of the District's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the Mentor Exempted Village School District, Lake County, Ohio complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2017.

Report on Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the District's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the 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's applicable compliance requirement. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

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

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Mentor Exempted Village School District, Lake County, Ohio (the District) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 15, 2017. We conducted our audit to opine on the District's basic financial statements as a whole. The accompanying federal awards expenditures schedule presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Dave Yost
Auditor of State
Columbus, Ohio

December 15, 2017

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**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
LAKE COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2017**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	<ul style="list-style-type: none"> ➤ Child Nutrition Cluster, CFDA 10.553 and 10.555; ➤ Title I Grants to Local Educational Agencies, CFDA 84.010.
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR §200.520?	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017



The Cornerstone of the Community

Mentor Exempted Village School District
Mentor, Ohio



Introductory Section



Mentor Exempted Village School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2017
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Administration Building

William M. Porter
Interim Superintendent

Daniel L. Wilson
Chief Financial Officer

Board of Education
Virginia E. Jeschelnic, President
Mary L. Bryner, Vice President
Sally S. Miller, Member
William J. Shaw, Member
Thomas V. Tuttle, Member

December 15, 2017

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, 2017. 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 unmodified opinion on the Mentor Exempted Village School District’s financial statements for the fiscal year ended June 30, 2017. The Independent Auditor’s Report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the Independent Auditor’s 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-fifth largest of the 611 school districts in the State of Ohio and the second largest of nine school districts in Lake County. The School District provided education to 7,531 students in grades kindergarten through twelve during the 2016-2017 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 25 miles east of downtown Cleveland and covers over 35 square miles.

The Mentor Exempted Village School District serves the cities of Mentor and 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, eight elementary schools and the Dr. Jacqueline A. Hoynes School, home of the Cardinal Autism Resource and Education School (C.A.R.E.S.).

The students enrolled in the Mentor Exempted Village School District attended classes in the following School District owned buildings during 2016-2017:

- Mentor High School, constructed in 1965 with additions and renovations in 1993, 2008, and 2015 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 and houses our preschool classrooms.
- 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 and 2011, 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.
- Dr. Jacqueline A. Hoynes School (formerly Headlands Elementary School), constructed in 1954 with additions and renovations in 1964 and 2011, the Cardinal Autism Resource School for autistic students in grades kindergarten through twelve.
- 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.
- 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 eight 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, physical education, and science, technology, engineering and math (STEM) 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 eight 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 additional reading intervention services through title I staff members.

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. Electives are offered in music, art, world language, family consumer science and STEM. 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 2,489 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 Northeast Ohio Conference. 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 identified as providing the most efficient transportation services in Lake County during the 2016-2017 school year.

Certified Staff The average experience of the certificated staff is 14.9 years and 81.8 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 residential resale market has remained strong.

With major employers including the Steris Corporation, Lincoln Electric Corporation, PCC Airfoil, Avery Dennison and Classic Auto Group, the area continues to be stable. The Great Lakes Mall continues to provide a major retail sales dimension within the School District.

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 climate has not severely impacted the local economic base and our major employers' involvement with the School District. City officials remain optimistic regarding future economic growth.

Long-Term Financial Planning

The theme of the 2016-2017 fiscal year was "Supporting the Education of Our Students As They Aspire Beyond Today". This year's theme reflects the following budgetary dynamics:

- Community approval of the first new operating levy since 2004 provides continued fiscal stability
- Greater than expected retirements have created budget opportunities to increase support for classroom instruction
- Increased management focus on fiscal support to student education in the budget process

The development of the 2016-2017 budget and five-year fiscal projections benefited from refinements and enhancements to calculation formulas and methodologies. The 2016-2017 actual general fund cash basis expenditures increased 1.38 percent. The fiscal year spending also reflected the realignment of spending to sustain the one-to-one student devices without increasing total spending. The general fund expenditures also benefited from a zero percent increase in employee health insurance. This was the fifth time in six years the annual rate increase was zero or less than 1 percent.

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. Board of Education policy establishes the general fund level of control at the first two levels of function and the first level of object. All other 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 of these funds. 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

Overview During the 2016-2017 school year, Mentor Schools was responsible for the education of more than 7,500 students enrolled in pre-kindergarten through twelfth grade from the City of Mentor and the surrounding communities of Mentor-on-the-Lake, Concord Township, and Kirtland Hills. Our School District operated eight elementary schools, three middle schools, one high school, and a state-of-the-art, specialized school for children with autism. Our top priority in all of our schools is to provide a safe learning environment where children can grow academically, socially, and emotionally.

Our main focus in meeting that goal is to give our students a wide variety of opportunities at every grade level both in and out of the classroom. Our students have an abundance of course offerings to choose from to meet their academic requirements as well as dozens of clubs and athletic opportunities available to them. At the high school, for example, the program of studies consists of more than 215 course options, including college or honors level, Advanced Placement (AP), career technical education, art, music and numerous elective online classes. We realize all of our students are different and have different needs, so having an array of opportunities helps us individualize each student's experience and provide a well-rounded education.

Additionally, over the last several years, Mentor Schools has made a significant shift in the way we're teaching our students by incorporating more technology tools into the classroom. Much of this technology was grant-funded and will be sustainable by reallocating textbook funds. It's important that our students are developing an aptitude for these skills that will be essential when they leave us to enter the workforce, college or the military after graduation.

Balanced Learning and 1:1 Device Initiative Students in grades 6 through 12 each had a device to use in school and at home during the 2016-2017 school year as part of the School District's balanced learning approach to academics. Mentor Schools provides a balanced education for students by focusing on high quality instruction that meets the needs of today's diverse learners. Our teachers work hard to create a classroom environment that fosters success and will ultimately encourage each student to become enrolled, enlisted or employed after high school.

Straight A Fund Grant (Implementation Year 3) The 2016-2017 school year was the third year of implementation for Mentor Schools' Straight A Fund grant, a five year planned grant. As the largest grant ever earned in the School District's history, the Straight A Fund grant provided funds for the following projects: renovating the Mentor High School media center, now called The Hub; building a 16,000 square foot professional development center called Paradigm; renovating 65 Mentor High School classrooms; and providing MacBooks for all students in grades 9-12. Our staff worked diligently on professional development to be ready

for MacBooks to be deployed to students for use in school and at home. Access to this technology allows our teachers to implement innovative lessons that will better meet the individual needs of each of our learners as we work toward our goal of encouraging students to become enrolled, enlisted or employed after high school.

League of Innovative Schools Mentor Schools is a proud member of the prestigious League of Innovative Schools as one of only three districts accepted to represent Ohio. Last year, our district was selected to host the League's spring conference so that educators from across the country could visit our schools, see the innovative instruction happening in our classrooms firsthand, and share that information in ways to benefit millions of students nationwide. Embracing our Cleveland roots for our out-of-town visitors, the theme of the League of Innovative Schools conference was MENTOR ROCKS!

Specialized School for Children with Autism Mentor Schools offers a state-of-the-art specialized school for students with autism, known as CARES (Cardinal Autism Research and Education School). CARES also serves as an alternative revenue source as we are able to provide special education services for out-of-district students. You can learn more about the CARES program by visiting www.mentorschools.net/CARES.

Major Academic Achievements in 2016-2017

- Mentor High School offered more than 215 courses for students during the 2016-2017 school year, and each of our three middle schools had more than 55 courses available for students.
- Elementary school curriculum focused on the core subjects of English language arts, math, science, and social studies. Elementary students also had the opportunity to take four related arts classes (art, physical education, music, and STEM) once a week.
- Advanced Placement:
 - During the 2016-2017 school year, Mentor High School increased its College Board Advanced Placement courses offerings for students to include 23 options: American Government, Art History, Biology, Calculus AB, Calculus BC, Chemistry, Computer Science, English, Environmental Science, European History, Fine Arts, French, German, Human Geography, Macro Economics, Micro Economics, Physics, Psychology, Seminar, English Language & Comp, Spanish, Statistics, and U.S. History.
 - 410 Mentor High School students took 821 AP exams during the 2016-2017 school year as a part of the courses listed above.
 - 322 students scored a 3 or higher on one or more of the AP exams taken.
- Dual Credit: Eight dual credit courses were offered to Mentor High students in conjunction with Lakeland Community College for the 2016-2017 school year, including Math, English, Intro to Humanities, Intro to Psychology, Effective Public Speaking and Government.
- College Credit Plus (CCP) Students had the opportunity to take CCP courses to earn up to 30 college credits for the year, while simultaneously earning high school credit.
- Career Technical Education High school students could apply to take one of 25 Career Technical programs offered through the Lake Shore Compact during last school year. Each program is a two year course where students gain valuable experience working in a hands-on-real-world environment in a field they are interested in pursuing for their professional careers.
- Students in grades 6 through 12 each had a device to use in school and at home during the 2016-2017 school year as part of the School District's balanced learning approach to academics. Mentor Schools provides a balanced education for students by focusing on high quality instruction that meets the needs of today's diverse learners. Our teachers work hard to create a classroom environment that fosters success and will ultimately encourage each student to become enrolled, enlisted or employed after high school.
- 608 Mentor High School seniors earned their high school diploma, and 153 of those graduates earned an honors diploma.
- Of the Class of 2017 graduates, 483 planned to go on to 72 different colleges or universities pursuing two or four year programs; 20 were joining the military; and 88 were entering the workforce.

- 105 members of the Class of 2017 graduated with Summa Cum Laude honors, meaning they maintained a cumulative Grade Point Average (GPA) of 3.8 or higher. An additional 65 Graduated Magna Cum Laude.
- 69 members of the Mentor High School Class of 2017 graduated with a 4.0 or Higher cumulative Grade Point Average.
- 17 Mentor High School seniors earned recognition from the National Merit Program. Seven seniors were named National Merit finalists, one was named a semifinalist and 10 were named commended students.
- 289 seniors earned college credit while still in high school and 13 of those students earned their Associate's Degree.
- 37 students were recognized by the Advanced Placement (AP) Scholar Program. 12 became AP Scholars, 10 AP Scholars with Honors, 14 AP Scholars with Distinction and 1 National AP Scholar.
- 6 seniors took a distance learning Calculus 3 course.
- The class of 2017 spent more than 116,000 hours providing community service to various causes.
- Close to 1,000 students took an online course, either required or elective.
- 81.8 percent of our teachers have earned a Master's Degree or higher as part of their continuing education. Dozens more are currently working toward their Master's Degree.
- Nearly 100 percent of our teachers are considered to be Highly Qualified Teachers, or HQT. HQT is a qualification at the federal level as determined by the Office of Public Instruction in Washington, D.C.
- Our Information Technology (IT) team managed several thousand devices for students and staff to use during the 2016-2017 school year, including: 3,000 MacBooks; 2,500 iPads; 2,200 Chromebooks; and 1,300 desktop computers.
- Students at all levels (elementary, middle and high school) have the opportunity to participate in student government through student council and other activities where officers are elected.
- Students at the elementary school level can participate in afterschool activities, such as Just Run and Art Club, to name a few.
- Three members of the Mentor High School Speech & Debate Team qualified for the 2017 OHSSL State Tournament, where one student finished as a quarterfinalist. Two students traveled to Birmingham, Alabama to represent MHS in the Speech & Debate Association's National Tournament and they finished 9th in the nation in World Schools Debate.
- During the 2016-2017 school year, Mentor High School students began an annual Model United Nations conference, hosting schools from all across Northeast Ohio for competition in the inaugural event. This school year, students hosted the second annual Mentor Model UN Conference. Additionally, students expanded the Model UN program to our middle schools as well.
- Our students have the opportunity to attend various field trips including an 8th grade trip to Washington, D.C.
- 110 Mentor High School students are members of the National Honor Society and more than 150 middle school students are members of the National Junior Honor Society.
- Student Ambassadors are chosen at the elementary and middle school level to set a positive example and work with peers to accomplish school goals. Students can also participate in Safety Patrol at all of our elementary schools.
- At the high school level, students have 40 different clubs and activities available in which to participate.
- At the middle school level, students have approximately 15 clubs and activities available in which to participate.
- The high school has four specialized clubs and activities aimed at raising awareness surrounding mental health awareness and bullying issues. They are: CARDS (Caring And Respect Determine Success), PRIDE, GAHTAH (Give A Hand, Take A Hand) and Friends of Rachel.
- GAHTAH Club aims to raise awareness of mental health issues.
- Each of the middle schools also has a Friends of Rachel club for students to spread a message of kindness and compassion throughout the school and community.
- Mentor High School students lead the Sparkle Cheerleaders program, also known as Mentor Sparkles. Sparkles is an inclusion cheerleading squad where students with special needs work with their typically-developing peers to root for the Cardinals at various games and events throughout the school year.

- Fine Arts accomplishments:
 - All elementary school students are enrolled in art and music classes that are taught by certified art and music teachers.
 - All middle school students have the opportunity to take art and music classes through the Program of Studies.
 - More than 1,000 Mentor High School students took at least one art or music class last school year, and more than \$1 million in scholarships were awarded to the Class of 2017's art students to attend post-secondary art institutions.
 - All elementary art students beginning in Kindergarten have digital portfolios. The practice of using digital portfolios continues into middle school and high school.
 - MHS students earned first, second, third and fourth place honors in the 2017 Congressional Art Competition (District 14). The winning artwork is now displayed in Washington, D.C. at The Capitol.
 - MHS students earned silver keys, gold keys and a silver medal in the National Scholastic Art & Writing Awards.
 - MHS fine art students participate in the Memory Project, a nonprofit organization that invites art teachers and their students to create portraits for youth around the world who have faced substantial challenges, such as neglect, abuse, loss of parents, and extreme poverty as examples.
 - MHS student artwork is currently representing our district in the second annual House of Representatives exhibit in Columbus.
 - Elementary, middle and high school students participate in the PTA Reflections Program earning state awards– and last year, national awards!
 - Middle school students have the opportunity to embark in a studio experience of the visual arts by taking fine art at the middle school level.
 - Lighting the Way! MHS Fine Arts students designed and painted three lighthouses to display at Great Lakes Mall as part of a yearlong fundraiser to benefit the Lake Health Foundation and United Way of Lake County.
 - Thousands of community members attend our district's annual art shows. Student artwork is placed on display from all levels at the various events.
 - Mentor High School Fighting Cardinal Marching Band members were selected to perform in the Macy's Thanksgiving Day Parade in New York City.
 - Mentor High School Band members performed in honors ensembles all across the Cleveland area.
 - Mentor High School band members were selected to perform in the National Association for Music Education National Honors Band and the OMEA All State Honors Ensembles in 2016-2017.
 - The Mentor High School Symphony Orchestra earned a Superior Rating last school year at the State Orchestra Contest. The Symphony Orchestra was 79 members strong.
 - The Mentor High School Mannheim Chamber Orchestra also received a Superior Rating at the State Orchestra Contest in 2017. The Mannheim Orchestra had 33 students performing.
 - The Mentor High School orchestra program had four all-state orchestra students in 2017 and several more students participated in the Cleveland Orchestra Youth Orchestra (COYO), The Contemporary Youth Orchestra (CYO), and the Lakeland Civic Orchestra (LCO).
 - 220 elementary and middle school students participated in the 2016 Summer Music Program.
 - Elementary students have the opportunity in fifth grade to learn a band or orchestra instrument.
 - In addition to instrumental lessons, elementary band and orchestra students perform in many building concerts and an All-City Festival concert, in which all schools combine for a performance.
 - The Mentor High School Concert Women's Choir and the Mentor High School Men's Chorus both received a Superior (I) rating at the OMEA State Level Adjudicated 2017 Event in Class A, the highest classification.
 - The Mentor High School Concert Mixed Choir also received a Superior (I) rating at the OMEA State Level Adjudicated 2017 Event in Class AA.

- The Mentor High School Women's Chorus received an Excellent (II) rating at the OMEA State Level Adjudicated 2017 Event in Class B. The Mentor choir program was one of the only in the state to have four choirs participate in OMEA State Adjudicated Events.
- Eight Mentor High School students were selected for 2017 Ohio Music Education All-State Ensembles, and two Mentor students were accepted into the National Association for Music Education All-National Honor Orchestra in Orlando, Florida.
- Mentor Schools offers numerous holiday concerts free to the public in December each year at the Mentor Fine Arts Center.
- During the 2016-2017 school year, the Mentor Top 25 Show Choir celebrated its 52nd year of entertaining our community! The Mentor Top 25 was the first high school show choir in the state of Ohio and has spent the past 52 years performing throughout northeastern Ohio, the United States, and many countries around the world. 2016-2017 included a successful performance and educational tour in Toronto, Ontario. Additionally, some Mentor Schools middle school students have the opportunity to also participate in show choir through Shoreline Singers.
- Talented Mentor High School students perform a variety of shows each year. The 2016-2017 fall play and spring musical were *The Man Who Came to Dinner* and *A Chorus Line*.
- Each of our middle schools runs a theatre or drama club program for students to participate in as well.

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 12th consecutive year for the fiscal year ended June 30, 2016. 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.

Science Olympiad State Champions Mentor High School's Science Olympiad team made school history last spring winning its first-ever State Championship title. The team advanced to compete in the National Tournament at Wright State University in Dayton, Ohio, where our students earned a 14th place finish.

Hall of Fame School Award Brentmoor Elementary School was selected as a 2017 Hall of Fame School by the Ohio Association of Elementary School Administrators. This is a prestigious award recognizing schools that engage students, faculty and the community to provide a high-quality school experience.

Mentor High School was named one of **America's best by U.S. News & World Report** in 2017. Schools are ranked based on their performance on state-required tests and how well they prepare students for college. The report noted that the AP® participation rate at Mentor High School is 26 percent.

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 Treasurers, various administrators, employees of the School District, and the Local Government Services Section of Auditor of State Dave Yost'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



William M. Porter
Interim Superintendent

Mentor Exempted Village School District

Principal Officials

June 30, 2017

Board of Education

Ms. Virginia Jeschelnic President
Mrs. Mary Bryner Vice-President
Mrs. Sally Miller Member
Mr. William Shaw Member
Mr. Thomas Tuttle Member

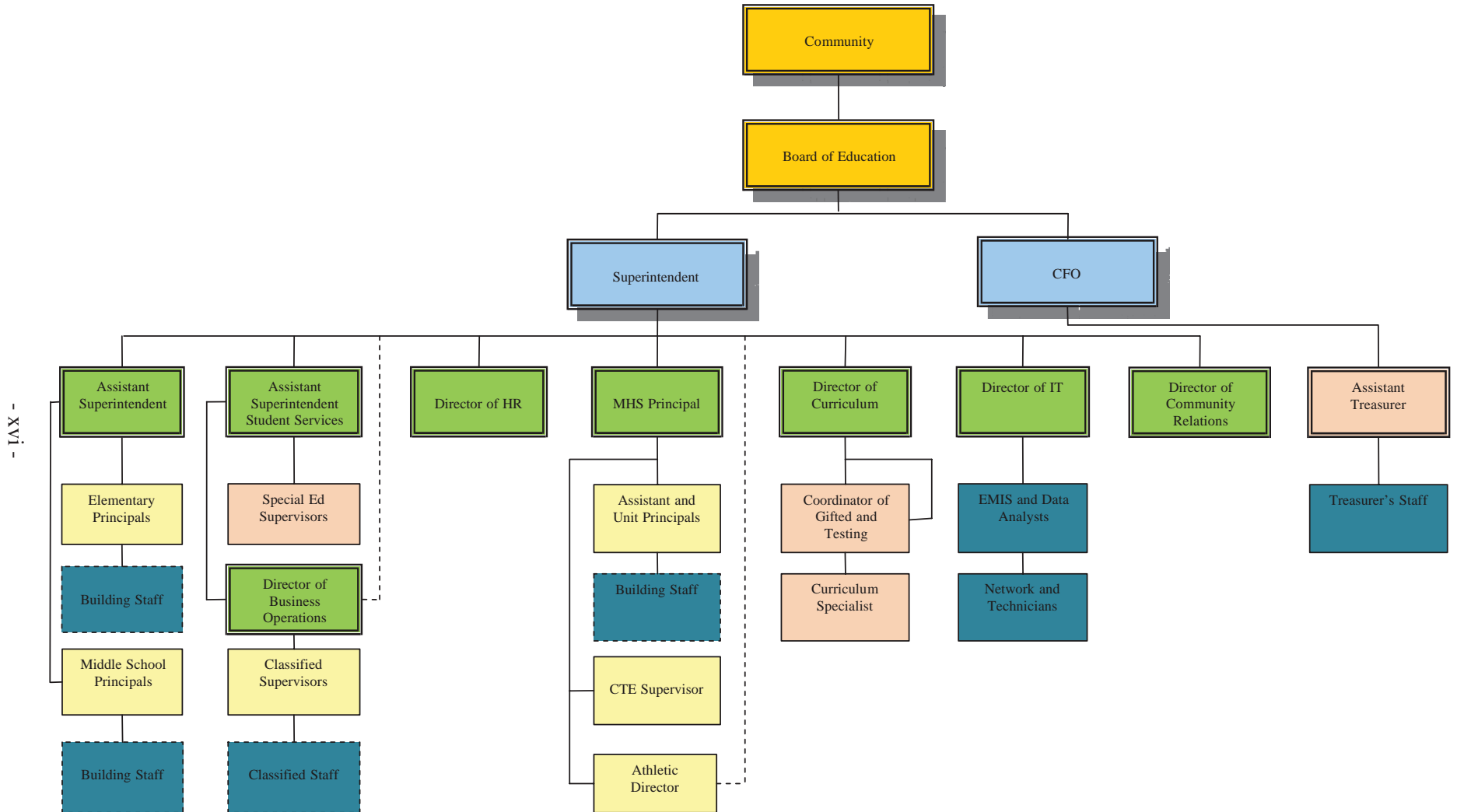
Interim Superintendent

William M. Porter

Chief Financial Officer

Mr. Daniel L. Wilson

Mentor Exempted Village School District Organizational Chart





Government Finance Officers Association

**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, 2016

Executive Director/CEO







Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

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

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Mentor Exempted Village School District, Lake County, Ohio (the District), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Mentor Exempted Village School District, Lake County, Ohio, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted to opine on the 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 present additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2017, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State
Columbus, Ohio

December 15, 2017

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Mentor Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
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, 2017. 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 fiscal year 2017 were as follows:

- ❖ In total, net position of governmental activities increased \$5,807,735, which represents a 12 percent increase from fiscal year 2016.
- ❖ Total general revenues of governmental activities accounted for \$99,042,083 in revenue or 86.78 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 \$15,094,123 or 13.22 percent of total revenues of \$114,136,206.
- ❖ The School District had \$108,328,471 in expenses related to governmental activities. Of these expenses, only \$15,094,123 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 \$99,042,083 were able to provide for these programs resulting in an increase of net position of governmental activities from (\$47,833,216) to (\$42,025,481).
- ❖ The School District's major governmental fund was the general fund. The general fund had \$104,135,131 in revenues and \$95,526,806 in expenditures. The general fund's balance increased by \$8,014,480 from \$53,744,253 to \$61,758,733.

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 position 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.

Reporting the School District as a Whole

Statement of Net Position 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 2017?" The statement

Mentor Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
Unaudited*

of net position 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 position and changes in that position. This change in net position 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 position and the statement of activities, the School District is divided into two distinct kinds of activities:

Governmental Activities - 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.

Business-Type Activities - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The School District's business-type activities are the Cardinal Autism Resource and Education School and the treasury management services.

Reporting the School District's Most Significant Funds

The analysis of the School District's major funds begins on page 11. 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 position and the statement of activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds The School District maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The School District's enterprise funds account for the tuition and fees for the Cardinal Autism Resource and Education School and fees for providing treasury management services to other local governments and non-profits. 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, prescription drug, dental self-insurance and workers' compensation.

Mentor Exempted Village School District

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2017

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 position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for fiscal year 2017 compared to fiscal year 2016:

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Assets						
Current and Other Assets	\$159,105,902	\$149,141,704	\$3,208,004	\$1,614,849	\$162,313,906	\$150,756,553
Capital Assets, Net	25,493,997	25,338,670	726,090	620,802	26,220,087	25,959,472
<i>Total Assets</i>	184,599,899	174,480,374	3,934,094	2,235,651	188,533,993	176,716,025
Deferred Outflows of Resources						
Pension	29,582,233	13,436,552	1,703,963	1,322,948	31,286,196	14,759,500
Liabilities						
Current Liabilities	13,654,380	12,891,286	458,439	233,504	14,112,819	13,124,790
Long-Term Liabilities:						
Due Within One Year	1,273,181	1,246,090	39,165	30,373	1,312,346	1,276,463
Due In More Than One Year:						
Net Pension Liability	165,564,709	140,481,505	5,414,236	4,724,654	170,978,945	145,206,159
Other Amounts	5,013,362	4,972,023	75,477	22,455	5,088,839	4,994,478
<i>Total Liabilities</i>	185,505,632	159,590,904	5,987,317	5,010,986	191,492,949	164,601,890
Deferred Inflows of Resources						
Property Taxes	60,881,217	61,448,215	0	0	60,881,217	61,448,215
Payment in Lieu of Taxes	1,426,077	0	0	0	1,426,077	0
Pension	8,394,687	14,711,023	296,042	251,858	8,690,729	14,962,881
<i>Total Deferred Inflows of Resources</i>	70,701,981	76,159,238	296,042	251,858	70,998,023	76,411,096
Net Position						
Net Investment in						
Capital Assets	25,250,556	24,742,961	591,072	620,802	25,841,628	25,363,763
Restricted for:						
Capital Projects	1,869,982	1,408,363	0	0	1,869,982	1,408,363
Other Purposes	1,241,812	1,741,642	0	0	1,241,812	1,741,642
Unrestricted (Deficit)	(70,387,831)	(75,726,182)	(1,236,374)	(2,325,047)	(71,624,205)	(78,051,229)
<i>Total Net Position</i>	(\$42,025,481)	(\$47,833,216)	(\$645,302)	(\$1,704,245)	(\$42,670,783)	(\$49,537,461)

Mentor Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
Unaudited*

The net pension liability (NPL) is the largest single liability reported by the School District at June 30, 2017 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability. GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 requires the net pension liability to equal the School District's proportionate share of each plan's collective:

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

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the School District is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system as against the public employer. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

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

Mentor Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
Unaudited

In accordance with GASB 68, the School District's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's change in net pension liability not accounted for as deferred inflows/outflows.

Overall, net position increased by \$6,866,678 during fiscal year 2017. In order to further understand what makes up the changes in net position for the current year, the following table gives further details regarding the results of activities for the current year. Table 2 shows total revenues, expenses and changes in net position for fiscal year 2017 and 2016.

