



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, 2018**

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>		
<i>Child Nutrition Cluster:</i>		
School Breakfast Program	10.553	\$209,629
National School Lunch Program	10.555	835,959
National School Lunch Program - Non-Cash Assistance	10.555	183,083
Total - National School Lunch Program		<u>1,019,042</u>
Total U.S. Department of Agriculture/Child Nutrition Cluster		1,228,671
U.S. DEPARTMENT OF EDUCATION		
<i>Passed Through Ohio Department of Education</i>		
<i>Special Education Cluster:</i>		
Special Education: Grants to States	84.027	218,564
		<u>1,762,064</u>
Total - Special Education: Grants to States		1,980,628
Special Education Preschool Grants	84.173	10,642
		<u>27,800</u>
Total - Special Education: Preschool Grants		38,442
Total - Special Education Cluster		2,019,070
Title I Grant to Local Educational Agencies	84.010	194,618
		<u>586,400</u>
Total- Title I Grants to Local Educational Agencies		781,018
Career and Technical Education - Basic Grants to States	84.048	58,248
		<u>223,660</u>
Total - Career and Technical Education - Basic Grants to States		281,908
English Language Acquisition State Grants	84.365	2,047
		<u>23,589</u>
Total - English Language Acquisition State Grants		25,636
Supporting Effective Instruction State Grant	84.367	15,276
		<u>192,351</u>
Total - Supporting Effective Instruction State Grant		207,627
Total U.S. Department of Education		3,315,259
Total		<u><u>\$4,543,930</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, 2018**

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) under programs of the federal government for the year ended June 30, 2018. 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 Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

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

NOTE D - 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 E – 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, 2018, 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 20, 2018, wherein we noted the District restated its General Fund and Other Governmental Funds' fund balances due to an accounting revision and adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*.

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 report 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 "D" and "Y".

Dave Yost
Auditor of State
Columbus, Ohio

December 20, 2018



Dave Yost • Auditor of State

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

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

To the Board of Education:

Report on Compliance for the 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 the Mentor Exempted Village School District's major federal program for the year ended June 30, 2018. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal program.

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 the District's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and 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 the District's major program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on the Major Federal Program

In our opinion, the District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2018.

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 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, 2018, 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 20, 2018. Our opinion also explained that the District restated its General Funds and Other Governmental Funds' fund balance and adopted *Governmental Accounting Standard No. 75* during the year. 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 20, 2018

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**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
LAKE COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2018**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material weaknesses in internal control reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under 2 CFR § 200.516(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Special Education Cluster, CFDA 84.027 and 84.173
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$750,000 Type B: all others
<i>(d)(1)(ix)</i>	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, 2018



The Cornerstone of the Community

Mentor Exempted Village School District
Mentor, Ohio

Mentor Exempted Village School District
Mentor, Ohio

**Comprehensive
Annual Financial Report**
for the fiscal year ended June 30, 2018

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



*Bellflower Elementary
School*



Introductory Section



Mentor Exempted Village School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2018
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*Fairfax Elementary
School*

Administration Building

William M. Porter
Interim Superintendent

Daniel L. Wilson
Chief Financial Officer

Board of Education
Mary L. Bryner, President
Thomas V. Tuttle, Vice President
E. Kenneth Buckley, Member
Virginia E. Jeschelnic, Member
Deanne M. Roberts, Member

December 20, 2018

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, 2018. 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, 2018. 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-sixth largest of the 610 school districts in the State of Ohio and the second largest of nine school districts in Lake County. The School District provided education to 7,559 students in grades kindergarten through twelve during the 2017-2018 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 2017-2018:

- 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.
- Sterling Morton Elementary School, constructed in 1961 with additions and renovations in 1964, 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.

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 STEM. 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 seven elementary schools, and manipulatives are used extensively in the math classes. Currently, the elementary schools service students in kindergarten through grade five. Two of these schools also receive additional reading intervention services through Title I staff members.

Middle School Serving students in grades six through eight, the two 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 2,479 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 one of the most efficient transportation services in northeast Ohio during the 2017-2018 school year.

Certified Staff The average experience of the certificated staff is 15.7 years and 84.6 percent of the teaching staff have at least a master's degree. Textbook authors, doctorates, nationally known speakers and recognized experts in specific fields of study are among the School District's teachers and administrators. A blend of experienced staff along with new teachers offers students of the Mentor Exempted Village School District one of the strongest faculties in the area.

Economic Condition and Outlook

The City of Mentor and the surrounding areas have a strong and stable economic base. In the last two decades, homes have been constructed to accommodate the large number of families moving into Mentor out of the more heavily populated Cleveland area. The 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 continues to support and enhance 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 2017-2018 fiscal year was "Sustaining Educational Quality". This year's theme reflects the following budgetary dynamics:

- Community approval in 2016 of the first new operating levy since 2004 provides continued fiscal stability
- Continued adjustments to staffing levels to correspond to declining enrollment
- Institutionalizing internal funding of instructional technology programs
- Continue pursuit of opportunities to shift operational spending to instructional spending

The development of the 2017-2018 budget and five-year fiscal projections benefited from refinements and enhancements to calculation formulas and methodologies. The 2017-2018 actual general fund expenses increased 0.34 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 sixth time in seven 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 2017-2018 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 and State of Ohio casino tax revenue. 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.

Strategic Plan During the 2017-2018 school year, we developed a new strategic plan for the School District that involved input from approximately 80 different stakeholders over a nine-month period. The updated vision for the School District is: *Inspiring Students Today to Reach Their Potential Tomorrow*. Subsequently, four vision statements emerged from the work to represent four important areas: Safety, Education, Resources, and Community Partnerships. Goals and strategies were developed in all four of these areas to help guide the district over the next three to five years.

District Reorganization During the 2017-2018 school year, as part of our strategic plan work in the area of Resources, we: closed two elementary schools; repurposed a middle school to become a large elementary school; and re-drew attendance boundaries in the School District to better align our enrollments with students' residences. The changes resulted in: student and staff reassignments, some upgrades inside and outside of buildings, and expected School District cost savings in excess of over \$1 million per year. The changes took effect for the start of the 2018-2019 school year.

League of Innovative Schools Mentor Schools continues to be a proud member of the prestigious League of Innovative Schools as one of only five districts accepted to represent Ohio. We continue to earn recognition within the League for our innovative instructional shifts, many of which have been enhanced by our creative use of space and furniture in the processes of learning and teaching.

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 2017-2018

- Mentor High School offered more than 215 courses for students during the 2017-2018 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 2017-2018 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, English Language & Comp, Environmental Science, European History, Fine Arts, French, German, Human Geography, Macro Economics, Micro Economics, Physics, Psychology, Seminar, Spanish, Statistics, and U.S. History.
 - 409 Mentor High School students took 945 AP exams during the 2017-2018 school year as a part of the courses listed above.
 - 343 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 2017-2018 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 as their professional careers.
- Students in grades 6 through 12 each had a device to use in school and at home during the 2017-2018 school year as part of the 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.
- 639 Mentor High School seniors earned their high school diploma, and 147 of those graduates earned an honors diploma.

- Of the Class of 2018 graduates, 490 planned to go on to 72 different colleges or universities pursuing two or four-year programs; 16 were joining the military and 95 were entering the workforce.
- 113 members of the Class of 2018 graduated with Summa Cum Laude honors, meaning they maintained a cumulative Grade Point Average (GPA) of 3.8 or higher. An additional 77 Graduated Magna Cum Laude.
- 64 members of the Mentor High School Class of 2018 graduated with a 4.0 or Higher cumulative Grade Point Average.
- 12 Mentor High School seniors earned recognition from the National Merit Program. Six seniors were named National Merit finalists and 6 were named commended students.
- 188 seniors earned college credit while still in high school and 13 of those students earned their Associate's Degree.
- 43 students were recognized by the Advanced Placement (AP) Scholar Program. 21 became AP Scholars, 11 AP Scholars with Honors, 12 AP Scholars with Distinction and 2 National AP Scholar.
- 2 seniors took a distance learning Calculus 3 course.
- The class of 2018 spent more than 12,000 hours providing community service to various causes.
- Close to 1,000 students took an online course, either required or elective.
- 85 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.
- 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.
- Six members of the Mentor High School Speech & Debate Team qualified for the 2018 OSDA State Tournament, where two students finished as octafinalists and one finished as a semifinalist. Two students traveled to Ft. Lauderdale, Florida to represent MHS in the Speech & Debate Association's National Tournament in World Schools Debate.
- During the 2017-2018 school year, Mentor High School students held 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 third annual Mentor Model UN Conference. Additionally, the Model UN program started its second year at our middle schools as well.
- Our students have the opportunity to attend various field trips.
- 125 Mentor High School students are members of the National Honor Society and more than 100 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 led 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 thousands of dollars in scholarships were awarded to the Class of 2018's art students to attend post-secondary art institutions through local, state and national competitions, including college credits earned through AP Art Studio.
 - 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 and fourth place honors in the 2018 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*.
 - 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 on a studio experience of the visual arts by taking fine art at the middle school level.
 - Thousands of community members attend our district's annual art shows.
 - 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 2017-2018.
- The Mentor High School Symphony Orchestra and Mannheim Chamber Orchestra both earned a Superior Ratings last school year at the State Orchestra Contest. The Symphony Orchestra was 81 members strong and the Mannheim Orchestra had 33 students performing.
- The Mentor High School orchestra program had four all-state orchestra students in 2018 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 2017-2018 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.
- All four Mentor High School Choirs received a Superior Rating at OMEA Adjudicated Events in 2018. A Superior (I) rating is the highest classification that can be earned.
- The Mentor High School Music Program entered more than 200 events in the OMEA Solo & Ensemble Adjudicated Event held at Mayfield High School.
- Mentor Schools offers numerous holiday concerts free to the public in December each year at the Mentor Fine Arts Center.
- During the 2017-2018 school year, the Mentor Top 25 Show Choir celebrated its 53rd 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 53 years performing throughout northeastern Ohio, the United States, and many countries around the world. 2017-2018 included a successful performance and educational tour in New York City. 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 2017-2018 fall play and spring musical were Inherit the Wind and The Music Man.
- 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 13th consecutive year for the fiscal year ended June 30, 2017. 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 continued its line of successes as both Mentor High School and all three middle schools (Memorial, Shore, Ridge) advanced to state competition in Columbus.

Mentor High School was again named one of America's best by U.S. News & World Report in 2018. Schools are ranked based on their performance on state-required tests and how well they prepare students for college. We were ranked 119th in Ohio and earned a Silver Medal distinction.

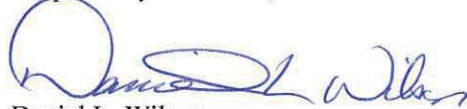
Acknowledgements

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
Superintendent

Mentor Exempted Village School District

Principal Officials

June 30, 2018

Board of Education

Mrs. Mary L. Bryner President
Mr. Thomas V. Tuttle Vice-President
Mr. E. Kenneth Buckley Member
Ms. Virginia E. Jeschelnig Member
Mrs. Deanne Roberts Member

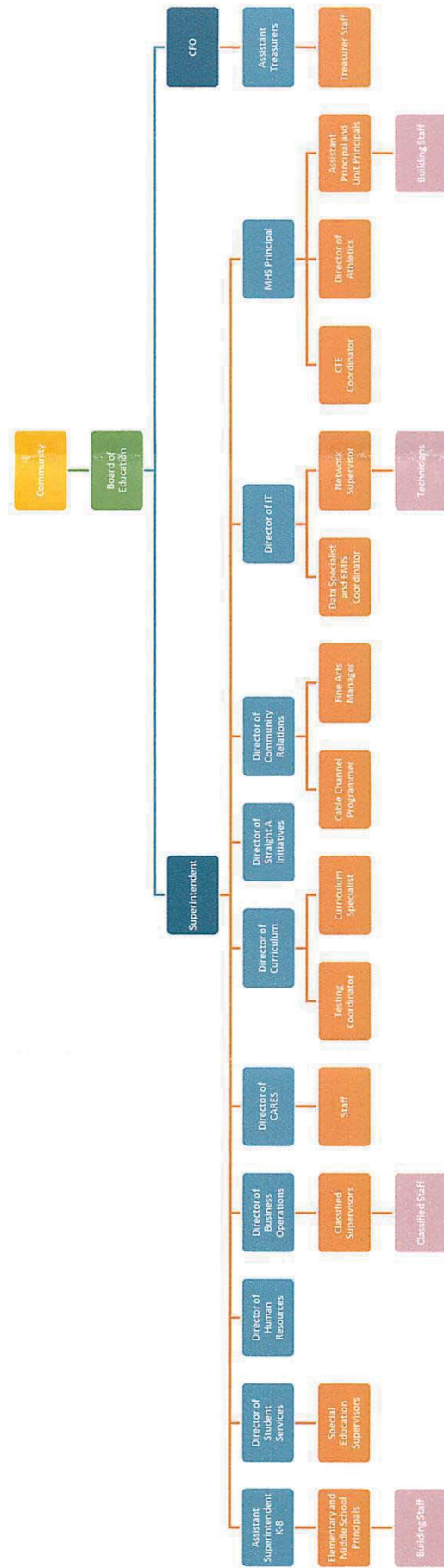
Superintendent

William M. Porter

Chief Financial Officer

Mr. Daniel L. Wilson

Policy 1.15 – 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, 2017

Christopher P. Morill

Executive Director/CEO



*Hopkins Elementary
School*





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, 2018, 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 such 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, 2018, 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.

Emphasis of Matter

As discussed in Note 3 to the financial statements, during 2018, the District restated its General Fund and Other Governmental Funds' fund balances due to an accounting revision and adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. We did not modify our opinion regarding these matters.

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 and other postemployment benefit liabilities and pension and other postemployment benefit 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 this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we will also issue our report dated December 20, 2018, 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, flowing style.

Dave Yost
Auditor of State
Columbus, Ohio

December 20, 2018



*Lake Elementary
School*

Mentor Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
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, 2018. 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 2018 were as follows:

- ❖ Total general revenues of governmental activities accounted for \$106,943,103 in revenue or 88.85 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions and capital grants and contributions accounted for \$13,426,670 or 11.15 percent of total revenues of \$120,369,773.
- ❖ The School District had \$53,280,961 in expenses related to governmental activities. Of these expenses, only \$13,426,670 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 \$106,943,103 were able to provide for these programs resulting in an increase of net position of governmental activities from (\$75,421,450) to (\$8,332,638).
- ❖ The School District's major governmental fund was the general fund. The general fund had \$110,961,602 in revenues and \$97,108,804 in expenditures. The general fund's balance increased by \$13,647,757 from \$61,906,302 to \$75,554,059.

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 2018?" The statement of net position and the statement of activities answer this question. These statements include all non-

Mentor Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
Unaudited*

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 13. 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, 2018

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 2018 compared to fiscal year 2017:

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Assets						
Current and Other Assets	\$167,907,666	\$159,105,902	\$4,787,167	\$3,208,004	\$172,694,833	\$162,313,906
Capital Assets, Net	25,928,498	25,493,997	698,224	726,090	26,626,722	26,220,087
<i>Total Assets</i>	<u>193,836,164</u>	<u>184,599,899</u>	<u>5,485,391</u>	<u>3,934,094</u>	<u>199,321,555</u>	<u>188,533,993</u>
Deferred Outflows of Resources						
Pension	34,644,144	29,582,233	1,369,967	1,703,963	35,632,610	31,286,196
OPEB	1,172,444	224,172	46,339	21,044	1,218,783	245,216
<i>Total Deferred Outflows of Resources</i>	<u>35,816,588</u>	<u>29,806,405</u>	<u>1,416,306</u>	<u>1,725,007</u>	<u>36,851,393</u>	<u>31,531,412</u>
Liabilities						
Current Liabilities	13,539,029	13,654,380	329,334	458,439	13,868,363	14,112,819
Long-Term Liabilities:						
Due Within One Year	1,388,882	1,273,181	40,163	39,165	1,429,045	1,312,346
Due In More Than One Year:						
Net Pension Liability	118,732,043	165,564,709	4,086,288	5,414,236	122,818,331	170,978,945
Net OPEB Liability	26,758,000	32,299,778	1,302,195	2,808,677	28,060,195	35,108,455
Other Amounts	4,884,257	5,013,362	83,423	75,477	4,967,680	5,088,839
<i>Total Liabilities</i>	<u>\$165,302,211</u>	<u>\$217,805,410</u>	<u>\$5,841,403</u>	<u>\$8,795,994</u>	<u>\$171,143,614</u>	<u>\$226,601,404</u>

(continued)

Mentor Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
Unaudited

Table 1
 Net Position (*continued*)

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Deferred Inflows of Resources						
Property Taxes	\$55,543,531	\$60,881,217	\$0	\$0	\$55,543,531	\$60,881,217
Payment in Lieu of Taxes	1,883,268	1,426,077	0	0	1,883,268	1,426,077
Pension	11,826,923	8,394,687	336,456	296,042	11,781,878	8,690,729
OPEB	3,429,457	0	145,522	0	3,574,979	0
<i>Total Deferred Inflows of Resources</i>	<u>72,683,179</u>	<u>70,701,981</u>	<u>481,978</u>	<u>296,042</u>	<u>72,783,656</u>	<u>70,998,023</u>
Net Position						
Net Investment in Capital Assets	25,712,480	25,250,556	698,224	591,072	26,410,704	25,841,628
Restricted for:						
Capital Projects	1,719,486	1,869,982	0	0	1,719,486	1,869,982
Other Purposes	627,076	1,241,812	0	0	627,076	1,241,812
Unrestricted (Deficit)	<u>(36,391,680)</u>	<u>(103,783,800)</u>	<u>(119,908)</u>	<u>(2,703,644)</u>	<u>(36,511,588)</u>	<u>(106,487,444)</u>
<i>Total Net Position</i>	<u>(\$8,332,638)</u>	<u>(\$75,421,450)</u>	<u>\$578,316</u>	<u>(\$2,112,572)</u>	<u>(\$7,754,322)</u>	<u>(\$77,534,022)</u>

The net pension liability (NPL) is the largest single liability reported by the School District at June 30, 2018 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." For fiscal year 2018, the School District adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the School District's proportionate share of each plan's collective:

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

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

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

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

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

As a result of implementing GASB 75, the School District is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2017, from (\$42,025,481) to (\$75,421,450) for governmental activities and from (\$645,302) to (\$2,112,572) for business-type activities.

Overall, net position increased by \$69,779,700 during fiscal year 2018. This is largely due to a decrease in program expenses as a result from changes in assumptions and benefit terms related to pensions. 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 2018 and 2017.

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Table 2
Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Program Revenues						
Charges for Services and Sales	\$5,527,027	\$5,761,119	\$4,838,476	\$4,480,951	\$10,365,503	\$10,242,070
Operating Grants and Contributions	7,799,993	9,019,667	0	0	7,799,993	9,019,667
Capital Grants and Contributions	99,650	313,337	0	0	99,650	313,337
<i>Total Program Revenues</i>	<u>13,426,670</u>	<u>15,094,123</u>	<u>4,838,476</u>	<u>4,480,951</u>	<u>18,265,146</u>	<u>19,575,074</u>
General Revenues						
Property Taxes	77,771,688	68,772,790	0	0	77,771,688	68,772,790
Grants and Entitlements	25,417,506	27,463,432	0	0	25,417,506	27,463,432
Payment in Lieu of Taxes	2,479,421	976,978	0	0	2,479,421	976,978
Investment Earnings	466,415	897,186	0	0	466,415	897,186
Unrestricted Contributions and Donations	78,561	80,191	0	0	78,561	80,191
Miscellaneous	729,512	851,506	0	0	729,512	851,506
<i>Total General Revenues</i>	<u>106,943,103</u>	<u>99,042,083</u>	<u>0</u>	<u>0</u>	<u>106,943,103</u>	<u>99,042,083</u>
<i>Total Revenues</i>	<u>120,369,773</u>	<u>114,136,206</u>	<u>4,838,476</u>	<u>4,480,951</u>	<u>125,208,249</u>	<u>118,617,157</u>
Program Expenses						
Instruction:						
Regular	15,824,007	43,566,229	0	0	15,824,007	43,566,229
Special	8,175,008	16,402,216	0	0	8,175,008	16,402,216
Vocational	1,374,215	2,374,027	0	0	1,374,215	2,374,027
Student Intervention	192,358	175,503	0	0	192,358	175,503
Support Services						
Pupils	2,587,146	6,219,741	0	0	2,587,146	6,219,741
Instructional Staff	2,439,325	6,486,640	0	0	2,439,325	6,486,640
Board of Education	138,330	156,601	0	0	138,330	156,601
Administration	(439,780)	6,743,917	0	0	(439,780)	6,743,917
Fiscal	2,835,594	2,791,100	0	0	2,835,594	2,791,100
Business	412,529	548,872	0	0	412,529	548,872
Operation and Maintenance of Plant	6,986,740	9,258,444	0	0	6,986,740	9,258,444
Pupil Transportation	6,175,120	5,756,272	0	0	6,175,120	5,756,272
Central	859,725	1,118,205	0	0	859,725	1,118,205
Operation of						
Non-Instructional Services	1,761,792	1,748,597	0	0	1,761,792	1,748,597
Operation of Food Service	2,562,055	2,626,974	0	0	2,562,055	2,626,974
Extracurricular Activities	1,396,797	2,351,078	0	0	1,396,797	2,351,078
Interest and Fiscal Charges	0	4,055	0	0	0	4,055
Cardinal Autism Resource and Education School	0	0	1,980,469	3,270,028	1,980,469	3,270,028
Treasury Management Services	0	0	167,119	151,980	167,119	151,980
<i>Total Program Expenses</i>	<u>53,280,961</u>	<u>108,328,471</u>	<u>2,147,588</u>	<u>3,422,008</u>	<u>55,428,549</u>	<u>111,750,479</u>
<i>Change in Net Position</i>	67,088,812	5,807,735	2,690,888	1,058,943	69,779,700	6,866,678
Net Position Beginning of Year	(75,421,450)	N/A	(2,112,572)	N/A	(77,534,022)	N/A
Net Position End of Year	<u>(\$8,332,638)</u>	<u>(\$75,421,450)</u>	<u>\$578,316</u>	<u>(\$2,112,572)</u>	<u>(\$7,754,322)</u>	<u>(\$7,534,022)</u>

The information necessary to restate the 2017 beginning balances and the 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 is not available. Therefore, 2017 functional expenses still include OPEB expense of \$245,216 computed under GASB 45. GASB 45 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the 2018 statements report negative OPEB expense of \$4,134,962. Consequently, in order to compare 2018 total program expenses to 2017, the following adjustments are needed:

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	Governmental Activities	Business-Type Activities	Total
Total 2018 program expenses under GASB 75	\$53,280,961	\$2,147,588	\$55,428,549
Negative OPEB expense under GASB 75	(4,097,271)	(37,691)	(4,134,962)
2018 contractually required contribution	283,685	28,201	311,886
Adjusted 2018 program expenses	49,467,375	2,138,098	51,605,473
Total 2017 program expenses under GASB 45	108,328,471	3,422,008	111,750,479
Decrease in program expenses not related to OPEB	(\$58,861,096)	(\$1,283,910)	(\$60,145,006)

The largest component of the decrease in program expenses results from changes in assumptions and benefit terms related to pensions. STRS adopted certain assumption changes, including a reduction in their discount rate, and also voted to suspend cost of living adjustments (COLA). SERS decreased their COLA assumption. (See Note 14) As a result of these changes, pension expense decreased from \$11,206,231 in fiscal year 2017 to a negative pension expense of \$41,022,880 for fiscal year 2018. The allocation of the fiscal year 2018 negative pension expense to program expenses is as follows:

Program Expenses	Governmental Activities 2018 Program Expenses Related to Negative Pension Expense	Business-Type Activities 2018 Program Expenses Related to Negative Pension Expense	Total
	Instruction:		
Regular	(\$21,114,242)	\$0	(\$21,114,242)
Special	(6,177,258)	0	(6,177,258)
Vocational	(768,761)	0	(768,761)
Support Services:			
Pupils	(2,607,015)	0	(2,607,015)
Instructional Staff	(2,937,149)	0	(2,937,149)
Board of Education	(4,442)	0	(4,442)
Administration	(4,945,178)	0	(4,945,178)
Fiscal	(164,660)	0	(164,660)
Business	(53,275)	0	(53,275)
Operation and			
Maintenance of Plant	(500,204)	0	(500,204)
Pupil Transportation	(96,393)	0	(96,393)
Central	(46,752)	0	(46,752)
Operation of			
Non-Instructional Services	(6,887)	0	(6,887)
Operation of Food Service	(134,377)	0	(134,377)
Extracurricular Activities	(798,888)	0	(798,888)
Fringe Benefits	0	(667,399)	(667,399)
Total Expenses	(\$40,355,481)	(\$667,399)	(\$41,022,880)

Governmental Activities

The School District's governmental activities net position increased by \$67,088,812. Program revenues of \$13,426,670 and general revenues of \$106,943,103 were sufficient to offset total governmental expenses of \$53,280,961. An increase in net position is mainly due to changes in assumptions and benefit terms related to pensions as well as an increase in property tax revenues due to a full year of collections on the levy passed in 2016.