Table 2
Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Program Revenues						
Charges for Services and Sales	\$5,761,119	\$6,095,835	\$4,480,951	\$3,272,289	\$10,242,070	\$9,368,124
Operating Grants and Contributions	9,019,667	8,319,670	0	0	9,019,667	8,319,670
Capital Grants and Contributions	313,337	139,666	0	0	313,337	139,666
<i>Total Program Revenues</i>	<u>15,094,123</u>	<u>14,555,171</u>	<u>4,480,951</u>	<u>3,272,289</u>	<u>19,575,074</u>	<u>17,827,460</u>
General Revenues						
Property Taxes	68,772,790	61,377,764	0	0	68,772,790	61,377,764
Grants and Entitlements	27,463,432	29,175,056	0	0	27,463,432	29,175,056
Payment in Lieu of Taxes	976,978	1,304,929	0	0	976,978	1,304,929
Investment Earnings	897,186	469,354	0	0	897,186	469,354
Unrestricted Contributions and Donations	80,191	60,575	0	0	80,191	60,575
Miscellaneous	851,506	930,975	0	0	851,506	930,975
<i>Total General Revenues</i>	<u>99,042,083</u>	<u>93,318,653</u>	<u>0</u>	<u>0</u>	<u>99,042,083</u>	<u>93,318,653</u>
<i>Total Revenues</i>	<u>114,136,206</u>	<u>107,873,824</u>	<u>4,480,951</u>	<u>3,272,289</u>	<u>118,617,157</u>	<u>111,146,113</u>
Program Expenses						
Instruction:						
Regular	43,566,229	39,889,091	0	0	43,566,229	39,889,091
Special	16,402,216	14,198,108	0	0	16,402,216	14,198,108
Vocational	2,374,027	2,066,776	0	0	2,374,027	2,066,776
Adult/Continuing	0	1,598	0	0	0	1,598
Student Intervention	175,503	149,374	0	0	175,503	149,374
Support Services						
Pupils	6,219,741	5,638,049	0	0	6,219,741	5,638,049
Instructional Staff	6,486,640	6,130,131	0	0	6,486,640	6,130,131
Board of Education	156,601	121,393	0	0	156,601	121,393
Administration	6,743,917	5,276,526	0	0	6,743,917	5,276,526
Fiscal	2,791,100	2,819,889	0	0	2,791,100	2,819,889
Business	548,872	593,946	0	0	548,872	593,946
Operation and Maintenance of Plant	9,258,444	9,423,648	0	0	9,258,444	9,423,648
Pupil Transportation	5,756,272	6,007,113	0	0	5,756,272	6,007,113
Central	1,118,205	869,171	0	0	1,118,205	869,171
Operation of						
Non-Instructional Services	1,748,597	2,141,108	0	0	1,748,597	2,141,108
Operation of Food Service	2,626,974	2,660,668	0	0	2,626,974	2,660,668
Extracurricular Activities	2,351,078	2,090,434	0	0	2,351,078	2,090,434
Interest and Fiscal Charges	4,055	5,627	0	0	4,055	5,627
Cardinal Autism Resource and Education School	0	0	3,270,028	2,483,893	3,270,028	2,483,893
Treasury Management Services	0	0	151,980	103,597	151,980	103,597
<i>Total Program Expenses</i>	<u>108,328,471</u>	<u>100,082,650</u>	<u>3,422,008</u>	<u>2,587,490</u>	<u>111,750,479</u>	<u>102,670,140</u>
<i>Change in Net Position</i>	<u>5,807,735</u>	<u>7,791,174</u>	<u>1,058,943</u>	<u>684,799</u>	<u>6,866,678</u>	<u>8,475,973</u>
Net Position Beginning of Year	(47,833,216)	(55,624,390)	(1,704,245)	(2,389,044)	(49,537,461)	(58,013,434)
Net Position End of Year	<u>(\$42,025,481)</u>	<u>(\$47,833,216)</u>	<u>(\$645,302)</u>	<u>(\$1,704,245)</u>	<u>(\$42,670,783)</u>	<u>(\$49,537,461)</u>

Mentor Exempted Village School District

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2017

Unaudited

Governmental Activities

The School District's governmental activities net position increased by \$5,807,735. Program revenues of \$15,094,123 and general revenues of \$99,042,083 were sufficient to offset total governmental expenses of \$108,328,471. An increase in net position is mainly due to an increase in property taxes as a result of the 4.9 mill tax levy passed in fiscal year 2016. This increase is offset by an increase in expenditures due to an increase in wages.

The primary source of revenue for governmental activities is derived from property taxes. This revenue source represents 60.26 percent of total governmental revenue.

Instruction and support services comprise 57.71 and 36.08 percent, respectively, of governmental program expenses. Interest expense was less than one percent. Interest expense was attributable to the final payment on notes for various projects. Overall, governmental program expenses increased \$8,245,821, mainly due to an increase in salaries and instructional technology as well as the cost of tuition for resident students served outside of the School District.

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

	2017		2016	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction:				
Regular	\$43,566,229	(\$42,064,840)	\$39,889,091	(\$38,088,899)
Special	16,402,216	(12,214,333)	14,198,108	(10,437,822)
Vocational	2,374,027	(2,064,863)	2,066,776	(1,789,521)
Adult/Continuing	0	0	1,598	(1,598)
Student Intervention	175,503	39,525	149,374	(6,167)
Support Services:				
Pupils	6,219,741	(5,109,759)	5,638,049	(4,483,856)
Instructional Staff	6,486,640	(5,868,192)	6,130,131	(5,445,135)
Board of Education	156,601	(152,564)	121,393	(117,657)
Administration	6,743,917	(5,341,872)	5,276,526	(4,766,688)
Fiscal	2,791,100	(2,702,023)	2,819,889	(2,716,177)
Business	548,872	(535,178)	593,946	(574,849)
Operation and Maintenance of Plant	9,258,444	(8,684,409)	9,423,648	(9,180,729)
Pupil Transportation	5,756,272	(5,586,170)	6,007,113	(5,658,821)
Central	1,118,205	(997,509)	869,171	(735,472)
Operation of Non-Instructional Services	1,748,597	(73,746)	2,141,108	(133,157)
Operation of Food Service	2,626,974	(90,013)	2,660,668	91,768
Extracurricular Activities	2,351,078	(1,784,347)	2,090,434	(1,477,072)
Interest and Fiscal Charges	4,055	(4,055)	5,627	(5,627)
Total	\$108,328,471	(\$93,234,348)	\$100,082,650	(\$85,527,479)

Mentor Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
Unaudited*

The dependence upon tax revenues during fiscal year 2017 for governmental activities is apparent, as 86.07 percent of 2017 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.

Business-Type Activities

During fiscal year 2017, the School District operated a business-type activity for the Cardinal Autism Resource and Education School (C.A.R.E.S.). The School District advanced money to this fund from the general fund for the renovation and furnishing of the Dr. Jacqueline A. Hoynes building (formerly Headlands Elementary School), as well as other start-up capital purchases. The C.A.R.E.S. fund has returned 100 percent of the original advance. The major revenue source for this fund is tuition and fees. The School District also operated a business-type activity for treasury management services. The School District is providing accounting services to other school districts. The major revenue source for this fund is charges for services for the amounts invoiced to other school districts.

The School District's Funds

The School District's governmental funds (as presented on the balance sheet on page 18) reported a combined fund balance of \$64,458,798, which is more than last year's fund balance of \$56,101,512 by \$8,357,286.

General Fund

The general fund is the chief operating fund of the School District. At the end of the current fiscal year, total fund balance for the general fund was \$61,758,733, of which \$88,606 was nonspendable for inventory, \$4,142,594 was assigned to support services and contracts, and \$57,527,533 was unassigned. The general fund balance increased by \$8,014,480, mainly due to an increase in taxes as a result of the first year of collections on the property tax operating levy passed in fiscal year 2016.

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. Board of Education policy establishes the general fund level of control at the first two levels of function and the first level of object. All other funds are controlled at the fund level.

The Lake County Budget Commission approved original and final estimated resources in the amounts of \$103,557,842 and \$97,056,034, respectively, not including carryover balances. In an effort to control expenses and preserve carryover balances, the School District budgeted \$97,056,034 in revenues. Actual revenues for fiscal year 2017 exceeded the School District's final budgeted revenues by 4.85 percent. This can be primarily attributed to higher than certified property tax collections and higher than budgeted intergovernmental revenue and payment in lieu of taxes.

General fund original appropriations were \$103,272,559, which included carryover encumbrances. Final appropriations were \$103,255,559, which also included carryover encumbrances. The actual expenditures for fiscal year 2017 totaled \$98,676,994, which was \$4,578,565 less than the final budget appropriations. The difference is due to prudent spending by the Board of Education, Superintendent, and Chief Financial Officer primarily in the area of salaries and benefits.

Mentor Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
Unaudited

Capital Assets and Debt Administration

Capital Assets

Table 4 shows fiscal year 2017 balances compared to 2016:

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

	Governmental Activities		Business-Type Activities	
	2017	2016	2017	2016
Land	\$465,776	\$465,776	\$0	\$0
Construction in Progress	232,523	826,133	135,018	0
Land Improvements	2,805,646	2,710,632	13,181	0
Buildings and Improvements	17,318,090	16,888,616	553,714	591,924
Furniture and Fixtures	3,127,908	2,970,791	24,177	28,878
Vehicles	1,544,054	1,476,722	0	0
<i>Total Capital Assets</i>	<u>\$25,493,997</u>	<u>\$25,338,670</u>	<u>\$726,090</u>	<u>\$620,802</u>

Acquisitions for governmental activities totaled \$2,932,375 which included \$826,133 of outstanding projects completed during fiscal year 2017, as well as \$232,523 of new projects started in fiscal year 2017. Depreciation of governmental activities totaled \$1,949,538 for the fiscal year. Detailed information regarding capital asset activities is included in the notes to the financial statements (Note 12).

Debt

At June 30, 2017, the School District had no outstanding long-term debt and they fully retired \$390,000 of short-term notes. Detailed information regarding short-term notes payables activity and long-term obligation activity is included in the notes to the financial statements (Notes 13 and 14, respectively).

The overall legal debt margin of the School District as of June 30, 2017 was \$157,050,935.

Current Financial Related Activities

The theme for the fiscal year 2017 budget was “Supporting the Education of our Students as They Aspire Beyond Today.” Our plan for executing the theme was detailed in the September 29, 2016 annual appropriations document and noted that we were continuing to manage to our long term plans.

We utilized the five year forecasting system, a five year staffing plan, the enrollment projections, the resources of the Citizens Financial Advisory Committee and the Citizen Audit Committee, and most importantly, our strategic plan. The fiscal year 2017 budget included a continuation of a major budget priority. The priority was to refocus a portion of the traditional textbook and instructional materials budget to support the current and expanding balanced learning program. The Board of Education’s oversight of the fiscal management throughout the past year and the Superintendents’ prudent management of staffing levels were major factors in the success we have achieved in managing the budget.

Mentor Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
Unaudited*

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 following fiscal management beliefs were utilized in the fiscal year 2017 budget:

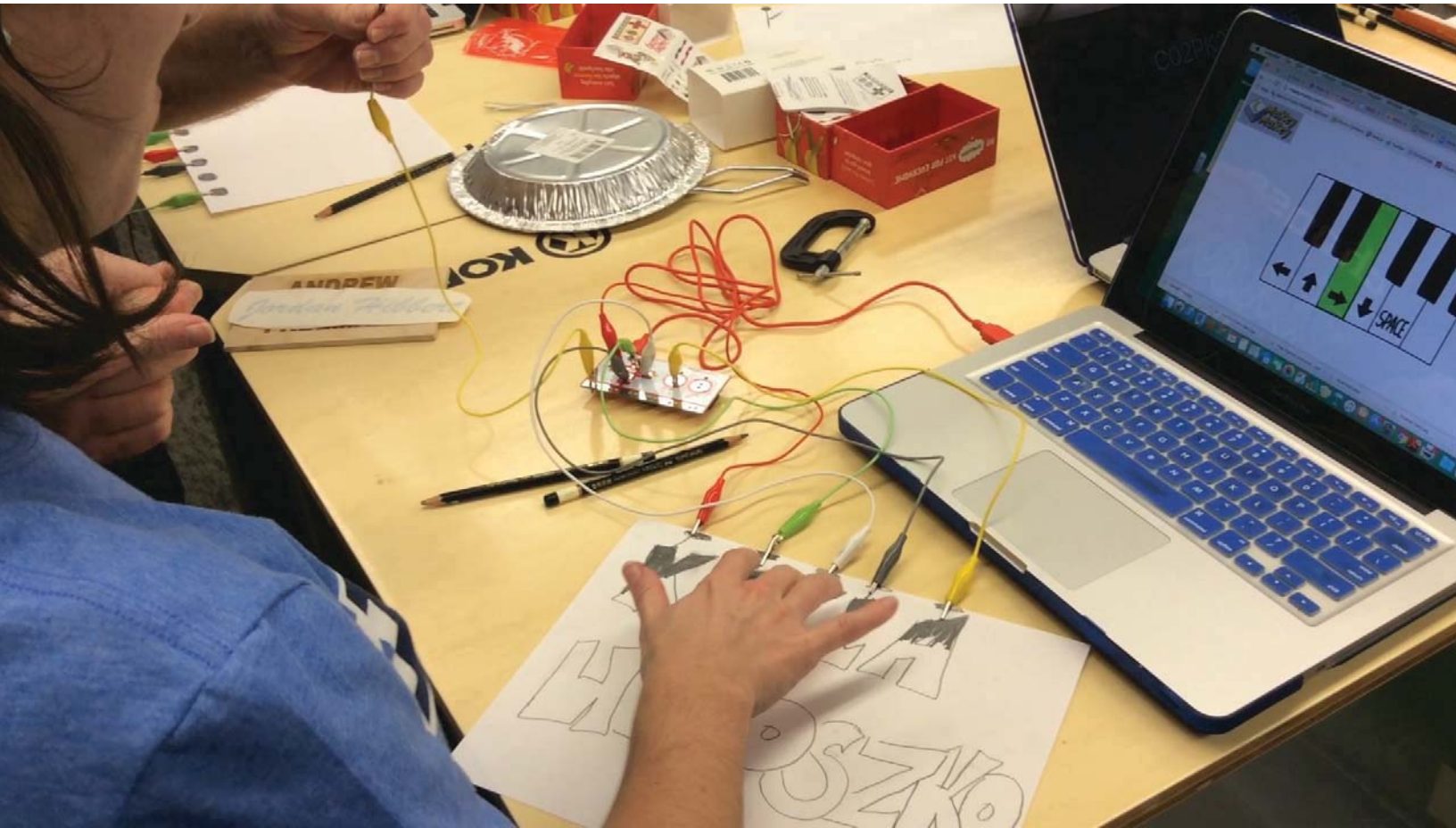
- All fiscal decisions should be made in the context of the five year fiscal projections;
- There are management options attached to every dollar spent;
- Every dollar spent must add value to teaching and learning;
- Focus on aggressively managing the largest expense areas:
 - Salaries
 - Benefits
 - Special Education
 - Facilities
- Quality is always cheaper in the long run.

Overall, the fiscal year 2017 original general fund budget was an increase of 6.3 percent over actual fiscal year 2016 expenditures and decrease of 1.91 percent from the fiscal year 2016 budget. The budget was \$5,476,987 less than projected in the five year fiscal projections.

The success of basing the financial management on long term plans and prudent spending has cushioned the impact of the current weak economy and protected our high quality educational programs. To ensure future fiscal stability and to continue to fund high quality education, the community passed an additional 4.8 mill levy in March 2016. This was the first new levy since March 2004.

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.



Mentor Exempted Village School District

Statement of Net Position

June 30, 2017

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$85,220,924	\$2,649,540	\$87,870,464
Accounts Receivable	157,323	0	157,323
Accrued Interest Receivable	226,698	0	226,698
Intergovernmental Receivable	2,174,748	558,728	2,733,476
Internal Balances	264	(264)	0
Inventory Held for Resale	22,239	0	22,239
Materials and Supplies Inventory	109,613	0	109,613
Property Taxes Receivable	69,768,016	0	69,768,016
Payment in Lieu of Taxes Receivable	1,426,077	0	1,426,077
Nondepreciable Capital Assets	698,299	135,018	833,317
Depreciable Capital Assets, Net	24,795,698	591,072	25,386,770
<i>Total Assets</i>	<u>184,599,899</u>	<u>3,934,094</u>	<u>188,533,993</u>
Deferred Outflows of Resources			
Pension	29,582,233	1,703,963	31,286,196
Liabilities			
Accounts Payable	1,036,709	10,072	1,046,781
Contracts Payable	231,760	129,857	361,617
Accrued Wages and Benefits	8,801,837	238,660	9,040,497
Retainage Payable	11,681	5,161	16,842
Intergovernmental Payable	2,157,792	74,689	2,232,481
Claims Payable	1,414,601	0	1,414,601
Long-Term Liabilities:			
Due Within One Year	1,273,181	39,165	1,312,346
Due In More Than One Year:			
Net Pension Liability (See Note 15)	165,564,709	5,414,236	170,978,945
Other Amounts Due In More Than One Year	5,013,362	75,477	5,088,839
<i>Total Liabilities</i>	<u>185,505,632</u>	<u>5,987,317</u>	<u>191,492,949</u>
Deferred Inflows of Resources			
Property Taxes	60,881,217	0	60,881,217
Payment in Lieu of Taxes	1,426,077	0	1,426,077
Pension	8,394,687	296,042	8,690,729
<i>Total Deferred Inflows of Resources</i>	<u>70,701,981</u>	<u>296,042</u>	<u>70,998,023</u>
Net Position			
Net Investment in Capital Assets	25,250,556	591,072	25,841,628
Restricted for:			
Capital Projects	1,869,982	0	1,869,982
Food Service Operations	73,997	0	73,997
Other Grants	367,355	0	367,355
Athletics	68,143	0	68,143
Other Purposes	732,317	0	732,317
Unrestricted (Deficit)	<u>(70,387,831)</u>	<u>(1,236,374)</u>	<u>(71,624,205)</u>
<i>Total Net Position</i>	<u>(\$42,025,481)</u>	<u>(\$645,302)</u>	<u>(\$42,670,783)</u>

See accompanying notes to the basic financial statements

Mentor Exempted Village School District

Statement of Activities

For the Fiscal Year Ended June 30, 2017

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
Current:				
Instruction:				
Regular	\$43,566,229	\$1,452,578	\$48,811	\$0
Special	16,402,216	372,291	3,815,592	0
Vocational	2,374,027	54,791	254,373	0
Student Intervention	175,503	4,005	211,023	0
Support Services:				
Pupils	6,219,741	759,288	350,694	0
Instructional Staff	6,486,640	143,839	474,609	0
Board of Education	156,601	4,037	0	0
Administration	6,743,917	228,433	1,173,612	0
Fiscal	2,791,100	88,725	352	0
Business	548,872	13,694	0	0
Operation and Maintenance of Plant	9,258,444	235,337	25,361	313,337
Pupil Transportation	5,756,272	155,368	14,734	0
Central	1,118,205	109,131	11,565	0
Operation of Non-Instructional Services	1,748,597	4,387	1,670,464	0
Operation of Food Service	2,626,974	1,642,696	894,265	0
Extracurricular Activities	2,351,078	492,519	74,212	0
Interest and Fiscal Charges	4,055	0	0	0
<i>Total Governmental Activities</i>	<u>108,328,471</u>	<u>5,761,119</u>	<u>9,019,667</u>	<u>313,337</u>
Business-Type Activities				
Cardinal Autism Resource and Education School	3,270,028	4,148,762	0	0
Treasury Management Services	151,980	332,189	0	0
<i>Total Business-Type Activities</i>	<u>3,422,008</u>	<u>4,480,951</u>	<u>0</u>	<u>0</u>
<i>Total</i>	<u>\$111,750,479</u>	<u>\$10,242,070</u>	<u>\$9,019,667</u>	<u>\$313,337</u>

General Revenues

Property Taxes Levied for:

 General Purposes

 Capital Outlay

Grants and Entitlements not Restricted to Specific Programs

Payment in Lieu of Taxes

Investment Earnings

Unrestricted Contributions and Donations

Miscellaneous

Total General Revenues

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
(\$42,064,840)	\$0	(\$42,064,840)
(12,214,333)	0	(12,214,333)
(2,064,863)	0	(2,064,863)
39,525	0	39,525
(5,109,759)	0	(5,109,759)
(5,868,192)	0	(5,868,192)
(152,564)	0	(152,564)
(5,341,872)	0	(5,341,872)
(2,702,023)	0	(2,702,023)
(535,178)	0	(535,178)
(8,684,409)	0	(8,684,409)
(5,586,170)	0	(5,586,170)
(997,509)	0	(997,509)
(73,746)	0	(73,746)
(90,013)	0	(90,013)
(1,784,347)	0	(1,784,347)
(4,055)	0	(4,055)
<u>(93,234,348)</u>	<u>0</u>	<u>(93,234,348)</u>
0	878,734	878,734
0	180,209	180,209
<u>0</u>	<u>1,058,943</u>	<u>1,058,943</u>
<u>(\$93,234,348)</u>	<u>\$1,058,943</u>	<u>(\$92,175,405)</u>
67,859,959	0	67,859,959
912,831	0	912,831
27,463,432	0	27,463,432
976,978	0	976,978
897,186	0	897,186
80,191	0	80,191
851,506	0	851,506
<u>99,042,083</u>	<u>0</u>	<u>99,042,083</u>
5,807,735	1,058,943	6,866,678
<u>(47,833,216)</u>	<u>(1,704,245)</u>	<u>(49,537,461)</u>
<u>(\$42,025,481)</u>	<u>(\$645,302)</u>	<u>(\$42,670,783)</u>

Mentor Exempted Village School District

Balance Sheet

Governmental Funds

June 30, 2017

	General	Other Governmental Funds	Total Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$64,242,555	\$3,549,347	\$67,791,902
Accounts Receivable	153,789	3,534	157,323
Accrued Interest Receivable	215,046	11,652	226,698
Intergovernmental Receivable	1,087,700	1,046,614	2,134,314
Interfund Receivable	100,150	0	100,150
Inventory Held for Resale	0	22,239	22,239
Materials and Supplies Inventory	88,606	21,007	109,613
Property Taxes Receivable	68,870,181	897,835	69,768,016
Payment in Lieu of Taxes Receivable	1,426,077	0	1,426,077
<i>Total Assets</i>	<u>\$136,184,104</u>	<u>\$5,552,228</u>	<u>\$141,736,332</u>
Liabilities			
Accounts Payable	\$657,146	\$367,229	\$1,024,375
Contracts Payable	0	231,760	231,760
Accrued Wages and Benefits	8,393,475	408,362	8,801,837
Interfund Payable	0	99,886	99,886
Intergovernmental Payable	1,885,895	271,897	2,157,792
Retainage Payable	0	11,681	11,681
<i>Total Liabilities</i>	<u>10,936,516</u>	<u>1,390,815</u>	<u>12,327,331</u>
Deferred Inflows of Resources			
Unavailable Revenue	1,968,971	673,938	2,642,909
Property Taxes	60,093,807	787,410	60,881,217
Payment in Lieu of Taxes	1,426,077	0	1,426,077
<i>Total Deferred Inflows of Resources</i>	<u>63,488,855</u>	<u>1,461,348</u>	<u>64,950,203</u>
Fund Balances			
Nonspendable	88,606	21,007	109,613
Restricted	0	2,495,778	2,495,778
Committed	0	231,050	231,050
Assigned	4,142,594	0	4,142,594
Unassigned	57,527,533	(47,770)	57,479,763
<i>Total Fund Balances</i>	<u>61,758,733</u>	<u>2,700,065</u>	<u>64,458,798</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$136,184,104</u>	<u>\$5,552,228</u>	<u>\$141,736,332</u>

See accompanying notes to the basic financial statements

Mentor Exempted Village School District
*Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 June 30, 2017*

Total Governmental Fund Balances	\$64,458,798
 <i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	25,493,997
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds.	
Delinquent Property Taxes	1,690,987
Intergovernmental	875,561
Tuition and Fees	62,098
Charges for Services	2,035
Rentals	<u>12,228</u>
Total	2,642,909
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 position.	
Net Position	14,891,471
Claims Payable	<u>1,151,050</u>
Total	16,042,521
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Claims Payable	(1,151,050)
Compensated Absences	<u>(5,135,493)</u>
Total	(6,286,543)
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:	
Deferred Outflows - Pension	29,582,233
Net Pension Liability	(165,564,709)
Deferred Inflows - Pension	<u>(8,394,687)</u>
Total	<u>(144,377,163)</u>
<i>Net Position of Governmental Activities</i>	<u><u>(\$42,025,481)</u></u>

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, 2017

	General	Other Governmental Funds	Total Governmental Funds
Revenues			
Property Taxes	\$68,158,223	\$920,420	\$69,078,643
Intergovernmental	29,328,329	7,106,140	36,434,469
Interest	837,015	12,456	849,471
Tuition and Fees	2,264,156	708,371	2,972,527
Extracurricular Activities	495,551	321,668	817,219
Contributions and Donations	80,191	152,971	233,162
Charges for Services	154,988	1,642,696	1,797,684
Rentals	99,541	115,940	215,481
Payment in Lieu of Taxes	2,187,667	0	2,187,667
Miscellaneous	529,470	327,877	857,347
<i>Total Revenues</i>	<u>104,135,131</u>	<u>11,308,539</u>	<u>115,443,670</u>
Expenditures			
Current:			
Instruction:			
Regular	42,207,311	176,097	42,383,408
Special	14,466,348	1,823,696	16,290,044
Vocational	1,912,126	450,152	2,362,278
Student Intervention	155,006	21,601	176,607
Support Services:			
Pupils	5,186,129	915,411	6,101,540
Instructional Staff	5,513,072	647,343	6,160,415
Board of Education	156,240	600	156,840
Administration	5,287,891	1,302,340	6,590,231
Fiscal	2,744,364	50,779	2,795,143
Business	536,838	0	536,838
Operation and Maintenance of Plant	8,752,227	1,258,326	10,010,553
Pupil Transportation	5,827,498	28,910	5,856,408
Central	1,005,221	60,468	1,065,689
Operation of Non-Instructional Services	79,488	1,650,114	1,729,602
Operation of Food Service	0	2,605,286	2,605,286
Extracurricular Activities	1,697,047	522,820	2,219,867
Capital Outlay	0	41,580	41,580
Debt Service:			
Interest and Fiscal Charges	0	4,055	4,055
<i>Total Expenditures</i>	<u>95,526,806</u>	<u>11,559,578</u>	<u>107,086,384</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>8,608,325</u>	<u>(251,039)</u>	<u>8,357,286</u>
Other Financing Sources (Uses)			
Transfers In	0	623,845	623,845
Transfers Out	(593,845)	(30,000)	(623,845)
<i>Total Other Financing Sources (Uses)</i>	<u>(593,845)</u>	<u>593,845</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	8,014,480	342,806	8,357,286
<i>Fund Balances Beginning of Year</i>	<u>53,744,253</u>	<u>2,357,259</u>	<u>56,101,512</u>
<i>Fund Balances End of Year</i>	<u>\$61,758,733</u>	<u>\$2,700,065</u>	<u>\$64,458,798</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, 2017*

Net Change in Fund Balances - Total Governmental Funds \$8,357,286

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	2,106,242
Depreciation	<u>(1,949,538)</u>

Total 156,704

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale.

In the statement of activities, a gain or loss is reported for each disposal. (1,377)

Proceeds from Sale of Capital Assets

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

Delinquent Property Taxes	(305,853)
Intergovernmental	208,996
Tuition and Fees	(38,753)
Charges for Services	(1,438)
Rentals	(1,601)
Payment in Lieu of Taxes	(1,210,689)
Miscellaneous	<u>(5,841)</u>

Total (1,355,179)

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

7,944,418

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

(10,565,605)

Compensated absences expense 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.

(458,045)

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.