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Governmental program expenses decreased in fiscal year 2018 due to changes in the net position liability and net OPEB liability. As mentioned previously, pension expense decreased from \$10,565,605 to negative \$40,355,481 for fiscal year 2018, representing a total change of (\$50,921,086) attributable to changes in net pension liability. The recording of net OPEB liability resulted in a (\$4,097,271) change to program expenses.

The primary source of revenue for governmental activities is derived from property taxes. This revenue source represents 64.61 percent of total governmental revenue.

Instruction and support services comprise 47.98 and 41.28 percent, respectively, of governmental program expenses. Overall, governmental program expenses excluding amounts related to the net pension and net OPEB liabilities decreased due to management diligently monitoring all expenses and reducing costs where necessary.

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

	2018		2017	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction:				
Regular	\$15,824,007	(\$14,483,044)	\$43,566,229	(\$42,064,840)
Special	8,175,008	(4,056,759)	16,402,216	(12,214,333)
Vocational	1,374,215	(1,148,207)	2,374,027	(2,064,863)
Student Intervention	192,358	23,644	175,503	39,525
Support Services:				
Pupils	2,587,146	(1,606,236)	6,219,741	(5,109,759)
Instructional Staff	2,439,325	(1,972,047)	6,486,640	(5,868,192)
Board of Education	138,330	(135,083)	156,601	(152,564)
Administration	(439,780)	1,059,303	6,743,917	(5,341,872)
Fiscal	2,835,594	(2,746,341)	2,791,100	(2,702,023)
Business	412,529	(400,995)	548,872	(535,178)
Operation and Maintenance of Plant	6,986,740	(6,698,376)	9,258,444	(8,684,409)
Pupil Transportation	6,175,120	(6,035,078)	5,756,272	(5,586,170)
Central	859,725	(759,828)	1,118,205	(997,509)
Operation of Non-Instructional Services	1,761,792	(210,612)	1,748,597	(73,746)
Operation of Food Service	2,562,055	63,767	2,626,974	(90,013)
Extracurricular Activities	1,396,797	(748,399)	2,351,078	(1,784,347)
Interest and Fiscal Charges	0	0	4,055	(4,055)
Total	\$53,280,961	(\$39,854,291)	\$108,328,471	(\$93,234,348)

The dependence upon tax revenues during fiscal year 2018 for governmental activities is apparent, as 74.80 percent of 2018 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.

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Unaudited

Business-Type Activities

During fiscal year 2018, 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 20) reported a combined fund balance of \$77,727,550, which is more than last year's fund balance of \$64,458,798 by \$13,268,752.

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 \$75,554,059, of which \$105,284 was nonspendable for inventory, \$3,930,462 was assigned to support services and contracts, and \$71,518,313 was unassigned. The general fund balance increased by \$13,647,757, mainly due to an increase in property tax collections for the fiscal year.

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 amount of \$100,966,583, not including carryover balances. Actual revenues for fiscal year 2018 exceeded the School District's final budgeted revenues by 4.78 percent. This can be primarily attributed to higher than certified property tax collections and higher than budgeted interest revenue, tuition and fees and payment in lieu of taxes.

General fund original appropriations were \$104,288,797, which included carryover encumbrances. Final appropriations were \$104,113,797, which also included carryover encumbrances. The actual expenditures for fiscal year 2018 totaled \$100,339,696, which was \$3,774,101 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.

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Capital Assets and Debt

Capital Assets

Table 4 shows fiscal year 2018 balances compared to 2017:

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

	Governmental Activities		Business-Type Activities	
	2018	2017	2018	2017
Land	\$465,776	\$465,776	\$0	\$0
Construction in Progress	104,750	232,523	0	135,018
Land Improvements	3,540,065	2,805,646	143,240	13,181
Buildings and Improvements	17,233,281	17,318,090	535,507	553,714
Furniture and Fixtures	2,910,327	3,127,908	19,477	24,177
Vehicles	1,674,299	1,544,054	0	0
<i>Total Capital Assets</i>	<u>\$25,928,498</u>	<u>\$25,493,997</u>	<u>\$698,224</u>	<u>\$726,090</u>

Acquisitions for governmental activities totaled \$2,650,264 which included \$418,162 of outstanding projects completed during fiscal year 2018. The School District had \$104,750 in outstanding construction in progress at year end. Depreciation of governmental activities totaled \$2,054,154 for the fiscal year. Detailed information regarding capital asset activities is included in the notes to the financial statements (Note 12).

Debt

The School District had no bonded debt in fiscal year 2018. The overall debt margin of the School District as of June 30, 2018 was \$157,126,235. See Note 13 for additional information regarding long-term obligations.

Current Financial Related Activities

The theme for the fiscal year 2018 budget was "Sustaining Educational Quality." Our plan for executing the theme was detailed in the September 28, 2017 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 2018 budget included a continuation of major budgeted instructional priorities. The priority was to refocus a portion of the traditional textbook and instructional materials budget to support the current and expanding balanced learning and teaching model to additional grade levels. 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.

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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 2018 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 2018 original general fund budget was an increase of 5.25 percent over actual fiscal year 2017 expenditures and decrease of .53 percent from the fiscal year 2017 budget. The budget was \$485,722 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. The 2018 fiscal year was the first year to benefit with a full year of new revenue collections.

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.



*Orchard Hollow
Elementary School*

Mentor Exempted Village School District

Statement of Net Position

June 30, 2018

	Governmental Activities	Business-Type Activities	Total*
Assets			
Equity in Pooled Cash and Cash Equivalents	\$95,343,363	\$3,065,933	\$98,409,296
Accounts Receivable	137,062	0	137,062
Accrued Interest Receivable	255,235	0	255,235
Intergovernmental Receivable	1,206,068	923,710	2,129,778
Internal Balances	(797,524)	797,524	0
Inventory Held for Resale	31,173	0	31,173
Materials and Supplies Inventory	123,023	0	123,023
Property Taxes Receivable	69,725,998	0	69,725,998
Payment in Lieu of Taxes Receivable	1,883,268	0	1,883,268
Nondepreciable Capital Assets	570,526	0	570,526
Depreciable Capital Assets, Net	25,357,972	698,224	26,056,196
<i>Total Assets</i>	<u>193,836,164</u>	<u>5,485,391</u>	<u>199,321,555</u>
Deferred Outflows of Resources			
Pension	34,644,144	1,369,967	35,632,610
OPEB	1,172,444	46,339	1,218,783
<i>Total Deferred Outflows of Resources</i>	<u>35,816,588</u>	<u>1,416,306</u>	<u>36,851,393</u>
Liabilities			
Accounts Payable	1,336,524	4,788	1,341,312
Contracts Payable	200,368	0	200,368
Accrued Wages and Benefits	8,970,284	245,113	9,215,397
Retainage Payable	15,650	0	15,650
Intergovernmental Payable	1,755,604	79,433	1,835,037
Matured Compensated Absences Payable	51,504	0	51,504
Claims Payable	1,209,095	0	1,209,095
Long-Term Liabilities:			
Due Within One Year	1,388,882	40,163	1,429,045
Due In More Than One Year:			
Net Pension Liability (See Note 14)	118,732,043	4,086,288	122,818,331
Net OPEB Liability (See Note 15)	26,758,000	1,302,195	28,060,195
Other Amounts Due In More Than One Year	4,884,257	83,423	4,967,680
<i>Total Liabilities</i>	<u>165,302,211</u>	<u>5,841,403</u>	<u>171,143,614</u>
Deferred Inflows of Resources			
Property Taxes	55,543,531	0	55,543,531
Payment in Lieu of Taxes	1,883,268	0	1,883,268
Pension	11,826,923	336,456	11,781,878
OPEB	3,429,457	145,522	3,574,979
<i>Total Deferred Inflows of Resources</i>	<u>72,683,179</u>	<u>481,978</u>	<u>72,783,656</u>
Net Position			
Net Investment in Capital Assets	25,712,480	698,224	26,410,704
Restricted for:			
Capital Improvement	1,719,486	0	1,719,486
Scholarship Awards	84,617	0	84,617
Driver's Training	240,886	0	240,886
Athletics and Music	66,548	0	66,548
Auxiliary Services	75,969	0	75,969
Other Purposes	159,056	0	159,056
Unrestricted (Deficit)	<u>(36,391,680)</u>	<u>(119,908)</u>	<u>(36,511,588)</u>
<i>Total Net Position</i>	<u>(\$8,332,638)</u>	<u>\$578,316</u>	<u>(\$7,754,322)</u>

*After deferred outflows of resources and deferred inflows of resources related to the change in internal proportionate share of pension-related items have been eliminated.

See accompanying notes to the basic financial statements

Mentor Exempted Village School District

Statement of Activities

For the Fiscal Year Ended June 30, 2018

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
Current:				
Instruction:				
Regular	\$15,824,007	\$1,330,719	\$10,244	\$0
Special	8,175,008	328,786	3,789,463	0
Vocational	1,374,215	47,413	178,595	0
Student Intervention	192,358	3,816	212,186	0
Support Services:				
Pupils	2,587,146	790,996	189,914	0
Instructional Staff	2,439,325	125,650	341,628	0
Board of Education	138,330	3,247	0	0
Administration	(439,780)	204,030	415,493	0
Fiscal	2,835,594	89,040	213	0
Business	412,529	11,534	0	0
Operation and Maintenance of Plant	6,986,740	188,714	0	99,650
Pupil Transportation	6,175,120	134,492	5,550	0
Central	859,725	68,795	31,102	0
Operation of Non-Instructional Services	1,761,792	13,533	1,537,647	0
Operation of Food Service	2,562,055	1,597,586	1,028,236	0
Extracurricular Activities	1,396,797	588,676	59,722	0
<i>Total Governmental Activities</i>	<u>53,280,961</u>	<u>5,527,027</u>	<u>7,799,993</u>	<u>99,650</u>
Business-Type Activities				
Cardinal Autism Resource and Education School	1,980,469	4,560,456	0	0
Treasury Management Services	167,119	278,020	0	0
<i>Total Business-Type Activities</i>	<u>2,147,588</u>	<u>4,838,476</u>	<u>0</u>	<u>0</u>
<i>Total</i>	<u>\$55,428,549</u>	<u>\$10,365,503</u>	<u>\$7,799,993</u>	<u>\$99,650</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 - Restated (See Note 3)

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
(\$14,483,044)	\$0	(\$14,483,044)
(4,056,759)	0	(4,056,759)
(1,148,207)	0	(1,148,207)
23,644	0	23,644
(1,606,236)	0	(1,606,236)
(1,972,047)	0	(1,972,047)
(135,083)	0	(135,083)
1,059,303	0	1,059,303
(2,746,341)	0	(2,746,341)
(400,995)	0	(400,995)
(6,698,376)	0	(6,698,376)
(6,035,078)	0	(6,035,078)
(759,828)	0	(759,828)
(210,612)	0	(210,612)
63,767	0	63,767
(748,399)	0	(748,399)
<u>(39,854,291)</u>	<u>0</u>	<u>(39,854,291)</u>
0	2,579,987	2,579,987
<u>0</u>	<u>110,901</u>	<u>110,901</u>
0	2,690,888	2,690,888
<u>(39,854,291)</u>	<u>2,690,888</u>	<u>(37,163,403)</u>
76,781,278	0	76,781,278
990,410	0	990,410
25,417,506	0	25,417,506
2,479,421	0	2,479,421
466,415	0	466,415
78,561	0	78,561
729,512	0	729,512
<u>106,943,103</u>	<u>0</u>	<u>106,943,103</u>
67,088,812	2,690,888	69,779,700
<u>(75,421,450)</u>	<u>(2,112,572)</u>	<u>(77,534,022)</u>
<u>(\$8,332,638)</u>	<u>\$578,316</u>	<u>(\$7,754,322)</u>

Mentor Exempted Village School District

Balance Sheet

Governmental Funds

June 30, 2018

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$73,885,594	\$2,938,912	\$76,824,506
Accounts Receivable	129,652	7,410	137,062
Accrued Interest Receivable	250,819	4,416	255,235
Intergovernmental Receivable	654,255	513,562	1,167,817
Interfund Receivable	276,784	0	276,784
Inventory Held for Resale	0	31,173	31,173
Materials and Supplies Inventory	105,284	17,739	123,023
Property Taxes Receivable	68,832,454	893,544	69,725,998
Payment in Lieu of Taxes Receivable	1,883,268	0	1,883,268
<i>Total Assets</i>	<u>\$146,018,110</u>	<u>\$4,406,756</u>	<u>\$150,424,866</u>
Liabilities			
Accounts Payable	\$1,111,111	\$225,413	\$1,336,524
Contracts Payable	18,502	181,866	200,368
Accrued Wages and Benefits	8,577,533	392,751	8,970,284
Matured Compensated Absences Payable	44,615	6,889	51,504
Interfund Payable	743,914	330,394	1,074,308
Intergovernmental Payable	1,656,352	99,252	1,755,604
Retainage Payable	0	15,650	15,650
<i>Total Liabilities</i>	<u>12,152,027</u>	<u>1,252,215</u>	<u>13,404,242</u>
Deferred Inflows of Resources			
Unavailable Revenue	1,604,128	262,147	1,866,275
Property Taxes	54,824,628	718,903	55,543,531
Payment in Lieu of Taxes	1,883,268	0	1,883,268
<i>Total Deferred Inflows of Resources</i>	<u>58,312,024</u>	<u>981,050</u>	<u>59,293,074</u>
Fund Balances			
Nonspendable	105,284	17,739	123,023
Restricted	0	2,014,594	2,014,594
Committed	0	230,624	230,624
Assigned	3,930,462	0	3,930,462
Unassigned	71,518,313	(89,466)	71,428,847
<i>Total Fund Balances</i>	<u>75,554,059</u>	<u>2,173,491</u>	<u>77,727,550</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$146,018,110</u>	<u>\$4,406,756</u>	<u>\$150,424,866</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, 2018*

Total Governmental Fund Balances	\$77,727,550
 <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.	25,928,498
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	1,335,388
Intergovernmental	469,334
Tuition and Fees	40,095
Charges for Services	2,037
Rentals	16,004
Miscellaneous	<u>3,417</u>
Total	1,866,275
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	16,329,446
Claims Payable	<u>1,018,567</u>
Total	17,348,013
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Claims Payable	(1,018,567)
Compensated Absences	<u>(5,254,572)</u>
Total	(6,273,139)
The net pension liability and net OPEB liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in the governmental funds:	
Deferred Outflows - Pension	34,644,144
Deferred Inflows - Pension	(11,826,923)
Net Pension Liability	(118,732,043)
Deferred Outflows - OPEB	1,172,444
Deferred Inflows - OPEB	(3,429,457)
Net OPEB Liability	<u>(26,758,000)</u>
Total	<u>(124,929,835)</u>
 <i>Net Position of Governmental Activities</i>	 <u><u>(\$8,332,638)</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, 2018

	General	Other Governmental Funds	Total Governmental Funds
Revenues			
Property Taxes	\$77,132,198	\$995,089	\$78,127,287
Intergovernmental	27,621,266	5,952,767	33,574,033
Interest	361,338	768	362,106
Tuition and Fees	2,018,952	734,276	2,753,228
Extracurricular Activities	551,690	371,286	922,976
Contributions and Donations	78,561	149,343	227,904
Charges for Services	70,235	1,597,586	1,667,821
Rentals	195,919	5,308	201,227
Payment in Lieu of Taxes	2,479,421	0	2,479,421
Miscellaneous	452,022	250,986	703,008
<i>Total Revenues</i>	<u>110,961,602</u>	<u>10,057,409</u>	<u>121,019,011</u>
Expenditures			
Current:			
Instruction:			
Regular	42,960,321	103,046	43,063,367
Special	14,725,072	1,720,982	16,446,054
Vocational	1,945,193	401,618	2,346,811
Student Intervention	170,636	22,465	193,101
Support Services:			
Pupils	5,177,252	890,891	6,068,143
Instructional Staff	5,613,704	539,300	6,153,004
Board of Education	145,162	2,000	147,162
Administration	5,538,337	557,124	6,095,461
Fiscal	3,128,143	50,700	3,178,843
Business	518,744	0	518,744
Operation and Maintenance of Plant	8,218,731	1,271,781	9,490,512
Pupil Transportation	6,056,128	5,117	6,061,245
Central	900,054	32,620	932,674
Operation of Non-Instructional Services	94,708	1,649,105	1,743,813
Operation of Food Service	0	2,840,002	2,840,002
Extracurricular Activities	1,916,537	454,945	2,371,482
Capital Outlay	82	99,759	99,841
<i>Total Expenditures</i>	<u>97,108,804</u>	<u>10,641,455</u>	<u>107,750,259</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>13,852,798</u>	<u>(584,046)</u>	<u>13,268,752</u>
Other Financing Sources (Uses)			
Transfers In	0	205,900	205,900
Transfers Out	(205,041)	(859)	(205,900)
<i>Total Other Financing Sources (Uses)</i>	<u>(205,041)</u>	<u>205,041</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	13,647,757	(379,005)	13,268,752
<i>Fund Balances Beginning of Year - Restated (See Note 3)</i>	<u>61,906,302</u>	<u>2,552,496</u>	<u>64,458,798</u>
<i>Fund Balances End of Year</i>	<u>\$75,554,059</u>	<u>\$2,173,491</u>	<u>\$77,727,550</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, 2018*

Net Change in Fund Balances - Total Governmental Funds \$13,268,752

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	2,522,491
Depreciation	<u>(2,054,154)</u>

Total	468,337
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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. (33,836)

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

Delinquent Property Taxes	(355,599)
Intergovernmental	(406,227)
Tuition and Fees	(22,003)
Charges for Services	2
Rentals	3,776
Miscellaneous	<u>3,417</u>

Total	(776,634)
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Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.

Pension	8,106,860
OPEB	<u>283,685</u>

Total	8,390,545
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Except for amounts reported as deferred inflows/outflows, changes in the net position/OPEB liability are reported as pension expense in the statement of activities.