1,729,533

Change in Net Position of Governmental Activities

\$5,807,735

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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$68,295,531	\$63,924,662	\$67,077,352	\$3,152,690
Intergovernmental	30,464,132	28,559,311	29,522,757	963,446
Interest	375,071	350,000	592,299	242,299
Tuition and Fees	1,937,869	1,816,000	1,277,504	(538,496)
Extracurricular Activities	364,653	340,613	338,401	(2,212)
Contributions and Donations	0	0	1,270	1,270
Charges for Services	104,187	100,351	141,929	41,578
Rentals	93,768	89,020	98,921	9,901
Payment in Lieu of Taxes	1,426,077	1,426,077	2,187,667	761,590
Miscellaneous	496,554	450,000	524,391	74,391
<i>Total Revenues</i>	103,557,842	97,056,034	101,762,491	4,706,457
Expenditures				
Current:				
Instruction:				
Regular	43,749,925	43,547,691	42,055,866	1,491,825
Special	16,252,910	16,507,567	15,680,559	827,008
Vocational	2,826,663	2,494,164	2,029,694	464,470
Student Intervention	246,443	235,443	199,300	36,143
Support Services:				
Pupils	5,278,487	5,209,092	5,168,132	40,960
Instructional Staff	5,769,480	5,768,786	5,713,354	55,432
Board of Education	221,202	235,832	184,671	51,161
Administration	5,408,968	5,500,458	5,394,374	106,084
Fiscal	2,819,019	3,346,544	2,937,290	409,254
Business	646,853	646,305	556,370	89,935
Operation and Maintenance of Plant	9,640,112	9,513,231	8,996,125	517,106
Pupil Transportation	7,574,422	7,427,423	7,030,989	396,434
Central	1,177,339	1,143,683	1,070,527	73,156
Operation of Non-Instructional Services	80,649	80,649	77,139	3,510
Extracurricular Activities	1,580,087	1,598,691	1,582,604	16,087
<i>Total Expenditures</i>	103,272,559	103,255,559	98,676,994	4,578,565
<i>Excess of Revenues Over (Under) Expenditures</i>	285,283	(6,199,525)	3,085,497	9,285,022
Other Financing Sources (Uses)				
Advances In	0	0	581,879	581,879
Advances Out	(50,000)	(85,000)	(85,000)	0
Transfers In	333,397	310,967	0	(310,967)
Transfers Out	(612,450)	(594,450)	(593,845)	605
<i>Total Other Financing Sources (Uses)</i>	(329,053)	(368,483)	(96,966)	271,517
<i>Net Change in Fund Balance</i>	(43,770)	(6,568,008)	2,988,531	9,556,539
<i>Fund Balance Beginning of Year</i>	51,792,018	51,792,018	51,792,018	0
Prior Year Encumbrances Appropriated	4,318,972	4,318,972	4,318,972	0
<i>Fund Balance End of Year</i>	\$56,067,220	\$49,542,982	\$59,099,521	\$9,556,539

See accompanying notes to the basic financial statements

Mentor Exempted Village School District

Statement of Fund Net Position

Proprietary Funds

June 30, 2017

	Business Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Cardinal Autism Resource and Education School	Non-Major Treasury Management Services	Total	
Assets				
<i>Current Assets:</i>				
Equity in Pooled Cash and Cash Equivalents	\$2,128,969	\$520,571	\$2,649,540	\$17,429,022
Intergovernmental Receivable	556,111	2,617	558,728	40,434
<i>Total Current Assets</i>	<u>2,685,080</u>	<u>523,188</u>	<u>3,208,268</u>	<u>17,469,456</u>
<i>Non-Current Assets:</i>				
Nondepreciable Capital Assets	135,018	0	135,018	0
Depreciable Capital Assets, Net	591,072	0	591,072	0
<i>Total Non-Current Assets:</i>	<u>726,090</u>	<u>0</u>	<u>726,090</u>	<u>0</u>
<i>Total Assets</i>	<u>3,411,170</u>	<u>523,188</u>	<u>3,934,358</u>	<u>17,469,456</u>
Deferred Outflows of Resources				
Pension	1,703,963	0	1,703,963	0
Liabilities				
<i>Current Liabilities:</i>				
Accounts Payable	10,072	0	10,072	12,334
Contracts Payable	129,857	0	129,857	0
Accrued Wages and Benefits	232,778	5,882	238,660	0
Retainage Payable	5,161	0	5,161	0
Interfund Payable	264	0	264	0
Intergovernmental Payable	71,374	3,315	74,689	0
Compensated Absences	23,747	15,418	39,165	0
Claims Payable	0	0	0	1,531,175
<i>Total Current Liabilities</i>	<u>473,253</u>	<u>24,615</u>	<u>497,868</u>	<u>1,543,509</u>
<i>Long-Term Liabilities (net of current portion):</i>				
Net Pension Liability	5,414,236	0	5,414,236	0
Compensated Absences	55,217	20,260	75,477	0
Claims Payable	0	0	0	1,034,476
<i>Total Long-Term Liabilities</i>	<u>5,469,453</u>	<u>20,260</u>	<u>5,489,713</u>	<u>1,034,476</u>
<i>Total Liabilities</i>	<u>5,942,706</u>	<u>44,875</u>	<u>5,987,581</u>	<u>2,577,985</u>
Deferred Inflows of Resources				
Pension	296,042	0	296,042	0
Net Position				
Investment in Capital Assets	591,072	0	591,072	0
Unrestricted (Deficit)	(1,714,687)	478,313	(1,236,374)	14,891,471
<i>Total Net Position</i>	<u>(\$1,123,615)</u>	<u>\$478,313</u>	<u>(\$645,302)</u>	<u>\$14,891,471</u>

See accompanying notes to the basic financial statements

Mentor Exempted Village School District

Statement of Revenues,

Expenses and Changes in Fund Net Position

Proprietary Funds

For the Fiscal Year Ended June 30, 2017

	Business Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Cardinal Autism Resource and Education School	Non-Major Treasury Management Services	Total	
Operating Revenues				
Charges for Services	\$0	\$332,189	\$332,189	\$16,623,919
Tuition and Fees	4,148,762	0	4,148,762	0
<i>Total Operating Revenues</i>	<u>4,148,762</u>	<u>332,189</u>	<u>4,480,951</u>	<u>16,623,919</u>
Operating Expenses				
Salaries and Wages	1,848,306	73,023	1,921,329	57,819
Fringe Benefits	920,062	76,005	996,067	20,905
Purchased Services	367,147	2,930	370,077	64,925
Materials and Supplies	88,233	0	88,233	0
Claims	0	0	0	14,733,770
Other	2,300	22	2,322	64,682
Depreciation	43,980	0	43,980	0
<i>Total Operating Expenses</i>	<u>3,270,028</u>	<u>151,980</u>	<u>3,422,008</u>	<u>14,942,101</u>
<i>Operating Income (Loss)</i>	878,734	180,209	1,058,943	1,681,818
Non-Operating Income (Expense)				
Interest	0	0	0	47,715
<i>Change in Net Position</i>	878,734	180,209	1,058,943	1,729,533
<i>Net Position Beginning of Year</i>	<u>(2,002,349)</u>	<u>298,104</u>	<u>(1,704,245)</u>	<u>13,161,938</u>
<i>Net Position End of Year</i>	<u><u>(\$1,123,615)</u></u>	<u><u>\$478,313</u></u>	<u><u>(\$645,302)</u></u>	<u><u>\$14,891,471</u></u>

See accompanying notes to the basic financial statements

Mentor Exempted Village School District

Statement of Cash Flows

Proprietary Funds

For the Fiscal Year Ended June 30, 2017

	Business Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Cardinal Autism Resource and Education School	Non-Major Treasury Management Services	Total	
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash Received from Charges for Services	\$0	\$332,189	\$332,189	\$0
Cash Received from Tuition and Fees	3,637,114	0	3,637,114	0
Cash Received from Interfund Services Provided	0	0	0	16,583,485
Cash Payments for Salaries	(1,635,473)	(67,141)	(1,702,614)	(57,819)
Cash Payments for Employee Benefits	(707,513)	(39,629)	(747,142)	(20,905)
Cash Payments for Goods and Services	(444,631)	(2,930)	(447,561)	(74,171)
Cash Payments for Claims	0	0	0	(15,082,382)
Cash Payments for Other	(2,300)	(22)	(2,322)	(64,682)
<i>Net Cash Provided by (Used for) Operating Activities</i>	847,197	222,467	1,069,664	1,283,526
Cash Flows from Noncapital Financing Activities				
Advances Out	(285,967)	0	(285,967)	0
Cash Flows from Capital and Related Financing Activities				
Payments for Capital Acquisitions	(14,250)	0	(14,250)	0
Cash Flows from Investing Activities				
Interest	0	0	0	47,715
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	546,980	222,467	769,447	1,331,241
<i>Cash and Cash Equivalents Beginning of Year</i>	1,581,989	298,104	1,880,093	16,097,781
<i>Cash and Cash Equivalents End of Year</i>	\$2,128,969	\$520,571	\$2,649,540	\$17,429,022
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used for) by Operating Activities				
Operating Income (Loss)	\$878,734	\$180,209	\$1,058,943	\$1,681,818
Depreciation	43,980	0	43,980	0
<i>Adjustments:</i>				
(Increase)/Decrease in Assets:				
Intergovernmental Receivable	(535,388)	(2,617)	(538,005)	(40,434)
Deferred Outflows of Resources - Pension	572,583	0	572,583	0
Increase/(Decrease) in Liabilities:				
Accounts Payable	7,653	0	7,653	(9,246)
Accrued Wages and Benefits	54,401	5,882	60,283	0
Interfund Payable	264	0	264	0
Intergovernmental Payable	18,666	3,315	21,981	0
Net Pension Liability	38,309	0	38,309	0
Compensated Absences	26,136	35,678	61,814	0
Claims Payable	0	0	0	(348,612)
Deferred Inflows of Resources - Pension	(258,141)	0	(258,141)	0
<i>Total Adjustments</i>	(75,517)	42,258	(33,259)	(398,292)
<i>Net Cash Provided by (Used for) Operating Activities</i>	\$847,197	\$222,467	\$1,069,664	\$1,283,526

Noncash Capital Financing Activities

During fiscal year 2017, the School District had \$129,857 in contracts payable and \$5,161 in retainage payable related to construction in progress.

See accompanying notes to the basic financial statements

Mentor Exempted Village School District
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2017

Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$254,742</u>
Liabilities	
Due to Students	\$254,194
Due to Others	<u>548</u>
<i>Total Liabilities</i>	<u>\$254,742</u>

See accompanying notes to the basic financial statements



Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2017

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 13 public instructional facilities including one building housing the Cardinal Autism Resource and Education School (C.A.R.E.S.), one high school, three middle schools and eight 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 372 classified employees, 516 certificated teaching personnel, and 42 administrators who provide services to 7,531 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 Chief Financial Officer 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 and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the School District. The School District has no component units.

The School District participates in one related organization and two jointly governed organizations. These organizations are the Mentor Public Library, Ohio Schools' Council Association and the Northeast Ohio Network for Educational Technology. These organizations are presented in Notes 19 and 21 to the basic financial statements.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

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 more significant of the School District's accounting policies are described as follows.

Basis of Presentation

The School District's basic financial statements consist of government-wide statements, including a statement of net position 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 position 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 is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type.

The statement of net position presents the financial condition of the governmental and business-type 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 and for the business-type activities of the School District. 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 or business-type activity 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 and enterprise 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.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

The difference between governmental fund assets and deferred outflows of resources and liabilities and deferred inflows of resources is reported as fund balance. The School District's only major governmental fund is the general fund.

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 and reported 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 position, financial position and cash flows. Proprietary funds are classified as enterprise or internal service.

Enterprise Funds Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The Cardinal Autism Resource and Education School (CARES) is the School District's only major fund.

CARES Fund The CARES fund accounts for tuition and fees for the Cardinal Autism Resource and Education School.

The other enterprise fund accounts for charges for services for treasury management services provided to other school districts.

Internal Service Funds 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, prescription drug and dental benefits.

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. 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 agency funds account for student activities and staff services.

Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the School District are included on the statement of net position. The statement of activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net position.

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 deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the balance

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

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, all proprietary 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 position. The statement of revenue, expenses and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities.

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 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 outflows/inflows of resources, 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 9). 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 Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for pension. The deferred outflows of resources related to pension are explained in Note 15.

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*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the School District, deferred inflows of resources include property taxes, pensions, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2017, but which were levied to finance fiscal year 2018 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the School District, unavailable revenue includes delinquent property taxes, intergovernmental grants, payments in lieu of taxes, tuition and fees, rentals, charges for services, and miscellaneous revenue. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the reconciliation of total governmental fund balances to net pension of governmental activities on page 19. Deferred inflows of resources related to pension are reported on the government-wide statement of net position (See Note 15).

Pensions

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

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 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. Board of Education policy establishes the general fund level of control at the first two levels of function and the first level of object. All other funds are controlled at the fund level. The Chief Financial Officer 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 Chief Financial Officer. The amounts reported as the original and final budgeted amounts in the budgetary statement reflect the amounts in the amended certificate when the original and final appropriations were passed by the Board of Education.

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*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations may not exceed estimated resources. 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 2017, investments were limited to commercial paper, freddie mac notes, federal home loan bank bonds, federal national mortgage association notes, federal farm credit bank bonds and federal home loan mortgage corporation notes. Commercial paper is reported at amortized cost as it is a highly liquid debt instrument with a remaining maturity at the time of purchase of less than one year. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposits 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 2017 amounted to \$837,015, which includes \$182,974 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

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the enterprise funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

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 acquisition year.) Donated capital assets are recorded at their acquisition 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.

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*Notes to the Basic Financial Statements
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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	Business-Type Activities Estimated Lives
Land Improvements	5 - 20 years	5 - 20 years
Buildings and Improvements	10 - 40 years	10 - 40 years
Furniture, Fixtures, and Equipment	5 - 15 years	5 - 15 years
Vehicles	5 - 10 years	n/a

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." Interfund balance amounts are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

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.

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

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 net pension liability 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.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

Internal Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. 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 and after non-operating revenue/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for miscellaneous local, State and Federal grant programs.

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

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

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (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.

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*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

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. These amounts are assigned by the School District Board of Education. In the general fund, assigned amounts represent intended uses established by policies of the School District Board of Education or a School District official delegated that authority by resolution by State statute. State statute authorizes the Chief Financial Officer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The School District Board assigned fund balance for school support services.

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.

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 tuition and fees for the Cardinal Autism Resource and Education School and charges for services for treasury management services and 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 Principle

For fiscal year 2017, the School District implemented Governmental Accounting Standards Board (GASB) Statement No. 77, Tax Abatement Disclosures. GASB Statement No. 77 requires disclosure of information about the nature and magnitude of tax abatements. These changes were incorporated in the School District's 2017 financial statements; however, there was no effect on beginning net position/fund balance.

The School District also implemented GASB's *Implementation Guide No. 2016-1*. These changes were incorporated in the School District's fiscal year 2017 financial statements; however, there was no effect on beginning net position/fund balance.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

Note 4 – Accountability

The rotary special services and straight A special revenue funds had deficit fund balances of \$37,330 and \$10,440 at fiscal year-end. These deficits were caused by the recognition of expenditures on a modified accrual basis of accounting which is substantially greater than the expenditures recognized on a cash basis. The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur.

Note 5 - 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 as follows:

Fund Balances	General	Other Governmental Funds	Total
<i>Nonspendable:</i>			
Inventory	\$88,606	\$21,007	\$109,613
<i>Restricted for:</i>			
Food Service Operations	0	192,255	192,255
Scholarship Awards	0	73,163	73,163
Driver's Training	0	367,355	367,355
Athletics and Music	0	68,143	68,143
Auxiliary Services	0	150,172	150,172
Clean Diesel Buses	0	1,095	1,095
Vocational Education	0	8,369	8,369
Special Instruction	0	20,043	20,043
Classroom Reduction	0	11,797	11,797
Capital Improvement	0	1,603,386	1,603,386
<i>Total Restricted</i>	<u>\$0</u>	<u>\$2,495,778</u>	<u>\$2,495,778</u>

(continued)

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

Fund Balances	General	Other Governmental Funds	Total
<i>Committed to:</i>			
Adult Education	\$0	\$26	\$26
We Care Program	0	231,024	231,024
<i>Total Committed</i>	0	231,050	231,050
<i>Assigned to:</i>			
Support Services	244,147	0	244,147
Purchases on Order:			
Instruction	2,054,234	0	2,054,234
Support Services	1,829,915	0	1,829,915
Extracurricular	14,298	0	14,298
<i>Total Assigned</i>	4,142,594	0	4,142,594
<i>Unassigned (Deficit)</i>	57,527,533	(47,770)	57,479,763
<i>Total Fund Balances</i>	\$61,758,733	\$2,700,065	\$64,458,798

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. Advances In and Advances Out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
3. Investments are reported at cost (budget) rather than fair value (GAAP).
4. 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.
5. Budgetary revenues and expenditures of the uniform school supplies and public school support funds are reclassified to the general fund for GAAP reporting.
6. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
7. Encumbrances are treated as expenditures (budget) rather than as restricted, committed or assigned fund balance (GAAP).

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

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

	Net Change in Fund Balance
	<u>General</u>
GAAP Basis	\$8,014,480
Net Adjustment for Revenue Accruals	(2,798,671)
Advances In	581,879
Beginning Fair Value Adjustment for Investments	59,409
Ending Fair Value Adjustment for Investments	(177,634)
Beginning Unrecorded Cash	11,546
Ending Unrecorded Cash	(32,614)
Perspective Differences:	
Uniform School Supplies	13,026
Public School Support	(33,736)
Net Adjustment for Expenditure Accruals	1,955,477
Advances Out	(85,000)
Encumbrances	<u>(4,519,631)</u>
Budget Basis	<u>\$2,988,531</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;

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

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 Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the 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 (STAR Ohio); 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, \$26,975,471 of the School District's bank balance of \$33,725,471 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. Effective July 1, 2017, the Ohio Pooled Collateral System (OPCS) was implemented by the Office of the Ohio Treasurer of State. Financial institutions can elect to participate in the OPCS and will collateralize at one hundred two percent or a rate set by the Treasurer of State. Financial institutions opting not to participate in OPCS will collateralize utilizing the specific pledge method at one hundred five percent.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

Investments

Investments are reported at fair value except for commercial paper which is reported at amortized cost. As of June 30, 2017, the School District had the following investments:

Measurement/Investment	Measurement Amount	Maturity	Standard & Poor's Rating	Percent of Total Investments
Amortized Cost:				
Commercial Paper	\$21,865,000	Less than one year	N/A	48.79%
Fair Value - Level Two Inputs				
Freddie Mac Notes	12,970,016	Less than four years	AA+	28.93
Federal Home Loan Bank Bonds	4,252,840	Less than four years	AA+	9.48
Federal National Mortgage Association Notes	3,992,750	Less than three years	AA+	8.91
Federal Farm Credit Bank Bonds	994,520	Less than four years	AA+	2.22
Federal Home Loan Mortgage Corporation Notes	746,805	Less than two years	AA+	1.67
Total Fair Value - Level Two Inputs	<u>22,956,931</u>			
Total Investments	<u>\$44,821,931</u>			

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the School District's recurring fair value measurements as of June 30, 2017. The School District's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

Interest Rate Risk. The School District has no investment policy that addresses the interest rate risk. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District, and that an investment must be purchased with the exception that it will be held to maturity.

Concentration of Credit Risk. The School District places no limit on the amount it may invest in any one issuer.

Note 8 - Receivables

Receivables at June 30, 2017, consisted of accounts, accrued interest, intergovernmental grants, property taxes, and payments in lieu of taxes. 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.

Mentor Exempted Village School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

A summary of the principal items of intergovernmental receivables follows:

Intergovernmental Receivables	Amounts
Governmental Activities:	
Ohio Department of Education	\$837,511
Special Education, Part B-IDEA Grant	377,206
Title I	308,062
School Employee Retirement System	250,273
Straight A Grant	149,655
Title II-A	57,916
Mentor Public Library	40,434
Students with Disabilities Grant	38,494
ECSE - IDEA Grant	33,666
Carl Perkins Grant	29,811
Ashtabula Area City School District	23,753
Title III	22,142
Parent Mentor Grant	4,167
City of Mentor Fire Department	1,658
<i>Total Governmental Activities</i>	<u>2,174,748</u>
Business-Type Activities:	
Riverside Local School District	237,329
Conneaut Area City School District	99,432
Kirtland Local School District	56,993
Cardinal Local School District	46,691
Painesville City School District	43,658
School Employee Retirement System	26,357
Kenston Local School District	23,725
Willoughby Eastlake City School District	16,690
Warrensville Heights City School District	7,853
<i>Total Business-Type Activities</i>	<u>558,728</u>
<i>Total</i>	<u><u>\$2,733,476</u></u>

Payments in Lieu of Taxes

The School District is party to Tax Increment Financing (TIF) agreements. Municipalities, townships and counties can enter into TIF agreements which lock in real property at its unimproved value for up to 30 years in a defined TIF district. Some TIF agreements also require the TIF government to allocate service payments to school districts and other governments to help offset the property taxes these governments would have received had the improvements to real property not been exempted. The service payments that the School District receives as part of TIF agreements are presented on the financial statements as Payments in Lieu of Taxes.

Mentor Exempted Village School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

Note 9 – Property Taxes

Property taxes are levied and assessed on a calendar year basis while the School District's 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 year 2017 represents collections of calendar year 2016 taxes. Real property taxes received in calendar year 2017 were levied after April 1, 2016, on the assessed value listed as of January 1, 2016, the lien date. Assessed values for 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 year 2017 represents collections of calendar year 2016 taxes. Public utility real and tangible personal property taxes received in calendar year 2017 became a lien December 31, 2015, were levied after April 1, 2016 and are collected 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.

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 County by June 30, 2017, are available to finance fiscal year 2017 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 and public utility property and personal property taxes which are measurable as of June 30, 2017 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only 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 inflows of resources – property taxes.

The amount available as an advance at June 30, 2017, was \$7,108,542 in the general fund and \$87,270 in the permanent improvement capital projects fund. The amount available as an advance at June 30, 2016, was \$6,027,671 in the general fund and \$87,493 in the permanent improvement 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 reported as deferred inflows of resources – unavailable revenue.

The assessed values upon which fiscal year 2017 taxes were collected are:

	2016 Second Half Collections		2017 First Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$1,672,621,800	96.57%	\$1,681,127,460	96.34%
Public Utility Personal	59,350,360	3.43	63,882,930	3.66
Total	<u>\$1,731,972,160</u>	<u>100.00%</u>	<u>\$1,745,010,390</u>	<u>100.00%</u>
Full Tax Rate per \$1,000 of assessed valuation	\$77.16		\$82.01	

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

Note 10 – Tax Abatements

The School District’s property taxes were reduced by \$98,910 under various community reinvestment area agreements entered into by the City of Mentor.

Note 11 - Interfund Transfers and Balances

Interfund Transfers

During the year, the general fund made transfers to other governmental funds in the amount of \$593,845 to move unrestricted balances to support programs and projects accounted for in other funds, and to move resources as debt payments came due. The other grants special revenue fund made a transfer in the amount of \$30,000 to the athletics and music special revenue fund as a one-time subsidy to cover extracurricular programs.

Interfund Balances

Interfund balances at June 30, 2017, 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 advances are expected to be re-paid within one year.

	Interfund Receivable
Interfund Payable	General
Other Governmental Funds	\$99,886
Major Enterprise Funds	264
<i>Total</i>	<u>\$100,150</u>

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

Note 12 – Capital Assets

Governmental fund capital asset activity for the fiscal year ended June 30, 2017, was as follows:

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
Capital Assets Not Being Depreciated				
Land	\$465,776	\$0	\$0	\$465,776
Construction in Progress	826,133	232,523	(826,133)	232,523
<i>Total Capital Assets Not Being Depreciated</i>	<u>1,291,909</u>	<u>232,523</u>	<u>(826,133)</u>	<u>698,299</u>
Capital Assets Being Depreciated				
Land Improvements	6,283,762	322,689	0	6,606,451
Buildings and Improvements	47,242,171	1,342,014	0	48,584,185
Furniture, Fixtures and Equipment	12,012,932	655,845	(26,609)	12,642,168
Vehicles	5,578,846	379,304	0	5,958,150
<i>Total Capital Assets Being Depreciated</i>	<u>71,117,711</u>	<u>2,699,852</u>	<u>(26,609)</u>	<u>73,790,954</u>
Less: Accumulated Depreciation				
Land Improvements	(3,573,130)	(227,675)	0	(3,800,805)
Buildings and Improvements	(30,353,555)	(912,540)	0	(31,266,095)
Furniture, Fixtures and Equipment	(9,042,141)	(497,351)	25,232	(9,514,260)
Vehicles	(4,102,124)	(311,972)	0	(4,414,096)
<i>Total Accumulated Depreciation</i>	<u>(47,070,950)</u>	<u>(1,949,538) *</u>	<u>25,232</u>	<u>(48,995,256)</u>
<i>Capital Assets Being Depreciated, Net</i>	<u>24,046,761</u>	<u>750,314</u>	<u>(1,377)</u>	<u>24,795,698</u>
<i>Governmental Activities Capital Assets, Net</i>	<u>\$25,338,670</u>	<u>\$982,837</u>	<u>(\$827,510)</u>	<u>\$25,493,997</u>

*Depreciation expense was charged to governmental functions as follows:

Instruction	
Regular	\$298,545
Special	2,417
Vocational	44,265
Student Intervention	1,659
Support Services	
Pupils	1,083
Instructional Staff	190,149
Board of Education	1,325
Administration	39,734
Fiscal	2,201
Business	3,556
Operation and Maintenance of Plant	871,894
Pupil Transportation	342,400
Central	19,763
Operation of Food Service	42,997
Extracurricular Activities	87,550
Total Depreciation Expense	<u>\$1,949,538</u>

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

Business type capital asset activity for the fiscal year ended June 30, 2017, was as follows:

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
Capital Assets Not Being Depreciated				
Construction in Progress	\$0	\$135,018	\$0	\$135,018
Capital Assets Being Depreciated				
Land Improvements	\$6,402	\$14,250	\$0	\$20,652
Buildings and Improvements	1,253,376	0	0	1,253,376
Furniture, Fixtures and Equipment	278,490	0	0	278,490
<i>Total Capital Assets Being Depreciated</i>	<u>1,538,268</u>	<u>14,250</u>	<u>0</u>	<u>1,552,518</u>
Less: Accumulated Depreciation				
Land Improvements	(6,402)	(1,069)	0	(7,471)
Buildings and Improvements	(661,452)	(38,210)	0	(699,662)
Furniture, Fixtures and Equipment	(249,612)	(4,701)	0	(254,313)
<i>Total Accumulated Depreciation</i>	<u>(917,466)</u>	<u>(43,980)</u>	<u>0</u>	<u>(961,446)</u>
<i>Capital Assets Being Depreciated, Net</i>	<u>620,802</u>	<u>(29,730)</u>	<u>0</u>	<u>591,072</u>
<i>Business-Type Activities Capital Assets, Net</i>	<u>\$620,802</u>	<u>\$105,288</u>	<u>\$0</u>	<u>\$726,090</u>

Note 13 – Fund Obligations

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

	Outstanding July 1, 2016	Additions	Deletions	Outstanding June 30, 2017
0.98% 2015 School Improvement Notes				
- Maturing May 26, 2017	<u>\$390,000</u>	<u>\$0</u>	<u>\$390,000</u>	<u>\$0</u>

The school improvement notes were issued to refinance previous notes issued to improve School District facilities. The school improvement notes were fully retired on May 26, 2017.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2017

Note 14 – Long-Term Obligations

Changes in long-term obligations of the School District during fiscal year 2017 were as follows:

	Principal Outstanding July 1, 2016	Additions	Deductions	Principal Outstanding June 30, 2017	Amount Due in One Year
Governmental Activities:					
Workers Compensation Claims	\$1,540,665	\$0	(\$389,615)	\$1,151,050	\$116,574
Compensated Absences	4,677,448	1,616,026	(1,157,981)	5,135,493	1,156,607
Net Pension Liability:					
SERS	24,436,134	6,148,584	0	30,584,718	0
STRS	116,045,371	18,934,620	0	134,979,991	0
<i>Total Governmental Activities</i>					
<i>Long-Term Liabilities</i>	<u>\$146,699,618</u>	<u>\$26,699,230</u>	<u>(\$1,547,596)</u>	<u>\$171,851,252</u>	<u>\$1,273,181</u>
Business-Type Activities:					
Compensated Absences	\$52,828	\$92,187	(\$30,373)	\$114,642	\$39,165
Net Pension Liability:					
SERS	2,267,196	392,346	0	2,659,542	0
STRS	2,457,458	297,236	0	2,754,694	0
<i>Total Business-Type Activities</i>					
<i>Long-Term Liabilities</i>	<u>\$4,777,482</u>	<u>\$781,769</u>	<u>(\$30,373)</u>	<u>\$5,528,878</u>	<u>\$39,165</u>

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, rotary, title VI-B, and title I special revenue funds and the CARES and treasury management enterprise funds. There is no repayment schedule for the net pension liability. However, employer pension contributions are made from the following funds: general fund, food service, rotary special services, rotary, miscellaneous state grants, title VI-B, Carl Perkins grant, title I, preschool grant and classroom reduction special revenue funds and CARES enterprise fund. See Note 15 for additional information related to net pension liability.

The overall debt margin of the School District as of June 30, 2017 was \$157,050,935.

Note 15 - Defined Benefit Pension Plans

Net Pension Liability

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

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2017

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

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

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

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

Plan Description - School Employees Retirement System (SERS)

Plan Description – School District non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS' fiduciary net position. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire on or after August 1, 2017
Full Benefits	Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially Reduced Benefits	Age 60 with 5 years of service credit Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

* Members with 25 years of service credit as of August 1, 2017, will be included in this plan.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on years of service; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

One year after an effective benefit date, a benefit recipient is entitled to a three percent cost-of-living adjustment (COLA). This same COLA is added each year to the base benefit amount on the anniversary date of the benefit.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2017, the allocation to pension, death benefits, and Medicare B was 14 percent. No allocation was made to the Health Care Fund.

The School District's contractually required contribution to SERS was \$2,053,814 for fiscal year 2017. Of this amount \$141,240 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – School District licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing multiple employer public employee system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information, and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at www.strsoh.org.

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan, and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307.

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. With certain exceptions, the basic benefit is increased each year by two percent of the original base benefit. For members retiring August 1, 2013, or later, the first two percent is paid on the fifth anniversary of the retirement benefit. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 26 years of service, or 31 years of service regardless of age. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

The DC Plan allows members to place all their member contributions and 9.5 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. 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 DB Plan and the DC Plan. In the Combined Plan, 12 percent of the 14 percent member rate goes to the DC Plan and the remaining 2 percent is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2017

payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 or later.