Pension	40,355,481
OPEB	<u>4,097,271</u>

Total	44,452,752
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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. (119,079)

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. 1,437,975

Change in Net Position of Governmental Activities \$67,088,812

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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$69,556,497	\$69,556,497	\$71,534,826	\$1,978,329
Intergovernmental	27,251,185	27,251,185	27,440,402	189,217
Interest	650,000	650,000	1,078,045	428,045
Tuition and Fees	1,332,000	1,332,000	2,296,132	964,132
Extracurricular Activities	339,755	339,755	341,750	1,995
Contributions and Donations	1,000	1,000	9,967	8,967
Charges for Services	80,000	80,000	70,000	(10,000)
Rentals	100,000	100,000	82,035	(17,965)
Payment in Lieu of Taxes	750,000	750,000	2,479,421	1,729,421
Miscellaneous	906,146	906,146	456,222	(449,924)
<i>Total Revenues</i>	<u>100,966,583</u>	<u>100,966,583</u>	<u>105,788,800</u>	<u>4,822,217</u>
Expenditures				
Current:				
Instruction:				
Regular	44,402,991	44,473,646	43,417,120	1,056,526
Special	17,124,850	16,669,625	16,072,760	596,865
Vocational	2,122,023	2,121,683	1,952,177	169,506
Student Intervention	277,181	324,039	262,544	61,495
Support Services:				
Pupils	5,447,188	5,352,993	5,209,121	143,872
Instructional Staff	6,043,179	6,122,809	5,960,848	161,961
Board of Education	245,419	258,610	181,343	77,267
Administration	5,463,501	5,634,631	5,499,418	135,213
Fiscal	2,920,921	3,854,227	3,251,585	602,642
Business	561,115	561,497	524,404	37,093
Operation and Maintenance of Plant	8,967,235	8,807,245	8,512,569	294,676
Pupil Transportation	7,735,042	7,048,398	6,788,709	259,689
Central	1,239,828	1,060,801	938,375	122,426
Operation of Non-Instructional Services	84,180	84,180	81,026	3,154
Extracurricular Activities	1,603,269	1,708,538	1,670,472	38,066
Capital Outlay	50,875	30,875	17,225	13,650
<i>Total Expenditures</i>	<u>104,288,797</u>	<u>104,113,797</u>	<u>100,339,696</u>	<u>3,774,101</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,322,214)</u>	<u>(3,147,214)</u>	<u>5,449,104</u>	<u>8,596,318</u>
Other Financing Sources (Uses)				
Advances Out	(50,000)	(225,000)	(175,000)	50,000
Transfers Out	(415,500)	(415,500)	(200,041)	215,459
<i>Total Other Financing Sources (Uses)</i>	<u>(465,500)</u>	<u>(640,500)</u>	<u>(375,041)</u>	<u>265,459</u>
<i>Net Change in Fund Balance</i>	(3,787,714)	(3,787,714)	5,074,063	8,861,777
<i>Fund Balance Beginning of Year</i>	59,099,521	59,099,521	59,099,521	0
Prior Year Encumbrances Appropriated	4,456,858	4,456,858	4,456,858	0
<i>Fund Balance End of Year</i>	<u>\$59,768,665</u>	<u>\$59,768,665</u>	<u>\$68,630,442</u>	<u>\$8,861,777</u>

See accompanying notes to the basic financial statements

Mentor Exempted Village School District
Statement of Fund Net Position
Proprietary Funds
June 30, 2018

	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	\$2,490,161	\$575,772	\$3,065,933	\$18,518,857
Intergovernmental Receivable	917,536	6,174	923,710	38,251
Interfund Receivable	743,914	56,212	800,126	0
<i>Total Current Assets</i>	4,151,611	638,158	4,789,769	18,557,108
<i>Non-Current Assets:</i>				
Depreciable Capital Assets, Net	698,224	0	698,224	0
<i>Total Assets</i>	4,849,835	638,158	5,487,993	18,557,108
Deferred Outflows of Resources				
Pension	1,369,967	0	1,369,967	0
OPEB	46,339	0	46,339	0
<i>Total Deferred Outflows of Resources</i>	1,416,306	0	1,416,306	0
Liabilities				
<i>Current Liabilities:</i>				
Accounts Payable	4,685	103	4,788	0
Accrued Wages and Benefits	237,752	7,361	245,113	0
Interfund Payable	2,602	0	2,602	0
Intergovernmental Payable	75,189	4,244	79,433	0
Compensated Absences	25,911	14,252	40,163	0
Claims Payable	0	0	0	1,315,710
<i>Total Current Liabilities</i>	346,139	25,960	372,099	1,315,710
<i>Long-Term Liabilities (net of current portion):</i>				
Net Pension Liability	4,086,288	0	4,086,288	0
Net OPEB Liability	1,302,195	0	1,302,195	0
Compensated Absences	60,439	22,984	83,423	0
Claims Payable	0	0	0	911,952
<i>Total Long-Term Liabilities</i>	5,448,922	22,984	5,471,906	911,952
<i>Total Liabilities</i>	5,795,061	48,944	5,844,005	2,227,662
Deferred Inflows of Resources				
Pension	336,456	0	336,456	0
OPEB	145,522	0	145,522	0
<i>Total Deferred Inflows of Resources</i>	481,978	0	481,978	0
Net Position				
Investment in Capital Assets	698,224	0	698,224	0
Unrestricted (Deficit)	(709,122)	589,214	(119,908)	16,329,446
<i>Total Net Position</i>	(\$10,898)	\$589,214	\$578,316	\$16,329,446

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, 2018

	Business Type Activities - Enterprise Funds			
	Cardinal Autism Resource and Education School	Non-Major Treasury Management Services	Total	Governmental Activities - Internal Service Funds
Operating Revenues				
Charges for Services	\$0	\$278,020	\$278,020	\$16,897,440
Tuition and Fees	4,560,456	0	4,560,456	0
Miscellaneous	0	0	0	23,087
<i>Total Operating Revenues</i>	<u>4,560,456</u>	<u>278,020</u>	<u>4,838,476</u>	<u>16,920,527</u>
Operating Expenses				
Salaries and Wages	1,821,928	112,482	1,934,410	92,164
Fringe Benefits	(262,820)	49,512	(213,308)	23,120
Purchased Services	154,102	4,801	158,903	92,869
Materials and Supplies	59,728	302	60,030	0
Claims	0	0	0	15,313,827
Other	155,341	22	155,363	64,881
Depreciation	52,190	0	52,190	0
<i>Total Operating Expenses</i>	<u>1,980,469</u>	<u>167,119</u>	<u>2,147,588</u>	<u>15,586,861</u>
<i>Operating Income (Loss)</i>	2,579,987	110,901	2,690,888	1,333,666
Non-Operating Income (Expense)				
Interest	0	0	0	104,309
<i>Change in Net Position</i>	2,579,987	110,901	2,690,888	1,437,975
<i>Net Position Beginning of Year - Restated (See Note 3)</i>	<u>(2,590,885)</u>	<u>478,313</u>	<u>(2,112,572)</u>	<u>14,891,471</u>
<i>Net Position End of Year</i>	<u><u>(\$10,898)</u></u>	<u><u>\$589,214</u></u>	<u><u>\$578,316</u></u>	<u><u>\$16,329,446</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, 2018

	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	\$221,808	\$221,808	\$0
Cash Received from Tuition and Fees	3,481,442	0	3,481,442	0
Cash Received from Interfund Services Provided	0	0	0	16,899,623
Cash Received from Other	0	0	0	23,087
Cash Payments for Salaries	(1,814,363)	(111,003)	(1,925,366)	(92,164)
Cash Payments for Employee Benefits	(777,027)	(50,582)	(827,609)	(23,120)
Cash Payments for Goods and Services	(349,451)	(5,000)	(354,451)	(105,203)
Cash Payments for Claims	0	0	0	(15,651,816)
Cash Payments for Other	(155,085)	(22)	(155,107)	(64,881)
<i>Net Cash Provided by (Used for) Operating Activities</i>	385,516	55,201	440,717	985,526
Cash Flows from Capital and Related Financing Activities				
Payments for Capital Acquisitions	(24,324)	0	(24,324)	0
Cash Flows from Investing Activities				
Interest	0	0	0	104,309
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	361,192	55,201	416,393	1,089,835
<i>Cash and Cash Equivalents Beginning of Year</i>	2,128,969	520,571	2,649,540	17,429,022
<i>Cash and Cash Equivalents End of Year</i>	\$2,490,161	\$575,772	\$3,065,933	\$18,518,857
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used for) by Operating Activities				
Operating Income (Loss)	\$2,579,987	\$110,901	\$2,690,888	\$1,333,666
Depreciation	52,190	0	52,190	0
<i>Adjustments:</i>				
(Increase)/Decrease in Assets:				
Intergovernmental Receivable	(361,425)	(3,557)	(364,982)	2,183
Interfund Receivable	(743,914)	(56,212)	(800,126)	0
Deferred Outflows of Resources - Pension	722,607	0	722,607	0
Deferred Outflows of Resources - OPEB	(4,134)	0	(4,134)	0
Increase/(Decrease) in Liabilities:				
Accounts Payable	(5,387)	103	(5,284)	(12,334)
Contracts Payable	(135,018)	0	(135,018)	0
Accrued Wages and Benefits	4,974	1,479	6,453	0
Interfund Payable	2,338	0	2,338	0
Intergovernmental Payable	3,815	929	4,744	0
Net Pension Liability	(1,287,449)	0	(1,287,449)	0
Net OPEB Liability	(17,368)	0	(17,368)	0
Compensated Absences	7,386	1,558	8,944	0
Claims Payable	0	0	0	(337,989)
Deferred Inflows of Resources - Pension	(388,696)	0	(388,696)	0
Deferred Inflows of Resources - OPEB	(44,390)	0	(44,390)	0
<i>Total Adjustments</i>	(2,246,661)	(55,700)	(2,302,361)	(348,140)
<i>Net Cash Provided by (Used for) Operating Activities</i>	\$385,516	\$55,201	\$440,717	\$985,526

See accompanying notes to the basic financial statements

Mentor Exempted Village School District
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2018

Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$269,473</u>
Liabilities	
Due to Students	<u>\$269,473</u>

See accompanying notes to the basic financial statements



*Ridge Elementary
School*

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

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 369 classified employees, 506 certificated teaching personnel, and 42 administrators who provide services to 7,559 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 20 to the basic financial statements.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

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, 2018*

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 enterprise 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, 2018

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 represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB plans. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 14 and 15.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

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, payment in lieu of taxes, pension, OPEB plans and unavailable revenue. Property taxes and payment in lieu of taxes represent amounts for which there is an enforceable legal claim as of June 30, 2018, but which were levied to finance fiscal year 2019 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the School District, unavailable revenue includes delinquent property taxes, intergovernmental grants, tuition and fees, charges for services and miscellaneous revenues. 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 Position of Governmental Activities fund on page 21. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 14 and 15).

Pensions/Other Postemployment Benefits (OPEB)

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

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.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018*

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 2018, investments were limited to nonnegotiable certificates of deposit, US treasury obligations, freddie mac notes, negotiable certificates of deposit, federal farm credit bank bonds, federal home loan bank bonds, federal national mortgage association notes, federal home loan mortgage corporation notes and municipal bonds. 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 2018 amounted to \$361,338, which includes \$12,112 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 the lower of cost or market value and donated commodities are presented at their entitlement value. Inventories are presented on a first-in, first-out basis and are expended/expensed when used. Inventories consist of materials and supplies held for consumption and donated and purchased food held for resale.

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.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

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.

Deferred inflows of resources and deferred outflows of resources from the change in internal proportionate share related to pension items are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts between governmental and business-type activities. These residual amounts are eliminated in the total column of the entity wide statement of net position.

Compensated Absences

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

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

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

On the governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. The amounts are recorded in the account "Matured Compensated Absences Payable" in the funds from which the employee who has accumulated unpaid leave is paid.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

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 and compensated absences 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. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and pension/OPEB plans' fiduciary net position is not sufficient for payment of those benefits.

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 clean diesel buses and 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.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

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.

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.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

Note 3 – Change in Accounting Principles and Restatement of Fund Balance/Net Position

Change in Accounting Principles

For fiscal year 2018, the School District implemented Governmental Accounting Standards Board (GASB) Statement No. 85, *Omnibus 2017*, Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, and related guidance from (GASB) Implementation Guide No. 2017-3, *Accounting and Financial Reporting for Postemployment Benefits other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)*.

For fiscal year 2018, the School District also implemented the Governmental Accounting Standards Board’s (GASB) *Implementation Guide No. 2017-1*. These changes were incorporated in the School District’s fiscal year 2018 financial statements; however, there was no effect on beginning net position/fund balance.

GASB 85 addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits (OPEB)). These changes were incorporated in the School District’s fiscal year 2018 financial statements; however, there was no effect on beginning net position/fund balance.

GASB 75 established standards for measuring and recognizing Postemployment benefit liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditure.

Restatement of Fund Balance/Net Position

For fiscal year 2018, it was determined the AT&T Surplus special revenue fund should be classified as a perspective difference in the general fund as an assigned fund balance instead of a separate other governmental fund. As a result, fund balance of the governmental funds had the following effect:

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund Balance June 30, 2017	\$61,758,733	\$2,700,065	\$64,458,798
Adjustments:			
AT&T Surplus Fund Reclass	<u>147,569</u>	<u>(147,569)</u>	<u>0</u>
Restated Fund Balance June 30, 2017	<u>\$61,906,302</u>	<u>\$2,552,496</u>	<u>\$64,458,798</u>

The implementation of GASB 75 restated net position of the Cardinal Autism Resource and Education School Enterprise Fund at June 30, 2017 from (\$1,123,615) to (\$2,590,885). This restatement included adjustments of (\$1,488,314) for the net OPEB liability and \$21,044 for the deferred outflow—payments subsequent to measurement date. The implementation of GASB 75 also impacted net position reported at June 30, 2017 on the entity wide statements as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Net Position June 30, 2017	(\$42,025,481)	(\$645,302)	(\$42,670,783)
Adjustments:			
Net OPEB Liability	(33,620,141)	(1,488,314)	(35,108,455)
Deferred Outflow - Payments Subsequent to Measurement Date	<u>224,172</u>	<u>21,044</u>	<u>245,216</u>
Restated Net Position June 30, 2017	<u>(\$75,421,450)</u>	<u>(\$2,112,572)</u>	<u>(\$77,534,022)</u>

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

Other than employer contributions subsequent to the measurement date, the School District made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

Note 4 – Accountability

The food service and rotary special services special revenue funds had deficit fund balances of \$28,643 and \$43,084 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	\$105,284	\$17,739	\$123,023
<i>Restricted for:</i>			
Capital Improvement	0	1,503,494	1,503,494
Scholarship Awards	0	84,617	84,617
Driver's Training	0	240,886	240,886
Athletics and Music	0	66,548	66,548
Auxiliary Services	0	75,969	75,969
<i>Other Purposes:</i>			
Clean Diesel Buses	0	841	841
Vocational Education	0	23,611	23,611
Special Instruction	0	17,877	17,877
Classroom Reduction	0	751	751
<i>Total Restricted</i>	0	2,014,594	2,014,594
<i>Committed to:</i>			
We Care Program	0	230,624	230,624
<i>Assigned to:</i>			
Support Services	351,805	0	351,805
<i>Purchases on Order:</i>			
Instruction	2,107,970	0	2,107,970
Support Services	1,441,609	0	1,441,609
Capital Improvements	17,143	0	17,143
Extracurricular	11,935	0	11,935
<i>Total Assigned</i>	3,930,462	0	3,930,462
<i>Unassigned (Deficit)</i>	71,518,313	(89,466)	71,428,847
<i>Total Fund Balances</i>	\$75,554,059	\$2,173,491	\$77,727,550

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018*

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 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, public school support and AT&T surplus 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).

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	\$13,647,757
Net Adjustment for Revenue Accruals	(6,752,562)
Beginning Fair Value Adjustment for Investments	177,634
Ending Fair Value Adjustment for Investments	547,337
Beginning Unrecorded Cash	32,614
Ending Unrecorded Cash	72,457
Perspective Differences:	
Uniform School Supplies	37,514
Public School Support	(16,546)
AT&T Surplus	(129,105)
Net Adjustment for Expenditure Accruals	2,753,177
Advances Out	(175,000)
Encumbrances	<u>(5,121,214)</u>
Budget Basis	<u>\$5,074,063</u>

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018*

Note 7 - Deposits and Investments

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

Active deposits 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.

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, 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 provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and with certain limitations bonds and other obligations of political subdivisions of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio).
8. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 40 percent of the interim monies available for investment at any one time 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. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Investments

Investments are reported at fair value. As of June 30, 2018, the School District had the following investments:

Measurement/Investment	Measurement Amount	Maturity	Moody's	Percent of Total Investments
Fair Value - Level Two Inputs:				
US Treasury Obligations	\$14,889,982	Less than two years	Aaa	28.78%
Freddie Mac Notes	10,801,314	Less than three years	Aaa	20.87%
Negotiable Certificates of Deposit	7,311,658	Less than five years	N/A	14.13%
Federal Farm Credit Bank Bonds	7,190,891	Less than two years	Aaa	13.90%
Federal Home Loan Bank Bonds	6,677,369	Less than three years	Aaa	12.90%
Federal National Mortgage Association Notes	2,457,424	Less than four years	Aaa	
Federal Home Loan Mortgage Corporation Bonds	2,213,672	Less than four years	Aaa	
Municipal Bonds	202,564	Less than two years	Aaa	
Total Portfolio	<u>\$51,744,874</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, 2018. 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).

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

Interest Rate Risk The School District has no investment policy that addresses the interest rate risk. As a means of limiting its exposure to fair value losses caused by rising interest rates, 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. To date, no investments have been purchased with a life greater than five years.

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

Note 8 - Receivables

Receivables at June 30, 2018, 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.

A summary of the principal items of intergovernmental receivables follows:

Intergovernmental Receivables	Amounts
Governmental Activities:	
School Employee Retirement System	\$501,600
Ohio Department of Education	204,021
Title I	163,903
Special Education, Part B-IDEA Grant	143,855
Mentor Public Library	38,251
Title II-A	36,173
Students with Disabilities Grant	29,033
Carl Perkins Grant	25,293
Title III	21,625
ECSE - IDEA Grant	19,890
Miscellaneous Federal Grant	19,264
Parent Mentor Grant	3,125
Lake County	35
<i>Total Governmental Activities</i>	<u>\$1,206,068</u>

Mentor Exempted Village School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

Intergovernmental Receivables	Amounts
Business-Type Activities:	
Euclid City School District	\$278,039
Riverside Local School District	124,835
Madison Local School District	94,266
Chardon Local School District	58,166
School Employee Retirement System	56,239
Kenston Local School District	48,721
Kirtland Local School District	47,268
Mayfield City School District	42,243
Cardinal Local School District	36,901
Ashtabula Area City School District	25,416
Richmond Heights Local School District	21,901
Cuyahoga Heights Local School District	16,965
Fairport Harbor Exempted Village School District	16,965
Perry Local School District	16,965
Willoughby Eastlake City School District	16,965
Berkshire Local School District	16,964
East Cleveland City School District	3,750
Wickliffe City School District	1,141
<i>Total Business-Type Activities</i>	<u>923,710</u>
<i>Total</i>	<u><u>\$2,129,778</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.

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 2018 represents collections of calendar year 2017 taxes. Real property taxes received in calendar year 2018 were levied after April 1, 2017, on the assessed value listed as of January 1, 2017, 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.

Mentor Exempted Village School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

Public utility property tax revenue received in calendar year 2018 represents collections of calendar year 2017 taxes. Public utility real and tangible personal property taxes received in calendar year 2018 became a lien December 31, 2016, were levied after April 1, 2017 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, 2018, are available to finance fiscal year 2018 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, 2018 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, 2018, was \$12,690,914 in the general fund and \$156,165 in the permanent improvement capital projects fund. 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. 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 2018 taxes were collected are:

	2017 Second Half Collections		2018 First Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$1,681,127,460	96.34%	\$1,680,939,270	96.28%
Public Utility Personal	63,882,930	3.66	64,907,790	3.72
Total	<u>\$1,745,010,390</u>	<u>100.00%</u>	<u>\$1,745,847,060</u>	<u>100.00%</u>
Full Tax Rate per \$1,000 of assessed valuation	\$82.01		\$82.05	

Note 10 – Tax Abatements

The School District's property taxes were reduced by \$96,846 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 \$205,041 to move unrestricted balances to support programs and projects accounted for in other funds, and to move resources as debt payments came due. The special trust special revenue fund made a transfer in the amount of \$859 to the athletics and music special revenue fund as a one-time subsidy to cover extracurricular programs.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

Interfund Balances

Interfund balances at June 30, 2018, 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 Payable	Interfund Receivable			Total
	General	CARES	Non-Major Enterprise Fund	
General	\$0	\$743,914	\$0	\$743,914
Other Governmental Funds	\$274,182	0	56,212	330,394
Total Governmental Funds	274,182	743,914	56,212	1,074,308
CARES	2,602	0	0	2,602
<i>Total</i>	\$276,784	\$743,914	\$56,212	\$1,076,910

The School District uses an internal proportionate share to allocate its net pension liability and corresponding deferred outflows/inflows of resources and pension expense to its various funds. This allocation creates a change in internal proportionate share. The effects of the internal proportionate share are eliminated from the pension deferred outflows/inflows of resources in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts between governmental and business-type activities. These residual amounts are eliminated in the total column of the entity wide statement of net position, thus allowing the total column to present the change in proportionate share for the School District as a whole. Eliminations made in the total column of the entity wide statement of net position include deferred outflows of resources for the business-type activities (related to the Cardinal Autism Resources and Education School enterprise fund) and deferred inflows of resources for the governmental type activities in the amount of \$381,501.

Note 12 – Capital Assets

Governmental fund capital asset activity for the fiscal year ended June 30, 2018, was as follows:

	Balance	Additions	Deletions	Balance
	July 1, 2017			June 30, 2018
Capital Assets Not Being Depreciated				
Land	\$465,776	\$0	\$0	\$465,776
Construction in Progress	232,523	290,389	(418,162)	104,750
<i>Total Capital Assets Not Being Depreciated</i>	698,299	290,389	(418,162)	570,526
Capital Assets Being Depreciated				
Land Improvements	6,606,451	1,002,234	0	7,608,685
Buildings and Improvements	48,584,185	866,447	0	49,450,632
Furniture, Fixtures and Equipment	12,642,168	276,421	(112,490)	12,806,099
Vehicles	5,958,150	505,162	(325,741)	6,137,571
<i>Total Capital Assets Being Depreciated</i>	\$73,790,954	\$2,650,264	(\$438,231)	\$76,002,987

(continued)

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018
Capital Assets Being Depreciated <i>(continued)</i>				
Less: Accumulated Depreciation				
Land Improvements	(\$3,800,805)	(\$267,815)	\$0	(\$4,068,620)
Buildings and Improvements	(31,266,095)	(951,256)	0	(32,217,351)
Furniture, Fixtures and Equipment	(9,514,260)	(492,740)	111,228	(9,895,772)
Vehicles	(4,414,096)	(342,343)	293,167	(4,463,272)
<i>Total Accumulated Depreciation</i>	(48,995,256)	(2,054,154) *	404,395	(50,645,015)
<i>Capital Assets Being Depreciated, Net</i>	24,795,698	596,110	(33,836)	25,357,972
<i>Governmental Activities Capital Assets, Net</i>	\$25,493,997	\$886,499	(\$451,998)	\$25,928,498

*Depreciation expense was charged to governmental functions as follows:

Instruction	
Regular	\$287,074
Special	1,844
Vocational	44,557
Student Intervention	1,605
Support Services	
Pupils	1,083
Instructional Staff	153,948
Board of Education	1,325
Administration	42,881
Fiscal	2,153
Business	3,444
Operation and Maintenance of Plant	994,682
Pupil Transportation	357,443
Central	26,653
Operation of Food Service	50,895
Extracurricular Activities	84,567
Total Depreciation Expense	\$2,054,154

Business type capital asset activity for the fiscal year ended June 30, 2018, was as follows:

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018
Capital Assets Not Being Depreciated				
Construction in Progress	\$135,018	\$3,269	(\$138,287)	\$0
Capital Assets Being Depreciated				
Land Improvements	\$20,652	\$138,287	\$0	\$158,939
Buildings and Improvements	1,253,376	21,055	0	1,274,431
Furniture, Fixtures and Equipment	278,490	0	0	278,490
<i>Total Capital Assets Being Depreciated</i>	\$1,552,518	\$159,342	\$0	\$1,711,860

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018
Capital Assets Being Depreciated <i>(continued)</i>				
Less: Accumulated Depreciation				
Land Improvements	(\$7,471)	(\$8,228)	\$0	(\$15,699)
Buildings and Improvements	(699,662)	(39,262)	0	(738,924)
Furniture, Fixtures and Equipment	(254,313)	(4,700)	0	(259,013)
<i>Total Accumulated Depreciation</i>	(961,446)	(52,190)	0	(1,013,636)
<i>Capital Assets Being Depreciated, Net</i>	591,072	107,152	0	698,224
<i>Business-Type Activities Capital Assets, Net</i>	\$726,090	\$110,421	(\$138,287)	\$698,224

Note 13 – Long-Term Obligations

Changes in long-term obligations of the School District during fiscal year 2018 were as follows:

	Principal Outstanding July 1, 2017	Additions	Deductions	Principal Outstanding June 30, 2018	Amount Due in One Year
Governmental Activities:					
Net Pension Liability:					
SERS	\$30,584,718	\$0	(\$5,592,593)	\$24,992,125	\$0
STRS	134,979,991	0	(41,240,073)	93,739,918	0
<i>Total Net Pension Liability</i>	165,564,709	0	(46,832,666)	118,732,043	0
Net OPEB Liability:					
SERS	12,054,216	0	(692,354)	11,361,862	0
STRS	21,565,925	0	(6,169,787)	15,396,138	0
<i>Total Net OPEB Liability</i>	33,620,141	0	(6,862,141)	26,758,000	0
Workers Compensation Claims	1,151,050	66,797	(199,280)	1,018,567	106,615
Compensated Absences	5,135,493	1,275,686	(1,156,607)	5,254,572	1,282,267
<i>Total Governmental Activities Long-Term Liabilities</i>	\$205,471,393	\$1,342,483	(\$55,050,694)	\$151,763,182	\$1,388,882
Business-Type Activities:					
Net Pension Liability:					
SERS	\$2,659,542	\$0	(\$486,313)	\$2,173,229	\$0
STRS	2,754,694	0	(841,635)	1,913,059	0
<i>Total Net Pension Liability</i>	5,414,236	0	(1,327,948)	4,086,288	0
Net OPEB Liability:					
SERS	1,048,193	0	(60,205)	987,988	0
STRS	440,121	0	(125,914)	314,207	0
<i>Total Net OPEB Liability</i>	1,488,314	0	(186,119)	1,302,195	0
Compensated Absences	114,642	48,109	(39,165)	123,586	40,163
<i>Total Business-Type Activities Long-Term Liabilities</i>	\$7,017,192	\$48,109	(\$1,553,232)	\$5,512,069	\$40,163

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

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 and net OPEB liability. However, employer pension and OPEB 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. For additional information related to the net pension and net OPEB liabilities see Notes 14 and 15.

The overall debt margin of the School District as of June 30, 2018 was \$157,126,235.

Note 14 - Defined Benefit Pension Plans

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability/Net OPEB Liability

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

The net pension/OPEB liability represent the School District's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB 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 these estimates 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 and OPEB.

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability. Resulting adjustments to the net pension/OPEB liability would be effective when the changes are legally enforceable. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

Mentor Exempted Village School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 15 for the required OPEB disclosures.

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.

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, 2018, the allocation to pension, death benefits, and Medicare B was 13.5 percent. The remaining .5 percent was allocated to the Health Care Fund.

The School District's contractually required contribution to SERS was \$1,971,328 for fiscal year 2018. Of this amount \$127,153 is reported as an intergovernmental payable.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

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. Effective July 1, 2017, the cost-of-living adjustment was reduced to zero. 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 goes 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 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.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

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, 2018, the employer rate was 14 percent and the plan members were also required to contribute 14 percent of covered salary. The fiscal year 2018 contribution rates were equal to the statutory maximum rates.

The School District contractually required contributions to STRS was \$6,421,671 for fiscal year 2018. Of this amount \$982,688 is reported as an 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, 2017, 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. Following is information related to the proportionate share and pension expense:

	SERS	STRS	Total
Proportion of the Net Pension Liability			
Prior Measurement Date	0.45421380%	0.41147978%	
Proportion of the Net Pension Liability			
Current Measurement Date	0.45466710%	0.40266098%	
Change in Proportionate Share	0.00045330%	-0.00881880%	
Proportionate Share of the Net			
Pension Liability	\$27,165,354	\$95,652,977	\$122,818,331
Pension Expense	(\$1,597,553)	(\$39,425,327)	(\$41,022,880)

At June 30, 2018, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	\$1,169,103	\$3,693,669	\$4,862,772
Changes of assumptions	1,404,741	20,920,357	22,325,098
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	51,741	0	51,741
School District contributions subsequent to the measurement date	1,971,328	6,421,671	8,392,999
Total Deferred Outflows of Resources	\$4,596,913	\$31,035,697	\$35,632,610
Deferred Inflows of Resources			
Differences between expected and actual experience	\$0	\$770,926	\$770,926
Net difference between projected and actual earnings on pension plan investments	128,948	3,156,660	3,285,608
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	674,973	7,050,371	7,725,344
Total Deferred Inflows of Resources	\$803,921	\$10,977,957	\$11,781,878

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\$8,392,999 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, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2019	\$585,521	\$1,813,211	\$2,398,732
2020	1,446,653	6,107,357	7,554,010
2021	422,769	4,575,570	4,998,339
2022	(633,279)	1,139,931	506,652
Total	\$1,821,664	\$13,636,069	\$15,457,733

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.

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, 2017, are presented below:

Wage Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	2.5 percent
Investment Rate of Return	7.50 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal

Prior to 2017, an assumption of 3 percent was used for COLA or Ad Hoc COLA.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
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For 2017, the 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. Mortality among service retired members, and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120 percent of male rates, and 110 percent of female rates. Mortality among disabled members were based upon the RP-2000 Disabled Mortality Table, 90 percent for male rates and 100 percent for female rates, set back five years is 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 average 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 %	

Discount Rate The total pension liability was calculated using the discount rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the 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	\$37,698,453	\$27,165,354	\$18,341,737

Mentor Exempted Village School District

Notes to the Basic Financial Statements

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Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2017, actuarial valuation, compared with July 1, 2016 are presented below:

	July 1, 2017	July 1, 2016
Inflation	2.50 percent	2.75 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65	12.25 percent at age 20 to 2.75 percent at age 70
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation	7.75 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3.5 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017	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.

For the July 1, 2017, actuarial valuation, post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

For the July 1, 2016 actuarial valuation, 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 July 1 2017, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016. 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, 2018*

Asset Class	Target Allocation	Long-Term Expected Rate of Return *
Domestic Equity	28.00 %	7.35 %
International Equity	23.00	7.55
Alternatives	17.00	7.09
Fixed Income	21.00	3.00
Real Estate	10.00	6.00
Liquidity Reserves	1.00	2.25
Total	<u>100.00 %</u>	

* 10 year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent and does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate The discount rate used to measure the total pension liability was 7.45 percent as of June 30, 2017. 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 that 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. 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, 2017. Therefore, the long-term expected rate of return on pension plan investments of 7.45 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2017.

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 7.45 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 (6.45 percent) or one-percentage-point higher (8.45 percent) than the current rate:

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
School District's proportionate share of the net pension liability	\$137,115,290	\$95,652,977	\$60,727,197

Mentor Exempted Village School District

Notes to the Basic Financial Statements

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Note 15 - Defined Benefit OPEB Plans

See note 14 for a description of the net OPEB liability

Plan Description - School Employees Retirement System (SERS)

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 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. 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 2018, .5 percent 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 2018, this amount was \$23,700. Statutes provide 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 2018, the School District's surcharge obligation was \$238,874.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was \$311,886 for fiscal year 2018. Of this amount \$243,583 is reported as an intergovernmental payable.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

Plan Description - State Teachers Retirement System (STRS)

Plan Description – The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Medicare Part B premium reimbursements will be discontinued effective January 1, 2020. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS 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. Active employee members do not contribute to the Health Care Plan. Nearly all health care 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, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2018, STRS did not allocate any employer contributions to post-employment health care.

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

The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Net OPEB Liability			
Prior Measurement Date	0.45967400%	0.41147978%	
Proportion of the Net OPEB Liability			
Current Measurement Date	<u>0.46017360%</u>	<u>0.40266098%</u>	
Change in Proportionate Share	<u>0.00049960%</u>	<u>-0.00881880%</u>	
Proportionate Share of the Net			
OPEB Liability	\$12,349,850	\$15,710,345	\$28,060,195
OPEB Expense	\$726,363	(\$4,861,325)	(\$4,134,962)

At June 30, 2018, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$0	\$906,897	\$906,897
School District contributions subsequent to the measurement date	<u>311,886</u>	<u>0</u>	<u>311,886</u>
Total Deferred Outflows of Resources	<u><u>\$311,886</u></u>	<u><u>\$906,897</u></u>	<u><u>\$1,218,783</u></u>
Deferred Inflows of Resources			
Changes of assumptions	\$1,171,937	\$1,265,519	\$2,437,456
Net difference between projected and actual earnings on OPEB plan investments	32,613	671,498	704,111
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	<u>29,156</u>	<u>404,256</u>	<u>433,412</u>
Total Deferred Inflows of Resources	<u><u>\$1,233,706</u></u>	<u><u>\$2,341,273</u></u>	<u><u>\$3,574,979</u></u>

\$311,886 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30:	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2019	(\$443,332)	(\$295,020)	(\$738,352)
2020	(443,332)	(295,020)	(738,352)
2021	(338,889)	(295,020)	(633,909)
2022	(8,153)	(295,024)	(303,177)
2023	0	(127,147)	(127,147)
Thereafter	<u>0</u>	<u>(127,145)</u>	<u>(127,145)</u>
Total	<u><u>(\$1,233,706)</u></u>	<u><u>(\$1,434,376)</u></u>	<u><u>(\$2,668,082)</u></u>

Actuarial Assumptions - SERS

The total OPEB liability is determined by SERS' actuaries in accordance with GASB Statement No. 74, as part of their annual actuarial valuation for each 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 terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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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 OPEB liability in the latest actuarial valuation date of June 30, 2017, are presented below:

Wage Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
Investment Rate of Return	7.50 percent net of investments expense, including inflation
Municipal Bond Index Rate:	
Measurement Date	3.56 percent
Prior Measurement Date	2.92 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Measurement Date	3.63 percent
Prior Measurement Date	2.98 percent
Medical Trend Assumption	
Medicare	5.50 to 5.00 percent
Pre-Medicare	7.50 to 5.00 percent

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, 120 percent of male rates and 110 percent of female rates. RP-2000 Disabled Mortality Table with 90 percent for male rates and 100 percent for female rates set back five years.

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

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2010 through 2015, and was adopted by the Board on April 21, 2016. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.50 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The SERS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 14.

Discount Rate The discount rate used to measure the total OPEB liability at June 30, 2017 was 3.63 percent. The discount rate used to measure total OPEB liability prior to June 30, 2017 was 2.98 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the state statute contribution rate of 2.00 percent of projected covered employee

Mentor Exempted Village School District

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payroll each year, which includes a 1.50 percent payroll surcharge and 0.50 percent of contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2025. Therefore, the long-term expected rate of return on OPEB plan assets was used to present value the projected benefit payments through the fiscal year ending June 30, 2024 and the Fidelity General Obligation 20-year Municipal Bond Index rate of 3.56 percent, as of June 30, 2017 (i.e. municipal bond rate), was used to present value the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The projection of future benefit payments for all current plan members was until the benefit payments ran out.

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.63%) and higher (4.63%) than the current discount rate (3.63%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.5% decreasing to 4.0%) and higher (8.5% decreasing to 6.0%) than the current rate.

	1% Decrease (2.63%)	Current Discount Rate (3.63%)	1% Increase (4.63%)
School District's proportionate share of the net OPEB liability	\$14,914,017	\$12,349,850	\$10,318,376

	1% Decrease (6.5 % decreasing to 4.0 %)	Current Trend Rate (7.5 % decreasing to 5.0 %)	1% Increase (8.5 % decreasing to 6.0 %)
School District's proportionate share of the net OPEB liability	\$10,020,978	\$12,349,850	\$15,432,153

Actuarial Assumptions – STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2017, actuarial valuation are presented below:

Inflation	2.50 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation
Payroll Increases	3 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017
Blended Discount Rate of Return	4.13 percent
Health Care Cost Trends	6 to 11 percent initial, 4.5 percent ultimate

Projections of benefits include the historical pattern of sharing benefit costs between the employers and retired plan members.

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Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

For healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2017, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

Since the prior measurement date, the discount rate was increased from 3.26 percent to 4.13 percent based on the methodology defined under *GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)* and the long term expected rate of return was reduced from 7.75 percent to 7.45 percent. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

Also since the prior measurement date, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019. Subsequent to the current measurement date, the date for discontinuing remaining Medicare Part B premium reimbursements was extended to January 2020.

The STRS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 14.

Discount Rate The discount rate used to measure the total OPEB liability was 4.13 percent as of June 30, 2017. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was not projected to be sufficient to make all projected future benefit payments of current plan members. The OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2037. Therefore, the long-term expected rate of return on OPEB plan assets was used to determine the present value of the projected benefit payments through the fiscal year ending June 30, 2036 and the Bond Buyer 20-year municipal bond rate of 3.58 percent as of June 30, 2017 (i.e. municipal bond rate), was used to determine the present value of the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The blended discount rate of 4.13 percent, which represents the long-term expected rate of return of 7.45 percent for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 3.58 percent for the unfunded benefit payments, was used to measure the total OPEB liability as of June 30, 2017. A blended discount rate of 3.26 percent which represents the long term expected rate of return of 7.75 percent for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 2.85 percent for the unfunded benefit payments was used to measure the total OPEB liability at June 30, 2016.

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount and Health Care Cost Trend Rate The following table represents the net OPEB liability as of June 30, 2017, calculated using the current period discount rate assumption of 4.13 percent, as well as what the net

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.13 percent) or one percentage point higher (5.13 percent) than the current assumption. Also shown is the net OPEB liability as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
School District's proportionate share of the net OPEB liability	\$21,090,887	\$15,710,345	\$11,457,960

	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB liability	\$10,914,875	\$15,710,345	\$22,021,746

Note 16 - Other Employee Benefits

Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty-five days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers do not earn vacation time. Each employee earns sick leave at the rate of one and one-fourth days per month. The total accumulation of sick leave during any year shall not, however, exceed fifteen days. Upon retirement, classified employees will be paid 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 \$5,378,158 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 17 - Contingencies

Grants

The School District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2018, 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.

Mentor Exempted Village School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

As of the date of this report, additional ODE adjustments for fiscal year 2018 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2018 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, 2018, the School District was not party to any legal proceedings.

Note 18 - Risk Management

Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2018, the School District had the following insurance coverage:

Company	Type of Coverage	Coverage
Catlin Indemnity Company	Buildings and Contents	\$220,403,396
	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.

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

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

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 \$1,018,567 have been accrued as a liability at June 30, 2018, based on an estimate by Compensable Benefits. Of this amount, \$106,615 is due within one year. The claims liability reported in the workers' compensation internal service fund at June 30, 2018, 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 2017 and 2018 were:

	Balance at Beginning of Year	Current Year Claims	Change in Prior Years' Estimate	Claim Payments	Balance at End of Year
2017	\$1,540,665	\$214,237 *	(\$291,804) *	\$312,048	\$1,151,050
2018	1,151,050	70,333	0	202,816	1,018,567

* Prior 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 \$200,000 per employee, per year. The claims liability of \$1,209,095 reported in the internal service fund at June 30, 2018, 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 2017 and 2018 was:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2017	\$1,373,598	\$14,811,337	\$14,770,334	\$1,414,601
2018	1,414,601	15,243,494	15,449,000	1,209,095

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018*

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 - 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 2018, the School District paid \$151,734 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 2018 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

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

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 \$133,398 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.

Note 21 - Set Asides

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the 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.

	Capital Improvements
Set-Aside Balance as of June 30, 2017	\$0
Current Year Set-aside Requirement	1,357,996
Offsets	(926,011)
Qualifying Disbursements	<u>(3,262,489)</u>
Total	<u>(\$2,830,504)</u>
Set-aside Balance Carried Forward to Future Fiscal Years	<u>\$0</u>
Set-aside Balance as of June, 30 2018	<u>\$0</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.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2018

Note 22 – Significant Commitments

Contractual Commitments

At June 30, 2018, 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>
Osmic - Ridge Renovations	\$387,000	\$104,750	\$282,250
Guhde Flooring America - Auditorium Improvements	37,193	0	37,193
MW Holmes Construction - Auditorium Improvements	49,550	0	49,550
Safeair - Asbestos Abatement Services	32,995	0	32,995
School Specialty - Art Room Renovations	44,565	0	44,565
Shaw Industries - Carpet Installation	74,670	0	74,670
Then Design - Design Fees	76,000	0	76,000
Total	<u>\$701,973</u>	<u>\$104,750</u>	<u>\$597,223</u>

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

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	\$5,121,214
Other Governmental Funds	<u>2,000,863</u>
Total Governmental	<u>\$7,122,077</u>

Proprietary Funds:

CARES	\$623,386
Nonmajor Enterprise Fund	1,323
Internal Service Funds	<u>237,567</u>
Total Proprietary	<u>\$862,276</u>



*Sterling Morton
Elementary School*

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 Five Fiscal Years (1)

	2018	2017	2016
School District's Proportion of the Net Pension Liability	0.45466710%	0.45421380%	0.46797890%
School District's Proportionate Share of the Net Pension Liability	\$27,165,354	\$33,244,260	\$26,703,330
School District's Covered Payroll	\$14,670,100	\$14,180,357	\$14,539,856
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered - Payroll	185.17%	234.44%	183.66%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.50%	62.98%	69.16%

(1) Information prior to 2014 is not available.

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

See accompanying notes to the required supplementary information

2015	2014
0.48814100%	0.48814100%
\$24,704,538	\$29,028,179
\$13,753,694	\$13,533,952
179.62%	214.48%
71.70%	65.52%

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

	2018	2017
School District's Proportion of the Net OPEB Liability	0.46017360%	0.45967400%
School District's Proportionate Share of the Net OPEB Liability	\$12,349,850	\$13,102,409
School District's Covered Payroll	\$14,670,100	\$14,180,357
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered - Payroll	84.18%	92.40%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	12.46%	11.49%

(1) Information prior to 2017 is not available.

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

See accompanying notes to the required supplementary information



Memorial Middle School

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 Five Fiscal Years (1)

	2018	2017	2016
School District's Proportion of the Net Pension Liability	0.40266098%	0.41147978%	0.42878209%
School District's Proportionate Share of the Net Pension Liability	\$95,652,977	\$137,734,685	\$118,502,829
School District's Covered Payroll	\$44,131,993	\$43,299,243	\$46,767,429
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered - Payroll	216.74%	318.10%	253.39%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.30%	66.80%	72.10%

(1) Information prior to 2014 is not available.

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

See accompanying notes to the required supplementary information

2015	2014
0.44619334%	0.44619334%
\$108,529,663	\$129,279,824
\$45,395,854	\$46,421,792
239.07%	278.49%
74.70%	69.30%

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

	2018	2017
School District's Proportion of the Net OPEB Liability	0.40266098%	0.41147978%
School District's Proportionate Share of the Net OPEB Liability	\$15,710,345	\$22,006,046
School District's Covered Payroll	\$44,131,993	\$43,299,243
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered - Payroll	35.60%	50.82%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.10%	37.30%

(1) Information prior to 2017 is not available.

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

See accompanying notes to the required supplementary information



Shore Middle School

Mentor Exempted Village School District
Required Supplementary Information
Schedule of the School District's Contributions
School Employees Retirement System of Ohio
Last Ten Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net Pension Liability				
Contractually Required Contribution	\$1,971,328	\$2,053,814	\$1,985,250	\$1,916,353
Contributions in Relation to the Contractually Required Contribution	<u>(1,971,328)</u>	<u>(2,053,814)</u>	<u>(1,985,250)</u>	<u>(1,916,353)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered Payroll (1)	\$14,602,430	\$14,670,100	\$14,180,357	\$14,539,856
Pension Contributions as a Percentage of Covered Payroll	<u>13.50%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>13.18%</u>
Net OPEB Liability				
Contractually Required Contribution (2)	311,886	245,216	229,929	350,112
Contributions in Relation to the Contractually Required Contribution	<u>(311,886)</u>	<u>(245,216)</u>	<u>(229,929)</u>	<u>(350,112)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>2.14%</u>	<u>1.67%</u>	<u>1.62%</u>	<u>2.41%</u>
Total Contributions as a Percentage of Covered Payroll (2)	<u>15.64%</u>	<u>15.67%</u>	<u>15.62%</u>	<u>15.59%</u>

(1) The School District's covered payroll is the same for Pension and OPEB.

(2) Includes Surcharge

See accompanying notes to the required supplementary information

2014	2013	2012	2011	2010	2009
\$1,906,262	\$1,873,099	\$1,830,426	\$1,694,334	\$1,763,769	\$1,269,067
(1,906,262)	(1,873,099)	(1,830,426)	(1,694,334)	(1,763,769)	(1,269,067)
\$0	\$0	\$0	\$0	\$0	\$0
\$13,753,694	\$13,533,952	\$13,609,115	\$13,479,189	\$13,026,359	\$12,897,022
13.86%	13.84%	13.45%	12.57%	13.54%	9.84%
217,867	220,918	341,465	457,466	320,466	731,118
(217,867)	(220,918)	(341,465)	(457,466)	(320,466)	(731,118)
\$0	\$0	\$0	\$0	\$0	\$0
1.58%	1.63%	2.51%	3.39%	2.46%	5.67%
15.44%	15.47%	15.96%	15.96%	16.00%	15.51%

Mentor Exempted Village School District
Required Supplementary Information
Schedule of the School District's Contributions
State Teachers Retirement System of Ohio
Last Ten Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net Pension Liability				
Contractually Required Contribution	\$6,421,671	\$6,178,479	\$6,061,894	\$6,547,440
Contributions in Relation to the Contractually Required Contribution	<u>(6,421,671)</u>	<u>(6,178,479)</u>	<u>(6,061,894)</u>	<u>(6,547,440)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered Payroll (1)	\$45,869,079	\$44,131,993	\$43,299,243	\$46,767,429
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
Net OPEB Liability				
Contractually Required Contribution	\$0	\$0	\$0	\$0
Contributions in Relation to the Contractually Required Contribution	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Total Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>

(1) The School District's covered payroll is the same for Pension and OPEB.