New members who choose the DC plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit to apply for disability 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 – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2017, the employer rate was 14 percent and the plan members were also required to contribute 14 percent of covered salary. The statutory member contribution rate was increased one percent to 14 percent on July 1, 2016. The fiscal year 2017 contribution rates were equal to the statutory maximum rates.

The School District's contractually required contribution to STRS was \$6,178,479 for fiscal year 2017. Of this amount \$948,866 is reported as intergovernmental payable.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the contributions of all participating entities. The following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Net Pension Liability			
Prior Measurement Date	0.46797890%	0.42878209%	
Proportion of the Net Pension Liability			
Current Measurement Date	<u>0.45421380%</u>	<u>0.41147978%</u>	
Change in Proportionate Share	<u>-0.01376510%</u>	<u>-0.01730231%</u>	
Proportionate Share of the Net			
Pension Liability	\$33,244,260	\$137,734,685	\$170,978,945
Pension Expense	\$2,971,838	\$8,234,393	\$11,206,231

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

At June 30, 2017, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$448,389	\$5,565,143	\$6,013,532
Changes of assumptions	2,219,236	0	2,219,236
Net difference between projected and actual earnings on pension plan investments	2,742,169	11,435,679	14,177,848
Changes in proportionate Share and difference between School District contributions and proportionate share of contributions	347,830	295,457	643,287
School District contributions subsequent to the measurement date	<u>2,053,814</u>	<u>6,178,479</u>	<u>8,232,293</u>
Total Deferred Outflows of Resources	<u><u>\$7,811,438</u></u>	<u><u>\$23,474,758</u></u>	<u><u>\$31,286,196</u></u>
Deferred Inflows of Resources			
Changes in Proportionate Share and Difference between School District contributions and proportionate share of contributions	<u><u>\$1,508,421</u></u>	<u><u>\$7,182,308</u></u>	<u><u>\$8,690,729</u></u>

\$8,232,293 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2018	\$868,109	\$730,966	\$1,599,075
2019	866,132	730,966	1,597,098
2020	1,726,701	5,119,159	6,845,860
2021	<u>788,261</u>	<u>3,532,880</u>	<u>4,321,141</u>
Total	<u><u>\$4,249,203</u></u>	<u><u>\$10,113,971</u></u>	<u><u>\$14,363,174</u></u>

Actuarial Assumptions - SERS

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2016, compared with June 30, 2015, are presented below:

	June 30, 2016	June 30, 2015
Wage Inflation	3.00 percent	3.25 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent	4.00 percent to 22.00 percent
COLA or Ad Hoc COLA	3 percent	3 percent
Investment Rate of Return	7.50 percent net of investments expense, including inflation	7.75 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal	Entry Age Normal

For 2016, the mortality assumptions are that mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. For 2015, the mortality assumptions were based on the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables were used for the period after disability retirement.

The most recent experience study was completed for the five year period ended June 30, 2015.

The long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating an arithmetic weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalanced uncorrelated asset classes.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	1.00 %	0.50 %
US Stocks	22.50	4.75
Non-US Stocks	22.50	7.00
Fixed Income	19.00	1.50
Private Equity	10.00	8.00
Real Assets	15.00	5.00
Multi-Asset Strategies	10.00	3.00
Total	100.00 %	

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2017

Discount Rate The total pension liability was calculated using the discount rate of 7.50 percent. A discount rate of 7.75 percent was used in the prior measurement period. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.50 percent). Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50 percent, as well as what each plan’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
School District's proportionate share of the net pension liability	\$44,013,327	\$33,244,260	\$24,230,101

Actuarial Assumptions – STRS

The total pension liability in the June 30, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Salary increases	12.25 percent at age 20 to 2.75 percent at age 70
Investment Rate of Return	7.75 percent, net of investment expenses, including inflation
Cost-of-Living Adjustments (COLA)	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, 2013, or later, 2 percent COLA commences on fifth anniversary of retirement date.

Mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males’ ages are set back two years through age 89 and no set back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89, and no set back from age 90 and above.

Actuarial assumptions used in the June 30, 2016, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

STRS’ investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2017

Asset Class	Target Allocation	Long-Term Expected Rate of Return *
Domestic Equity	31.00 %	8.00 %
International Equity	26.00	7.85
Alternatives	14.00	8.00
Fixed Income	18.00	3.75
Real Estate	10.00	6.75
Liquidity Reserves	1.00	3.00
Total	100.00 %	7.61 %

* 10 year annualized geometric nominal returns include the real rate of return and inflation of 2.5 percent, and does not include investment expenses. The total fund long-term expected return reflects diversification among the asset classes and therefore is not a weighted average return of the individual asset classes.

Discount Rate The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2016. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions of future plan members, are excluded. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2016. Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2016.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the School District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.75 percent, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.75 percent) or one-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
School District's proportionate share of the net pension liability	\$183,038,205	\$137,734,685	\$99,518,496

Changes between Measurement Date and Report Date

In March 2017, the STRS Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of June 30, 2017. The most significant change is a reduction in the discount rate from 7.75 percent to 7.45 percent. In April 2017, the STRS Board voted to suspend cost of living adjustments granted on or after July 1, 2017. Although the exact amount of these changes is not known, the overall decrease to School District's NPL is expected to be significant.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

Note 16 - Postemployment Benefits

School Employees Retirement System

Health Care Plan Description –The School District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 45 purposes, this plan is considered a cost-sharing, multiple-employer, defined benefit other postemployment benefit (OPEB) plan. SERS offers several types of health plans from various vendors, including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2017, no allocation of covered payroll was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2017, this amount was \$23,500. Statute provides that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2017, the School District's surcharge obligation was \$245,216.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contributions for health care for the fiscal years ended June 30, 2017, 2016, and 2015 were \$245,216, \$302,066 and \$114,703, respectively. The full amount has been contributed for fiscal years 2017, 2016 and 2015.

State Teachers Retirement System (STRS)

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board discretionary 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 Health Care Plan. Nearly all health care

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For the fiscal years ended June 30, 2017, June 30, 2016 and June 30, 2015, STRS Ohio did not allocate any employer contributions to post-employment health care.

Note 17 - 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 forty percent 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 75 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 \$5,250,135 has been included as long-term liabilities on the statement of net position. This obligation will ultimately be paid from the fund which the employee was paid.

Note 18 - 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, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2017, if applicable, cannot be determined at this time.

School Foundation

School District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, additional ODE adjustments for fiscal year 2017 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2017 financial statements is not determinable, at this time. Management believes this may result in either an additional receivable to, or a liability of, the School District.

Litigation

As of June 30, 2017, the School District was not party to any legal proceedings.

Mentor Exempted Village School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

Note 19 - 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 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 20 - 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 2017, the School District had the following insurance coverage:

<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage</u>
Catlin Indemnity Company	Buildings and Contents	\$215,558,707
	General Liability	
	Per Occurrence	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	1,000,000
	Employers Stop Loss	
	Each Employee	1,000,000
Aggregate	2,000,000	
	Violent Response	1,000,000
Catlin Indemnity Company	Commercial Umbrella	15,000,000
Travelers Indemnity Company	Security and Privacy Liability	3,000,000
	Regulatory Action Sublimit of Liability	3,000,000
	Event Management	3,000,000

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.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

Worker's Compensation

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. Liabilities of the fund are reported when an employee injury has occurred, it is probable that a claim will be filed under the program and the amount of the claim can be reasonably estimated. The School District utilizes the services of Compensable Benefits, the third party administrator, to review, process, and to pay employee claims. The School District also maintains excess insurance coverage which would pay the portion of the claims that exceed \$400,000 per occurrence for all employees.

Incurred but not reported claims and premium of \$1,151,050 have been accrued as a liability at June 30, 2017, based on an estimate by Compensable Benefits. Of this amount, \$116,574 is due within one year. The claims liability reported in the workers' compensation internal service fund at June 30, 2017, 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.

Changes in the fund's claims liability amounts for 2016 and 2017 were:

	Balance at Beginning of Year	Current Year Claims	Change in Prior Years' Estimate	Claim Payments	Balance at End of Year
2016	\$1,190,265	\$662,957	\$0	\$312,557	\$1,540,665
2017	1,540,665	214,237 *	(291,804) *	312,048	1,151,050

* Current year incurred claims and claims adjustment expense total (\$77,567)

Employee Insurance Benefits

The School District offers medical, prescription drug and dental insurance to employees through a self-insurance internal service fund. Medical Mutual of Ohio 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 \$175,000 per employee, per year. The claims liability of \$1,414,601 reported in the internal service fund at June 30, 2017, 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. Management's expectation is the claims liabilities will be paid within one year.

Changes in the fund's claims liability amounts for 2016 and 2017 was:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2016	\$1,180,388	\$14,481,351	\$14,288,141	\$1,373,598
2017	1,373,598	14,811,337	14,770,334	1,414,601

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

Note 21 - Jointly Governed Organizations

Ohio Schools' Council Association The Ohio Schools Council Association (Council) is a jointly governed organization among 196 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 degree of control exercised by any participating school district is limited to its representation 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 2017, the School District paid \$2,806 to the Council. Financial information can be obtained by contacting William Zelei, the Executive Director of the Ohio Schools Council at 6393 Oak Tree Boulevard, Suite 377, 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. Compass Energy has been selected as the new supplier and program manager for the period from April 1, 2016 through March 31, 2019. There are currently 154 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 current electric purchase program. Currently, 251 school districts have joined the OSC electricity discount program, Power for Schools. The Program provides a fixed price rate for electricity supplied by First Energy Solutions of \$0.0602 per kwh for the generation of electricity which cannot be increased until the June 2017 meter reading. School districts are not charged a fee by OSC to participate in this program. School districts pay the utility (Ohio Edison, Toledo Edison or Cleveland Electric Illuminating Co.) directly and receive a discount for the fixed price of generation.

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-nine members. 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. Payments to NEONET are made from the general fund. During the current fiscal year, the School District paid \$128,098 to NEONET for payroll and internet technology services. Financial information can be obtained by writing to the Summit County Educational Service Center, 700 Graham Road, Cuyahoga Falls, OH 44221.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2017

Note 22 - 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 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 capital acquisition. Disclosure of this information is required by State statute.

	<u>Capital Improvements</u>
Set-Aside Balance as of June 30, 2016	\$0
Current Year Set-aside Requirement	1,347,667
Offsets	(920,643)
Qualifying Disbursements	<u>(3,376,603)</u>
Total	<u><u>(\$2,949,579)</u></u>
Set-aside Balance Carried Forward to Future Fiscal Years	<u><u>\$0</u></u>
Set-aside Balance as of June, 30 2017	<u><u>\$0</u></u>

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.

Note 23 – Significant Commitments

Contractual Commitments

At June 30, 2017, the School District’s significant contractual commitments consisted of:

<u>Project</u>	<u>Contract Amount</u>	<u>Amount Paid to Date</u>	<u>Remaining Contract</u>
Roof Replacement - Campopiano Roofing	\$163,000	\$36,000	\$127,000
CARES Paving - Carron Asphalt Paving, Inc	300,625	158,252	142,373
Masonry Work - M-A Building and Maintenance	73,233	27,896	45,337
Total	<u><u>\$536,858</u></u>	<u><u>\$222,148</u></u>	<u><u>\$314,710</u></u>

The amounts remaining on these contracts were encumbered at fiscal year end.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At fiscal year end the amount of encumbrances expected to be honored upon performance by the vendor in the next fiscal year were as follows:

Governmental Funds:

General Fund	\$4,519,631
Other Governmental Funds	<u>1,452,452</u>
Total Governmental	<u><u>\$5,972,083</u></u>

Proprietary Funds:

CARES Fund	\$728,959
Nonmajor Enterprise Funds	1,645
Internal Service Funds	<u>203,497</u>
Total Proprietary	<u><u>\$934,101</u></u>



Required Supplementary Information

Mentor Exempted Village School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
School Employees Retirement System of Ohio
*Last Four Fiscal Years (1) **

	2017	2016	2015	2014
School District's Proportion of the Net Pension Liability	0.45421380%	0.46797890%	0.48814100%	0.48814100%
School District's Proportionate Share of the Net Pension Liability	\$33,244,260	\$26,703,330	\$24,704,538	\$29,028,179
School District's Covered Payroll	\$14,180,357	\$14,539,856	\$13,753,694	\$13,533,952
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	234.44%	183.66%	179.62%	214.48%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.98%	69.16%	71.70%	65.52%

(1) Although this schedule is intended to show information for ten years, information prior to 2014 is not available. An additional column will be added each year.

* Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior fiscal year end.

Mentor Exempted Village School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
State Teachers Retirement System of Ohio
*Last Four Fiscal Years (1) **

	2017	2016	2015	2014
School District's Proportion of the Net Pension Liability	0.41147978%	0.42878209%	0.44619334%	0.44619334%
School District's Proportionate Share of the Net Pension Liability	\$137,734,685	\$118,502,829	\$108,529,663	\$129,279,824
School District's Covered Payroll	\$43,299,243	\$46,767,429	\$45,395,854	\$46,421,792
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	318.10%	253.39%	239.07%	278.49%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.80%	72.10%	74.70%	69.30%

(1) Although this schedule is intended to show information for ten years, information prior to 2014 is not available. An additional column will be added each year.

* Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior fiscal year end.

Mentor Exempted Village School District

*Required Supplementary Information
Schedule of School District Contributions
School Employees Retirement System of Ohio
Last Ten Fiscal Years*

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$2,053,814	\$1,985,250	\$1,916,353	\$1,906,262
Contributions in relation to the contractually required contribution	<u>(2,053,814)</u>	<u>(1,985,250)</u>	<u>(1,916,353)</u>	<u>(1,906,262)</u>
Contribution deficiency (excess)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
School District covered payroll	\$14,670,100	\$14,180,357	\$14,539,856	\$13,753,694
Contributions as a percentage of covered payroll	14.00%	14.00%	13.18%	13.86%

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$1,873,099	\$1,830,426	\$1,694,334	\$1,763,769	\$1,269,067	\$1,248,688
<u>(1,873,099)</u>	<u>(1,830,426)</u>	<u>(1,694,334)</u>	<u>(1,763,769)</u>	<u>(1,269,067)</u>	<u>(1,248,688)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
\$13,533,952	\$13,609,115	\$13,479,189	\$13,026,359	\$12,897,022	\$12,715,764
13.84%	13.45%	12.57%	13.54%	9.84%	9.82%

Mentor Exempted Village School District

*Required Supplementary Information
Schedule of School District Contributions
State Teachers Retirement System of Ohio
Last Ten Fiscal Years*

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$6,178,479	\$6,061,894	\$6,547,440	\$5,901,461
Contributions in relation to the contractually required contribution	<u>(6,178,479)</u>	<u>(6,061,894)</u>	<u>(6,547,440)</u>	<u>(5,901,461)</u>
Contribution deficiency (excess)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
School District covered payroll	\$44,131,993	\$43,299,243	\$46,767,429	\$45,395,854
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	13.00%

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$6,034,833	\$6,064,863	\$5,891,217	\$5,832,661	\$5,970,059	\$6,106,514
<u>(6,034,833)</u>	<u>(6,064,863)</u>	<u>(5,891,217)</u>	<u>(5,832,661)</u>	<u>(5,970,059)</u>	<u>(6,106,514)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
\$46,421,792	\$46,652,792	\$45,317,054	\$44,866,623	\$45,923,531	\$46,973,185
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

Mentor Exempted Village School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2017

Changes in Assumptions - SERS

Amounts reported for fiscal year 2017 incorporate changes in assumptions used by SERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal year 2016 and prior are presented below:

	Fiscal Year 2017	Fiscal Year 2016 and Prior
Wage Inflation	3.00 percent	3.25 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent	4.00 percent to 22.00 percent
Investment Rate of Return	7.50 percent net of investments expense, including inflation	7.75 percent net of investments expense, including inflation

Amounts reported for fiscal year 2017 use mortality assumptions with mortality rates that are based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Amounts reported for fiscal year 2016 and prior, use mortality assumptions that are based on the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables were used for the period after disability retirement.



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 and reports charges for services and operating grants restricted to the food service operations of the School District.

Special Trust Fund This fund accounts for and reports restricted donations held by the School District for individuals and/or private organizations which benefit the student body or the local community.

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

OneNet Data Communications Fund This fund accounts for and reports 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.

Straight A Fund This fund accounts for and reports restricted State monies to provide improved teaching methods and equipment.

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

Title VI-B Fund This fund accounts for and reports 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.

(continued)

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

Carl Perkins Grant Fund This fund accounts for and reports 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.

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

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

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

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

Uniform School Supplies Fund This fund accounts for and reports the purchase of school supplies for use in the School District. Profits derived from such sales are used for school purposes or activities connected with the School District. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

Public School Support Fund This fund accounts for and reports school site sales revenue and expenditures for field trips, assemblies, and other activity costs. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

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 and reports property taxes restricted for the retirement of principal and interest on outstanding bonds.

Nonmajor Capital Projects Fund

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 fund:

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

Mentor Exempted Village School District

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2017

	Nonmajor Special Revenue Funds	Permanent Improvement Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and			
Cash Equivalents	\$1,717,902	\$1,831,445	\$3,549,347
Accounts Receivable	3,534	0	3,534
Accrued Interest Receivable	7,390	4,262	11,652
Intergovernmental Receivable	1,046,614	0	1,046,614
Inventory Held for Resale	22,239	0	22,239
Materials and Supplies Inventory	21,007	0	21,007
Property Taxes Receivable	0	897,835	897,835
<i>Total Assets</i>	<u>\$2,818,686</u>	<u>\$2,733,542</u>	<u>\$5,552,228</u>
Liabilities			
Accounts Payable	\$291,079	\$76,150	\$367,229
Contracts Payable	0	231,760	231,760
Accrued Wages and Benefits	408,362	0	408,362
Interfund Payable	99,886	0	99,886
Intergovernmental Payable	271,897	0	271,897
Retainage Payable	0	11,681	11,681
<i>Total Liabilities</i>	<u>1,071,224</u>	<u>319,591</u>	<u>1,390,815</u>
Deferred Inflows of Resources			
Unavailable Revenue	650,783	23,155	673,938
Property Taxes	0	787,410	787,410
<i>Total Deferred Inflows of Resources</i>	<u>650,783</u>	<u>810,565</u>	<u>1,461,348</u>
Fund Balances			
Nonspendable	21,007	0	21,007
Restricted	892,392	1,603,386	2,495,778
Committed	231,050	0	231,050
Unassigned (Deficit)	(47,770)	0	(47,770)
<i>Total Fund Balances</i>	<u>1,096,679</u>	<u>1,603,386</u>	<u>2,700,065</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$2,818,686</u>	<u>\$2,733,542</u>	<u>\$5,552,228</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, 2017

	Nonmajor Special Revenue Funds	Permanent Improvement Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues			
Property Taxes	\$0	\$920,420	\$920,420
Intergovernmental	6,792,803	313,337	7,106,140
Interest	2,054	10,402	12,456
Tuition and Fees	708,371	0	708,371
Extracurricular Activities	321,668	0	321,668
Contributions and Donations	152,971	0	152,971
Charges for Services	1,642,696	0	1,642,696
Rentals	115,654	286	115,940
Miscellaneous	157,077	170,800	327,877
<i>Total Revenues</i>	<u>9,893,294</u>	<u>1,415,245</u>	<u>11,308,539</u>
Expenditures			
Current:			
Instruction:			
Regular	176,097	0	176,097
Special	1,823,696	0	1,823,696
Vocational	450,152	0	450,152
Student Intervention	21,601	0	21,601
Support Services:			
Pupils	915,411	0	915,411
Instructional Staff	647,343	0	647,343
Board of Education	600	0	600
Administration	1,302,340	0	1,302,340
Fiscal	39,197	11,582	50,779
Operation and Maintenance of Plant	0	1,258,326	1,258,326
Pupil Transportation	28,910	0	28,910
Central	60,468	0	60,468
Operation of Non-Instructional Services	1,650,114	0	1,650,114
Operation of Food Service	2,605,286	0	2,605,286
Extracurricular Activities	522,820	0	522,820
Capital Outlay	41,580	0	41,580
Debt Service:			
Interest and Fiscal Charges	0	4,055	4,055
<i>Total Expenditures</i>	<u>10,285,615</u>	<u>1,273,963</u>	<u>11,559,578</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(392,321)</u>	<u>141,282</u>	<u>(251,039)</u>
Other Financing Sources (Uses)			
Transfers In	149,360	474,485	623,845
Transfers Out	(30,000)	0	(30,000)
<i>Total Other Financing Sources (Uses)</i>	<u>119,360</u>	<u>474,485</u>	<u>593,845</u>
<i>Net Change in Fund Balances</i>	(272,961)	615,767	342,806
<i>Fund Balances Beginning of Year</i>	<u>1,369,640</u>	<u>987,619</u>	<u>2,357,259</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$1,096,679</u>	<u>\$1,603,386</u>	<u>\$2,700,065</u>

Mentor Exempted Village School District

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2017

	Food Service	Special Trust	Rotary Special Services	Adult Education
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$347,077	\$77,174	\$84,404	\$26
Accounts Receivable	0	0	0	0
Accrued Interest Receivable	975	45	0	0
Intergovernmental Receivable	20,990	0	0	0
Inventory Held for Resale	22,239	0	0	0
Materials and Supplies Inventory	21,007	0	0	0
<i>Total Assets</i>	<u>\$412,288</u>	<u>\$77,219</u>	<u>\$84,404</u>	<u>\$26</u>
Liabilities				
Accounts Payable	\$5,159	\$4,056	\$6,896	\$0
Accrued Wages and Benefits	133,547	0	22,237	0
Interfund Payable	0	0	85,225	0
Intergovernmental Payable	39,330	0	7,376	0
<i>Total Liabilities</i>	<u>178,036</u>	<u>4,056</u>	<u>121,734</u>	<u>0</u>
Deferred Inflows of Resources				
Unavailable Revenue	20,990	0	0	0
Fund Balances				
Nonspendable	21,007	0	0	0
Restricted	192,255	73,163	0	0
Committed	0	0	0	26
Unassigned (Deficit)	0	0	(37,330)	0
<i>Total Fund Balances</i>	<u>213,262</u>	<u>73,163</u>	<u>(37,330)</u>	<u>26</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$412,288</u>	<u>\$77,219</u>	<u>\$84,404</u>	<u>\$26</u>

Rotary	Other Grants	Athletics and Music	Auxiliary Services	Straight A	Miscellaneous State Grants
\$240,267	\$376,320	\$93,120	\$350,798	\$21,717	\$8,289
0	3,534	0	0	0	0
0	476	0	5,894	0	0
1,919	0	0	0	149,655	43,847
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$242,186</u>	<u>\$380,330</u>	<u>\$93,120</u>	<u>\$356,692</u>	<u>\$171,372</u>	<u>\$52,136</u>
\$672	\$3,062	\$8,368	\$201,772	\$1,020	\$8,283
4,677	0	0	0	0	9,405
0	9,913	0	4,748	0	0
3,894	0	16,609	0	145,127	2,504
<u>9,243</u>	<u>12,975</u>	<u>24,977</u>	<u>206,520</u>	<u>146,147</u>	<u>20,192</u>
1,919	0	0	0	35,665	30,849
0	0	0	0	0	0
0	367,355	68,143	150,172	0	1,095
231,024	0	0	0	0	0
0	0	0	0	(10,440)	0
<u>231,024</u>	<u>367,355</u>	<u>68,143</u>	<u>150,172</u>	<u>(10,440)</u>	<u>1,095</u>
<u>\$242,186</u>	<u>\$380,330</u>	<u>\$93,120</u>	<u>\$356,692</u>	<u>\$171,372</u>	<u>\$52,136</u>

(continued)

Mentor Exempted Village School District

Combining Balance Sheet

Nonmajor Special Revenue Funds (continued)

June 30, 2017

	Title VI-B	Carl Perkins Grant	Title III	Title I
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$64,256	\$28,438	\$2,046	\$12,467
Accounts Receivable	0	0	0	0
Accrued Interest Receivable	0	0	0	0
Intergovernmental Receivable	378,606	29,811	22,142	308,062
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$442,862</u>	<u>\$58,249</u>	<u>\$24,188</u>	<u>\$320,529</u>
Liabilities				
Accounts Payable	\$28,300	\$21,445	\$2,046	\$0
Accrued Wages and Benefits	140,564	0	0	92,246
Interfund Payable	0	0	0	0
Intergovernmental Payable	37,762	4,224	0	12,591
<i>Total Liabilities</i>	<u>206,626</u>	<u>25,669</u>	<u>2,046</u>	<u>104,837</u>
Deferred Inflows of Resources				
Unavailable Revenue	226,499	24,211	22,142	211,340
Fund Balances				
Nonspendable	0	0	0	0
Restricted	9,737	8,369	0	4,352
Committed	0	0	0	0
Unassigned (Deficit)	0	0	0	0
<i>Total Fund Balances</i>	<u>9,737</u>	<u>8,369</u>	<u>0</u>	<u>4,352</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$442,862</u>	<u>\$58,249</u>	<u>\$24,188</u>	<u>\$320,529</u>

Preschool Grant	Classroom Reduction	Total Nonmajor Special Revenue Funds
\$188	\$11,315	\$1,717,902
0	0	3,534
0	0	7,390
33,666	57,916	1,046,614
0	0	22,239
0	0	21,007
<u>\$33,854</u>	<u>\$69,231</u>	<u>\$2,818,686</u>
\$0	\$0	\$291,079
2,919	2,767	408,362
0	0	99,886
1,769	711	271,897
<u>4,688</u>	<u>3,478</u>	<u>1,071,224</u>
<u>23,212</u>	<u>53,956</u>	<u>650,783</u>
0	0	21,007
5,954	11,797	892,392
0	0	231,050
0	0	(47,770)
<u>5,954</u>	<u>11,797</u>	<u>1,096,679</u>
<u>\$33,854</u>	<u>\$69,231</u>	<u>\$2,818,686</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, 2017*

	Food Service	Special Trust	Rotary Special Services	Adult Education	Rotary
Revenues					
Intergovernmental	\$873,275	\$0	\$0	\$0	\$0
Interest	1,236	56	0	0	0
Tuition and Fees	0	0	58,905	0	649,466
Extracurricular Activities	0	10	0	0	51,513
Contributions and Donations	0	56,840	0	0	19,626
Charges for Services	1,642,696	0	0	0	0
Rentals	0	0	0	0	0
Miscellaneous	18,135	0	110,055	0	0
<i>Total Revenues</i>	<u>2,535,342</u>	<u>56,906</u>	<u>168,960</u>	<u>0</u>	<u>720,605</u>
Expenditures					
Current:					
Instruction:					
Regular	0	4,953	81,456	0	35,132
Special	0	4,568	0	0	0
Vocational	0	0	206,937	0	0
Student Intervention	0	0	0	0	0
Support Services:					
Pupils	0	0	0	0	647,289
Instructional Staff	0	5,098	0	0	3,746
Board of Education	0	600	0	0	0
Administration	0	0	0	0	0
Fiscal	27,326	0	0	0	11,871
Pupil Transportation	0	5,445	0	0	0
Central	0	3,439	0	0	0
Operation of Non-Instructional Services	0	7,062	0	0	0
Operation of Food Service	2,605,286	0	0	0	0
Extracurricular Activities	0	41,480	0	0	32,449
Capital Outlay	0	0	0	0	0
<i>Total Expenditures</i>	<u>2,632,612</u>	<u>72,645</u>	<u>288,393</u>	<u>0</u>	<u>730,487</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(97,270)</u>	<u>(15,739)</u>	<u>(119,433)</u>	<u>0</u>	<u>(9,882)</u>
Other Financing Sources					
Transfers In	0	0	0	0	57,360
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>57,360</u>
<i>Net Change in Fund Balances</i>	(97,270)	(15,739)	(119,433)	0	47,478
<i>Fund Balances Beginning of Year</i>	<u>310,532</u>	<u>88,902</u>	<u>82,103</u>	<u>26</u>	<u>183,546</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$213,262</u>	<u>\$73,163</u>	<u>(\$37,330)</u>	<u>\$26</u>	<u>\$231,024</u>