See accompanying notes to the required supplementary information

2014	2013	2012	2011	2010	2009
\$5,901,461	\$6,034,833	\$6,064,863	\$5,891,217	\$5,832,661	\$5,970,059
(5,901,461)	(6,034,833)	(6,064,863)	(5,891,217)	(5,832,661)	(5,970,059)
\$0	\$0	\$0	\$0	\$0	\$0
\$45,395,854	\$46,421,792	\$46,652,792	\$45,317,054	\$44,866,623	\$45,923,531
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%
\$453,959	\$464,218	\$466,528	\$453,171	\$448,666	\$459,235
(453,959)	(464,218)	(466,528)	(453,171)	(448,666)	(459,235)
\$0	\$0	\$0	\$0	\$0	\$0
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

Mentor Exempted Village School District

Notes to Required Supplementary Information

For the Fiscal Year Ended June 30, 2018

Net Pension Liability

Changes in Assumptions – SERS

For fiscal year 2018, an assumption of 2.5 percent was used for COLA or Ad Hoc Cola. Prior to 2018, an assumption of 3 percent was used.

Beginning with fiscal year 2017, amounts reported 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:

	<u>Fiscal Year 2017</u>	<u>Fiscal Year 2016 and Prior</u>
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

Beginning with fiscal year 2017, mortality assumptions use 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.

Changes in Assumptions - STRS

Amounts reported for fiscal year 2018 incorporate changes in assumptions and changes in benefit terms used by STRS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal year 2017 and prior are presented below:

	<u>Fiscal Year 2018</u>	<u>Fiscal Year 2017 and Prior</u>
Inflation	2.50 percent	2.75 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65	12.25 percent at age 20 to 2.75 percent at age 70
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation	7.75 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3.5 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017	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.

For fiscal year 2018 post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70% of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

Mentor Exempted Village School District

Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2018

For fiscal year 2017 and prior actuarial valuation, 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.

Net OPEB Liability

Changes in Assumptions – SERS

Amounts reported for fiscal year 2018 incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

Municipal Bond Index Rate:	
Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

Changes in Assumptions – STRS

For fiscal year 2018, the discount rate was increased from 3.26 percent to 4.13 percent based on the methodology defined under GASB *Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)* and the long term expected rate of return was reduced from 7.75 percent to 7.45 percent. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

Also for fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019.

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.

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

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.

AT&T Superintendent Fund This fund accounts for and reports revenue received from AT&T to be used for assemblies and other school 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 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, 2018

	Nonmajor Special Revenue Funds	Permanent Improvement Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$1,365,181	\$1,573,731	\$2,938,912
Accounts Receivable	7,410	0	7,410
Accrued Interest Receivable	307	4,109	4,416
Intergovernmental Receivable	513,562	0	513,562
Inventory Held for Resale	31,173	0	31,173
Materials and Supplies Inventory	17,739	0	17,739
Property Taxes Receivable	0	893,544	893,544
<i>Total Assets</i>	<u>\$1,935,372</u>	<u>\$2,471,384</u>	<u>\$4,406,756</u>
Liabilities			
Accounts Payable	\$192,418	\$32,995	\$225,413
Contracts Payable	0	181,866	181,866
Accrued Wages and Benefits	392,751	0	392,751
Matured Compensated Absences Payable	6,889	0	6,889
Interfund Payable	330,394	0	330,394
Intergovernmental Payable	99,252	0	99,252
Retainage Payable	0	15,650	15,650
<i>Total Liabilities</i>	<u>1,021,704</u>	<u>230,511</u>	<u>1,252,215</u>
Deferred Inflows of Resources			
Unavailable Revenue	243,671	18,476	262,147
Property Taxes	0	718,903	718,903
<i>Total Deferred Inflows of Resources</i>	<u>243,671</u>	<u>737,379</u>	<u>981,050</u>
Fund Balances			
Nonspendable	17,739	0	17,739
Restricted	511,100	1,503,494	2,014,594
Committed	230,624	0	230,624
Unassigned (Deficit)	(89,466)	0	(89,466)
<i>Total Fund Balances</i>	<u>669,997</u>	<u>1,503,494</u>	<u>2,173,491</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$1,935,372</u>	<u>\$2,471,384</u>	<u>\$4,406,756</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, 2018

	Nonmajor Special Revenue Funds	Permanent Improvement Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues			
Property Taxes	\$0	\$995,089	\$995,089
Intergovernmental	5,853,117	99,650	5,952,767
Interest	4	764	768
Tuition and Fees	734,276	0	734,276
Extracurricular Activities	371,286	0	371,286
Contributions and Donations	149,343	0	149,343
Charges for Services	1,597,586	0	1,597,586
Rentals	0	5,308	5,308
Miscellaneous	250,986	0	250,986
<i>Total Revenues</i>	<u>8,956,598</u>	<u>1,100,811</u>	<u>10,057,409</u>
Expenditures			
Current:			
Instruction:			
Regular	103,046	0	103,046
Special	1,720,982	0	1,720,982
Vocational	401,618	0	401,618
Student Intervention	22,465	0	22,465
Support Services:			
Pupils	890,891	0	890,891
Instructional Staff	539,300	0	539,300
Board of Education	2,000	0	2,000
Administration	557,124	0	557,124
Fiscal	41,778	8,922	50,700
Operation and Maintenance of Plant	0	1,271,781	1,271,781
Pupil Transportation	5,117	0	5,117
Central	32,620	0	32,620
Operation of Non-Instructional Services	1,649,105	0	1,649,105
Operation of Food Service	2,840,002	0	2,840,002
Extracurricular Activities	454,945	0	454,945
Capital Outlay	99,759	0	99,759
<i>Total Expenditures</i>	<u>9,360,752</u>	<u>1,280,703</u>	<u>10,641,455</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(404,154)</u>	<u>(179,892)</u>	<u>(584,046)</u>
Other Financing Sources (Uses)			
Transfers In	125,900	80,000	205,900
Transfers Out	(859)	0	(859)
<i>Total Other Financing Sources (Uses)</i>	<u>125,041</u>	<u>80,000</u>	<u>205,041</u>
<i>Net Change in Fund Balances</i>	(279,113)	(99,892)	(379,005)
<i>Fund Balances Beginning of Year - Restated (See Note 3)</i>	<u>949,110</u>	<u>1,603,386</u>	<u>2,552,496</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$669,997</u>	<u>\$1,503,494</u>	<u>\$2,173,491</u>

Mentor Exempted Village School District

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2018

	Food Service	Special Trust	Rotary Special Services	Rotary
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$65,885	\$84,866	\$248,444	\$236,761
Accounts Receivable	0	0	0	0
Accrued Interest Receivable	179	51	0	0
Intergovernmental Receivable	41,458	0	0	3,963
Inventory Held for Resale	31,173	0	0	0
Materials and Supplies Inventory	17,739	0	0	0
<i>Total Assets</i>	<u>\$156,434</u>	<u>\$84,917</u>	<u>\$248,444</u>	<u>\$240,724</u>
Liabilities				
Accounts Payable	\$1,718	\$300	\$147	\$404
Accrued Wages and Benefits	119,956	0	23,718	4,332
Matured Compensated Absences Payable	6,889	0	0	0
Interfund Payable	0	0	260,270	0
Intergovernmental Payable	36,023	0	7,393	3,318
<i>Total Liabilities</i>	<u>164,586</u>	<u>300</u>	<u>291,528</u>	<u>8,054</u>
Deferred Inflows of Resources				
Unavailable Revenue	20,491	0	0	2,046
Fund Balances				
Nonspendable	17,739	0	0	0
Restricted	0	84,617	0	0
Committed	0	0	0	230,624
Unassigned (Deficit)	(46,382)	0	(43,084)	0
<i>Total Fund Balances</i>	<u>(28,643)</u>	<u>84,617</u>	<u>(43,084)</u>	<u>230,624</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$156,434</u>	<u>\$84,917</u>	<u>\$248,444</u>	<u>\$240,724</u>

Other Grants	Athletics and Music	Auxiliary Services	Miscellaneous State Grants	Title VI-B
\$242,752	\$76,847	\$268,093	\$0	\$90,941
7,410	0	0	0	0
77	0	0	0	0
0	0	0	33,797	148,196
0	0	0	0	0
0	0	0	0	0
<u>\$250,239</u>	<u>\$76,847</u>	<u>\$268,093</u>	<u>\$33,797</u>	<u>\$239,137</u>
\$9,353	\$9,749	\$129,120	\$48	\$29,364
0	0	0	3,572	141,218
0	0	0	0	0
0	0	61,520	8,037	0
0	550	1,484	938	33,625
<u>9,353</u>	<u>10,299</u>	<u>192,124</u>	<u>12,595</u>	<u>204,207</u>
0	0	0	20,361	30,623
0	0	0	0	0
240,886	66,548	75,969	841	4,307
0	0	0	0	0
0	0	0	0	0
<u>240,886</u>	<u>66,548</u>	<u>75,969</u>	<u>841</u>	<u>4,307</u>
<u>\$250,239</u>	<u>\$76,847</u>	<u>\$268,093</u>	<u>\$33,797</u>	<u>\$239,137</u>

(continued)

Mentor Exempted Village School District

Combining Balance Sheet

Nonmajor Special Revenue Funds (continued)

June 30, 2018

	Carl Perkins Grant	Title III	Title I	Preschool Grant
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$10,028	\$2,867	\$36,644	\$1,053
Accounts Receivable	0	0	0	0
Accrued Interest Receivable	0	0	0	0
Intergovernmental Receivable	25,293	21,625	163,903	19,890
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$35,321</u>	<u>\$24,492</u>	<u>\$200,547</u>	<u>\$20,943</u>
Liabilities				
Accounts Payable	\$9,227	\$2,678	\$310	\$0
Accrued Wages and Benefits	0	0	94,066	2,966
Matured Compensated Absences Payable	0	0	0	0
Interfund Payable	0	0	0	0
Intergovernmental Payable	2,483	0	12,717	267
<i>Total Liabilities</i>	<u>11,710</u>	<u>2,678</u>	<u>107,093</u>	<u>3,233</u>
Deferred Inflows of Resources				
Unavailable Revenue	0	20,069	82,072	17,267
Fund Balances				
Nonspendable	0	0	0	0
Restricted	23,611	1,745	11,382	443
Committed	0	0	0	0
Unassigned (Deficit)	0	0	0	0
<i>Total Fund Balances</i>	<u>23,611</u>	<u>1,745</u>	<u>11,382</u>	<u>443</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$35,321</u>	<u>\$24,492</u>	<u>\$200,547</u>	<u>\$20,943</u>

Classroom Reduction	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$0	\$0	\$1,365,181
0	0	7,410
0	0	307
36,173	19,264	513,562
0	0	31,173
0	0	17,739
<u>\$36,173</u>	<u>\$19,264</u>	<u>\$1,935,372</u>
\$0	\$0	\$192,418
2,923	0	392,751
0	0	6,889
567	0	330,394
454	0	99,252
<u>3,944</u>	<u>0</u>	<u>1,021,704</u>
<u>31,478</u>	<u>19,264</u>	<u>243,671</u>
0	0	17,739
751	0	511,100
0	0	230,624
0	0	(89,466)
<u>751</u>	<u>0</u>	<u>669,997</u>
<u>\$36,173</u>	<u>\$19,264</u>	<u>\$1,935,372</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, 2018*

	Food Service	Special Trust	Rotary Special Services	Adult Education	Rotary
Revenues					
Intergovernmental	\$1,028,735	\$500	\$0	\$0	\$1,917
Interest	0	4	0	0	0
Tuition and Fees	0	0	50,850	0	683,426
Extracurricular Activities	0	473	0	0	62,475
Contributions and Donations	0	61,521	0	0	10,945
Charges for Services	1,597,586	0	0	0	0
Miscellaneous	0	0	219,000	0	0
<i>Total Revenues</i>	<u>2,626,321</u>	<u>62,498</u>	<u>269,850</u>	<u>0</u>	<u>758,763</u>
Expenditures					
Current:					
Instruction:					
Regular	0	7,982	58,684	0	36,380
Special	0	2,426	0	0	0
Vocational	0	0	216,920	0	0
Student Intervention	0	0	0	0	0
Support Services:					
Pupils	0	0	0	0	738,981
Instructional Staff	0	0	0	0	0
Board of Education	0	2,000	0	0	0
Administration	0	0	0	0	0
Fiscal	28,224	0	0	0	13,554
Pupil Transportation	0	3,300	0	0	0
Central	0	2,874	0	0	1,111
Operation of Non-Instructional Services	0	830	0	26	0
Operation of Food Service	2,840,002	0	0	0	0
Extracurricular Activities	0	33,773	0	0	27,178
Capital Outlay	0	0	0	0	0
<i>Total Expenditures</i>	<u>2,868,226</u>	<u>53,185</u>	<u>275,604</u>	<u>26</u>	<u>817,204</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(241,905)</u>	<u>9,313</u>	<u>(5,754)</u>	<u>(26)</u>	<u>(58,441)</u>
Other Financing Sources					
Transfers In	0	3,000	0	0	58,041
Transfers Out	0	(859)	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>2,141</u>	<u>0</u>	<u>0</u>	<u>58,041</u>
<i>Net Change in Fund Balances</i>	<u>(241,905)</u>	<u>11,454</u>	<u>(5,754)</u>	<u>(26)</u>	<u>(400)</u>
<i>Fund Balances Beginning of Year - Restated</i>	<u>213,262</u>	<u>73,163</u>	<u>(37,330)</u>	<u>26</u>	<u>231,024</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>(\$28,643)</u></u>	<u><u>\$84,617</u></u>	<u><u>(\$43,084)</u></u>	<u><u>\$0</u></u>	<u><u>\$230,624</u></u>

Other Grants	Athletics and Music	Auxiliary Services	OneNet Data Communications	Straight A	Miscellaneous State Grants
\$0	\$0	\$1,396,115	\$21,600	\$11,561	\$63,626
0	0	0	0	0	0
0	0	0	0	0	0
0	308,338	0	0	0	0
63,340	13,537	0	0	0	0
0	0	0	0	0	0
31,986	0	0	0	0	0
<u>95,326</u>	<u>321,875</u>	<u>1,396,115</u>	<u>21,600</u>	<u>11,561</u>	<u>63,626</u>
0	0	0	0	0	0
0	0	0	0	0	39,472
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	24,408
48,742	0	0	0	98	0
0	0	0	0	0	0
10,967	0	0	0	1,023	0
0	0	0	0	0	0
1,817	0	0	0	0	0
7,035	0	0	21,600	0	0
0	0	1,470,318	0	0	0
0	0	0	0	0	0
5,665	388,329	0	0	0	0
0	0	0	0	0	0
<u>74,226</u>	<u>388,329</u>	<u>1,470,318</u>	<u>21,600</u>	<u>1,121</u>	<u>63,880</u>
<u>21,100</u>	<u>(66,454)</u>	<u>(74,203)</u>	<u>0</u>	<u>10,440</u>	<u>(254)</u>
0	64,859	0	0	0	0
0	0	0	0	0	0
0	64,859	0	0	0	0
21,100	(1,595)	(74,203)	0	10,440	(254)
<u>219,786</u>	<u>68,143</u>	<u>150,172</u>	<u>0</u>	<u>(10,440)</u>	<u>1,095</u>
<u>\$240,886</u>	<u>\$66,548</u>	<u>\$75,969</u>	<u>\$0</u>	<u>\$0</u>	<u>\$841</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, 2018

	Title VI-B	Carl Perkins Grant	Title III	Title I	Preschool Grant
Revenues					
Intergovernmental	\$1,977,393	\$286,693	\$28,312	\$805,942	\$31,972
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
Miscellaneous	0	0	0	0	0
<i>Total Revenues</i>	<u>1,977,393</u>	<u>286,693</u>	<u>28,312</u>	<u>805,942</u>	<u>31,972</u>
Expenditures					
Current:					
Instruction:					
Regular	0	0	0	0	0
Special	1,074,706	0	19,196	577,543	7,639
Vocational	0	184,698	0	0	0
Student Intervention	22,465	0	0	0	0
Support Services:					
Pupils	45,316	46,737	5,605	0	29,844
Instructional Staff	101,529	27,205	1,766	176,504	0
Board of Education	0	0	0	0	0
Administration	496,462	12,811	0	35,861	0
Fiscal	0	0	0	0	0
Pupil Transportation	0	0	0	0	0
Central	0	0	0	0	0
Operation of Non-Instructional Services	142,586	0	0	9,004	0
Operation of Food Service	0	0	0	0	0
Extracurricular Activities	0	0	0	0	0
Capital Outlay	99,759	0	0	0	0
<i>Total Expenditures</i>	<u>1,982,823</u>	<u>271,451</u>	<u>26,567</u>	<u>798,912</u>	<u>37,483</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(5,430)</u>	<u>15,242</u>	<u>1,745</u>	<u>7,030</u>	<u>(5,511)</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>	<u>(5,430)</u>	<u>15,242</u>	<u>1,745</u>	<u>7,030</u>	<u>(5,511)</u>
<i>Fund Balances Beginning of Year - Restated</i>	<u>9,737</u>	<u>8,369</u>	<u>0</u>	<u>4,352</u>	<u>5,954</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$4,307</u></u>	<u><u>\$23,611</u></u>	<u><u>\$1,745</u></u>	<u><u>\$11,382</u></u>	<u><u>\$443</u></u>

Classroom Reduction	Total Nonmajor Special Revenue Funds
\$198,751	\$5,853,117
0	4
0	734,276
0	371,286
0	149,343
0	1,597,586
0	250,986
<u>198,751</u>	<u>8,956,598</u>
0	103,046
0	1,720,982
0	401,618
0	22,465
0	890,891
183,456	539,300
0	2,000
0	557,124
0	41,778
0	5,117
0	32,620
26,341	1,649,105
0	2,840,002
0	454,945
0	99,759
<u>209,797</u>	<u>9,360,752</u>
<u>(11,046)</u>	<u>(404,154)</u>
0	125,900
0	(859)
<u>0</u>	<u>125,041</u>
(11,046)	(279,113)
<u>11,797</u>	<u>949,110</u>
<u>\$751</u>	<u>\$669,997</u>



CARES

Cardinal Autism Resource And Education School

Jacqueline A. Hoynes Building
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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, 2018

	<u>Employee Benefits</u>	<u>Workers' Compensation</u>	<u>Total Internal Service Funds</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$14,000,086	\$4,518,771	\$18,518,857
Intergovernmental Receivable	<u>38,251</u>	<u>0</u>	<u>38,251</u>
<i>Total Assets</i>	<u>14,038,337</u>	<u>4,518,771</u>	<u>18,557,108</u>
Liabilities			
<i>Current Liabilities</i>			
Claims Payable	1,209,095	106,615	1,315,710
<i>Long-Term Liabilities (net of current portion)</i>			
Claims Payable	<u>0</u>	<u>911,952</u>	<u>911,952</u>
<i>Total Liabilities</i>	<u>1,209,095</u>	<u>1,018,567</u>	<u>2,227,662</u>
Net Position			
Unrestricted	<u>\$12,829,242</u>	<u>\$3,500,204</u>	<u>\$16,329,446</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, 2018*

	Employee Benefits	Workers' Compensation	Total Internal Service Funds
Operating Revenues			
Charges for Services	\$16,152,274	\$745,166	\$16,897,440
Miscellaneous	23,087	0	23,087
<i>Total Operating Revenues</i>	<u>16,175,361</u>	<u>745,166</u>	<u>16,920,527</u>
Operating Expenses			
Salaries and Wages	82,718	9,446	92,164
Fringe Benefits	23,120	0	23,120
Purchased Services	73,906	18,963	92,869
Claims	15,243,494	70,333	15,313,827
Other	0	64,881	64,881
<i>Total Operating Expenses</i>	<u>15,423,238</u>	<u>163,623</u>	<u>15,586,861</u>
<i>Operating Income (Loss)</i>	752,123	581,543	1,333,666
Non-Operating Income (Expense)			
Interest	85,783	18,526	104,309
<i>Change in Net Position</i>	837,906	600,069	1,437,975
<i>Net Position Beginning of Year</i>	<u>11,991,336</u>	<u>2,900,135</u>	<u>14,891,471</u>
<i>Net Position End of Year</i>	<u><u>\$12,829,242</u></u>	<u><u>\$3,500,204</u></u>	<u><u>\$16,329,446</u></u>

Mentor Exempted Village School District

Combining Statement of Cash Flows

Internal Service Funds

For the Fiscal Year Ended June 30, 2018

	<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	\$16,154,457	\$745,166	\$16,899,623
Cash Received from Other	23,087	0	23,087
Cash Payments for Salaries	(82,718)	(9,446)	(92,164)
Cash Payments for Employee Benefits	(23,120)	0	(23,120)
Cash Payments for Goods and Services	(86,240)	(18,963)	(105,203)
Cash Payments for Claims	(15,449,000)	(202,816)	(15,651,816)
Cash Payments for Other	0	(64,881)	(64,881)
<i>Net Cash Provided by (Used for) Operating Activities</i>	536,466	449,060	985,526
Cash Flows from Investing Activities			
Interest	85,783	18,526	104,309
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	622,249	467,586	1,089,835
<i>Cash and Cash Equivalents Beginning of Year</i>	13,377,837	4,051,185	17,429,022
<i>Cash and Cash Equivalents End of Year</i>	\$14,000,086	\$4,518,771	\$18,518,857
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Operating Income (Loss)	\$752,123	\$581,543	\$1,333,666
<i>Adjustments:</i>			
<i>(Increase)/Decrease in Assets:</i>			
Intergovernmental Receivable	2,183	0	2,183
<i>Increase (Decrease) in Liabilities:</i>			
Accounts Payable	(12,334)	0	(12,334)
Claims Payable	(205,506)	(132,483)	(337,989)
<i>Total Adjustments</i>	(215,657)	(132,483)	(348,140)
<i>Net Cash Provided by (Used for) Operating Activities</i>	\$536,466	\$449,060	\$985,526

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, 2018

	Balance July 1, 2017	Additions	Reductions	Balance June 30, 2018
<i>Student Activities Fund</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$254,194	\$281,235	\$265,956	\$269,473
Liabilities				
Due to Students	\$254,194	\$281,235	\$265,956	\$269,473
<i>District Agency Fund</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$548	\$86,364	\$86,912	\$0
Liabilities				
Due to Others	\$548	\$86,364	\$86,912	\$0
<i>Total Agency Funds</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$254,742	\$367,599	\$352,868	\$269,473
Liabilities				
Due to Students	\$254,194	\$281,235	\$265,956	\$269,473
Due to Others	548	86,364	86,912	0
<i>Total Liabilities</i>	\$254,742	\$367,599	\$352,868	\$269,473

**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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$69,556,497	\$69,556,497	\$71,534,826	\$1,978,329
Intergovernmental	27,251,185	27,251,185	27,440,402	189,217
Interest	650,000	650,000	1,078,045	428,045
Tuition and Fees	1,332,000	1,332,000	2,296,132	964,132
Extracurricular Activities	339,755	339,755	341,750	1,995
Contributions and Donations	1,000	1,000	9,967	8,967
Charges for Services	80,000	80,000	70,000	(10,000)
Rentals	100,000	100,000	82,035	(17,965)
Payment in Lieu of Taxes	750,000	750,000	2,479,421	1,729,421
Miscellaneous	906,146	906,146	456,222	(449,924)
<i>Total Revenues</i>	100,966,583	100,966,583	105,788,800	4,822,217
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	28,228,742	28,059,567	27,682,604	376,963
Fringe Benefits	9,812,429	9,655,744	9,595,824	59,920
Purchased Services	3,189,775	3,567,985	3,104,206	463,779
Materials and Supplies	1,819,178	1,660,197	1,583,589	76,608
Capital Outlay	1,274,235	1,455,156	1,396,223	58,933
Other	78,632	74,997	54,674	20,323
Total Regular	44,402,991	44,473,646	43,417,120	1,056,526
Special:				
Salaries and Wages	7,636,986	7,727,986	7,727,545	441
Fringe Benefits	3,931,296	3,931,296	3,846,871	84,425
Purchased Services	5,551,132	5,003,707	4,495,482	508,225
Materials and Supplies	2,700	3,900	2,862	1,038
Capital Outlay	2,736	2,736	0	2,736
Total Special	17,124,850	16,669,625	16,072,760	596,865
Vocational:				
Salaries and Wages	847,940	847,940	796,944	50,996
Fringe Benefits	342,799	342,799	325,616	17,183
Purchased Services	858,580	858,580	765,209	93,371
Materials and Supplies	46,689	47,688	42,668	5,020
Capital Outlay	12,474	9,475	8,833	642
Other	13,541	15,201	12,907	2,294
Total Vocational	\$2,122,023	\$2,121,683	\$1,952,177	\$169,506

(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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Student Intervention:				
Salaries and Wages	\$23,981	\$63,981	\$47,569	\$16,412
Fringe Benefits	3,906	11,906	7,928	3,978
Purchased Services	142,800	142,800	105,818	36,982
Materials and Supplies	106,494	105,352	101,229	4,123
Total Student Intervention	277,181	324,039	262,544	61,495
Total Instruction	63,927,045	63,588,993	61,704,601	1,884,392
Support Services:				
Pupils:				
Salaries and Wages	3,817,872	3,725,373	3,685,627	39,746
Fringe Benefits	1,577,904	1,577,904	1,492,496	85,408
Purchased Services	36,086	34,525	20,684	13,841
Materials and Supplies	13,326	13,191	10,314	2,877
Capital Outlay	2,000	2,000	0	2,000
Total Pupils	5,447,188	5,352,993	5,209,121	143,872
Instructional Staff:				
Salaries and Wages	3,562,012	3,530,012	3,529,985	27
Fringe Benefits	1,348,811	1,346,392	1,278,705	67,687
Purchased Services	632,423	654,870	580,800	74,070
Materials and Supplies	383,566	457,684	439,691	17,993
Capital Outlay	114,362	131,652	130,368	1,284
Other	2,005	2,199	1,299	900
Total Instructional Staff	6,043,179	6,122,809	5,960,848	161,961
Board of Education:				
Salaries and Wages	15,000	29,150	26,816	2,334
Fringe Benefits	3,271	4,521	3,864	657
Purchased Services	98,852	97,827	59,346	38,481
Materials and Supplies	4,082	4,082	1,982	2,100
Other	124,214	123,030	89,335	33,695
Total Board of Education	\$245,419	\$258,610	\$181,343	\$77,267

(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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Administration:				
Salaries and Wages	\$3,474,511	\$3,674,511	\$3,613,576	\$60,935
Fringe Benefits	1,726,012	1,726,012	1,673,035	52,977
Purchased Services	216,930	210,046	196,665	13,381
Materials and Supplies	9,283	12,940	10,859	2,081
Capital Outlay	3,153	3,153	2,653	500
Other	33,612	7,969	2,630	5,339
Total Administration	5,463,501	5,634,631	5,499,418	135,213
Fiscal:				
Salaries and Wages	741,919	871,919	792,968	78,951
Fringe Benefits	398,370	398,370	347,945	50,425
Purchased Services	630,197	535,731	527,168	8,563
Materials and Supplies	10,884	15,884	13,743	2,141
Capital Outlay	4,516	4,816	4,747	69
Other	1,135,035	2,027,507	1,565,014	462,493
Total Fiscal	2,920,921	3,854,227	3,251,585	602,642
Business:				
Salaries and Wages	359,582	359,582	351,164	8,418
Fringe Benefits	176,104	176,104	151,837	24,267
Purchased Services	4,623	8,564	8,275	289
Materials and Supplies	8,742	10,524	6,405	4,119
Capital Outlay	2,500	1,190	1,190	0
Other	9,564	5,533	5,533	0
Total Business	561,115	561,497	524,404	37,093
Operation and Maintenance of Plant:				
Salaries and Wages	3,382,408	3,382,408	3,322,401	60,007
Fringe Benefits	1,765,323	1,753,995	1,724,325	29,670
Purchased Services	3,056,741	2,876,123	2,743,641	132,482
Materials and Supplies	488,329	468,342	461,600	6,742
Capital Outlay	242,172	276,415	210,664	65,751
Other	32,262	49,962	49,938	24
Total Operation and Maintenance of Plant	\$8,967,235	\$8,807,245	\$8,512,569	\$294,676

(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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Pupil Transportation:				
Salaries and Wages	\$3,197,315	\$2,940,115	\$2,844,649	\$95,466
Fringe Benefits	1,533,493	1,544,552	1,544,364	188
Purchased Services	1,342,395	1,136,362	1,046,219	90,143
Materials and Supplies	1,200,678	967,813	965,971	1,842
Capital Outlay	460,857	459,252	387,202	72,050
Other	304	304	304	0
Total Pupil Transportation	7,735,042	7,048,398	6,788,709	259,689
Central:				
Salaries and Wages	173,971	198,471	197,756	715
Fringe Benefits	132,834	131,834	106,437	25,397
Purchased Services	773,406	675,649	592,789	82,860
Materials and Supplies	88,728	23,746	17,371	6,375
Capital Outlay	52,224	14,001	10,789	3,212
Other	18,665	17,100	13,233	3,867
Total Central	1,239,828	1,060,801	938,375	122,426
Total Support Services	38,623,428	38,701,211	36,866,372	1,834,839
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	56,576	56,576	53,965	2,611
Fringe Benefits	27,604	27,604	27,061	543
Total Operation of Non-Instructional Services	84,180	84,180	81,026	3,154
Extracurricular Activities:				
Academic Oriented Activities:				
Salaries and Wages	259,648	284,598	283,887	711
Fringe Benefits	45,151	45,151	43,307	1,844
Purchased Services	45,821	44,345	38,210	6,135
Materials and Supplies	9,942	9,065	9,031	34
Capital Outlay	8,517	7,350	6,785	565
Other	7,509	6,245	5,481	764
Total Academic Oriented Activities	376,588	396,754	386,701	10,053
Occupation Oriented Activities:				
Salaries and Wages	2,807	2,832	2,813	19
Fringe Benefits	442	442	379	63
Total Occupation Oriented Activities	\$3,249	\$3,274	\$3,192	\$82

(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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Athletic Oriented Activities:				
Salaries and Wages	\$871,241	\$889,441	\$889,428	\$13
Fringe Benefits	199,541	199,541	191,788	7,753
Purchased Services	5,500	31,480	31,480	0
Capital Outlay	0	40,898	26,948	13,950
Total Athletic Oriented Activities	1,076,282	1,161,360	1,139,644	21,716
School and Public Service Co-Curricular Activities:				
Salaries and Wages	120,108	120,108	116,449	3,659
Fringe Benefits	27,042	27,042	24,486	2,556
Total School and Public Service Co-Curricular Activities	147,150	147,150	140,935	6,215
Total Extracurricular Activities	1,603,269	1,708,538	1,670,472	38,066
Capital Outlay:				
Building Acquisition and Construction:				
Purchased Services	0	100	100	0
Materials and Supplies	875	875	875	0
Capital Outlay	50,000	29,900	16,250	13,650
Total Capital Outlay	50,875	30,875	17,225	13,650
Total Expenditures	104,288,797	104,113,797	100,339,696	3,774,101
Excess of Revenues Over (Under) Expenditures	(3,322,214)	(3,147,214)	5,449,104	8,596,318
Other Financing Sources (Uses)				
Advances Out	(50,000)	(225,000)	(175,000)	50,000
Transfers Out	(415,500)	(415,500)	(200,041)	215,459
Total Other Financing Sources (Uses)	(465,500)	(640,500)	(375,041)	265,459
Net Change in Fund Balance	(3,787,714)	(3,787,714)	5,074,063	8,861,777
Fund Balance Beginning of Year	59,099,521	59,099,521	59,099,521	0
Prior Year Encumbrances Appropriated	4,456,858	4,456,858	4,456,858	0
Fund Balance End of Year	\$59,768,665	\$59,768,665	\$68,630,442	\$8,861,777

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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Tuition and Fees	\$4,134,375	\$4,134,375	\$3,481,442	(\$652,933)
Expenses				
Salaries and Wages	2,096,619	2,102,314	2,060,679	41,635
Fringe Benefits	940,454	951,299	890,572	60,727
Purchased Services	813,707	798,017	543,364	254,653
Materials and Supplies	120,157	122,839	83,627	39,212
Capital Outlay	312,347	308,815	155,224	153,591
Other	6,749	6,749	3,760	2,989
<i>Total Expenses</i>	<u>4,290,033</u>	<u>4,290,033</u>	<u>3,737,226</u>	<u>552,807</u>
<i>Net Change in Fund Equity</i>	(155,658)	(155,658)	(255,784)	(100,126)
<i>Fund Equity Beginning of Year</i>	1,400,010	1,400,010	1,400,010	0
Prior Year Encumbrances Appropriated	<u>728,959</u>	<u>728,959</u>	<u>728,959</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$1,973,311</u></u>	<u><u>\$1,973,311</u></u>	<u><u>\$1,873,185</u></u>	<u><u>(\$100,126)</u></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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$1,117,773	\$1,117,773	\$1,007,701	(\$110,072)
Interest	500	500	1,426	926
Charges for Services	1,900,000	1,869,150	1,597,586	(271,564)
<i>Total Revenues</i>	<u>3,018,273</u>	<u>2,987,423</u>	<u>2,606,713</u>	<u>(380,710)</u>
Expenditures				
Support Services:				
Fiscal:				
Other	27,200	29,200	28,224	976
Operation of Food Service:				
Salaries and Wages	1,054,835	1,054,835	1,044,006	10,829
Fringe Benefits	830,533	832,733	775,571	57,162
Purchased Services	57,740	57,740	35,096	22,644
Materials and Supplies	1,156,450	1,121,400	858,313	263,087
Capital Outlay	201,006	201,006	151,226	49,780
<i>Total Operation of Food Service</i>	<u>3,300,564</u>	<u>3,267,714</u>	<u>2,864,212</u>	<u>403,502</u>
<i>Total Expenditures</i>	<u>3,327,764</u>	<u>3,296,914</u>	<u>2,892,436</u>	<u>404,478</u>
<i>Net Change in Fund Balance</i>	(309,491)	(309,491)	(285,723)	23,768
<i>Fund Balance Beginning of Year</i>	189,253	189,253	189,253	0
Prior Year Encumbrances Appropriated	157,019	157,019	157,019	0
<i>Fund Balance End of Year</i>	<u>\$36,781</u>	<u>\$36,781</u>	<u>\$60,549</u>	<u>\$23,768</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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$500	\$500	\$500	\$0
Interest	0	0	146	146
Extracurricular Activities	13,000	13,000	473	(12,527)
Contributions and Donations	114,250	125,250	61,521	(63,729)
<i>Total Revenues</i>	<u>127,750</u>	<u>138,750</u>	<u>62,640</u>	<u>(76,110)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	4,286	4,286	3,569	717
Fringe Benefits	714	714	595	119
Materials and Supplies	3,260	3,260	3,051	209
Capital Outlay	2,000	2,000	1,639	361
Other	150	150	0	150
Total Regular	<u>10,410</u>	<u>10,410</u>	<u>8,854</u>	<u>1,556</u>
Special:				
Purchased Services	476	946	877	69
Materials and Supplies	334	1,710	1,424	286
Other	1,059	3,902	2,893	1,009
Total Special	<u>1,869</u>	<u>6,558</u>	<u>5,194</u>	<u>1,364</u>
Total Instruction	<u>12,279</u>	<u>16,968</u>	<u>14,048</u>	<u>2,920</u>
Support Services:				
Instructional Staff:				
Purchased Services	4,400	4,400	0	4,400
Board of Education:				
Other	10,000	10,000	2,000	8,000
Administration:				
Purchased Services	155	155	0	155
Operation and Maintenance of Plant:				
Capital Outlay - New	\$0	\$10,000	\$10,000	\$0

(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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Pupil Transportation:				
Purchased Services	\$869	\$4,002	\$3,341	\$661
Other	321	0	0	0
Total Pupil Transportation	1,190	4,002	3,341	661
Central:				
Purchased Services	3,500	3,500	0	3,500
Materials and Supplies	3,855	3,555	215	3,340
Other	13,129	13,354	4,298	9,056
Total Central	20,484	20,409	4,513	15,896
Total Support Services	36,229	48,966	19,854	29,112
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	228	228	0	228
Materials and Supplies	407	407	397	10
Total Community Services	635	635	397	238
Food Service Operations:				
Materials and Supplies	900	900	900	0
Capital Outlay	2,600	2,600	2,600	0
Total Food Service Operations	3,500	3,500	3,500	0
Total Operation of Non-Instructional Services	4,135	4,135	3,897	238
Extracurricular Activities:				
Academic Oriented Activities:				
Purchased Services	500	1,036	486	550
Materials and Supplies	280	1,630	1,466	164
Other	83,500	94,800	18,950	75,850
Total Academic Oriented Activities	\$84,280	\$97,466	\$20,902	\$76,564

(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, 2018*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Sports Oriented Activities:				
Purchased Services	\$400	\$900	\$900	\$0
Materials and Supplies	2,915	2,684	2,684	0
Other	2,500	2,500	500	2,000
Total Sports Oriented Activities	5,815	6,084	4,084	2,000
School and Public Service				
Co-Curricular Activities:				
Purchased Services	507	507	0	507
Materials and Supplies	100	100	0	100
Other	17,192	24,492	10,719	13,773
Total School and Public Service Co-Curricular Activities	17,799	25,099	10,719	14,380
Total Extracurricular Activities	107,894	128,649	35,705	92,944
Total Expenditures	160,537	198,718	73,504	125,214
Excess of Revenues Over (Under) Expenditures	(32,787)	(59,968)	(10,864)	49,104
Other Financing Sources (Uses)				
Transfers In	3,000	3,000	3,000	0
Transfers Out	0	(934)	(859)	75
Total Other Financing Sources (Uses)	3,000	2,066	2,141	75
Net Change in Fund Balance	(29,787)	(57,902)	(8,723)	49,179
Fund Balance Beginning of Year	67,136	67,136	67,136	0
Prior Year Encumbrances Appropriated	10,001	10,001	10,001	0
Fund Balance End of Year	\$47,350	\$19,235	\$68,414	\$49,179

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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Tuition and Fees	\$83,000	\$83,000	\$50,850	(\$32,150)
Miscellaneous	0	0	219,000	219,000
<i>Total Revenues</i>	<u>83,000</u>	<u>83,000</u>	<u>269,850</u>	<u>186,850</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	53,201	53,201	46,225	6,976
Fringe Benefits	9,400	9,400	8,159	1,241
Purchased Services	400	0	0	0
Materials and Supplies	1,000	1,400	225	1,175
Other	4,000	4,000	2,431	1,569
Total Regular	<u>68,001</u>	<u>68,001</u>	<u>57,040</u>	<u>10,961</u>
Vocational:				
Purchased Services	20,863	24,863	24,637	226
Materials and Supplies	51,093	42,584	41,291	1,293
Capital Outlay	132,000	138,820	138,576	244
Other	3,900	30,589	24,556	6,033
Total Vocational	<u>207,856</u>	<u>236,856</u>	<u>229,060</u>	<u>7,796</u>
<i>Total Expenditures</i>	<u>275,857</u>	<u>304,857</u>	<u>286,100</u>	<u>18,757</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(192,857)</u>	<u>(221,857)</u>	<u>(16,250)</u>	<u>205,607</u>
Other Financing Sources (Uses)				
Advances In	0	0	175,000	175,000
Transfers In	175,000	175,000	0	(175,000)
<i>Total Other Financing Sources (Uses)</i>	<u>175,000</u>	<u>175,000</u>	<u>175,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(17,857)</u>	<u>(46,857)</u>	<u>158,750</u>	<u>205,607</u>
<i>Fund Balance Beginning of Year</i>	81,248	81,248	81,248	0
Prior Year Encumbrances Appropriated	3,156	3,156	3,156	0
<i>Fund Balance End of Year</i>	<u>\$66,547</u>	<u>\$37,547</u>	<u>\$243,154</u>	<u>\$205,607</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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Other	26	26	26	0
<i>Net Change in Fund Balance</i>	(26)	(26)	(26)	0
<i>Fund Balance Beginning of Year</i>	26	26	26	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
Rotary Fund
For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Tuition and Fees	\$578,900	\$592,900	\$683,426	\$90,526
Extracurricular Activities	117,500	117,500	62,475	(55,025)
Contributions and Donations	53,900	53,900	10,945	(42,955)
<i>Total Revenues</i>	<i>750,300</i>	<i>764,300</i>	<i>756,846</i>	<i>(7,454)</i>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	34,600	34,600	30,033	4,567
Fringe Benefits	6,406	6,406	4,634	1,772
Materials and Supplies	1,296	1,296	1,296	0
Capital Outlay	1,799	1,799	0	1,799
Total Instruction	44,101	44,101	35,963	8,138
Support Services:				
Pupils:				
Salaries and Wages	379,150	425,215	420,813	4,402
Fringe Benefits	143,715	173,126	158,065	15,061
Purchased Services	87,913	87,913	74,282	13,631
Materials and Supplies	126,948	124,448	105,946	18,502
Capital Outlay	1,500	1,500	0	1,500
Other	9,045	16,545	8,227	8,318
Total Pupils	748,271	828,747	767,333	61,414
Instructional Staff:				
Salaries and Wages	0	395	395	0
Fringe Benefits	0	59	59	0
Total Instructional Staff	0	454	454	0
Fiscal:				
Other	15,360	20,805	13,554	7,251
Central:				
Salaries and Wages	0	1,840	1,052	788
Fringe Benefits	0	500	59	441
Total Central	0	2,340	1,111	1,229
Total Support Services	\$763,631	\$852,346	\$782,452	\$69,894

(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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Extracurricular Activities:				
School and Public Service Co-Curricular Activities:				
Purchased Services	\$13,035	\$13,035	\$5,000	\$8,035
Materials and Supplies	510	510	0	510
Other	77,381	74,436	22,386	52,050
Total Extracurricular Activities	90,926	87,981	27,386	60,595
<i>Total Expenditures</i>	898,658	984,428	845,801	138,627
<i>Excess of Revenues Over (Under) Expenditures</i>	(148,358)	(220,128)	(88,955)	131,173
Other Financing Sources (Uses)				
Transfers In	63,000	63,000	58,041	(4,959)
<i>Net Change in Fund Balance</i>	(85,358)	(157,128)	(30,914)	126,214
<i>Fund Balance Beginning of Year</i>	216,285	216,285	216,285	0
Prior Year Encumbrances Appropriated	23,982	23,982	23,982	0
<i>Fund Balance End of Year</i>	\$154,909	\$83,139	\$209,353	\$126,214

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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Interest	\$2,000	\$2,000	\$100	(\$1,900)
Contributions and Donations	80,000	80,000	64,199	(15,801)
Rentals	8,612	8,612	0	(8,612)
Miscellaneous	29,000	29,000	28,110	(890)
<i>Total Revenues</i>	<u>119,612</u>	<u>119,612</u>	<u>92,409</u>	<u>(27,203)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Capital Outlay	2,000	2,000	0	2,000
Other	30,500	0	0	0
Total Instruction	<u>32,500</u>	<u>2,000</u>	<u>0</u>	<u>2,000</u>
Support Services:				
Instructional Staff:				
Other	89,000	40,641	20,330	20,311
Administration:				
Purchased Services	33,335	5,629	4,664	965
Materials and Supplies	12,099	6,520	6,520	0
Other	5,510	5,985	5,984	1
Total Administration	<u>50,944</u>	<u>18,134</u>	<u>17,168</u>	<u>966</u>
Pupil Transportation:				
Purchased Services	6,094	4,917	4,339	578
Central:				
Purchased Services	87,035	87,035	5,000	82,035
Other	10,000	10,000	5,000	5,000
Total Central	<u>97,035</u>	<u>97,035</u>	<u>10,000</u>	<u>87,035</u>
Total Support Services	<u>\$243,073</u>	<u>\$160,727</u>	<u>\$51,837</u>	<u>\$108,890</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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Extracurricular Activities:				
Academic Oriented Activities:				
Purchased Services	\$11,000	\$5,487	\$5,486	\$1
Materials and Supplies	44,500	33,353	2,651	30,702
Total Academic Oriented Activities	55,500	38,840	8,137	30,703
School and Public Service Co-Curricular:				
Other	0	129,506	129,506	0
Total Extracurricular Activities	55,500	168,346	137,643	30,703
<i>Total Expenditures</i>	331,073	331,073	189,480	141,593
<i>Net Change in Fund Balance</i>	(211,461)	(211,461)	(97,071)	114,390
<i>Fund Balance Beginning of Year</i>	222,107	222,107	222,107	0
Prior Year Encumbrances Appropriated	6,251	6,251	6,251	0
<i>Fund Balance End of Year</i>	\$16,897	\$16,897	\$131,287	\$114,390