Other Grants	Athletics and Music	Auxiliary Services	OneNet Data Communications	Straight A	Miscellaneous State Grants
\$0	\$0	\$1,564,231	\$21,600	\$988,631	\$220,689
0	0	762	0	0	0
0	0	0	0	0	0
0	270,145	0	0	0	0
48,038	28,467	0	0	0	0
0	0	0	0	0	0
115,654	0	0	0	0	0
28,887	0	0	0	0	0
<u>192,579</u>	<u>298,612</u>	<u>1,564,993</u>	<u>21,600</u>	<u>988,631</u>	<u>220,689</u>
5,620	0	0	0	48,936	0
0	0	0	0	0	164,942
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	106,000	68,981
0	0	0	0	140,643	3,000
0	0	0	0	0	0
50,367	0	0	0	734,259	0
0	0	0	0	0	0
15,519	0	0	0	0	0
23,333	0	0	33,696	0	0
0	0	1,500,477	0	0	0
0	0	0	0	0	0
31,781	417,110	0	0	0	0
0	0	0	0	41,580	0
<u>126,620</u>	<u>417,110</u>	<u>1,500,477</u>	<u>33,696</u>	<u>1,071,418</u>	<u>236,923</u>
<u>65,959</u>	<u>(118,498)</u>	<u>64,516</u>	<u>(12,096)</u>	<u>(82,787)</u>	<u>(16,234)</u>
0	92,000	0	0	0	0
(30,000)	0	0	0	0	0
<u>(30,000)</u>	<u>92,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
35,959	(26,498)	64,516	(12,096)	(82,787)	(16,234)
<u>331,396</u>	<u>94,641</u>	<u>85,656</u>	<u>12,096</u>	<u>72,347</u>	<u>17,329</u>
<u>\$367,355</u>	<u>\$68,143</u>	<u>\$150,172</u>	<u>\$0</u>	<u>(\$10,440)</u>	<u>\$1,095</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, 2017

	Title VI-B	Carl Perkins Grant	Title III	Title I	Preschool Grant
Revenues					
Intergovernmental	\$1,768,605	\$351,071	\$24,050	\$727,285	\$40,424
Interest	0	0	0	0	0
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>1,768,605</u>	<u>351,071</u>	<u>24,050</u>	<u>727,285</u>	<u>40,424</u>
Expenditures					
Current:					
Instruction:					
Regular	0	0	0	0	0
Special	1,068,587	0	18,498	555,276	11,825
Vocational	0	243,215	0	0	0
Student Intervention	21,601	0	0	0	0
Support Services:					
Pupils	0	58,122	5,174	0	29,845
Instructional Staff	128,151	22,867	1,227	130,368	0
Board of Education	0	0	0	0	0
Administration	480,365	16,805	0	20,544	0
Fiscal	0	0	0	0	0
Pupil Transportation	0	7,946	0	0	0
Central	0	0	0	0	0
Operation of Non-Instructional Services	105,620	0	0	9,412	0
Operation of Food Service	0	0	0	0	0
Extracurricular Activities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
<i>Total Expenditures</i>	<u>1,804,324</u>	<u>348,955</u>	<u>24,899</u>	<u>715,600</u>	<u>41,670</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(35,719)</u>	<u>2,116</u>	<u>(849)</u>	<u>11,685</u>	<u>(1,246)</u>
Other Financing Sources					
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>	(35,719)	2,116	(849)	11,685	(1,246)
<i>Fund Balances Beginning of Year</i>	<u>45,456</u>	<u>6,253</u>	<u>849</u>	<u>(7,333)</u>	<u>7,200</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$9,737</u></u>	<u><u>\$8,369</u></u>	<u><u>\$0</u></u>	<u><u>\$4,352</u></u>	<u><u>\$5,954</u></u>

Classroom Reduction	Total Nonmajor Special Revenue Funds
\$212,942	\$6,792,803
0	2,054
0	708,371
0	321,668
0	152,971
0	1,642,696
0	115,654
0	157,077
<u>212,942</u>	<u>9,893,294</u>
0	176,097
0	1,823,696
0	450,152
0	21,601
0	915,411
212,243	647,343
0	600
0	1,302,340
0	39,197
0	28,910
0	60,468
27,543	1,650,114
0	2,605,286
0	522,820
0	41,580
<u>239,786</u>	<u>10,285,615</u>
<u>(26,844)</u>	<u>(392,321)</u>
0	149,360
0	(30,000)
<u>0</u>	<u>119,360</u>
(26,844)	(272,961)
<u>38,641</u>	<u>1,369,640</u>
<u>\$11,797</u>	<u>\$1,096,679</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 account for revenues used to provide workers' compensation benefits to employees.

Mentor Exempted Village School District

Combining Statement of Fund Net Position

Internal Service Funds

June 30, 2017

	<u>Employee Benefits</u>	<u>Workers' Compensation</u>	<u>Total Internal Service Funds</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$13,377,837	\$4,051,185	\$17,429,022
Intergovernmental Receivable	40,434	0	40,434
<i>Total Assets</i>	<u>13,418,271</u>	<u>4,051,185</u>	<u>17,469,456</u>
Liabilities			
<i>Current Liabilities</i>			
Accounts Payable	12,334	0	12,334
Claims Payable	1,414,601	116,574	1,531,175
<i>Total Current Liabilities</i>	<u>1,426,935</u>	<u>116,574</u>	<u>1,543,509</u>
<i>Long-Term Liabilities (net of current portion)</i>			
Claims Payable	<u>0</u>	<u>1,034,476</u>	<u>1,034,476</u>
<i>Total Liabilities</i>	<u>1,426,935</u>	<u>1,151,050</u>	<u>2,577,985</u>
Net Position			
Unrestricted	<u>\$11,991,336</u>	<u>\$2,900,135</u>	<u>\$14,891,471</u>

Mentor Exempted Village School District
*Combining Statement of Revenues,
Expenses and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2017*

	Employee Benefits	Workers' Compensation	Total Internal Service Funds
Operating Revenues			
Charges for Services	\$15,908,333	\$715,586	\$16,623,919
Operating Expenses			
Salaries and Wages	48,064	9,755	57,819
Fringe Benefits	20,905	0	20,905
Purchased Services	43,525	21,400	64,925
Claims	14,811,337	(77,567)	14,733,770
Other	0	64,682	64,682
<i>Total Operating Expenses</i>	14,923,831	18,270	14,942,101
<i>Operating Income (Loss)</i>	984,502	697,316	1,681,818
Non-Operating Income (Expense)			
Interest	36,406	11,309	47,715
<i>Change in Net Position</i>	1,020,908	708,625	1,729,533
<i>Net Position Beginning of Year</i>	10,970,428	2,191,510	13,161,938
<i>Net Position End of Year</i>	\$11,991,336	\$2,900,135	\$14,891,471

Mentor Exempted Village School District

Combining Statement of Cash Flows

Internal Service Funds

For the Fiscal Year Ended June 30, 2017

	<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	\$15,867,899	\$715,586	\$16,583,485
Cash Payments for Salaries	(48,064)	(9,755)	(57,819)
Cash Payments for Employee Benefits	(20,905)	0	(20,905)
Cash Payments for Goods and Services	(52,771)	(21,400)	(74,171)
Cash Payments for Claims	(14,770,334)	(312,048)	(15,082,382)
Cash Payments for Other	0	(64,682)	(64,682)
<i>Net Cash Provided by (Used for) Operating Activities</i>	975,825	307,701	1,283,526
Cash Flows from Investing Activities			
Interest	36,406	11,309	47,715
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	1,012,231	319,010	1,331,241
<i>Cash and Cash Equivalents Beginning of Year</i>	12,365,606	3,732,175	16,097,781
<i>Cash and Cash Equivalents End of Year</i>	\$13,377,837	\$4,051,185	\$17,429,022
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Operating Income (Loss)	\$984,502	\$697,316	\$1,681,818
<i>Adjustments:</i>			
<i>(Increase)/Decrease in Assets:</i>			
Intergovernmental Receivable	(40,434)	0	(40,434)
<i>Increase (Decrease) in Liabilities:</i>			
Accounts Payable	(9,246)	0	(9,246)
Claims Payable	41,003	(389,615)	(348,612)
<i>Total Adjustments</i>	(8,677)	(389,615)	(398,292)
<i>Net Cash Provided by (Used for) Operating Activities</i>	\$975,825	\$307,701	\$1,283,526

Combining Statements – Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. 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 District has no trust funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

Agency Funds

Student Activities Fund – This fund accounts for and reports resources that belong to the student bodies of the various schools, accounting for fund-raising sales and other revenue generating activities.

District Agency Fund – This fund accounts for and reports resources used for Ohio High School Athletic Association Sectional and School District events run by the School District.

Mentor Exempted Village School District
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Reductions	Balance June 30, 2017
<i>Student Activities Fund</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$244,580	\$269,079	\$259,465	\$254,194
Liabilities				
Due to Students	\$244,580	\$269,079	\$259,465	\$254,194
<i>District Agency Fund</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,573	\$89,085	\$90,110	\$548
Liabilities				
Due to Others	\$1,573	\$89,085	\$90,110	\$548
<i>Total Agency Funds</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$246,153	\$358,164	\$349,575	\$254,742
Liabilities				
Due to Students	\$244,580	\$269,079	\$259,465	\$254,194
Due to Others	1,573	89,085	90,110	548
<i>Total Liabilities</i>	\$246,153	\$358,164	\$349,575	\$254,742

**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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$68,295,531	\$63,924,662	\$67,077,352	\$3,152,690
Intergovernmental	30,464,132	28,559,311	29,522,757	963,446
Interest	375,071	350,000	592,299	242,299
Tuition and Fees	1,937,869	1,816,000	1,277,504	(538,496)
Extracurricular Activities	364,653	340,613	338,401	(2,212)
Contributions and Donations	0	0	1,270	1,270
Charges for Services	104,187	100,351	141,929	41,578
Rentals	93,768	89,020	98,921	9,901
Payment in Lieu of Taxes	1,426,077	1,426,077	2,187,667	761,590
Miscellaneous	496,554	450,000	524,391	74,391
<i>Total Revenues</i>	<u>103,557,842</u>	<u>97,056,034</u>	<u>101,762,491</u>	<u>4,706,457</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	27,414,779	27,070,330	27,070,029	301
Fringe Benefits	9,986,614	9,534,889	9,152,953	381,936
Purchased Services	3,135,936	3,168,899	2,665,915	502,984
Materials and Supplies	1,951,717	1,826,862	1,267,452	559,410
Capital Outlay	1,189,565	1,872,688	1,838,107	34,581
Other	71,314	74,023	61,410	12,613
Total Regular	<u>43,749,925</u>	<u>43,547,691</u>	<u>42,055,866</u>	<u>1,491,825</u>
Special:				
Salaries and Wages	7,144,607	7,462,607	7,461,919	688
Fringe Benefits	3,789,437	3,728,937	3,728,584	353
Purchased Services	5,312,030	5,307,687	4,487,809	819,878
Materials and Supplies	1,100	2,600	2,247	353
Capital Outlay	5,736	5,736	0	5,736
Total Special	<u>16,252,910</u>	<u>16,507,567</u>	<u>15,680,559</u>	<u>827,008</u>
Vocational:				
Salaries and Wages	848,708	848,708	842,177	6,531
Fringe Benefits	336,249	324,999	324,887	112
Purchased Services	1,572,917	1,246,165	797,981	448,184
Materials and Supplies	43,186	50,323	45,800	4,523
Capital Outlay	12,340	8,700	8,130	570
Other	13,263	15,269	10,719	4,550
Total Vocational	<u>\$2,826,663</u>	<u>\$2,494,164</u>	<u>\$2,029,694</u>	<u>\$464,470</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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Student Intervention:				
Salaries and Wages	\$33,630	\$22,630	\$22,258	\$372
Fringe Benefits	6,345	6,345	3,702	2,643
Purchased Services	86,115	101,115	91,700	9,415
Materials and Supplies	120,312	105,312	81,640	23,672
Capital Outlay	41	41	0	41
Total Student Intervention	246,443	235,443	199,300	36,143
Total Instruction	63,075,941	62,784,865	59,965,419	2,819,446
Support Services:				
Pupils:				
Salaries and Wages	3,696,842	3,659,767	3,635,464	24,303
Fringe Benefits	1,527,805	1,496,005	1,495,911	94
Purchased Services	39,378	38,858	25,106	13,752
Materials and Supplies	12,462	12,462	11,073	1,389
Capital Outlay	2,000	2,000	578	1,422
Total Pupils	5,278,487	5,209,092	5,168,132	40,960
Instructional Staff:				
Salaries and Wages	3,585,535	3,469,384	3,469,377	7
Fringe Benefits	1,289,130	1,275,130	1,275,087	43
Purchased Services	568,054	736,956	701,352	35,604
Materials and Supplies	206,677	195,298	178,685	16,613
Capital Outlay	119,084	89,608	87,443	2,165
Other	1,000	2,410	1,410	1,000
Total Instructional Staff	5,769,480	5,768,786	5,713,354	55,432
Board of Education:				
Salaries and Wages	15,000	15,000	14,000	1,000
Fringe Benefits	2,904	2,904	2,599	305
Purchased Services	75,384	89,514	78,458	11,056
Materials and Supplies	700	3,200	3,150	50
Capital Outlay	5,000	3,000	0	3,000
Other	122,214	122,214	86,464	35,750
Total Board of Education	\$221,202	\$235,832	\$184,671	\$51,161

(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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Administration:				
Salaries and Wages	\$3,608,209	\$3,608,209	\$3,528,897	\$79,312
Fringe Benefits	1,545,708	1,631,048	1,630,929	119
Purchased Services	185,381	198,637	184,765	13,872
Materials and Supplies	19,326	17,088	12,366	4,722
Capital Outlay	5,084	12,734	8,653	4,081
Other	45,260	32,742	28,764	3,978
Total Administration	5,408,968	5,500,458	5,394,374	106,084
Fiscal:				
Salaries and Wages	854,671	854,671	757,609	97,062
Fringe Benefits	403,230	388,230	377,115	11,115
Purchased Services	642,849	642,586	592,230	50,356
Materials and Supplies	14,932	14,932	13,191	1,741
Capital Outlay	11,500	11,500	525	10,975
Other	891,837	1,434,625	1,196,620	238,005
Total Fiscal	2,819,019	3,346,544	2,937,290	409,254
Business:				
Salaries and Wages	399,142	399,142	374,823	24,319
Fringe Benefits	229,063	229,062	167,106	61,956
Purchased Services	3,748	3,641	3,225	416
Materials and Supplies	9,430	8,990	8,310	680
Capital Outlay	2,564	2,564	0	2,564
Other	2,906	2,906	2,906	0
Total Business	646,853	646,305	556,370	89,935
Operation and Maintenance of Plant:				
Salaries and Wages	3,224,978	3,306,978	3,306,544	434
Fringe Benefits	1,845,476	1,735,476	1,717,450	18,026
Purchased Services	3,637,191	3,532,862	3,148,471	384,391
Materials and Supplies	471,138	461,413	438,633	22,780
Capital Outlay	428,629	443,802	354,032	89,770
Other	32,700	32,700	30,995	1,705
Total Operation and Maintenance of Plant	\$9,640,112	\$9,513,231	\$8,996,125	\$517,106

(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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Pupil Transportation:				
Salaries and Wages	\$3,021,745	\$3,021,745	\$2,920,105	\$101,640
Fringe Benefits	1,612,850	1,455,850	1,455,838	12
Purchased Services	1,321,526	1,331,526	1,107,061	224,465
Materials and Supplies	1,165,854	1,168,568	1,165,704	2,864
Capital Outlay	452,393	449,680	382,227	67,453
Other	54	54	54	0
Total Pupil Transportation	7,574,422	7,427,423	7,030,989	396,434
Central:				
Salaries and Wages	171,074	191,774	190,791	983
Fringe Benefits	135,044	135,044	124,395	10,649
Purchased Services	791,514	745,491	697,261	48,230
Materials and Supplies	31,633	30,644	22,189	8,455
Capital Outlay	29,368	20,525	18,145	2,380
Other	18,706	20,205	17,746	2,459
Total Central	1,177,339	1,143,683	1,070,527	73,156
Total Support Services	38,535,882	38,791,354	37,051,832	1,739,522
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	52,787	52,787	50,747	2,040
Fringe Benefits	27,662	27,662	26,392	1,270
Purchased Services	200	200	0	200
Total Operation of Non-Instructional Services	80,649	80,649	77,139	3,510
Extracurricular Activities:				
Academic Oriented Activities:				
Salaries and Wages	254,408	254,408	249,358	5,050
Fringe Benefits	42,111	42,111	41,047	1,064
Purchased Services	38,877	41,167	40,730	437
Materials and Supplies	18,105	18,606	18,008	598
Capital Outlay	31,782	28,852	28,619	233
Other	6,454	7,200	6,751	449
Total Academic Oriented Activities	391,737	392,344	384,513	7,831
Occupation Oriented Activities:				
Salaries and Wages	2,767	2,767	2,760	7
Fringe Benefits	397	422	418	4
Total Occupation Oriented Activities	\$3,164	\$3,189	\$3,178	\$11

(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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Athletic Oriented Activities:				
Salaries and Wages	\$834,440	\$843,840	\$843,805	\$35
Fringe Benefits	184,474	184,474	181,085	3,389
Purchased Services	25,000	25,000	22,000	3,000
Capital Outlay	0	6,997	6,997	0
Total Athletic Oriented Activities	<u>1,043,914</u>	<u>1,060,311</u>	<u>1,053,887</u>	<u>6,424</u>
School and Public Service Co-Curricular Activities:				
Salaries and Wages	114,196	115,771	115,750	21
Fringe Benefits	27,076	27,076	25,276	1,800
Total School and Public Service Co-Curricular Activities	<u>141,272</u>	<u>142,847</u>	<u>141,026</u>	<u>1,821</u>
Total Extracurricular Activities	<u>1,580,087</u>	<u>1,598,691</u>	<u>1,582,604</u>	<u>16,087</u>
<i>Total Expenditures</i>	<u>103,272,559</u>	<u>103,255,559</u>	<u>98,676,994</u>	<u>4,578,565</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>285,283</u>	<u>(6,199,525)</u>	<u>3,085,497</u>	<u>9,285,022</u>
Other Financing Sources (Uses)				
Advances In	0	0	581,879	581,879
Advances Out	(50,000)	(85,000)	(85,000)	0
Transfers In	333,397	310,967	0	(310,967)
Transfers Out	(612,450)	(594,450)	(593,845)	605
<i>Total Other Financing Sources (Uses)</i>	<u>(329,053)</u>	<u>(368,483)</u>	<u>(96,966)</u>	<u>271,517</u>
<i>Net Change in Fund Balance</i>	(43,770)	(6,568,008)	2,988,531	9,556,539
<i>Fund Balance Beginning of Year</i>	51,792,018	51,792,018	51,792,018	0
Prior Year Encumbrances Appropriated	<u>4,318,972</u>	<u>4,318,972</u>	<u>4,318,972</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$56,067,220</u>	<u>\$49,542,982</u>	<u>\$59,099,521</u>	<u>\$9,556,539</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP) and Actual
Cardinal Autism Resource and Education School Fund
For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Tuition and Fees	\$2,100,000	\$3,000,000	\$3,637,114	\$637,114
Expenses				
Salaries and Wages	1,721,081	1,920,238	1,899,959	20,279
Fringe Benefits	726,890	809,902	801,894	8,008
Purchased Services	755,792	778,928	572,642	206,286
Materials and Supplies	109,328	116,692	95,075	21,617
Capital Outlay	52,090	185,357	160,106	25,251
Other	5,841	6,078	3,450	2,628
<i>Total Expenses</i>	<u>3,371,022</u>	<u>3,817,195</u>	<u>3,533,126</u>	<u>284,069</u>
<i>Excess of Revenues Over (Under) Expenses Before Advances</i>	(1,271,022)	(817,195)	103,988	921,183
Advances Out	(310,967)	(310,967)	(285,967)	25,000
<i>Net Change in Fund Equity</i>	(1,581,989)	(1,128,162)	(181,979)	946,183
<i>Fund Equity Beginning of Year</i>	1,070,876	1,070,876	1,070,876	0
Prior Year Encumbrances Appropriated	511,113	511,113	511,113	0
<i>Fund Equity End of Year</i>	<u>\$0</u>	<u>\$453,827</u>	<u>\$1,400,010</u>	<u>\$946,183</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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$1,064,700	\$1,064,700	\$1,015,693	(\$49,007)
Interest	1,000	1,000	397	(603)
Charges for Services	1,784,200	1,784,200	1,642,696	(141,504)
Miscellaneous	100	100	18,135	18,035
<i>Total Revenues</i>	<u>2,850,000</u>	<u>2,850,000</u>	<u>2,676,921</u>	<u>(173,079)</u>
Expenditures				
Support Services:				
Fiscal:				
Other	35,081	35,081	27,326	7,755
Operation of Food Service:				
Salaries and Wages	1,037,497	1,037,497	1,011,824	25,673
Fringe Benefits	838,159	838,348	772,814	65,534
Purchased Services	60,774	61,074	39,337	21,737
Materials and Supplies	1,091,568	1,010,979	849,364	161,615
Capital Outlay	80,000	160,100	126,957	33,143
<i>Total Operation of Food Service</i>	<u>3,107,998</u>	<u>3,107,998</u>	<u>2,800,296</u>	<u>307,702</u>
<i>Total Expenditures</i>	<u>3,143,079</u>	<u>3,143,079</u>	<u>2,827,622</u>	<u>315,457</u>
<i>Net Change in Fund Balance</i>	(293,079)	(293,079)	(150,701)	142,378
<i>Fund Balance Beginning of Year</i>	324,287	324,287	324,287	0
Prior Year Encumbrances Appropriated	15,667	15,667	15,667	0
<i>Fund Balance End of Year</i>	<u>\$46,875</u>	<u>\$46,875</u>	<u>\$189,253</u>	<u>\$142,378</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, 2017*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Interest	\$0	\$0	\$19	\$19
Extracurricular Activities	13,000	13,000	10	(12,990)
Contributions and Donations	92,502	103,102	56,840	(46,262)
<i>Total Revenues</i>	<u>105,502</u>	<u>116,102</u>	<u>56,869</u>	<u>(59,233)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	3,600	3,263	3,263	0
Fringe Benefits	600	543	543	0
Materials and Supplies	3,407	4,407	3,970	437
Capital Outlay	2,000	2,000	0	2,000
Other	150	150	0	150
Total Regular	<u>9,757</u>	<u>10,363</u>	<u>7,776</u>	<u>2,587</u>
Special:				
Purchased Services	9	2,602	2,533	69
Materials and Supplies	408	1,837	1,547	290
Other	449	2,320	1,439	881
Total Special	<u>866</u>	<u>6,759</u>	<u>5,519</u>	<u>1,240</u>
Total Instruction	<u>10,623</u>	<u>17,122</u>	<u>13,295</u>	<u>3,827</u>
Support Services:				
Instructional Staff:				
Purchased Services	4,880	4,400	0	4,400
Materials and Supplies	312	1,500	1,500	0
Capital Outlay	0	3,598	3,598	0
Total Instructional Staff	<u>\$5,192</u>	<u>\$9,498</u>	<u>\$5,098</u>	<u>\$4,400</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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Board of Education:				
Other	\$10,000	\$10,000	\$600	\$9,400
Administration:				
Purchased Services	155	155	0	155
Pupil Transportation:				
Purchased Services	1,426	6,312	5,882	430
Central:				
Purchased Services	3,500	3,500	0	3,500
Materials and Supplies	3,032	3,332	564	2,768
Other	12,312	13,212	4,158	9,054
Total Central	18,844	20,044	4,722	15,322
Total Support Services	35,617	46,009	16,302	29,707
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	228	228	0	228
Materials and Supplies	628	628	618	10
Total Community Services	856	856	618	238
Food Service Operations:				
Materials and Supplies	1,000	1,650	750	900
Capital Outlay	3,110	5,960	3,360	2,600
Total Food Service Operations	4,110	7,610	4,110	3,500
Total Operation of Non-Instructional Services	4,966	8,466	4,728	3,738
Extracurricular Activities:				
Academic Oriented Activities:				
Purchased Services	0	500	0	500
Materials and Supplies	0	1,800	1,567	233
Other	48,000	52,100	14,600	37,500
Total Academic Oriented Activities	\$48,000	\$54,400	\$16,167	\$38,233

(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, 2017*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Sports Oriented Activities:				
Purchased Services	\$0	\$500	\$500	\$0
Materials and Supplies	21,327	21,327	21,315	12
Other	2,500	3,000	1,500	1,500
Total Sports Oriented Activities	23,827	24,827	23,315	1,512
School and Public Service				
Co-Curricular Activities:				
Purchased Services	500	500	500	0
Materials and Supplies	200	165	0	165
Other	18,083	18,118	4,283	13,835
Total School and Public Service Co-Curricular Activities	18,783	18,783	4,783	14,000
Total Extracurricular Activities	90,610	98,010	44,265	53,745
<i>Total Expenditures</i>	<u>141,816</u>	<u>169,607</u>	<u>78,590</u>	<u>91,017</u>
<i>Net Change in Fund Balance</i>	(36,314)	(53,505)	(21,721)	31,784
<i>Fund Balance Beginning of Year</i>	80,741	80,741	80,741	0
Prior Year Encumbrances Appropriated	<u>8,116</u>	<u>8,116</u>	<u>8,116</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$52,543</u></u>	<u><u>\$35,352</u></u>	<u><u>\$67,136</u></u>	<u><u>\$31,784</u></u>

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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Tuition and Fees	\$107,945	\$107,945	\$58,905	(\$49,040)
Miscellaneous	110,055	110,055	110,055	0
<i>Total Revenues</i>	<u>218,000</u>	<u>218,000</u>	<u>168,960</u>	<u>(49,040)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	53,201	53,201	46,265	6,936
Fringe Benefits	9,400	9,400	8,052	1,348
Materials and Supplies	1,000	1,000	0	1,000
Other	4,600	4,600	2,994	1,606
Total Regular	<u>68,201</u>	<u>68,201</u>	<u>57,311</u>	<u>10,890</u>
Vocational:				
Purchased Services	16,795	31,795	21,935	9,860
Materials and Supplies	51,504	51,504	42,656	8,848
Capital Outlay	192,182	177,182	134,984	42,198
Other	9,296	9,296	3,660	5,636
Total Vocational	<u>269,777</u>	<u>269,777</u>	<u>203,235</u>	<u>66,542</u>
<i>Total Expenditures</i>	<u>337,978</u>	<u>337,978</u>	<u>260,546</u>	<u>77,432</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(119,978)	(119,978)	(91,586)	28,392
Other Financing Sources (Uses)				
Advances In	65,000	65,000	85,000	20,000
<i>Net Change in Fund Balance</i>	(54,978)	(54,978)	(6,586)	48,392
<i>Fund Balance Beginning of Year</i>	83,638	83,638	83,638	0
Prior Year Encumbrances Appropriated	4,196	4,196	4,196	0
<i>Fund Balance End of Year</i>	<u>\$32,856</u>	<u>\$32,856</u>	<u>\$81,248</u>	<u>\$48,392</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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0
Other Financing Sources (Uses)				
Transfers Out	(26)	(26)	0	26
<i>Net Change in Fund Balance</i>	(26)	(26)	0	26
<i>Fund Balance Beginning of Year</i>	26	26	26	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$26</u>	<u>\$26</u>

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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Tuition and Fees	\$460,600	\$580,600	\$650,395	\$69,795
Extracurricular Activities	147,200	147,200	51,513	(95,687)
Contributions and Donations	52,200	52,200	19,626	(32,574)
<i>Total Revenues</i>	<i>660,000</i>	<i>780,000</i>	<i>721,534</i>	<i>(58,466)</i>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	26,400	63,600	29,108	34,492
Fringe Benefits	4,556	11,556	4,498	7,058
Materials and Supplies	1,028	6,229	1,400	4,829
Capital Outlay	0	1,799	1,799	0
<i>Total Instruction</i>	<i>31,984</i>	<i>83,184</i>	<i>36,805</i>	<i>46,379</i>
Support Services:				
Pupils:				
Salaries and Wages	423,785	421,985	369,943	52,042
Fringe Benefits	140,241	140,451	132,560	7,891
Purchased Services	86,270	164,670	68,117	96,553
Materials and Supplies	109,152	112,652	91,604	21,048
Capital Outlay	2,350	1,740	0	1,740
Other	8,190	12,390	2,956	9,434
<i>Total Pupils</i>	<i>769,988</i>	<i>853,888</i>	<i>665,180</i>	<i>188,708</i>
Instructional Staff:				
Salaries and Wages	0	5,700	1,977	3,723
Fringe Benefits	0	1,000	299	701
<i>Total Instructional Staff</i>	<i>0</i>	<i>6,700</i>	<i>2,276</i>	<i>4,424</i>
Fiscal:				
Other	15,010	15,620	11,871	3,749
<i>Total Support Services</i>	<i>\$784,998</i>	<i>\$876,208</i>	<i>\$679,327</i>	<i>\$196,881</i>