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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Extracurricular Activities	\$476,650	\$476,650	\$308,338	(\$168,312)
Contributions and Donations	95,800	95,800	13,537	(82,263)
<i>Total Revenues</i>	<u>572,450</u>	<u>572,450</u>	<u>321,875</u>	<u>(250,575)</u>
Expenditures				
Current:				
Extracurricular Activities:				
Sports Oriented Activities:				
Salaries and Wages	38,020	35,406	20,501	14,905
Fringe Benefits	4,229	5,229	4,012	1,217
Purchased Services	254,154	239,071	142,826	96,245
Materials and Supplies	145,813	178,017	139,009	39,008
Capital Outlay	20,607	17,607	7	17,600
Other	171,284	188,204	106,367	81,837
<i>Total Expenditures</i>	<u>634,107</u>	<u>663,534</u>	<u>412,722</u>	<u>250,812</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(61,657)	(91,084)	(90,847)	237
Other Financing Sources (Uses)				
Transfers In	68,632	57,990	64,859	6,869
<i>Net Change in Fund Balance</i>	6,975	(33,094)	(25,988)	7,106
<i>Fund Balance Beginning of Year</i>	86,554	86,554	86,554	0
Prior Year Encumbrances Appropriated	6,566	6,566	6,566	0
<i>Fund Balance End of Year</i>	<u>\$100,095</u>	<u>\$60,026</u>	<u>\$67,132</u>	<u>\$7,106</u>

Mentor Exempted Village School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Auxiliary Services Fund
 For the Fiscal Year Ended June 30, 2018*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$1,573,058	\$1,405,293	\$1,396,115	(\$9,178)
Interest	0	0	10,763	10,763
<i>Total Revenues</i>	<u>1,573,058</u>	<u>1,405,293</u>	<u>1,406,878</u>	<u>1,585</u>
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	1,367,053	1,264,565	1,249,273	15,292
Materials and Supplies	280,018	323,624	292,149	31,475
Capital Outlay	213,031	163,031	160,818	2,213
<i>Total Expenditures</i>	<u>1,860,102</u>	<u>1,751,220</u>	<u>1,702,240</u>	<u>48,980</u>
<i>Net Change in Fund Balance</i>	(287,044)	(345,927)	(295,362)	50,565
<i>Fund Balance Beginning of Year</i>	6,253	6,253	6,253	0
Prior Year Encumbrances Appropriated	<u>339,676</u>	<u>339,676</u>	<u>339,676</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$58,885</u>	<u>\$2</u>	<u>\$50,567</u>	<u>\$50,565</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, 2018

	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:				
Materials and Supplies	1,804	1,804	1,804	0
Capital Outlay	19,796	19,796	19,796	0
<i>Total Expenditures</i>	<u>21,600</u>	<u>21,600</u>	<u>21,600</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$149,655	\$125,551	\$125,551	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	9,338	5,997	5,997	0
Administration:				
Purchased Services	160,831	140,246	140,246	0
Materials and Supplies	1,203	1,025	1,025	0
Total Administration	162,034	141,271	141,271	0
<i>Total Expenditures</i>	171,372	147,268	147,268	0
<i>Net Change in Fund Balance</i>	(21,717)	(21,717)	(21,717)	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	21,717	21,717	21,717	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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$71,057	\$95,345	\$63,188	(\$32,157)
Expenditures				
Current:				
Instruction:				
Special:				
Materials and Supplies	17,884	48,591	28,143	20,448
Capital Outlay	24,357	19,071	10,485	8,586
Total Instruction	42,241	67,662	38,628	29,034
Support Services:				
Pupils:				
Salaries and Wages	30,836	30,836	27,265	3,571
Fringe Benefits	5,136	5,136	4,542	594
Purchased Services	1,133	0	0	0
Total Support Services	37,105	35,972	31,807	4,165
<i>Total Expenditures</i>	79,346	103,634	70,435	33,199
<i>Net Change in Fund Balance</i>	(8,289)	(8,289)	(7,247)	1,042
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	8,289	8,289	8,289	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$1,042	\$1,042

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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$2,155,781	\$2,155,781	\$2,011,927	(\$143,854)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	666,822	749,877	665,214	84,663
Fringe Benefits	264,213	270,242	235,089	35,153
Purchased Services	87,452	78,103	75,887	2,216
Materials and Supplies	67,741	91,749	80,854	10,895
Capital Outlay	21,441	40,203	38,235	1,968
Total Special Instruction	1,107,669	1,230,174	1,095,279	134,895
Student Intervention:				
Salaries and Wages	11,250	19,500	19,500	0
Fringe Benefits	7,149	2,965	2,965	0
Total Other Instruction	18,399	22,465	22,465	0
Total Instruction	1,126,068	1,252,639	1,117,744	134,895
Support Services:				
Pupils:				
Salaries and Wages	7,160	4,377	3,757	620
Fringe Benefits	1,063	783	571	212
Purchased Services	38,121	24,842	22,860	1,982
Materials and Supplies	16,752	16,500	16,244	256
Capital Outlay	16,456	2,000	1,600	400
Total Pupils	79,552	48,502	45,032	3,470
Instructional Staff:				
Purchased Services	138,090	111,999	106,214	5,785
Administration:				
Salaries and Wages	302,976	396,966	366,254	30,712
Fringe Benefits	163,428	135,199	120,816	14,383
Purchased Services	21,235	14,356	10,230	4,126
Materials and Supplies	30,596	13,893	12,478	1,415
Capital Outlay	6,000	0	0	0
Total Administration	\$524,235	\$560,414	\$509,778	\$50,636

(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, 2018*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	\$142,586	\$142,586	\$142,586	\$0
Capital Outlay:				
Capital Outlay	209,506	103,897	103,897	0
<i>Total Expenditures</i>	<u>2,220,037</u>	<u>2,220,037</u>	<u>2,025,251</u>	<u>194,786</u>
<i>Net Change in Fund Balance</i>	(64,256)	(64,256)	(13,324)	50,932
<i>Fund Balance Beginning of Year</i>	1,883	1,883	1,883	0
Prior Year Encumbrances Appropriated	<u>62,373</u>	<u>62,373</u>	<u>62,373</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$50,932</u>	<u>\$50,932</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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$286,026	\$292,293	\$267,000	(\$25,293)
Expenditures				
Current:				
Instruction:				
Vocational:				
Salaries and Wages	21,732	5,682	5,502	180
Fringe Benefits	3,622	959	917	42
Purchased Services	66,821	70,221	61,099	9,122
Materials and Supplies	58,335	68,860	63,114	5,746
Capital Outlay	82,365	84,365	78,765	5,600
Total Instruction	232,875	230,087	209,397	20,690
Support Services:				
Pupils:				
Salaries and Wages	5,000	5,600	5,240	360
Fringe Benefits	1,606	1,560	1,497	63
Purchased Services	41,000	40,000	40,000	0
Total Pupils	47,606	47,160	46,737	423
Instructional Staff:				
Salaries and Wages	0	1,200	0	1,200
Fringe Benefits	0	300	0	300
Purchased Services	21,173	29,173	25,913	3,260
Total Instructional Staff	21,173	30,673	25,913	4,760
Administration:				
Salaries and Wages	10,982	10,982	10,982	0
Fringe Benefits	1,828	1,829	1,829	0
Total Administration	12,810	12,811	12,811	0
Total Support Services	81,589	90,644	85,461	5,183
Total Expenditures	314,464	320,731	294,858	25,873
Net Change in Fund Balance	(28,438)	(28,438)	(27,858)	580
Fund Balance Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	28,438	28,438	28,438	0
Fund Balance End of Year	\$0	\$0	\$580	\$580

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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$42,376	\$48,381	\$26,756	(\$21,625)
Expenditures				
Current:				
Instruction:				
Special:				
Materials and Supplies	20,136	24,481	21,431	3,050
Support Services:				
Pupils:				
Salaries and Wages	2,000	4,000	1,081	2,919
Fringe Benefits	496	600	164	436
Purchased Services	7,130	11,005	4,360	6,645
Materials and Supplies	487	0	0	0
Total Pupils	10,113	15,605	5,605	10,000
Instructional Staff:				
Salaries and Wages	3,465	2,000	666	1,334
Fringe Benefits	711	400	111	289
Purchased Services	7,997	5,941	989	4,952
Total Instructional Staff	12,173	8,341	1,766	6,575
Total Support Services	22,286	23,946	7,371	16,575
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	2,000	2,000	0	2,000
<i>Total Expenditures</i>	44,422	50,427	28,802	21,625
<i>Net Change in Fund Balance</i>	(2,046)	(2,046)	(2,046)	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	2,046	2,046	2,046	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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$981,526	\$984,736	\$820,833	(\$163,903)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	462,240	539,918	405,006	134,912
Fringe Benefits	168,493	157,380	133,686	23,694
Purchased Services	5,398	0	0	0
Materials and Supplies	30,450	48,000	22,236	25,764
Capital Outlay	10,000	0	0	0
Total Instruction	676,581	745,298	560,928	184,370
Support Services:				
Instructional Staff:				
Salaries and Wages	161,241	156,812	140,286	16,526
Fringe Benefits	84,266	40,496	33,123	7,373
Purchased Services	4,274	4,000	1,926	2,074
Materials and Supplies	1,336	1,000	772	228
Total Instructional Staff	251,117	202,308	176,107	26,201
Administration:				
Salaries and Wages	33,125	29,501	27,605	1,896
Fringe Benefits	15,582	10,096	8,450	1,646
Total Administration	48,707	39,597	36,055	3,542
Total Support Services	299,824	241,905	212,162	29,743
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	2,000	0	0	0
Materials and Supplies	15,588	10,000	7,928	2,072
Total Operation of Non-Instructional Services	17,588	10,000	7,928	2,072
Total Expenditures	993,993	997,203	781,018	216,185
Net Change in Fund Balance	(12,467)	(12,467)	39,815	52,282
Fund Balance Beginning of Year	12,467	12,467	12,467	0
Fund Balance End of Year	\$0	\$0	\$52,282	\$52,282

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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$59,693	\$59,693	\$39,803	(\$19,890)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	12,902	3,874	1,457	2,417
Fringe Benefits	1,224	503	222	281
Purchased Services	1,795	1,300	748	552
Materials and Supplies	9,447	6,239	4,936	1,303
Total Instruction	25,368	11,916	7,363	4,553
Support Services:				
Pupils:				
Salaries and Wages	25,057	36,133	23,222	12,911
Fringe Benefits	6,656	10,532	7,405	3,127
Purchased Services	1,100	600	0	600
Materials and Supplies	700	700	672	28
Total Pupils	33,513	47,965	31,299	16,666
Instructional Staff:				
Purchased Services	200	0	0	0
Pupil Transportation:				
Purchased Services	500	0	0	0
Total Support Services	34,213	47,965	31,299	16,666
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	300	0	0	0
Total Expenditures	59,881	59,881	38,662	21,219
Net Change in Fund Balance	(188)	(188)	1,141	1,329
Fund Balance Beginning of Year	178	178	178	0
Prior Year Encumbrances Appropriated	10	10	10	0
Fund Balance End of Year	\$0	\$0	\$1,329	\$1,329

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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$235,011	\$234,189	\$198,016	(\$36,173)
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	18,546	30,767	26,293	4,474
Fringe Benefits	14,971	5,412	3,303	2,109
Purchased Services	140,027	164,465	145,169	19,296
Materials and Supplies	10,370	10,154	8,792	1,362
Total Support Services	183,914	210,798	183,557	27,241
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	45,149	28,256	22,902	5,354
Materials and Supplies	17,263	6,450	1,174	5,276
Total Operation of Non-Instructional Services	62,412	34,706	24,076	10,630
<i>Total Expenditures</i>	246,326	245,504	207,633	37,871
<i>Net Change in Fund Balance</i>	(11,315)	(11,315)	(9,617)	1,698
<i>Fund Balance Beginning of Year</i>	445	445	445	0
Prior Year Encumbrances Appropriated	10,870	10,870	10,870	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$1,698	\$1,698

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Miscellaneous Federal Grants Fund
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$19,487	\$19,264	\$0	(\$19,264)
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	15,827	15,604	0	15,604
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	3,660	3,660	0	3,660
<i>Total Expenditures</i>	<u>19,487</u>	<u>19,264</u>	<u>0</u>	<u>19,264</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Tuition and Fees	\$380,500	\$380,500	\$340,840	(\$39,660)
Miscellaneous	0	0	106	106
<i>Total Revenues</i>	<u>380,500</u>	<u>380,500</u>	<u>340,946</u>	<u>(39,554)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	130,356	134,356	64,491	69,865
Materials and Supplies	269,110	273,210	213,026	60,184
Other	11,536	11,536	10,282	1,254
Total Regular Instruction	<u>411,002</u>	<u>419,102</u>	<u>287,799</u>	<u>131,303</u>
Vocational:				
Materials and Supplies	21,737	12,637	7,851	4,786
Total Instruction	<u>432,739</u>	<u>431,739</u>	<u>295,650</u>	<u>136,089</u>
Support Services:				
Fiscal:				
Other	15,000	16,000	7,782	8,218
Total Expenditures	<u>447,739</u>	<u>447,739</u>	<u>303,432</u>	<u>144,307</u>
<i>Net Change in Fund Balance</i>	<u>(67,239)</u>	<u>(67,239)</u>	<u>37,514</u>	<u>104,753</u>
<i>Fund Balance Beginning of Year</i>	236,321	236,321	236,321	0
Prior Year Encumbrances Appropriated	<u>24,949</u>	<u>24,949</u>	<u>24,949</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$194,031</u>	<u>\$194,031</u>	<u>\$298,784</u>	<u>\$104,753</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, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues				
Extracurricular Activities	\$324,485	\$358,985	\$209,940	(\$149,045)
Contributions and Donations	109,700	109,700	68,594	(41,106)
Charges for Services	30,750	30,750	6,385	(24,365)
Miscellaneous	4,000	4,000	0	(4,000)
<i>Total Revenues</i>	<u>468,935</u>	<u>503,435</u>	<u>284,919</u>	<u>(218,516)</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	12,569	10,569	2,158	8,411
Materials and Supplies	44,809	47,109	28,477	18,632
Capital Outlay	14,769	14,769	6,636	8,133
Other	44,784	63,584	42,141	21,443
Total Administration	<u>118,466</u>	<u>137,566</u>	<u>79,412</u>	<u>58,154</u>
Central:				
Salaries and Wages	3,800	3,800	110	3,690
Fringe Benefits	1,550	1,550	18	1,532
Purchased Services	31,172	31,172	4,181	26,991
Materials and Supplies	93,072	85,972	24,500	61,472
Capital Outlay	25,100	25,100	0	25,100
Other	57,033	69,433	46,093	23,340
Total Central	<u>211,727</u>	<u>217,027</u>	<u>74,902</u>	<u>142,125</u>
Total Support Services	<u>\$331,193</u>	<u>\$355,593</u>	<u>\$154,314</u>	<u>\$201,279</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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operation of Non-Instructional Services:				
Community Services:				
Other	\$2,506	\$2,506	\$500	\$2,006
Food Service Operations:				
Materials and Supplies	4,473	4,473	460	4,013
Capital Outlay	1,700	1,700	850	850
Other	1,550	1,550	208	1,342
Total Food Service Operations	7,723	7,723	1,518	6,205
Extracurricular Activities:				
School and Public Service Co-Curricular Activities:				
Salaries and Wages	4,800	4,800	0	4,800
Fringe Benefits	1,210	1,210	0	1,210
Purchased Services	32,368	33,068	5,187	27,881
Materials and Supplies	140,998	141,998	106,803	35,195
Capital Outlay	13,899	13,499	0	13,499
Other	37,400	37,100	28,143	8,957
Total Extracurricular Activities	230,675	231,675	140,133	91,542
<i>Total Expenditures</i>	<i>572,097</i>	<i>597,497</i>	<i>296,465</i>	<i>301,032</i>
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>(103,162)</i>	<i>(94,062)</i>	<i>(11,546)</i>	<i>82,516</i>
Other Financing Sources (Uses)				
Transfers Out	0	(5,000)	(5,000)	0
<i>Net Change in Fund Balance</i>	<i>(103,162)</i>	<i>(99,062)</i>	<i>(16,546)</i>	<i>82,516</i>
<i>Fund Balance Beginning of Year</i>	<i>176,834</i>	<i>176,834</i>	<i>176,834</i>	<i>0</i>
Prior Year Encumbrances Appropriated	37,824	37,824	37,824	0
<i>Fund Balance End of Year</i>	<i>\$111,496</i>	<i>\$115,596</i>	<i>\$198,112</i>	<i>\$82,516</i>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
AT&T Superintendent Fund
For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Interest	\$2,000	\$2,000	\$764	(\$1,236)
Rentals	106,388	106,388	123,089	16,701
<i>Total Revenues</i>	<u>108,388</u>	<u>108,388</u>	<u>123,853</u>	<u>15,465</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	1,000	0	0	0
Fringe Benefits	200	0	0	0
Purchased Services	7,000	0	0	0
Materials and Supplies	0	80,000	80,000	0
Total Instruction	<u>8,200</u>	<u>80,000</u>	<u>80,000</u>	<u>0</u>
Support Services:				
Administration:				
Purchased Services	46,750	14,370	14,130	240
Materials and Supplies	10,057	4,536	4,536	0
Other	25,088	20,037	20,037	0
Total Administration	<u>81,895</u>	<u>38,943</u>	<u>38,703</u>	<u>240</u>
Operation and Maintenance of Plant:				
Other	<u>50,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Pupil Transportation:				
Purchased Services	<u>35,862</u>	<u>24,746</u>	<u>23,867</u>	<u>879</u>
Total Support Services	<u>\$167,757</u>	<u>\$63,689</u>	<u>\$62,570</u>	<u>\$1,119</u>

(continued)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
AT&T Superintendent Fund (continued)
For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Extracurricular Activities:				
Sport Oriented Activities:				
Purchased Services	\$30,000	\$8,400	\$7,389	\$1,011
School and Public Service Co-Curricular:				
Other	0	102,999	102,999	0
Total Extracurricular Activities	30,000	111,399	110,388	1,011
<i>Total Expenditures</i>	205,957	255,088	252,958	2,130
<i>Excess of Revenues Over (Under) Expenditures</i>	(97,569)	(146,700)	(129,105)	17,595
Other Financing Sources (Uses)				
Transfers Out	(50,000)	(869)	0	869
<i>Net Change in Fund Balance</i>	(147,569)	(147,569)	(129,105)	18,464
<i>Fund Balance Beginning of Year</i>	140,812	140,812	140,812	0
Prior Year Encumbrances Appropriated	6,757	6,757	6,757	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$18,464	\$18,464

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, 2018*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$884,988	\$884,988	\$926,194	\$41,206
Intergovernmental	174,938	174,938	99,650	(75,288)
Interest	7,500	7,500	13,404	5,904
Rentals	0	0	5,308	5,308
<i>Total Revenues</i>	<u>1,067,426</u>	<u>1,067,426</u>	<u>1,044,556</u>	<u>(22,870)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Capital Outlay	119	119	119	0
Support Services:				
Fiscal:				
Other	30,678	15,678	8,922	6,756
Operation and Maintenance of Plant:				
Purchased Services	122,960	163,691	148,969	14,722
Materials and Supplies	23,644	6,944	6,944	0
Capital Outlay	2,045,567	2,436,536	2,434,282	2,254
Total Operation and Maintenance of Plant	<u>2,192,171</u>	<u>2,607,171</u>	<u>2,590,195</u>	<u>16,976</u>
Total Support Services	<u>2,222,849</u>	<u>2,622,849</u>	<u>2,599,117</u>	<u>23,732</u>
<i>Total Expenditures</i>	<u>2,222,968</u>	<u>2,622,968</u>	<u>2,599,236</u>	<u>23,732</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,155,542)	(1,555,542)	(1,554,680)	862
Other Financing Sources (Uses)				
Transfers In	80,000	80,000	80,000	0
<i>Net Change in Fund Balance</i>	(1,075,542)	(1,475,542)	(1,474,680)	862
<i>Fund Balance Beginning of Year</i>	1,062,634	1,062,634	1,062,634	0
Prior Year Encumbrances Appropriated	765,291	765,291	765,291	0
<i>Fund Balance End of Year</i>	<u>\$752,383</u>	<u>\$352,383</u>	<u>\$353,245</u>	<u>\$862</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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$191,340	\$191,340	\$221,808	\$30,468
Expenses				
Salaries and Wages	111,210	111,003	111,003	0
Fringe Benefits	54,700	52,807	51,582	1,225
Purchased Services	3,857	5,957	3,286	2,671
Other	51	51	46	5
<i>Total Expenses</i>	<u>169,818</u>	<u>169,818</u>	<u>165,917</u>	<u>3,901</u>
<i>Net Change in Fund Equity</i>	21,522	21,522	55,891	34,369
<i>Fund Equity Beginning of Year</i>	518,926	518,926	518,926	0
Prior Year Encumbrances Appropriated	<u>1,645</u>	<u>1,645</u>	<u>1,645</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$542,093</u></u>	<u><u>\$542,093</u></u>	<u><u>\$576,462</u></u>	<u><u>\$34,369</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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$16,140,000	\$16,140,000	\$16,154,457	\$14,457
Interest	0	0	85,783	85,783
Miscellaneous	0	0	23,087	23,087
<i>Total Revenues</i>	<u>16,140,000</u>	<u>16,140,000</u>	<u>16,263,327</u>	<u>123,327</u>
Expenses				
Salaries and Wages	51,000	96,000	82,718	13,282
Fringe Benefits	24,950	60,950	43,120	17,830
Purchased Services	67,401	99,401	87,942	11,459
Materials and Supplies	392	392	392	0
Claims	16,138,012	16,045,712	15,578,140	467,572
<i>Total Expenses</i>	<u>16,281,755</u>	<u>16,302,455</u>	<u>15,792,312</u>	<u>510,143</u>
<i>Net Change in Fund Equity</i>	(141,755)	(162,455)	471,015	633,470
<i>Fund Equity Beginning of Year</i>	13,273,295	13,273,295	13,273,295	0
Prior Year Encumbrances Appropriated	131,755	131,755	131,755	0
<i>Fund Equity End of Year</i>	<u>\$13,263,295</u>	<u>\$13,242,595</u>	<u>\$13,876,065</u>	<u>\$633,470</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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$0	\$0	\$745,166	\$745,166
Interest	0	0	18,526	18,526
<i>Total Revenues</i>	0	0	763,692	763,692
Expenses				
Salaries and Wages	10,000	10,000	9,446	554
Purchased Services	63,353	63,353	37,715	25,638
Claims	565,389	577,724	271,038	306,686
Other	95,500	95,500	64,881	30,619
<i>Total Expenses</i>	734,242	746,577	383,080	363,497
<i>Net Change in Fund Equity</i>	(734,242)	(746,577)	380,612	1,127,189
<i>Fund Equity Beginning of Year</i>	3,979,443	3,979,443	3,979,443	0
Prior Year Encumbrances Appropriated	71,742	71,742	71,742	0
<i>Fund Equity End of Year</i>	\$3,316,943	\$3,304,608	\$4,431,797	\$1,127,189



Mentor High School



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.