(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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Extracurricular Activities:				
School and Public Service Co-Curricular Activities:				
Purchased Services	\$13,025	\$13,025	\$5,364	\$7,661
Materials and Supplies	500	500	10	490
Other	78,176	78,176	29,839	48,337
Total Extracurricular Activities	<u>91,701</u>	<u>91,701</u>	<u>35,213</u>	<u>56,488</u>
<i>Total Expenditures</i>	<u>908,683</u>	<u>1,051,093</u>	<u>751,345</u>	<u>299,748</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(248,683)</u>	<u>(271,093)</u>	<u>(29,811)</u>	<u>241,282</u>
Other Financing Sources (Uses)				
Transfers In	140,000	140,000	57,360	(82,640)
Transfers Out	(2,860)	(2,860)	0	2,860
<i>Total Other Financing Sources (Uses)</i>	<u>137,140</u>	<u>137,140</u>	<u>57,360</u>	<u>(79,780)</u>
<i>Net Change in Fund Balance</i>	(111,543)	(133,953)	27,549	161,502
<i>Fund Balance Beginning of Year</i>	176,336	176,336	176,336	0
Prior Year Encumbrances Appropriated	<u>12,400</u>	<u>12,400</u>	<u>12,400</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$77,193</u></u>	<u><u>\$54,783</u></u>	<u><u>\$216,285</u></u>	<u><u>\$161,502</u></u>

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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Interest	\$0	\$0	\$381	\$381
Contributions and Donations	50,000	50,000	80,000	30,000
Rentals	150,000	80,000	114,716	34,716
Miscellaneous	0	0	28,887	28,887
<i>Total Revenues</i>	<u>200,000</u>	<u>130,000</u>	<u>223,984</u>	<u>93,984</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	0	725	725	0
Fringe Benefits	0	121	110	11
Purchased Services	9,971	9,971	4,785	5,186
Materials and Supplies	10,000	10,000	0	10,000
Capital Outlay	12,601	12,601	0	12,601
Total Instruction	<u>32,572</u>	<u>33,418</u>	<u>5,620</u>	<u>27,798</u>
Support Services:				
Instructional Staff:				
Purchased Services	100	100	0	100
Materials and Supplies	1,000	1,000	0	1,000
Capital Outlay	4,000	4,000	0	4,000
Other	63,000	63,000	0	63,000
Total Instructional Staff	<u>68,100</u>	<u>68,100</u>	<u>0</u>	<u>68,100</u>
Administration:				
Purchased Services	136,285	104,895	33,466	71,429
Materials and Supplies	19,159	19,159	15,527	3,632
Other	40,511	32,511	11,226	21,285
Total Administration	<u>195,955</u>	<u>156,565</u>	<u>60,219</u>	<u>96,346</u>
Pupil Transportation:				
Purchased Services	<u>\$14,028</u>	<u>\$14,028</u>	<u>\$5,700</u>	<u>\$8,328</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, 2017*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Central:				
Purchased Services	\$4,000	\$18,333	\$18,333	\$0
Other	0	5,000	5,000	0
Total Central	4,000	23,333	23,333	0
Total Support Services	282,083	262,026	89,252	172,774
Extracurricular Activities:				
Academic Oriented Activities:				
Purchased Services	600	600	0	600
Materials and Supplies	30,000	30,000	23,706	6,294
Total Academic Oriented Activities	30,600	30,600	23,706	6,894
Sport Oriented Activities:				
Purchased Services	0	8,545	8,075	470
Total Extracurricular Activities	30,600	39,145	31,781	7,364
<i>Total Expenditures</i>	345,255	334,589	126,653	207,936
<i>Excess of Revenues Over (Under) Expenditures</i>	(145,255)	(204,589)	97,331	301,920
Other Financing Sources (Uses)				
Transfers Out	0	(30,000)	(30,000)	0
<i>Net Change in Fund Balance</i>	(145,255)	(234,589)	67,331	301,920
<i>Fund Balance Beginning of Year</i>	279,333	279,333	279,333	0
Prior Year Encumbrances Appropriated	16,255	16,255	16,255	0
<i>Fund Balance End of Year</i>	\$150,333	\$60,999	\$362,919	\$301,920

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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Extracurricular Activities	\$489,950	\$489,950	\$270,145	(\$219,805)
Contributions and Donations	136,650	136,650	28,467	(108,183)
<i>Total Revenues</i>	626,600	626,600	298,612	(327,988)
Expenditures				
Current:				
Extracurricular Activities:				
Sports Oriented Activities:				
Salaries and Wages	24,595	26,895	21,736	5,159
Fringe Benefits	4,498	5,798	3,557	2,241
Purchased Services	273,774	263,674	151,276	112,398
Materials and Supplies	169,874	170,374	101,815	68,559
Capital Outlay	13,507	13,507	7	13,500
Other	171,326	209,017	124,795	84,222
<i>Total Expenditures</i>	657,574	689,265	403,186	286,079
<i>Excess of Revenues Over (Under) Expenditures</i>	(30,974)	(62,665)	(104,574)	(41,909)
Other Financing Sources (Uses)				
Transfers In	58,100	58,100	92,000	33,900
<i>Net Change in Fund Balance</i>	27,126	(4,565)	(12,574)	(8,009)
<i>Fund Balance Beginning of Year</i>	90,779	90,779	90,779	0
Prior Year Encumbrances Appropriated	8,349	8,349	8,349	0
<i>Fund Balance End of Year</i>	\$126,254	\$94,563	\$86,554	(\$8,009)

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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$1,623,353	\$1,564,231	\$1,564,231	\$0
Interest	0	0	826	826
<i>Total Revenues</i>	<u>1,623,353</u>	<u>1,564,231</u>	<u>1,565,057</u>	<u>826</u>
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	1,451,951	1,229,569	1,225,434	4,135
Materials and Supplies	217,774	481,611	480,369	1,242
Capital Outlay	126,483	164,260	164,210	50
<i>Total Expenditures</i>	<u>1,796,208</u>	<u>1,875,440</u>	<u>1,870,013</u>	<u>5,427</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(172,855)	(311,209)	(304,956)	6,253
Other Financing Sources (Uses)				
Advances Out	(295,912)	(295,912)	(295,912)	0
<i>Net Change in Fund Balance</i>	(468,767)	(607,121)	(600,868)	6,253
<i>Fund Balance Beginning of Year</i>	349,926	349,926	349,926	0
Prior Year Encumbrances Appropriated	257,195	257,195	257,195	0
<i>Fund Balance End of Year</i>	<u>\$138,354</u>	<u>\$0</u>	<u>\$6,253</u>	<u>\$6,253</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, 2017*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$21,600	\$21,600	\$21,600	\$0
Expenditures				
Current:				
Support Services:				
Central:				
Purchased Services	12,096	12,096	12,096	0
Capital Outlay	0	21,600	21,600	0
<i>Total Expenditures</i>	<u>12,096</u>	<u>33,696</u>	<u>33,696</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	9,504	(12,096)	(12,096)	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	<u>12,096</u>	<u>12,096</u>	<u>12,096</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$21,600</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Straight A Fund
For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$1,038,475	\$1,038,475	\$888,820	(\$149,655)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	8,909	8,909	8,909	0
Fringe Benefits	1,366	1,366	1,366	0
Materials and Supplies	51,159	36,881	36,881	0
Capital Outlay	35,734	41,097	41,097	0
Total Instruction	97,168	88,253	88,253	0
Support Services:				
Pupils:				
Purchased Services	106,000	106,000	106,000	0
Instructional Staff:				
Purchased Services	159,044	159,044	156,592	2,452
Administration:				
Purchased Services	827,969	827,970	681,969	146,001
Materials and Supplies	0	13,411	12,209	1,202
Capital Outlay	19,500	6,089	6,089	0
Total Administration	847,469	847,470	700,267	147,203
Total Support Services	1,112,513	1,112,514	962,859	149,655
Capital Outlay:				
Capital Outlay	220,511	229,425	229,425	0
<i>Total Expenditures</i>	1,430,192	1,430,192	1,280,537	149,655
<i>Net Change in Fund Balance</i>	(391,717)	(391,717)	(391,717)	0
<i>Fund Balance Beginning of Year</i>	5,656	5,656	5,656	0
Prior Year Encumbrances Appropriated	386,061	386,061	386,061	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0

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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$263,908	\$263,908	\$212,155	(\$51,753)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	14,850	3,718	3,718	0
Fringe Benefits	2,475	619	619	0
Materials and Supplies	83,845	84,333	66,955	17,378
Capital Outlay	86,000	116,000	93,656	22,344
Total Instruction	187,170	204,670	164,948	39,722
Support Services:				
Pupils:				
Salaries and Wages	60,003	60,003	50,598	9,405
Fringe Benefits	9,994	9,994	8,501	1,493
Purchased Services	10,000	1,500	367	1,133
Total Pupils	79,997	71,497	59,466	12,031
Instructional Staff:				
Purchased Services	12,000	3,000	3,000	0
Total Support Services	91,997	74,497	62,466	12,031
<i>Total Expenditures</i>	279,167	279,167	227,414	51,753
<i>Net Change in Fund Balance</i>	(15,259)	(15,259)	(15,259)	0
<i>Fund Balance Beginning of Year</i>	259	259	259	0
Prior Year Encumbrances Appropriated	15,000	15,000	15,000	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0

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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$2,182,423	\$2,182,423	\$1,805,216	(\$377,207)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	637,576	733,576	626,671	106,905
Fringe Benefits	261,067	264,084	228,397	35,687
Purchased Services	112,336	63,000	52,252	10,748
Materials and Supplies	145,863	96,833	77,968	18,865
Capital Outlay	58,845	22,738	22,197	541
Total Special Instruction	1,215,687	1,180,231	1,007,485	172,746
Student Intervention:				
Salaries and Wages	0	30,000	18,750	11,250
Fringe Benefits	0	10,000	2,851	7,149
Total Other Instruction	0	40,000	21,601	18,399
Total Instruction	1,215,687	1,220,231	1,029,086	191,145
Support Services:				
Pupils:				
Salaries and Wages	14,200	14,200	10,482	3,718
Fringe Benefits	2,665	2,400	1,911	489
Purchased Services	8,516	21,016	20,992	24
Materials and Supplies	29,493	16,000	14,844	1,156
Capital Outlay	15,253	5,000	3,544	1,456
Total Pupils	70,127	58,616	51,773	6,843
Instructional Staff:				
Purchased Services	218,644	152,104	139,074	13,030
Administration:				
Salaries and Wages	315,500	316,811	277,411	39,400
Fringe Benefits	156,182	166,548	135,737	30,811
Purchased Services	17,662	15,140	13,541	1,599
Materials and Supplies	51,165	21,945	9,937	12,008
Capital Outlay	12,037	0	0	0
Total Administration	\$552,546	\$520,444	\$436,626	\$83,818

(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, 2017*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	\$155,036	\$155,036	\$155,036	\$0
Capital Outlay:				
Capital Outlay	0	105,609	21,355	84,254
<i>Total Expenditures</i>	<u>2,212,040</u>	<u>2,212,040</u>	<u>1,832,950</u>	<u>379,090</u>
<i>Net Change in Fund Balance</i>	(29,617)	(29,617)	(27,734)	1,883
<i>Fund Balance Beginning of Year</i>	1,158	1,158	1,158	0
Prior Year Encumbrances Appropriated	<u>28,459</u>	<u>28,459</u>	<u>28,459</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$1,883</u></u>	<u><u>\$1,883</u></u>

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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$389,081	\$386,761	\$356,951	(\$29,810)
Expenditures				
Current:				
Instruction:				
Vocational:				
Salaries and Wages	15,000	6,170	5,437	733
Fringe Benefits	2,550	1,028	906	122
Purchased Services	51,029	66,029	57,572	8,457
Materials and Supplies	57,586	75,939	75,407	532
Capital Outlay	147,187	136,248	124,005	12,243
Total Instruction	273,352	285,414	263,327	22,087
Support Services:				
Pupils:				
Salaries and Wages	20,435	20,435	20,435	0
Fringe Benefits	3,488	4,609	4,609	0
Purchased Services	41,221	45,921	44,203	1,718
Other	1,049	49	49	0
Total Pupils	66,193	71,014	69,296	1,718
Instructional Staff:				
Purchased Services	33,000	25,000	23,049	1,951
Administration:				
Salaries and Wages	14,363	14,363	14,363	0
Fringe Benefits	2,442	2,442	2,442	0
Total Administration	16,805	16,805	16,805	0
Pupil Transportation:				
Purchased Services	15,000	12,000	7,946	4,054
Total Support Services	130,998	124,819	117,096	7,723
<i>Total Expenditures</i>	404,350	410,233	380,423	29,810
<i>Net Change in Fund Balance</i>	(15,269)	(23,472)	(23,472)	0
<i>Fund Balance Beginning of Year</i>	469	469	469	0
Prior Year Encumbrances Appropriated	23,003	23,003	23,003	0
<i>Fund Balance End of Year</i>	\$8,203	\$0	\$0	\$0

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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$46,193	\$46,193	\$24,050	(\$22,143)
Expenditures				
Current:				
Instruction:				
Special:				
Materials and Supplies	18,976	32,155	18,498	13,657
Support Services:				
Pupils:				
Salaries and Wages	4,000	2,000	2,000	0
Fringe Benefits	800	400	304	96
Purchased Services	13,380	5,542	3,412	2,130
Materials and Supplies	0	487	0	487
Total Pupils	18,180	8,429	5,716	2,713
Instructional Staff:				
Salaries and Wages	2,000	2,000	535	1,465
Fringe Benefits	400	400	89	311
Purchased Services	8,028	4,600	603	3,997
Total Instructional Staff	10,428	7,000	1,227	5,773
Total Support Services	28,608	15,429	6,943	8,486
<i>Total Expenditures</i>	47,584	47,584	25,441	22,143
<i>Net Change in Fund Balance</i>	(1,391)	(1,391)	(1,391)	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	1,391	1,391	1,391	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0

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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$1,036,201	\$1,042,650	\$734,588	(\$308,062)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	503,572	464,503	365,227	99,276
Fringe Benefits	194,908	184,509	136,016	48,493
Purchased Services	66,000	66,000	60,602	5,398
Materials and Supplies	35,361	28,449	8,999	19,450
Capital Outlay	19,332	10,000	0	10,000
Total Instruction	819,173	753,461	570,844	182,617
Support Services:				
Instructional Staff:				
Salaries and Wages	74,350	143,350	77,109	66,241
Fringe Benefits	51,645	76,645	27,379	49,266
Purchased Services	16,863	4,000	3,726	274
Materials and Supplies	5,199	2,000	1,664	336
Total Instructional Staff	148,057	225,995	109,878	116,117
Administration:				
Salaries and Wages	33,467	31,880	23,755	8,125
Fringe Benefits	15,639	14,468	8,386	6,082
Total Administration	49,106	46,348	32,141	14,207
Total Support Services	197,163	272,343	142,019	130,324
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	2,000	2,000	0	2,000
Materials and Supplies	17,019	15,000	9,412	5,588
Capital Outlay	1,000	0	0	0
Total Operation of Non-Instructional Services	20,019	17,000	9,412	7,588
Total Expenditures	1,036,355	1,042,804	722,275	320,529
Net Change in Fund Balance	(154)	(154)	12,313	12,467
Fund Balance Beginning of Year	154	154	154	0
Fund Balance End of Year	\$0	\$0	\$12,467	\$12,467

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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$71,817	\$71,817	\$38,152	(\$33,665)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	6,882	11,384	1,676	9,708
Fringe Benefits	1,114	1,080	255	825
Purchased Services	2,417	2,170	1,375	795
Materials and Supplies	13,327	9,701	8,529	1,172
Capital Outlay	624	0	0	0
Total Instruction	24,364	24,335	11,835	12,500
Support Services:				
Pupils:				
Salaries and Wages	33,380	35,768	19,600	16,168
Fringe Benefits	10,912	11,303	6,828	4,475
Purchased Services	1,200	0	0	0
Materials and Supplies	550	500	0	500
Total Pupils	46,042	47,571	26,428	21,143
Instructional Staff:				
Purchased Services	200	200	0	200
Administration:				
Materials and Supplies	200	0	0	0
Pupil Transportation:				
Purchased Services	1,000	0	0	0
Total Support Services	47,442	47,771	26,428	21,343
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	300	0	0	0
Total Expenditures	72,106	72,106	38,263	33,843
Net Change in Fund Balance	(289)	(289)	(111)	178
Fund Balance Beginning of Year	138	138	138	0
Prior Year Encumbrances Appropriated	151	151	151	0
Fund Balance End of Year	\$0	\$0	\$178	\$178

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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$280,069	\$279,399	\$221,482	(\$57,917)
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	89,640	42,419	33,873	8,546
Fringe Benefits	38,670	18,250	5,279	12,971
Purchased Services	91,023	182,825	175,129	7,696
Materials and Supplies	15,551	10,000	10,000	0
Capital Outlay	10,000	0	0	0
Total Support Services	244,884	253,494	224,281	29,213
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	55,972	46,692	24,806	21,886
Materials and Supplies	10,000	10,000	2,737	7,263
Total Operation of Non-Instructional Services	65,972	56,692	27,543	29,149
<i>Total Expenditures</i>	310,856	310,186	251,824	58,362
<i>Net Change in Fund Balance</i>	(30,787)	(30,787)	(30,342)	445
<i>Fund Balance Beginning of Year</i>	2,037	2,037	2,037	0
Prior Year Encumbrances Appropriated	28,750	28,750	28,750	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$445	\$445

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Uniform School Supplies Fund
For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Tuition and Fees	\$299,500	\$255,000	\$317,421	\$62,421
Miscellaneous	500	500	7	(493)
<i>Total Revenues</i>	<u>300,000</u>	<u>255,500</u>	<u>317,428</u>	<u>61,928</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	122,931	122,931	53,535	69,396
Materials and Supplies	210,685	253,471	223,239	30,232
Other	11,500	12,714	11,190	1,524
Total Regular Instruction	345,116	389,116	287,964	101,152
Vocational:				
Materials and Supplies	4,939	10,939	8,959	1,980
Total Instruction	350,055	400,055	296,923	103,132
Support Services:				
Fiscal:				
Other	14,800	14,800	7,479	7,321
<i>Total Expenditures</i>	<u>364,855</u>	<u>414,855</u>	<u>304,402</u>	<u>110,453</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(64,855)	(159,355)	13,026	172,381
Other Financing Sources (Uses)				
Transfers In	125,000	125,000	0	(125,000)
<i>Net Change in Fund Balance</i>	60,145	(34,355)	13,026	47,381
<i>Fund Balance Beginning of Year</i>	200,145	200,145	200,145	0
Prior Year Encumbrances Appropriated	23,150	23,150	23,150	0
<i>Fund Balance End of Year</i>	<u>\$283,440</u>	<u>\$188,940</u>	<u>\$236,321</u>	<u>\$47,381</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Extracurricular Activities	\$320,385	\$330,385	\$157,150	(\$173,235)
Contributions and Donations	93,400	93,400	78,921	(14,479)
Charges for Services	28,900	28,900	8,200	(20,700)
Miscellaneous	4,000	4,000	3,625	(375)
<i>Total Revenues</i>	<u>446,685</u>	<u>456,685</u>	<u>247,896</u>	<u>(208,789)</u>
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Materials and Supplies	1,000	1,000	0	1,000
Administration:				
Salaries and Wages	1,250	1,250	0	1,250
Fringe Benefits	285	285	0	285
Purchased Services	9,176	8,126	3,914	4,212
Materials and Supplies	42,495	39,920	27,626	12,294
Capital Outlay	9,800	17,306	8,626	8,680
Other	40,380	45,499	28,876	16,623
Total Administration	<u>103,386</u>	<u>112,386</u>	<u>69,042</u>	<u>43,344</u>
Central:				
Salaries and Wages	3,800	3,800	143	3,657
Fringe Benefits	1,550	1,550	24	1,526
Purchased Services	31,317	29,817	6,657	23,160
Materials and Supplies	89,026	93,026	32,101	60,925
Capital Outlay	21,652	24,152	0	24,152
Other	59,558	64,558	37,077	27,481
Total Central	<u>206,903</u>	<u>216,903</u>	<u>76,002</u>	<u>140,901</u>
Total Support Services	<u>\$311,289</u>	<u>\$330,289</u>	<u>\$145,044</u>	<u>\$185,245</u>

(continued)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Public School Support Fund (continued)
For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operation of Non-Instructional Services:				
Community Services:				
Other	\$2,500	\$2,500	\$750	\$1,750
Food Service Operations:				
Materials and Supplies	2,957	2,957	1,262	1,695
Capital Outlay	3,450	3,450	1,402	2,048
Other	1,600	1,600	260	1,340
Total Food Service Operations	8,007	8,007	2,924	5,083
Extracurricular Activities:				
School and Public Service Co-Curricular Activities:				
Salaries and Wages	5,400	5,400	0	5,400
Fringe Benefits	1,310	1,310	0	1,310
Purchased Services	33,604	33,604	7,344	26,260
Materials and Supplies	142,301	149,301	101,428	47,873
Capital Outlay	13,902	6,902	0	6,902
Other	36,654	36,654	24,142	12,512
Total Extracurricular Activities	233,171	233,171	132,914	100,257
<i>Total Expenditures</i>	554,967	573,967	281,632	292,335
<i>Excess of Revenues Over (Under) Expenditures</i>	(108,282)	(117,282)	(33,736)	83,546
Other Financing Sources (Uses)				
Transfers Out	(700)	(700)	0	700
<i>Net Change in Fund Balance</i>	(108,982)	(117,982)	(33,736)	84,246
<i>Fund Balance Beginning of Year</i>	184,299	184,299	184,299	0
Prior Year Encumbrances Appropriated	26,271	26,271	26,271	0
<i>Fund Balance End of Year</i>	\$101,588	\$92,588	\$176,834	\$84,246

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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Debt Service:				
Principal Retirement	390,000	390,000	390,000	0
Interest and Fiscal Charges	4,000	4,485	4,485	0
Total Debt Service	394,000	394,485	394,485	0
<i>Total Expenditures</i>	394,000	394,485	394,485	0
<i>Excess of Revenues Over (Under) Expenditures</i>	(394,000)	(394,485)	(394,485)	0
Other Financing Sources (Uses)				
Notes Issued	195,000	195,000	0	(195,000)
Transfers In	200,000	200,000	394,485	194,485
<i>Total Other Financing Sources</i>	395,000	395,000	394,485	(515)
<i>Net Change in Fund Balance</i>	1,000	515	0	(515)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$1,000	\$515	\$0	(\$515)

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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$860,000	\$860,000	\$920,643	\$60,643
Intergovernmental	289,459	120,000	313,337	193,337
Interest	2,200	2,200	6,125	3,925
Rentals	0	0	286	286
Miscellaneous	0	0	170,800	170,800
<i>Total Revenues</i>	<u>1,151,659</u>	<u>982,200</u>	<u>1,411,191</u>	<u>428,991</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Capital Outlay	119	119	119	0
Support Services:				
Fiscal:				
Other	20,000	20,000	11,582	8,418
Operation and Maintenance of Plant:				
Purchased Services	62,749	124,013	120,485	3,528
Materials and Supplies	39,428	23,164	21,405	1,759
Capital Outlay	2,041,833	1,996,833	1,581,623	415,210
Total Operation and Maintenance of Plant	<u>2,144,010</u>	<u>2,144,010</u>	<u>1,723,513</u>	<u>420,497</u>
Total Support Services	<u>2,164,010</u>	<u>2,164,010</u>	<u>1,735,095</u>	<u>428,915</u>
<i>Total Expenditures</i>	<u>2,164,129</u>	<u>2,164,129</u>	<u>1,735,214</u>	<u>428,915</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,012,470)	(1,181,929)	(324,023)	857,906
Other Financing Sources (Uses)				
Transfers In	0	0	80,000	80,000
<i>Net Change in Fund Balance</i>	(1,012,470)	(1,181,929)	(244,023)	937,906
<i>Fund Balance Beginning of Year</i>	1,016,828	1,016,828	1,016,828	0
Prior Year Encumbrances Appropriated	289,829	289,829	289,829	0
<i>Fund Balance End of Year</i>	<u>\$294,187</u>	<u>\$124,728</u>	<u>\$1,062,634</u>	<u>\$937,906</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP) and Actual
Treasury Management Services Fund
For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$200,000	\$200,000	\$332,189	\$132,189
Expenses				
Salaries and Wages	249,911	69,800	67,141	2,659
Fringe Benefits	119,793	41,876	41,051	825
Purchased Services	50,814	3,610	3,152	458
Capital Outlay	4,831	1,450	0	1,450
Other	253	50	23	27
<i>Total Expenses</i>	<u>425,602</u>	<u>116,786</u>	<u>111,367</u>	<u>5,419</u>
<i>Net Change in Fund Equity</i>	(225,602)	83,214	220,822	137,608
<i>Fund Equity Beginning of Year</i>	297,003	297,003	297,003	0
Prior Year Encumbrances Appropriated	<u>1,101</u>	<u>1,101</u>	<u>1,101</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$72,502</u></u>	<u><u>\$381,318</u></u>	<u><u>\$518,926</u></u>	<u><u>\$137,608</u></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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$15,975,000	\$17,000,000	\$15,867,899	(\$1,132,101)
Interest	25,000	25,000	36,406	11,406
<i>Total Revenues</i>	<u>16,000,000</u>	<u>17,025,000</u>	<u>15,904,305</u>	<u>(1,120,695)</u>
Expenses				
Salaries and Wages	16,200	50,250	48,064	2,186
Fringe Benefits	8,675	21,125	20,905	220
Purchased Services	67,831	62,831	59,172	3,659
Materials and Supplies	1,392	1,392	392	1,000
Claims	15,256,015	15,214,515	14,894,872	319,643
<i>Total Expenses</i>	<u>15,350,113</u>	<u>15,350,113</u>	<u>15,023,405</u>	<u>326,708</u>
<i>Net Change in Fund Equity</i>	649,887	1,674,887	880,900	(793,987)
<i>Fund Equity Beginning of Year</i>	12,250,357	12,250,357	12,250,357	0
Prior Year Encumbrances Appropriated	<u>142,038</u>	<u>142,038</u>	<u>142,038</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$13,042,282</u></u>	<u><u>\$14,067,282</u></u>	<u><u>\$13,273,295</u></u>	<u><u>(\$793,987)</u></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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$690,000	\$625,000	\$715,586	\$90,586
Interest	10,000	10,000	11,309	1,309
<i>Total Revenues</i>	<u>700,000</u>	<u>635,000</u>	<u>726,895</u>	<u>91,895</u>
Expenses				
Salaries and Wages	3,000	9,800	9,755	45
Purchased Services	39,352	39,352	34,753	4,599
Claims	378,446	446,646	370,437	76,209
Other	88,719	88,719	64,682	24,037
<i>Total Expenses</i>	<u>509,517</u>	<u>584,517</u>	<u>479,627</u>	<u>104,890</u>
<i>Net Change in Fund Equity</i>	190,483	50,483	247,268	196,785
<i>Fund Equity Beginning of Year</i>	3,710,858	3,710,858	3,710,858	0
Prior Year Encumbrances Appropriated	21,317	21,317	21,317	0
<i>Fund Equity End of Year</i>	<u>\$3,922,658</u>	<u>\$3,782,658</u>	<u>\$3,979,443</u>	<u>\$196,785</u>





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.

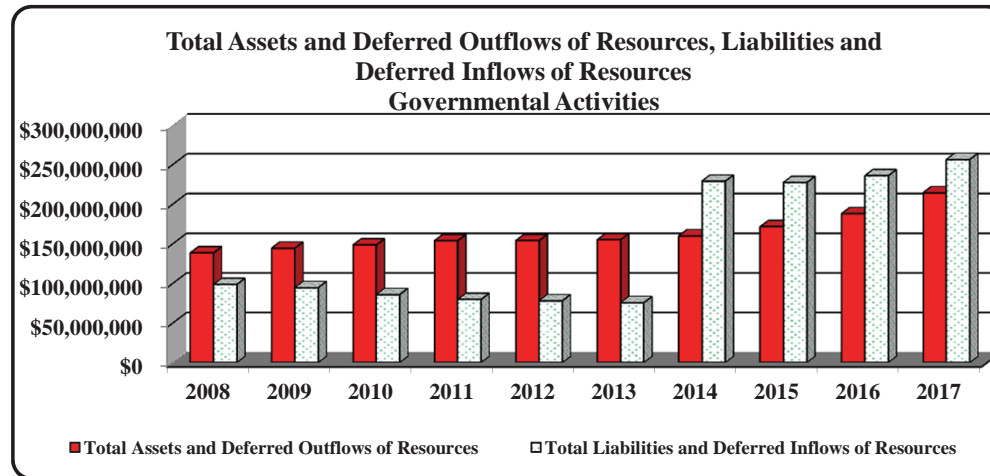
Contents	Pages(s)
<i>Financial Trends</i>	<i>S2 – S7</i>
These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	<i>S8 – S14</i>
These schedules contain information to help the reader assess the School District's most significant local revenue, the property tax.	
<i>Debt Capacity</i>	<i>S15 – S17</i>
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>	<i>S18 - S19</i>
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>	<i>S20 – S24</i>
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.

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental Activities:										
Net Investment in Capital Assets	\$6,090,322	\$9,772,640	\$12,508,243	\$14,759,054	\$18,690,375	\$18,844,497	\$16,824,430	\$20,659,639	\$24,742,961	\$25,250,556
Restricted for:										
Capital Projects	0	762,518	362,698	0	0	1,303,234	1,856,003	1,583,300	1,408,363	1,869,982
Debt Service	1,178,731	1,169,344	1,282,983	1,291,257	399,601	309,186	5,386	11	0	0
Other Purposes	613,393	1,156,763	816,437	718,814	837,355	905,617	1,250,617	6,039,333	1,741,642	1,241,812
Unrestricted (Deficit)	31,985,247	37,551,015	48,180,077	57,351,890	56,980,153	57,969,222	(89,027,846)	(83,906,673)	(75,726,182)	(70,387,831)
Total Governmental Activities	\$39,867,693	\$50,412,280	\$63,150,438	\$74,121,015	\$76,907,484	\$79,331,756	(\$69,091,410)	(\$55,624,390)	(\$47,833,216)	(\$42,025,481)
Business-Type Activities:										
Net Investment in Capital Assets	\$0	\$0	\$0	\$0	\$776,333	\$736,293	\$690,236	\$648,786	\$620,802	\$591,072
Unrestricted (Deficit)	0	0	0	(48,355)	(927,055)	(541,013)	(3,889,524)	(3,037,830)	(2,325,047)	(1,236,374)
Total Business-Type Activities	\$0	\$0	\$0	(\$48,355)	(\$150,722)	\$195,280	(\$3,199,288)	(\$2,389,044)	(\$1,704,245)	(\$645,302)
Total	\$39,867,693	\$50,412,280	\$63,150,438	\$74,072,660	\$76,756,762	\$79,527,036	(\$72,290,698)	(\$58,013,434)	(\$49,537,461)	(\$42,670,783)

Note: The School District implemented GASB 68 in fiscal year 2015.



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

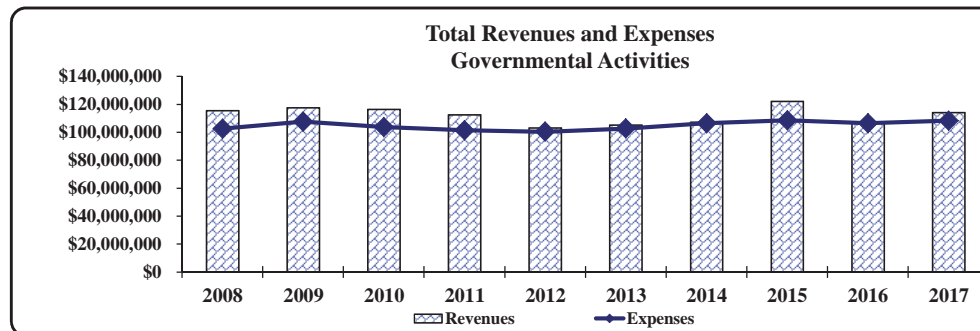
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental Activities:										
Regular Instruction	\$44,945,941	\$46,237,935	\$43,854,284	\$40,947,715	\$42,323,557	\$42,766,318	\$44,842,720	\$47,686,630	\$39,889,091	\$43,566,229
Special Instruction	11,212,042	12,369,370	12,494,286	12,374,765	12,866,538	12,437,218	15,845,511	14,261,426	14,198,108	16,402,216
Vocational Instruction	2,316,091	2,400,243	2,115,566	2,007,506	1,777,229	1,831,655	2,412,616	2,053,430	2,066,776	2,374,027
Adult/Continuing Instruction	0	0	0	0	0	0	0	1,653	1,598	0
Student Intervention	797,941	871,025	242,414	157,223	24,699	100,553	97,568	152,730	149,374	175,503
Pupil Support	6,220,899	6,614,344	7,009,557	6,847,947	6,823,981	6,381,842	6,211,357	5,713,690	5,638,049	6,219,741
Instructional Staff Support	5,264,426	5,431,287	5,508,798	6,269,397	6,845,936	6,665,047	3,862,888	4,974,475	6,130,131	6,486,640
Board of Education	629,220	475,375	604,673	649,396	532,055	527,619	353,843	101,051	121,393	156,601
Administration	5,525,373	6,067,851	5,803,805	5,699,441	5,640,548	5,524,560	5,729,639	6,419,801	5,276,526	6,743,917
Fiscal	2,505,210	2,602,233	2,179,768	2,301,863	2,401,316	2,385,986	2,789,268	2,759,563	2,819,889	2,791,100
Business	425,188	600,821	678,606	621,092	580,681	559,614	590,895	580,374	593,946	548,872
Operation and Maintenance of Plant	8,292,228	9,331,618	8,593,179	8,708,180	6,103,554	8,779,394	10,014,973	10,218,945	9,423,648	9,258,444
Pupil Transportation	6,260,899	6,379,443	6,380,577	6,214,657	6,274,223	6,626,148	6,493,521	6,207,664	6,007,113	5,756,272
Central Support	1,592,739	1,608,402	2,151,550	2,035,025	1,956,913	2,025,556	834,397	956,647	869,171	1,118,205
Operation of Non-Instructional Services	1,530,928	1,600,570	1,521,042	1,737,643	1,508,012	1,631,958	1,722,196	2,061,460	2,141,108	1,748,597
Operation of Food Services	2,597,209	2,706,117	2,272,614	2,599,841	2,666,083	2,461,146	2,476,658	2,442,507	2,660,668	2,626,974
Extracurricular Activities	1,852,683	1,973,168	1,986,932	2,030,230	1,989,896	1,953,991	2,159,981	2,011,173	2,090,434	2,351,078
Interest and Fiscal Charges	590,868	376,700	321,316	230,762	115,597	51,645	23,743	9,214	5,627	4,055
Total Governmental Activities Expenses	102,559,885	107,646,502	103,718,967	101,432,683	100,430,818	102,710,250	106,461,774	108,612,433	100,082,650	108,328,471
Business-Type Activities:										
Cardinal Autism and Resource Education School	0	0	0	12,409	866,875	1,215,128	1,604,743	1,661,959	2,483,893	3,270,028
Treasury Management Services	0	0	0	0	0	0	455	64,463	103,597	151,980
Total Business-Type Activities	0	0	0	12,409	866,875	1,215,128	1,605,198	1,726,422	2,587,490	3,422,008
Total Primary Government Expenses	102,559,885	107,646,502	103,718,967	101,445,092	101,297,693	103,925,378	108,066,972	110,338,855	102,670,140	111,750,479
Program Revenues										
Governmental Activities:										
Charges for Services										
Regular Instruction	1,262,324	1,821,519	1,724,146	1,568,144	1,481,961	1,551,715	1,961,492	1,322,185	1,545,315	1,452,578
Special Instruction	361,110	329,952	299,639	307,739	267,883	121,723	166,184	319,032	406,883	372,291
Vocational Instruction	339,466	70,415	86,816	84,300	46,693	6,179	3,891	49,524	60,180	54,791
Student Intervention	3,540	25,016	7,173	4,950	652	0	0	3,712	4,652	4,005
Pupil Support	0	593,183	595,714	668,870	670,465	497,992	463,159	613,849	793,143	759,288
Instructional Staff Support	0	0	0	0	1,158	1,669	5,801	117,088	232,365	143,839
Board of Education	0	0	0	0	0	0	0	2,377	3,736	4,037
Administration	0	0	0	0	16,140	39,431	58,202	215,783	195,032	228,433
Fiscal	0	0	0	0	0	0	10,047	76,461	103,480	88,725
Business	0	0	0	0	0	0	0	14,607	19,097	13,694
Operation and Maintenance of Plant	22,164	63,936	7,894	31,689	4,065	19,690	20,504	223,126	238,735	235,337
Pupil Transportation	64,480	0	0	32	0	15,133	10,111	153,897	183,521	155,368
Central Support	17,155	84,230	97,297	98,330	63,026	74,775	73,622	106,743	106,246	109,131
Operation of Non-Instructional Services	500	0	1,818	344	1,211	2,659	1,054	3,539	2,729	4,387
Operation of Food Service	1,858,070	2,188,505	2,039,957	1,937,715	2,014,632	1,717,323	1,635,561	1,557,356	1,679,047	1,642,696
Extracurricular Activities	759,950	792,922	378,119	436,430	419,388	751,628	930,774	451,883	521,674	492,519
Operating Grants, and Contributions	6,536,486	5,682,667	7,906,021	8,000,454	7,091,085	7,781,404	8,423,369	22,132,284	8,319,670	9,019,667
Capital Grants and Contributions	500,000	212,228	300,058	297,469	223,455	173,146	176,620	582,572	139,666	313,337
Total Governmental Activities	\$11,725,245	\$11,864,573	\$13,444,652	\$13,436,466	\$12,301,814	\$12,754,467	\$13,940,391	\$27,946,018	\$14,555,171	\$15,094,123

(continued)

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Business-Type Activities:										
Cardinal Autism and Resource Education School	\$0	\$0	\$0	\$0	\$712,052	\$1,558,993	\$1,676,154	\$2,360,753	\$3,078,826	\$4,148,762
Treasury Management Services	0	0	0	0	0	0	97,243	175,913	193,463	332,189
Total Business-Type Activities	0	0	0	0	712,052	1,558,993	1,773,397	2,536,666	3,272,289	4,480,951
Total Program Revenues	11,725,245	11,864,573	13,444,652	13,436,466	13,013,866	14,313,460	15,713,788	30,482,684	17,827,460	19,575,074
Net (Expense)/Revenue										
Governmental Activities	(90,834,640)	(95,781,929)	(90,274,315)	(87,996,217)	(88,129,004)	(89,955,783)	(92,521,383)	(80,666,415)	(85,527,479)	(93,234,348)
Business-Type Activities	0	0	0	(12,409)	(154,823)	343,865	168,199	810,244	684,799	1,058,943
Total Primary Government Net Expense	(90,834,640)	(95,781,929)	(90,274,315)	(88,008,626)	(88,283,827)	(89,611,918)	(92,353,184)	(79,856,171)	(84,842,680)	(92,175,405)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for:										
General Purposes	65,257,692	67,927,056	65,057,347	61,170,651	55,451,124	61,192,737	61,571,172	62,259,273	60,534,623	67,859,959
Debt Service	3,557,490	1,178,780	1,271,091	1,189,811	392,865	35,877	132,794	0	0	0
Capital Outlay	975,018	1,305,440	1,272,012	1,197,778	1,111,700	1,200,902	899,854	970,551	843,141	912,831
Grants and Entitlements not Restricted to Specific Programs	31,027,122	33,523,296	34,257,793	33,914,434	31,352,133	27,849,260	28,892,431	28,800,536	29,175,056	27,463,432
Payment in Lieu of Taxes	0	154,534	281,912	632,472	2,019,534	810,267	1,061,014	1,171,884	1,304,929	976,978
Investment Earnings	2,180,793	1,466,058	624,575	394,628	305,946	240,583	177,630	242,800	469,354	897,186
Unrestricted Contributions and Donations	0	0	1,000	26,800	58,625	46,175	55,409	60,215	60,575	80,191
Gain on Sale of Capital Assets	0	6,600	24,547	0	0	0	0	26,259	0	0
Miscellaneous	665,328	124,763	222,196	404,274	276,002	1,006,391	619,195	601,917	930,975	851,506
Transfers	0	0	0	35,946	(52,456)	(2,137)	0	0	0	0
Total Governmental Activities	103,663,443	105,686,527	103,012,473	98,966,794	90,915,473	92,380,055	93,409,499	94,133,435	93,318,653	99,042,083
Business-Type Activities:										
Transfers	0	0	0	(35,946)	52,456	2,137	0	0	0	0
Total Primary Government	103,663,443	105,686,527	103,012,473	98,930,848	90,967,929	92,382,192	93,409,499	94,133,435	93,318,653	99,042,083
Change in Net Position										
Governmental Activities	12,828,803	9,904,598	12,738,158	10,970,577	2,786,469	2,424,272	888,116	13,467,020	7,791,174	5,807,735
Business-Type Activities	0	0	0	(48,355)	(102,367)	346,002	168,199	810,244	684,799	1,058,943
Total Primary Government Change in Net Position	\$12,828,803	\$9,904,598	\$12,738,158	\$10,922,222	\$2,684,102	\$2,770,274	\$1,056,315	\$14,277,264	\$8,475,973	\$6,866,678

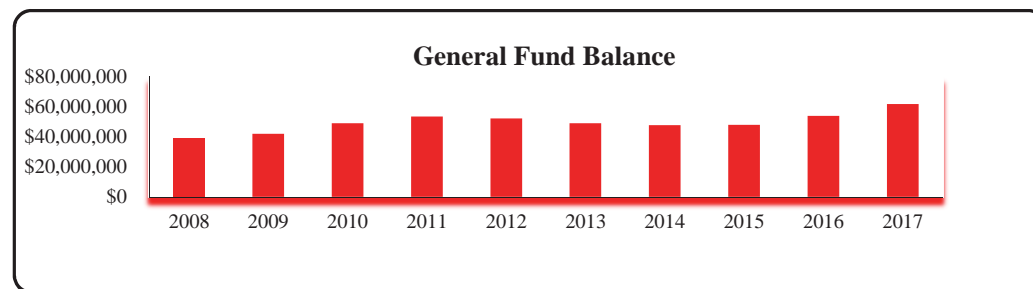
Note: The School District implemented GASB 68 in fiscal year 2015.



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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund										
Nonspendable	n/a	\$60,329	\$75,796	\$85,245	\$93,351	\$81,448	\$104,117	\$80,747	\$84,415	\$88,606
Assigned	n/a	1,724,986	1,317,737	6,443,876	13,254,424	12,914,600	12,725,779	16,657,168	4,123,714	4,142,594
Unassigned	n/a	40,083,669	47,579,619	46,985,974	38,877,999	35,874,466	34,759,516	31,242,746	49,536,124	57,527,533
Reserved	\$6,627,563	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Unreserved (Deficit)	32,169,530	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total General Fund	38,797,093	41,868,984	48,973,152	53,515,095	52,225,774	48,870,514	47,589,412	47,980,661	53,744,253	61,758,733
All Other Governmental Funds										
Nonspendable	n/a	46,527	86,912	66,505	19,236	20,833	8,286	22,861	19,551	21,007
Restricted	n/a	2,443,747	2,248,818	1,958,438	1,282,675	1,592,997	1,736,182	5,353,578	2,079,366	2,495,778
Committed	n/a	206,629	176,519	184,790	213,221	227,255	210,745	189,396	265,675	231,050
Unassigned (Deficit)	n/a	(86,278)	(122,143)	(197,945)	(211,540)	(78,425)	(395,251)	0	(7,333)	(47,770)
Reserved	1,570,990	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Unreserved, Undesignated, Reported in:										
Special Revenue funds	568,541	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Debt Service funds	1,042,860	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Capital Projects funds	1,034,907	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total All Other Governmental Funds	4,217,298	2,610,625	2,390,106	2,011,788	1,303,592	1,762,660	1,559,962	5,565,835	2,357,259	2,700,065
Total Governmental Funds	\$43,014,391	\$44,479,609	\$51,363,258	\$55,526,883	\$53,529,366	\$50,633,174	\$49,149,374	\$53,546,496	\$56,101,512	\$64,458,798

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)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
Property Taxes	\$69,020,927	\$67,270,002	\$67,177,217	\$62,021,506	\$59,873,748	\$61,179,366	\$62,667,276	\$64,317,827	\$62,644,379	\$69,078,643
Intergovernmental	36,092,948	39,365,158	42,170,509	42,025,849	38,498,735	35,541,543	36,958,115	50,708,574	37,245,660	36,434,469
Interest	2,179,248	1,477,837	620,196	380,642	300,565	239,426	162,004	212,234	443,491	849,471
Tuition and Fees	1,494,705	1,844,293	1,930,434	1,883,959	1,538,633	1,568,203	2,146,836	2,154,999	3,156,888	2,972,527
Extracurricular Activities	853,846	1,347,160	1,339,049	1,351,003	1,398,618	1,370,675	1,333,133	1,329,201	895,167	817,219
Contributions and Donations	0	217,593	216,810	271,539	243,349	300,802	245,309	720,506	287,422	233,162
Charges for Services	0	2,222,931	2,072,129	1,972,470	2,035,547	1,741,276	1,684,744	1,569,569	1,783,655	1,797,684
Rentals	0	116,632	98,927	81,653	99,512	115,349	173,680	168,737	158,169	215,481
Payment in Lieu of Taxes	0	154,534	281,912	316,236	1,167,885	989,076	1,061,014	1,116,449	1,210,689	2,187,667
Miscellaneous	1,857,229	119,918	220,343	410,972	227,963	938,419	690,623	584,507	978,020	857,347
Total Revenues	111,498,903	114,136,058	116,127,526	110,715,829	105,384,555	103,984,135	107,122,734	122,882,603	108,803,540	115,443,670
Expenditures										
Current:										
Instruction:										
Regular	42,274,204	46,043,804	45,248,495	42,481,866	43,259,029	44,975,387	46,017,093	50,771,461	42,144,538	42,383,408
Special	10,999,145	11,860,208	12,735,967	12,769,094	13,176,953	13,131,740	16,244,041	15,248,597	15,060,146	16,290,044
Vocational	2,248,335	2,229,173	2,115,669	2,103,371	1,846,685	2,001,758	2,461,321	2,272,130	2,135,402	2,362,278
Student Intervention	797,941	785,850	234,632	190,986	56,869	135,860	101,894	156,663	155,293	176,607
Support Services:										
Pupils	5,869,905	6,933,129	6,987,108	6,976,476	6,937,384	6,692,110	6,430,727	6,029,191	6,014,303	6,101,540
Instructional Staff	5,265,019	5,556,065	5,528,938	6,378,761	6,857,182	6,887,005	4,074,390	5,046,081	6,304,428	6,160,415
Board of Education	629,220	485,459	603,120	646,644	538,033	542,655	351,365	102,589	125,705	156,840
Administration	5,519,624	5,730,195	5,863,641	5,736,156	5,824,039	5,712,757	5,726,319	6,721,879	5,808,628	6,590,231
Fiscal	2,493,429	2,519,317	2,183,528	2,342,990	2,422,710	2,466,694	2,806,123	2,891,517	2,997,494	2,795,143
Business	422,564	538,882	672,979	663,067	595,192	574,700	600,837	616,886	640,342	536,838
Operation and Maintenance of Plant	8,802,705	11,883,307	10,462,819	10,002,493	9,543,235	8,625,875	9,566,407	10,117,439	9,374,245	10,010,553
Pupil Transportation	6,162,044	6,035,216	6,078,092	6,232,988	6,261,940	6,475,944	6,348,033	6,138,657	5,836,538	5,856,408
Central	1,567,040	1,648,620	2,105,387	1,936,650	2,037,233	1,960,039	628,973	986,653	1,065,689	1,065,689
Operation of Non-Instructional Services	1,526,416	1,574,901	1,487,659	1,701,792	1,568,990	1,654,046	1,700,250	2,104,899	2,242,374	1,729,602
Operation of Food Services	1,230	2,648,929	2,349,998	2,639,478	2,711,502	2,534,119	2,561,416	2,494,180	2,764,189	2,605,286
Extracurricular Activities	1,842,457	1,909,087	1,886,480	1,921,630	1,917,563	1,928,218	2,094,539	2,044,953	2,122,316	2,219,867
Capital Outlay	1,062,487	0	0	21,800	0	0	0	4,763,639	1,527,419	41,580
Debt Service:										
Principal Retirement	4,101,642	2,385,531	2,312,205	2,238,667	1,626,323	924,000	861,674	0	0	0
Interest and Fiscal Charges	598,562	313,476	222,884	124,207	73,412	54,327	31,132	4,326	5,627	4,055
Capital Appreciation Bond Interest	0	0	0	0	600,011	0	0	0	0	0
Total Expenditures	102,183,969	111,081,149	109,079,601	107,109,116	107,854,285	107,277,234	108,606,534	118,511,740	106,248,524	107,086,384
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>9,314,934</i>	<i>3,054,909</i>	<i>7,047,925</i>	<i>3,606,713</i>	<i>(2,469,730)</i>	<i>(3,293,099)</i>	<i>(1,483,800)</i>	<i>4,370,863</i>	<i>2,555,016</i>	<i>8,357,286</i>
Other Financing Sources (Uses)										
Sale of Capital Assets	32,121	0	33,446	15,578	8,213	12,377	0	26,259	0	0
Energy Conservation Notes Issued	773,335	696,000	618,667	541,334	464,000	386,667	0	0	0	0
Transfers In	361,054	470,543	1,008,373	429,434	478,157	433,814	427,201	1,129,832	422,309	623,845
Transfers Out	(551,284)	(2,756,234)	(1,824,762)	(429,434)	(478,157)	(435,951)	(427,201)	(1,129,832)	(422,309)	(623,845)
Total Other Financing Sources (Uses)	615,226	(1,589,691)	(164,276)	556,912	472,213	396,907	0	26,259	0	0
Net Change in Fund Balances	\$9,930,160	\$1,465,218	\$6,883,649	\$4,163,625	(\$1,997,517)	(\$2,896,192)	(\$1,483,800)	\$4,397,122	\$2,555,016	\$8,357,286
Debt Service as a Percentage of Noncapital Expenditures	4.06%	2.50%	2.38%	2.24%	2.22%	0.93%	0.83%	0.00%	0.01%	0.00%



A key to providing a high quality education for the children of our community is by staying on top of the most innovative instructional practices. Achieving this means providing training for faculty. This is a drone photo of Paradigm, Mentor Schools' 16,000-square-foot, state-of-the-art professional development facility, where most of our training occurs. Paradigm was funded entirely by funds from the Straight A Fund grant.

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

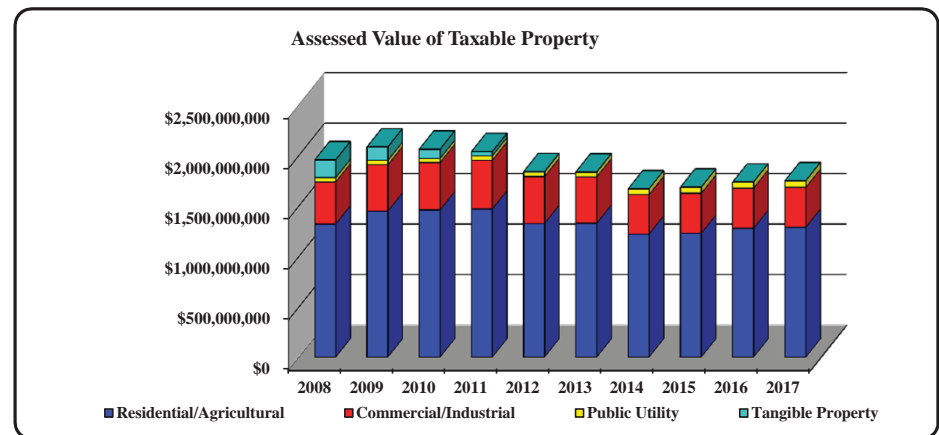
Collection Year	Real Property			Tangible Personal			Public Utility			Total		
	Assessed Value			Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Full Tax Rate Per \$1,000 of Assessed Valuation	Weighted Average Tax Rate
	Residential/Agricultural	Commercial/Industrial	Total									
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	\$76.7000	\$37.4902
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	76.8900	36.5338
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	77.6400	41.6005
2011	1,325,356,150	459,585,610	1,784,941,760	5,099,833,600	1,095,740	17,531,840	45,949,360	52,215,182	1,831,986,860	5,169,580,622	77.6100	38.7075
2012	1,328,950,110	450,380,550	1,779,330,660	5,083,801,886	0	0	47,668,530	54,168,784	1,826,999,190	5,137,970,670	76.9600	38.0893
2013	1,216,843,090	387,336,420	1,604,179,510	4,583,370,029	0	0	50,848,350	57,782,216	1,655,027,860	4,641,152,245	77.8000	41.5770
2014	1,217,491,030	391,518,460	1,609,009,490	4,597,169,971	0	0	55,310,280	62,852,591	1,664,319,770	4,660,022,562	77.4900	41.4090
2015	1,226,279,250	395,838,840	1,622,118,090	4,634,623,114	0	0	59,466,890	67,576,011	1,681,584,980	4,702,199,125	77.4200	41.3906
2016	1,274,695,940	397,925,860	1,672,621,800	4,778,919,429	0	0	59,350,360	67,443,591	1,731,972,160	4,846,363,020	77.1600	40.3919
2017	1,284,128,810	396,998,650	1,681,127,460	4,803,221,314	0	0	63,882,930	72,594,239	1,745,010,390	4,875,815,553	82.0100	45.2283

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 tax has been phased out, and during the phase out period, all general business tangible personal property was assessed at 12.5 percent 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, at 5 percent for 2010. 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 was 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 rollback, and homestead exemptions before being billed.

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
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	4.4234	4.4191	4.9259	4.9318	4.9336	5.3823	5.3927	5.3939	5.2230	5.2194
Commercial/Industrial	7.4290	7.1919	7.3969	7.5783	7.6202	8.8123	8.8082	8.7658	8.6795	8.6085
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	1.1642	1.1630	1.2964	1.2980	1.2985	1.4165	1.4193	1.4196	1.3746	1.3737
Commercial/Industrial	1.6136	1.5621	1.6067	1.6461	1.6552	1.9141	1.9132	1.9040	1.8852	1.8698
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	3.4808	3.4774	3.8762	3.8809	3.8823	4.2354	4.2436	4.2445	4.1100	4.1072
Commercial/Industrial	5.2131	5.0468	5.1906	5.3179	5.3473	6.1838	6.1809	6.1511	6.0906	6.0408
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	2.8366	2.8339	3.1589	3.1627	3.1638	3.4516	3.4582	3.4590	3.3494	3.3471
Commercial/Industrial	4.6542	4.5057	4.6341	4.7477	4.7740	5.5208	5.5182	5.4916	5.4376	5.3931
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)	0.3400	0.3400	0.6700	0.6600	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
1988 Library Bond (\$4,000,000)	0.2400	0.2600	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
1988 Permanent Improvement - continuing										
Effective Millage Rates										
Residential/Agricultural	0.4209	0.4205	4.6870	0.4693	0.4695	0.5122	0.5132	0.5133	0.4970	0.4967
Commercial/Industrial	0.6755	0.6540	0.6726	0.6891	0.6929	0.8013	0.8009	0.7971	0.7892	0.7828
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)	0.2300	0.2300	0.2700	0.2600	0.2300	0.2600	0.0000	0.0000	0.0000	0.0000
1992 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	2.5315	2.5290	2.8190	2.8224	2.8234	3.0802	3.0862	3.0869	2.9890	2.9869
Commercial/Industrial	3.3399	3.2333	3.3255	3.4070	3.4258	3.9618	3.9599	3.9408	3.9021	3.8701
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	2.6543	2.6517	2.9558	2.9594	2.9604	3.2297	3.2359	3.2367	3.1341	3.1319
Commercial/Industrial	3.1888	3.0871	3.1751	3.2529	3.2709	3.7826	3.7808	3.7626	3.7256	3.6951
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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
2003 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	\$2.3425	\$2.3402	\$2.6086	\$2.6118	\$2.6127	\$2.8503	\$2.8558	\$2.8565	\$2.7659	\$2.7640
Commercial/Industrial	2.5757	2.4935	2.5646	2.6275	2.6420	3.0000	2.9986	2.9841	2.9548	2.9306
Tangible/Public Utility Personal	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000
2004 Emergency (\$15,015,990)										
	7.1900	7.3600	8.0000	7.9900	8.0300	8.8400	8.7900	8.7200	8.4600	8.4100
2016 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	4.8966
Commercial/Industrial	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	4.8599
Tangible/Public Utility Personal	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	4.9000
Total Effective Voted Millage by type of property										
Residential/Agricultural	\$27.8542	\$28.0248	\$35.2678	\$31.0463	\$30.4042	\$33.2581	\$32.9948	\$32.9304	\$31.9030	\$36.7335
Commercial/Industrial	36.6898	35.9644	37.5061	38.1765	37.6883	43.0767	42.7508	42.5171	41.9246	46.4607
Tangible/Public Utility Personal	71.9000	72.0900	72.8400	72.8100	72.1600	73.0000	72.6900	72.6200	72.3600	77.2100
Total Millage by type of property										
Residential/Agricultural	\$32.6542	\$32.8248	\$40.0678	\$35.8463	\$35.2042	\$38.0581	\$37.7948	\$37.7304	\$36.7030	\$41.5335
Commercial/Industrial	41.4898	40.7644	42.3061	42.9765	42.4883	47.8767	47.5508	47.3171	46.7246	51.2607
Tangible/Public Utility Personal	76.7000	76.8900	77.6400	77.6100	76.9600	77.8000	77.4900	77.4200	77.1600	82.0100
Total Weighted Average Tax Rate										
	\$37.4902	\$36.5338	\$41.6005	\$38.7075	\$38.0893	\$41.5770	\$41.4090	\$41.3906	\$40.3919	\$45.2283
Overlapping Rates by Taxing District										
Concord Township Voted Millage										
Effective Millage Rates										
Residential/Agricultural	\$8.0667	\$8.0655	\$8.7392	\$9.7413	\$9.7344	\$10.4000	\$10.4000	\$10.4000	\$11.0675	\$11.0593
Commercial/Industrial	8.2272	8.2134	8.2516	8.9597	9.8300	10.4000	10.2924	10.2276	11.1551	11.4000
Tangible/Public Utility Personal	9.4000	9.4000	9.4000	10.4000	10.4000	10.4000	10.4000	10.4000	11.4000	11.4000
City of Mentor Voted Millage										
Effective Millage Rates										
Residential/Agricultural	3.5882	3.5875	3.6528	3.6532	3.6533	3.7160	3.7169	3.7170	3.6936	3.6929
Commercial/Industrial	3.8899	3.8607	3.8854	3.9082	3.9132	4.0557	4.0554	4.0484	4.0373	4.0289
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	0.4349	1.0989	1.0953	1.1000	1.1000	2.0000	2.0000	2.0000	1.9366	1.9353
Commercial/Industrial	0.4632	1.0649	1.1000	1.1000	1.1000	2.0000	1.9991	1.9894	1.9699	1.9537
Tangible/Public Utility Personal	0.6250	1.1000	1.1000	1.1000	1.1000	2.0000	2.0000	2.0000	2.0000	2.0000
City of Mentor-on-the-Lake Voted Millage										
Effective Millage Rates										
Residential/Agricultural	11.6272	11.6276	12.1447	12.1866	12.1887	12.4902	12.5138	16.3190	16.3083	16.3135
Commercial/Industrial	13.0560	12.8826	13.1061	13.1130	13.1688	14.0941	14.1117	18.1161	18.1161	18.0178
Tangible/Public Utility Personal	24.0000	24.0000	24.0000	24.0000	24.0000	24.0000	24.0000	27.8000	27.8000	27.8000

(continued)

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Village of Kirtland Hills Voted Millage										
Effective Millage Rates										
Residential/Agricultural	\$18.0000	\$18.0000	\$18.0000	\$18.0000	\$18.0000	\$18.0000	\$18.0000	\$18.0000	\$18.0000	\$18.0000
Commercial/Industrial	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000
Tangible/Public Utility Personal	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000
Chardon Township Voted Millage										
Effective Millage Rates										
Residential/Agricultural	6.3289	6.3295	7.0161	7.0207	7.1243	7.1295	7.1321	7.1256	7.8755	7.8766
Commercial/Industrial	6.2408	6.2408	6.9704	6.9846	6.6004	6.6031	6.6016	6.5990	7.3495	7.7394
Tangible/Public Utility Personal	6.7000	6.7000	7.2000	7.2000	7.2000	7.2000	7.2000	7.2000	7.9500	7.9500
Lake County Voted Millage										
Effective Millage Rates										
Residential/Agricultural	7.2608	7.6470	8.1390	9.6417	9.6430	8.8463	8.8530	8.8557	8.7459	8.7511
Commercial/Industrial	8.7551	8.8311	8.8061	9.7205	9.7979	9.1904	9.2586	9.2793	9.3007	9.3180
Tangible/Public Utility Personal	10.4000	10.4000	10.4000	10.4000	10.4000	9.4000	9.4000	9.4000	9.4000	9.4000
Lake Metropolitan Park District Voted Millage										
Effective Millage Rates										
Residential/Agricultural	1.8762	1.8752	2.0872	2.0893	2.0895	2.7000	2.7000	2.7000	2.6618	2.6636
Commercial/Industrial	1.9616	1.9321	1.9248	1.9488	1.9932	2.7000	2.7000	2.7000	2.7000	2.7000
Tangible/Public Utility Personal	2.2000	2.2000	2.2000	2.2000	2.2000	2.7000	2.7000	2.7000	2.7000	2.7000
Lakeland Community College Voted Millage										
Effective Millage Rates										
Residential/Agricultural	1.3787	1.3781	1.5338	2.9574	2.9582	3.0833	3.0875	3.0892	3.4454	3.4475
Commercial/Industrial	1.8632	1.8352	1.8283	2.9844	3.0137	3.2000	3.2000	3.2000	3.6000	3.6000
Tangible/Public Utility Personal	3.2000	3.2000	3.2000	3.2000	3.2000	3.2000	3.2000	3.2000	3.6000	3.6000
Geauga County Voted Millage										
Effective Millage Rates										
Residential/Agricultural	10.8584	10.9013	11.2064	11.6098	11.9674	11.9850	11.8028	11.4712	13.2506	13.2553
Commercial/Industrial	11.4913	11.5893	12.0949	12.4349	12.5853	12.7460	12.4790	12.1414	14.0525	14.0753
Tangible/Public Utility Personal	15.1000	15.1000	15.1000	15.1000	15.1000	15.1000	14.1000	13.4000	15.6000	15.6000

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

Collection Year (2)	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
2007	\$77,912,807	\$74,325,101	95.40 %	\$1,844,777	\$76,169,878	97.76 %
2008 (3)	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
2010	70,676,697	68,485,489	96.90	2,007,550	70,493,039	99.74
2011	71,265,980	69,128,830	97.00	1,727,567	70,856,397	99.43
2012	70,547,196	68,695,506	97.38	1,782,538	70,478,044	99.90
2013 (3)	69,984,670	68,120,465	97.34	2,015,098	70,135,563	100.22
2014	72,100,523	68,445,322	94.93	2,540,122	70,985,444	98.45
2015 (3)	70,992,611	68,638,319	96.68	2,526,870	71,165,189	100.24
2016 (3)	71,422,083	69,670,367	97.55	2,118,709	71,789,076	100.51

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 2017 information cannot be presented because all collections have not been made by June 30, 2017.

(3) The County was able to collect on prior year delinquencies.

Note: The School District is aware of the requirement to report delinquent tax collections by levy year rather than by collection year. However, the County is unable to provide delinquent collections by levy year. This presentation will be updated as new information becomes available.

Mentor Exempted Village School District

Principal Taxpayers

Real Estate Tax

2017 and 2008

Name of Taxpayer	Line of Business	2017	
		Assessed Value	Percent of Real Property Assessed Value
Mall at Great Lakes LLC	Retail Mall	\$22,571,720	1.34%
Steris Corporation	Medical Equipment	8,367,050	0.50
DFG Mentor Erie Commons	Retail Sales	6,422,520	0.38
Points East	Retail Sales	5,442,500	0.32
Inland Creekside Commons	Retail Sales	4,129,140	0.25
Lake Hospital System	Medical	3,463,490	0.21
FI Mentor I, LLC	Retail Sales	3,237,380	0.19
NF II Mentor, LLC	Retail Sales	3,132,500	0.19
Lincoln Electric	Welding Equipment	3,071,950	0.18
GGPA State College	Retail Sales	3,045,000	0.18
Totals		<u>\$62,883,250</u>	<u>3.74%</u>
Real Property Assessed Valuation		<u>\$1,681,127,460</u>	

Name of Taxpayer	Line of Business	2008	
		Assessed Value	Percent of Real Property Assessed Value
Simon Property Group, LP	Retail Mall	\$27,595,230	1.43%
Steris Corporation	Medical Equipment	10,703,340	0.56
Cleveland Cuyahoga	Port Authority	7,339,250	0.38
Points East	Retail Sales	7,223,610	0.38
First Interstate	Holding Company	4,861,210	0.25
F I Mentor Commons, Limited	Retail Sales	4,603,940	0.24
Harbour Run Apartments	Apartment Rental	4,189,080	0.21
Deepwood North Company	Condominiums	3,785,250	0.20
Michaels, Inc.	Retail Sales	3,466,810	0.18
F I Mentor II, Limited	Retail Sales	3,444,680	0.18
Totals		<u>\$77,212,400</u>	<u>4.01%</u>
Real Property Assessed Valuation		<u>\$1,925,959,110</u>	

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

Mentor Exempted Village School District

Principal Taxpayers

Public Utilities Tax

2017 and 2008

Name of Taxpayer	2017	
	Assessed Value	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$26,140,470	40.92%
Aqua Ohio, Incorporated	17,068,700	26.72
American Transmission System	3,722,290	5.83
Total	\$46,931,460	73.46%
Public Utility Assessed Valuation	\$63,882,930	
Name of Taxpayer	2008	
	Assessed Value	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$19,437,060	48.46%
Aqua Ohio, Incorporated	16,917,910	42.17
American Transmission System	1,719,510	4.29
Total	\$38,074,480	94.92%
Public Utility Assessed Valuation	\$40,113,310	

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)(4)	Energy Conservation Notes	Capital Leases	Total Debt		
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
2011	2,569,543	0.05	54.52	541,334	0	3,110,877	0.22	66.01
2012	935,007	0.02	19.84	464,000	0	1,399,007	0.10	29.69
2013	475,007	0.01	10.08	386,667	0	861,674	0.06	18.28
2014	0	0.00	0.00	0	0	0	0.00	0.00
2015	0	0.00	0.00	0	0	0	0.00	0.00
2016	0	0.00	0.00	0	0	0	0.00	0.00
2017	0	0.00	0.00	0	0	0	0.00	0.00

(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

(4) Although the general obligation bond retirement fund is restricted for debt service, it is not specifically restricted to the payment of principal. Therefore, these resources are not shown as a deduction from general obligation bonded debt.

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

	2008 (1)	2009 (1)	2010 (1)	2011 (1)	2012 (1)	2013 (1)	2014 (1)	2015 (1)	2016 (1)	2017 (1)
Residential/Agricultural Real Property	\$1,456,756,250	\$1,466,659,870	\$1,323,197,610	\$1,325,356,150	\$1,328,950,110	\$1,216,843,090	\$1,217,491,030	\$1,226,279,250	\$1,274,695,940	\$1,284,128,810
Commercial/Industrial Real Property	469,202,860	482,612,050	464,397,920	459,585,610	450,380,550	387,336,420	391,518,460	395,838,840	397,925,860	396,998,650
Tangible Personal Property	0	0	2,163,150	1,095,740	0	0	0	0	0	0
Public Utility Tangible	40,113,310	42,200,590	45,020,040	45,949,360	47,668,530	50,848,350	55,310,280	59,466,890	59,350,360	63,882,930
Less: Rail Road and Telephone Tangible Property	(4,757,030)	(3,299,460)	(2,163,150)	(1,095,740)	0	0	0	0	0	0
Total Assessed Valuation	\$1,961,315,390	\$1,988,173,050	\$1,832,615,570	\$1,830,891,120	\$1,826,999,190	\$1,655,027,860	\$1,664,319,770	\$1,681,584,980	\$1,731,972,160	\$1,745,010,390
Debt Limit - 9% of Assessed Value (2)	\$176,518,385	\$178,935,575	\$164,935,401	\$164,780,201	\$164,429,927	\$148,952,507	\$149,788,779	\$151,342,648	\$155,877,494	\$157,050,935
Amount of Debt Applicable to Debt Limit										
General Obligation Bonds	6,719,996	5,199,996	3,639,996	2,019,996	935,007	475,007	0	0	0	0
Energy Conservation Notes	850,668	773,333	696,000	618,667	541,333	464,000	386,667	0	0	0
Tax Anticipation Notes	3,296,000	1,400,000	0	0	0	0	0	0	0	0
School Improvement Note	1,950,000	1,755,000	1,560,000	1,365,000	1,170,000	975,000	780,000	585,000	390,000	0
Less Amount Available in Debt Service	(1,136,701)	(1,131,247)	(1,230,644)	(1,206,488)	(360,535)	(294,042)	(4,767)	(11)	0	0
Total	11,679,963	7,997,082	4,665,352	2,797,175	2,285,805	1,619,965	1,161,900	584,989	390,000	0
Exemptions:										
Energy Conservation Notes	(850,668)	(773,333)	(696,000)	(618,667)	(541,333)	(464,000)	(386,667)	0	0	0
Tax Anticipation Notes	(3,296,000)	(1,400,000)	0	0	0	0	0	0	0	0
Amount of Debt Subject to Limit	7,533,295	5,823,749	3,969,352	2,178,508	1,744,472	1,155,965	775,233	584,989	390,000	0
Legal Debt Margin	\$168,985,090	\$173,111,826	\$160,966,049	\$162,601,693	\$162,685,455	\$147,796,542	\$149,013,546	\$150,757,659	\$155,487,494	\$157,050,935
Legal Debt Margin as a Percentage of the Debt Limit	95.73%	96.75%	97.59%	98.68%	98.94%	99.22%	99.48%	99.61%	99.75%	100.00%
Unvoted Debt Limit - .10% of Assessed Value (2)	\$1,961,315	\$1,988,173	\$1,832,616	\$1,830,891	\$1,826,999	\$1,655,028	\$1,664,320	\$1,681,585	\$1,731,972	\$1,745,010
Amount of Debt Applicable	0	0	0	0	0	0	0	0	0	0
Unvoted Legal Debt Margin	\$1,961,315	\$1,988,173	\$1,832,616	\$1,830,891	\$1,826,999	\$1,655,028	\$1,664,320	\$1,681,585	\$1,731,972	\$1,745,010
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%
Additional Limit for Unvoted Energy Conservation Notes:										
Debt Limit - .9% of Assessed Value	\$17,651,839	\$17,893,557	\$16,493,540	\$16,478,020	\$16,442,993	\$14,895,251	\$14,978,878	\$15,134,265	\$15,587,749	\$15,705,094
Energy Conservation Notes	(850,668)	(773,333)	(696,000)	(618,667)	(541,333)	(464,000)	(386,667)	0	0	0
Additional Unvoted Debt Margin	\$16,801,171	\$17,120,224	\$15,797,540	\$15,859,353	\$15,901,660	\$14,431,251	\$14,592,211	\$15,134,265	\$15,587,749	\$15,705,094

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 (1) and Overlapping

Governmental Activities Debt

December 31, 2016

	<u>Governmental Activities Debt Outstanding</u>	<u>Percentage Applicable to School District (2)</u>	<u>Amount of Direct and Overlapping Debt</u>
Overlapping:			
City of Mentor			
General Obligation Bonds	\$16,075,000	100.00%	\$16,075,000
Special Assessment Bonds	7,760,000	100.00%	7,760,000
Notes Payable	3,015,000	100.00%	3,015,000
OWDA/OPWC Loans	469,393	100.00%	469,393
City of Mentor-on-the-Lake			
Various Purpose Notes	1,220,000	100.00%	1,220,000
OPWC Loans	185,471	100.00%	185,471
Lake County			
General Obligation Bonds	10,380,000	28.98%	3,008,124
Special Assessment Bonds	7,855,616	28.98%	2,276,558
OWDA Loans	22,378,342	28.98%	6,485,244
OPWC Loans	592,993	28.98%	171,849
Geauga County			
Revenue Bonds	3,632,900	0.27%	9,809
General Obligation Bonds	195,000	0.27%	527
Special Assessment Bonds	418,949	0.27%	1,131
OWDA Loans	8,985,990	0.27%	24,262
OPWC Loans	<u>717,317</u>	0.27%	<u>1,937</u>
Total	<u>\$83,881,971</u>		<u>\$40,704,305</u>

Source: Office of the Auditor, Lake County, Ohio

- (1) The School District had no direct debt at December 31, 2016.
- (2) 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 2016 collection year.

Mentor Exempted Village School District

Principal Employers

Current Year and Nine Years Ago

Employer	2017		
	Number of Employees	Rank	Percent of Employment
Steris Corporation	1,300	1	3.75%
Mentor Exempted Village School District	969	2	2.79
City of Mentor	915	3	2.64
Classic Auto Group	685	4	1.98
Lincoln Electric	515	5	1.48
Avery Dennison	400	6	1.15
PCC Airfoils	350	7	1.01
Component Repair Technologies	300	8	0.89
Princeton Tools, Incorporated	300	9	0.89
Deepwood Industries	284	10	0.82
Total	6,018		17.36%
Total Employment within the School District	34,669		

Employer	2008		
	Number of Employees	Rank	Percent of Employment
Mentor Exempted Village School District	1,045	1	3.10%
City of Mentor	928	2	2.75
Steris Corporation	809	3	2.40
PCC Airfoil	484	4	1.44
Avery Dennison	400	5	1.19
Lincoln Electric	354	6	1.05
Deepwood Industries	340	7	1.01
Component Repair Technologies	285	8	0.85
Super K-Mart	236	9	0.70
JCPenney Co.	210	10	0.62
Total	5,091		15.11%
Total Employment within the School District	33,696		

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
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
2011	47,126	1,421,131,656	30,156	62,546	44.80	172,600	7.4	1,831,986,860
2012	47,126	1,421,131,656	30,156	62,546	44.80	172,600	6.5	1,826,999,190
2013	47,126	1,421,131,656	30,156	62,546	44.80	172,600	6.3	1,655,027,860
2014	47,126	1,421,131,656	30,156	62,546	44.80	172,600	6.7	1,664,319,770
2015	47,126	1,421,131,656	30,156	62,546	44.80	172,600	5.2	1,681,584,980
2016	47,126	1,421,131,656	30,156	62,546	44.80	172,600	5.2	1,731,972,160
2017	47,126	1,421,131,656	30,156	62,546	44.80	172,600	4.9	1,745,010,390

Source: U.S. Census
Year 2011 - 2017 The 2010 Federal Census
Years 2008 - 2010 The 2000 Federal Census

Mentor Exempted Village School District
Building Statistics by Function/Program
Last Ten Fiscal Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Mentor High School										
Constructed in 1965										
Total Building Square Footage	364,490	364,490	364,490	364,490	364,490	364,490	364,490	364,490	364,490	364,490
Enrollment Grades 9-12	2,917	2,838	2,780	2,700	2,617	2,670	2,591	2,552	2,578	2,489
Memorial Middle School										
Constructed in 1922										
Total Building Square Footage	144,787	144,787	144,787	144,787	144,787	144,787	144,787	144,787	144,787	144,787
Enrollment Grades 6-8	731	763	754	718	793	701	682	685	701	736
Mentor Ridge Middle School										
Constructed in 1963										
Total Building Square Footage	87,865	87,865	87,865	87,865	87,865	87,865	87,865	87,865	87,865	87,865
Enrollment Grades 6-8	535	543	536	514	514	500	608	516	548	635
Mentor Shore Middle School										
Constructed in 1949										
Total Building Square Footage	118,450	118,450	118,450	118,450	118,450	118,450	118,450	118,450	118,450	118,450
Enrollment Grades 6-8	702	695	685	670	684	632	608	592	574	567
Bellflower Elementary School										
Constructed in 1973										
Total Building Square Footage	40,552	40,552	40,552	40,552	40,552	40,552	40,552	40,552	40,552	40,552
Enrollment Grades K-5	425	444	438	439	434	436	393	373	510	529
Brentmoor Elementary School										
Constructed in 1954										
Total Building Square Footage	35,276	35,276	35,276	35,276	35,276	35,276	35,276	35,276	35,276	35,276
Enrollment Grades K-5	294	281	277	279	282	284	285	305	311	326
Fairfax Elementary School										
Constructed in 1967										
Total Building Square Footage	33,770	33,770	33,770	33,770	33,770	33,770	33,770	33,770	33,770	33,770
Enrollment Grades K-5	278	285	281	277	281	285	289	300	320	326

(continued)

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Garfield Elementary School										
Constructed in 1938										
Total Building Square Footage	40,909	40,909	40,909	40,909	40,909	40,909	40,909	40,909	40,909	40,909
Enrollment Grades K-5	410	449	442	445	456	444	420	422	418	427
Cardinal Autism Resource and Education School (1)										
Constructed in 1954										
Total Building Square Footage	28,167	28,167	28,167	28,167	28,167	28,167	28,167	28,167	28,167	28,167
Enrollment Grades K-12	210	195	196	165	18	21	25	35	41	60
Hopkins Elementary School										
Constructed in 1960										
Total Building Square Footage	41,706	41,706	41,706	41,706	41,706	41,706	41,706	41,706	41,706	41,706
Enrollment Grades K-5	509	496	489	531	528	531	554	557	555	556
Lake Elementary School										
Constructed in 1969										
Total Building Square Footage	40,559	40,559	40,559	40,559	40,559	40,559	40,559	40,559	40,559	40,559
Enrollment Grades K-5	334	348	345	314	302	301	308	375	348	315
Sterling Morton Elementary School										
Constructed in 1961										
Total Building Square Footage	34,589	34,589	34,589	34,589	34,589	34,589	34,589	34,589	34,589	34,589
Enrollment Grades K-5	313	296	291	276	355	344	323	301	309	283
Orchard Hollow Elementary School										
Constructed in 1969										
Total Building Square Footage	48,157	48,157	48,157	48,157	48,157	48,157	48,157	48,157	48,157	48,157
Enrollment Grades K-5	420	417	412	412	444	417	401	395	411	411
Dale R. Rice Elementary School (2)										
Constructed in 1958										
Total Building Square Footage	31,621	31,621	31,621	31,621	31,621	31,621	31,621	31,621	31,621	31,621
Enrollment Grades K-5	299	323	319	305	315	303	311	276	0	0

Source: School District Records

(1) Formerly Headlands Elementary

(2) Dale R. Rice Elementary School was closed at the end of fiscal year 2015.

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

Fiscal Year	Student Enrollment		General Government		Governmental Activities			Food Service Operations		
	Average Enrollment	Percentage Change	Total Expenditures (1)	Cost Per Pupil	Total Expenses (1)	Cost Per Pupil	Teaching Staff	Pupil/Teacher Ratio	Number of Students Receiving Free or Reduced Lunch	Percentage of Free or Reduced Lunches to Total Enrollment
2008	8,495	(4.29%)	\$97,483,765	\$11,475	\$102,330,377	\$12,046	627	13.55	1,359	16.00%
2009	8,373	(1.44)	108,382,142	12,944	107,269,802	12,811	637	13.14	1,340	16.00
2010	8,245	(1.53)	106,544,512	12,922	103,397,651	12,541	599	13.76	1,319	16.00
2011	8,045	(2.43)	104,746,242	13,020	101,201,921	12,579	594	13.54	1,287	16.00
2012	8,023	(0.27)	105,554,539	13,156	100,315,221	12,503	577	13.90	1,856	23.00
2013	7,869	(1.92)	106,298,907	13,509	102,658,605	13,046	563	13.98	2,111	23.00
2014	7,798	(0.90)	107,713,728	13,813	106,438,031	13,649	565	13.80	2,019	26.10
2015	7,684	(1.46)	118,507,414	15,423	108,603,219	14,134	542	14.18	1,953	25.00
2016	7,624	(0.78)	106,242,897	13,935	100,077,023	13,127	535	14.25	1,971	25.85
2017	7,531	(1.22)	107,082,329	14,219	108,324,416	14,384	527	14.29	1,949	25.88

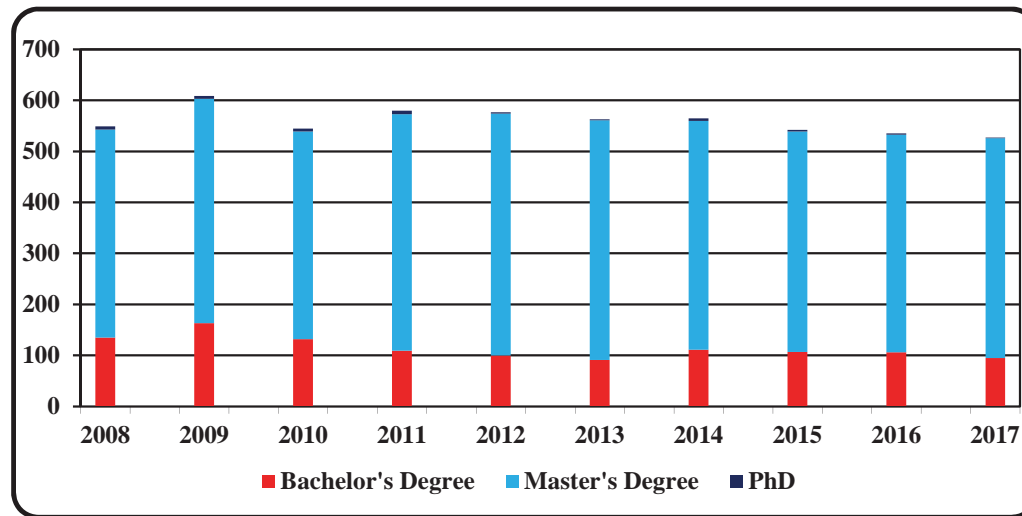
Source: School District Records
Ohio Department of Education

(1) Debt Service totals have been excluded.

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

Degree	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Bachelor's Degree	135	163	132	109	100	91	111	107	106	95
Master's Degree	408	440	407	464	474	470	449	432	427	431
PhD	6	6	6	7	3	2	5	3	2	1
Total	549	609	545	580	577	563	565	542	535	527
Years of Experience										
0 - 5	76	152	112	141	128	126	120	106	133	90
6 - 10	61	67	56	63	79	89	117	139	129	125
11 and over	412	390	377	376	370	348	328	297	273	312
Total	549	609	545	580	577	563	565	542	535	527

Source: School District Records



Mentor Exempted Village School District
School District Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Current:										
Instruction:										
Regular	538	504	494	453	398	394	391	382	367	329
Special	25	116	34	121	108	103	102	126	139	189
Vocational	16	17	16	16	14	15	15	9	12	10
Student Intervention	11	9	11	9	11	0	0	1	0	0
Support Services:										
Pupils	96	113	102	116	74	76	75	114	134	109
Instructional Staff	41	49	48	55	124	118	117	91	42	45
Board of Education	1	0	1	0	0	5	5	0	0	0
Administration	45	57	46	57	51	51	51	40	50	52
Fiscal	17	11	17	11	14	14	14	10	15	15
Business	6	6	6	6	7	7	7	5	7	7
Operation and Maintenance of Plant	66	45	65	44	72	69	69	68	73	81
Pupil Transportation	58	6	56	6	81	78	77	72	68	53
Central	3	7	3	7	9	9	9	8	2	2
Operation of Non-Instructional Services	1	1	1	1	1	1	1	1	1	1
Operation of Food Service	25	14	24	13	44	44	44	41	41	35
Extracurricular Activities	11	12	11	11	2	2	2	2	2	2
Totals	<u>960</u>	<u>967</u>	<u>935</u>	<u>926</u>	<u>1,010</u>	<u>986</u>	<u>979</u>	<u>970</u>	<u>953</u>	<u>930</u>

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



The Treasurer's Office was recognized at a Board of Education Meeting for receiving the district's 7th consecutive Perfect Audit report.



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Dave Yost • 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 28, 2017**