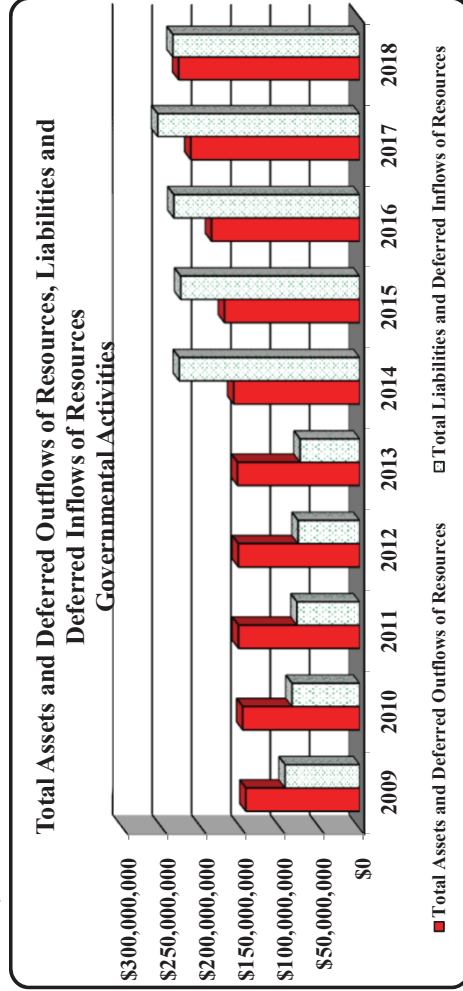
Contents	Pages(s)
<i>Financial Trends</i>	<i>S2 – S7</i>
These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	<i>S8 – S15</i>
These schedules contain information to help the reader assess the School District's most significant local revenue, the property tax.	
<i>Debt Capacity</i>	<i>S16 – S18</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>S19 – S20</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>S22 – S26</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)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities:										
Net Investment in Capital Assets	\$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	\$25,712,480
Restricted for:										
Capital Projects	762,518	362,698	0	0	1,303,234	1,856,003	1,583,300	1,408,363	1,869,982	1,719,486
Debt Service	1,169,344	1,282,983	1,291,257	399,601	309,186	5,386	11	0	0	0
Other Purposes	1,156,763	816,437	718,814	837,355	905,617	1,250,617	6,039,333	1,741,642	1,241,812	627,076
Unrestricted (Deficit)	37,551,015	48,180,077	57,351,890	56,980,153	57,969,222	(89,027,846)	(83,906,673)	(75,726,182)	(103,783,800)	(36,391,680)
Total Governmental Activities	\$50,412,280	\$63,150,438	\$74,121,015	\$76,907,484	\$79,331,756	(\$69,091,410)	(\$55,624,390)	(\$47,833,216)	(\$75,421,450)	(\$8,332,638)
Business-Type Activities:										
Net Investment in Capital Assets	\$0	\$0	\$0	\$776,333	\$736,293	\$690,236	\$648,786	\$620,802	\$591,072	\$698,224
Unrestricted (Deficit)	0	0	(48,355)	(927,055)	(541,013)	(3,889,524)	(3,037,830)	(2,325,047)	(2,703,644)	(119,908)
Total Business-Type Activities	\$0	\$0	(\$48,355)	(\$150,722)	\$195,280	(\$3,199,288)	(\$2,389,044)	(\$1,704,245)	(\$2,112,572)	\$578,316
Total	\$50,412,280	\$63,150,438	\$74,072,660	\$76,756,762	\$79,527,036	(\$72,290,698)	(\$58,013,434)	(\$49,537,461)	(\$77,534,022)	(\$7,754,322)

Note: The School District implemented GASB 68 in fiscal year 2015.
The School District implemented GASB 75 in fiscal year 2018.



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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 (1)
Expenses										
Governmental Activities:										
Regular Instruction	\$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	\$15,824,007
Special Instruction	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	8,175,008
Vocational Instruction	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	1,374,215
Adult/Continuing Instruction	0	0	0	0	0	0	1,653	1,598	0	0
Student Intervention	871,025	242,414	157,223	24,699	100,553	97,568	152,730	149,374	175,503	192,358
Pupil Support	6,614,344	7,009,557	6,847,947	6,823,981	6,381,842	6,211,357	5,713,690	6,219,741	6,219,741	2,587,146
Instructional Staff Support	5,431,287	5,308,798	6,269,397	6,845,936	6,665,047	3,862,888	4,974,475	6,130,131	6,486,640	2,439,325
Board of Education	475,375	604,673	649,396	532,055	527,619	353,843	101,051	121,393	156,601	138,330
Fiscal	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	(439,780)
Business	600,821	2,179,768	2,301,863	2,401,316	2,385,986	2,789,268	2,759,563	2,819,889	2,791,100	2,835,594
Operation and Maintenance of Plant	9,331,618	8,593,179	8,708,180	6,103,554	580,681	590,895	580,374	593,946	548,872	412,529
Pupil Transportation	6,379,443	6,380,577	6,214,657	6,274,223	6,493,321	10,014,973	10,218,945	9,423,648	9,258,444	6,986,740
Central Support	1,608,402	1,151,550	2,035,025	1,956,913	2,025,556	834,397	6,207,664	6,007,113	5,756,272	6,175,120
Operation of Non-Instructional Services	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	859,725
Operation of Food Services	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	2,562,055
Extracurricular Activities	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	1,396,797
Interest and Fiscal Charges	376,700	321,316	230,762	115,597	51,645	23,743	9,214	5,627	4,055	0
Total Governmental Activities Expenses	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	53,280,961
Business-Type Activities:										
Cardinal Autism and Resource	0	0	12,409	866,875	1,215,128	1,604,743	1,661,959	2,483,893	3,270,028	1,980,469
Education School	0	0	0	0	0	455	64,463	103,597	151,980	167,119
Treasury Management Services	0	0	0	0	0	0	0	0	0	0
Total Business-Type Activities	0	0	12,409	866,875	1,215,128	1,605,198	1,726,422	2,587,490	3,422,008	2,147,588
Total Primary Government Expenses	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	55,428,549
Program Revenues										
Governmental Activities:										
Charges for Services										
Regular Instruction	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	1,330,719
Special Instruction	329,952	299,639	307,739	267,883	121,723	166,184	319,032	406,883	372,291	328,786
Vocational Instruction	70,415	86,816	84,300	46,693	6,179	3,891	49,524	60,180	54,791	47,413
Student Intervention	25,016	7,173	4,950	652	0	0	3,712	4,652	4,005	3,816
Pupil Support	593,183	595,714	668,870	670,465	497,992	463,159	613,849	793,143	759,288	790,996
Instructional Staff Support	0	0	0	1,158	1,669	5,801	117,088	232,365	143,839	125,650
Board of Education	0	0	0	0	0	0	2,377	3,736	4,037	3,247
Administration	0	0	0	16,140	39,431	58,202	215,783	195,032	228,433	204,030
Fiscal	0	0	0	0	0	10,047	76,461	103,480	88,725	89,040
Business	0	0	0	0	0	0	14,607	19,097	13,694	11,534
Operation and Maintenance of Plant	63,936	7,894	31,689	4,065	19,690	20,504	223,126	238,735	235,337	188,714
Pupil Transportation	0	0	32	0	15,133	10,111	153,897	183,521	155,368	134,492
Central Support	84,230	97,297	98,330	63,026	74,775	73,622	106,743	106,246	109,131	68,795
Operation of Non-Instructional Services	0	1,818	344	1,211	2,659	1,054	3,539	2,729	4,387	13,533
Operation of Food Service	2,188,505	2,039,957	1,937,715	2,014,652	1,717,323	1,635,561	1,557,356	1,679,047	1,642,696	1,597,586
Extracurricular Activities	792,922	378,119	436,430	419,388	751,628	930,774	451,883	521,674	492,519	588,676
Operating Grants, and Contributions	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	7,799,993
Capital Grants and Contributions	212,228	300,058	297,469	223,455	173,146	176,620	582,572	139,666	313,337	99,650
Total Governmental Activities	\$11,864,573	\$13,444,632	\$13,436,466	\$12,301,814	\$12,754,467	\$13,940,391	\$27,946,018	\$14,555,171	\$15,094,123	\$13,426,670

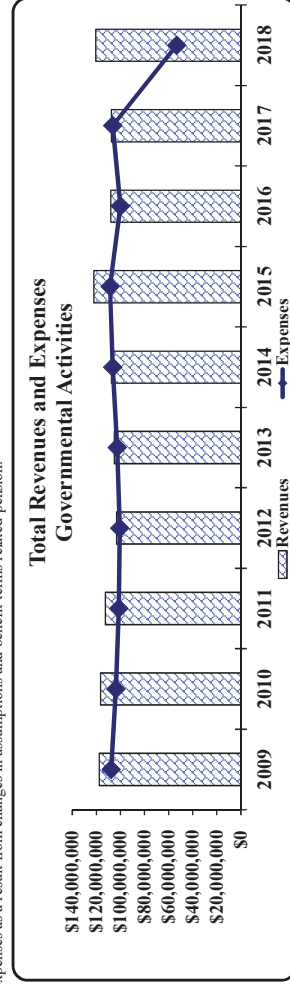
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Mentor Exempted Village School District
Changes in Net Position of Governmental Activities (continued)
 Last Ten Fiscal Years
 (accrual basis of accounting)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Business-Type Activities:										
Cardinal Autism and Resource Education School Treasury Management Services	\$0	\$0	\$0	\$712,052	\$1,558,993	\$1,676,154	\$2,360,753	\$3,078,826	\$4,148,762	\$4,560,456
	0	0	0	0	0	97,243	175,913	193,463	332,189	278,020
Total Business-Type Activities	0	0	0	712,052	1,558,993	1,773,397	2,536,666	3,272,289	4,480,951	4,838,476
Total Program Revenues	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	18,265,146
Net (Expense)/Revenue	(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)	(39,854,291)
Governmental Activities	0	0	(12,409)	(154,823)	343,865	168,199	810,244	684,799	1,058,943	2,690,888
Business-Type Activities	(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)	(37,163,403)
Total Primary Government Net Expense										
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for:										
General Purposes	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	76,781,278
Debt Service	1,178,780	1,271,091	1,189,811	392,865	35,877	132,794	0	0	0	0
Capital Outlay	1,305,440	1,272,012	1,197,778	1,111,700	1,200,902	899,854	970,551	843,141	912,831	990,410
Grants and Entitlements not Restricted to Specific Programs	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	25,417,506
Payment in Lieu of Taxes	154,534	281,912	632,472	2,019,534	810,267	1,061,014	1,171,884	1,304,929	976,978	2,479,421
Investment Earnings	1,466,058	624,575	394,628	305,946	240,583	177,630	242,800	469,354	897,186	466,415
Unrestricted Contributions and Donations	0	1,000	26,800	58,625	46,175	55,409	60,215	60,575	80,191	78,561
Gain on Sale of Capital Assets	6,600	24,547	0	0	0	0	0	0	0	0
Miscellaneous	124,763	222,196	404,274	276,002	1,006,391	619,195	601,917	930,975	851,506	729,512
Transfers	0	0	35,946	(52,456)	(2,137)	0	0	0	0	0
Total Governmental Activities	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	106,943,103
Business-Type Activities:										
Transfers	0	0	(35,946)	52,456	2,137	0	0	0	0	0
Total Primary Government	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	106,943,103
Change in Net Position										
Governmental Activities	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	67,088,812
Business-Type Activities	0	0	(48,355)	(102,367)	346,002	168,199	810,244	684,799	1,058,943	2,690,888
Total Primary Government Change in Net Position	\$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	\$69,779,700

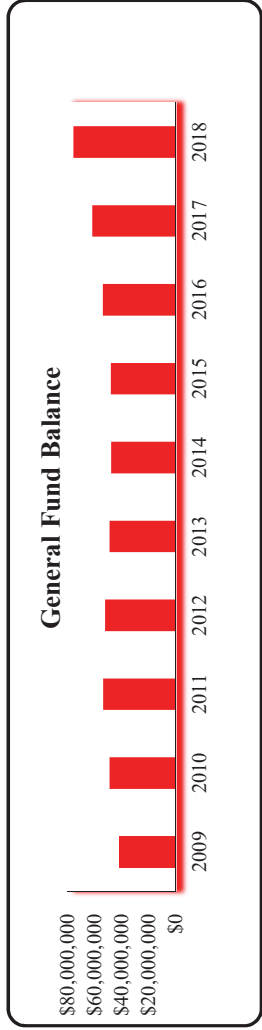
Note: The School District implemented GASB 68 in fiscal year 2015.
 The School District implemented GASB 75 in fiscal year 2018.

(1) During 2018, there was a large decrease in expenses as a result from changes in assumptions and benefit terms related pension.



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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Nonspendable	\$60,329	\$75,796	\$85,245	\$93,351	\$81,448	\$104,117	\$80,747	\$84,415	\$88,606	\$105,284
Assigned	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	3,930,462
Unassigned	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	71,518,313
Reserved	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Unreserved (Deficit)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total General Fund	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	75,554,059
All Other Governmental Funds										
Nonspendable	46,527	86,912	66,505	19,236	20,833	8,286	22,861	19,551	21,007	17,739
Restricted	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	2,014,594
Committed	206,629	176,519	184,790	213,221	227,255	210,745	189,396	265,675	231,050	230,624
Unassigned (Deficit)	(86,278)	(122,143)	(197,945)	(211,540)	(78,425)	(395,251)	0	(7,333)	(47,770)	(89,466)
Total All Other Governmental Funds	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	2,173,491
Total Governmental Funds	\$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	\$77,727,550



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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Property Taxes	\$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	\$78,127,287
Intergovernmental	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	33,574,033
Interest	1,477,837	620,196	380,642	300,565	239,426	162,004	212,234	443,491	849,471	362,106
Tuition and Fees	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	2,753,228
Extracurricular Activities	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	922,976
Contributions and Donations	217,593	216,810	243,349	300,802	300,802	243,309	720,506	287,422	233,162	227,904
Charges for Services	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	1,667,821
Rentals	116,632	98,927	81,653	99,512	115,349	173,680	168,737	158,169	215,481	201,227
Payment in Lieu of Taxes	154,534	281,912	316,236	1,167,885	989,076	1,061,014	1,116,449	1,210,689	2,187,667	2,479,421
Miscellaneous	119,918	220,343	410,972	227,963	938,419	690,623	584,507	978,020	857,347	703,008
Total Revenues	114,136,058	116,127,526	110,715,829	105,384,555	103,984,135	107,122,734	122,882,603	108,803,540	115,445,670	121,019,011
Expenditures										
Current:										
Instruction:										
Regular	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	43,063,367
Special	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	16,446,054
Vocational	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	2,346,811
Student Intervention	785,850	234,632	190,986	56,869	135,860	101,894	156,663	155,293	176,607	193,101
Support Services:										
Pupils	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	6,068,143
Instructional Staff	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	6,153,004
Board of Education	485,459	603,120	646,644	538,033	542,655	351,365	102,589	125,705	156,840	147,162
Administration	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	6,095,461
Fiscal	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	3,178,843
Business	538,882	672,979	663,067	595,192	574,700	600,837	616,886	640,342	536,838	518,744
Operation and Maintenance of Plant	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	9,490,512
Pupil Transportation	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	6,061,245
Central	1,648,620	2,105,387	1,936,650	2,037,233	1,960,039	628,973	986,653	989,537	1,065,689	932,674
Operation of Non-Instructional Services	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	1,743,813
Operation of Food Services	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	2,840,002
Extracurricular Activities	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	2,371,482
Capital Outlay	0	0	21,800	0	0	0	4,763,639	1,527,419	41,580	99,841
Debt Service:										
Principal Retirement	2,385,531	2,312,205	2,238,667	1,626,323	924,000	861,674	0	0	0	0
Interest and Fiscal Charges	313,476	222,884	124,207	73,412	54,327	31,132	4,326	5,627	4,055	0
Capital Appreciation Bond Interest	0	0	0	600,011	0	0	0	0	0	0
Total Expenditures	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	107,750,259
Excess of Revenues Over (Under) Expenditures	3,054,909	7,047,925	3,606,713	(2,469,730)	(3,293,099)	(1,483,800)	4,370,863	2,555,016	8,357,286	13,268,752
Other Financing Sources (Uses)										
Sale of Capital Assets	0	33,446	15,578	8,213	12,377	0	26,259	0	0	0
Energy Conservation Notes Issued	696,000	618,667	541,334	464,000	386,667	0	0	0	0	0
Transfers In	470,543	1,008,373	429,434	478,157	433,814	427,201	1,129,832	422,309	623,845	205,900
Transfers Out	(2,756,234)	(1,824,762)	(429,434)	(478,157)	(435,951)	(427,201)	(1,129,832)	(422,309)	(623,845)	(205,900)
Total Other Financing Sources (Uses)	(1,589,691)	(164,276)	556,912	472,213	396,907	0	26,259	0	0	0
Net Change in Fund Balances	\$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	\$13,268,752
Debt Service as a Percentage of Noncapital Expenditures	2.50%	2.38%	2.24%	2.22%	0.93%	0.83%	0.00%	0.01%	0.00%	0.00%



Mentor Schools Fine Arts Center

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

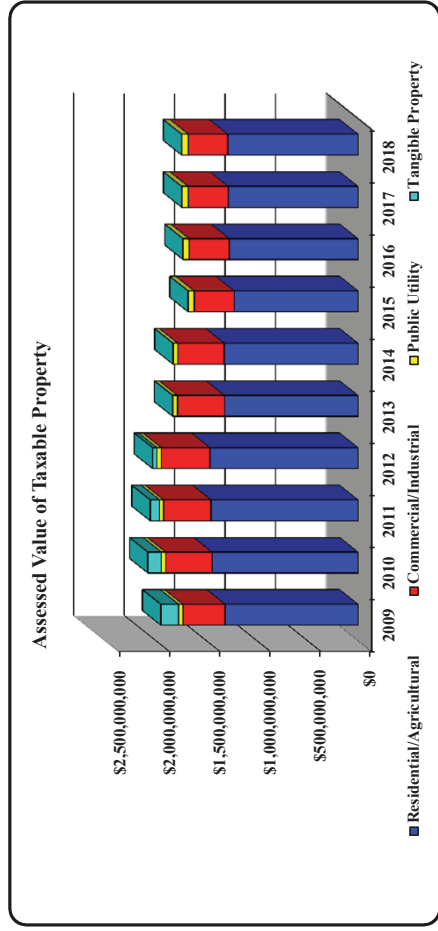
Collection Year	Real Property			Tangible Personal			Public Utility			Total		
	Assessed Value			Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Full Tax Rate Per \$1,000 of Assessed Valuation	Weighted Average Tax Rate
	Residential/Agricultural	Commercial/Industrial	Total									
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
2018	1,291,780,540	389,158,730	1,680,939,270	4,802,683,629	0	0	64,907,790	73,758,852	1,745,847,060	4,876,442,481	82.0500	45.2724

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
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	4.4191	4.9259	4.9318	4.9336	5.3823	5.3927	5.3939	5.2230	5.2194	5.2179
Residential/Agricultural	7.1919	7.3969	7.5783	7.6202	8.8123	8.8082	8.7658	8.6795	8.6085	8.6409
Commercial/Industrial	29.8000	29.8000	29.8000	29.8000	29.8000	29.8000	29.8000	29.8000	29.8000	29.8000
Tangible/Public Utility Personal										
1977 Operating - continuing										
Effective Millage Rates	1.1630	1.2964	1.2980	1.2985	1.4165	1.4193	1.4196	1.3746	1.3737	1.3733
Residential/Agricultural	1.5621	1.6067	1.6461	1.6552	1.9141	1.9132	1.9040	1.8852	1.8698	1.8769
Commercial/Industrial	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000
Tangible/Public Utility Personal										
1984 Operating - continuing										
Effective Millage Rates	3.4774	3.8762	3.8809	3.8823	4.2354	4.2436	4.2445	4.1100	4.1072	4.1060
Residential/Agricultural	5.0468	5.1906	5.3179	5.3473	6.1838	6.1809	6.1511	6.0906	6.0408	6.0635
Commercial/Industrial	8.9000	8.9000	8.9000	8.9000	8.9000	8.9000	8.9000	8.9000	8.9000	8.9000
Tangible/Public Utility Personal										
1986 Operating - continuing										
Effective Millage Rates	2.8339	3.1589	3.1627	3.1638	3.4516	3.4582	3.4590	3.3494	3.3471	3.3461
Residential/Agricultural	4.5057	4.6341	4.7477	4.7740	5.5208	5.5182	5.4916	5.4376	5.3931	5.4134
Commercial/Industrial	6.9000	6.9000	6.9000	6.9000	6.9000	6.9000	6.9000	6.9000	6.9000	6.9000
Tangible/Public Utility Personal										
1988 Bond (\$9,500,000)	0.3400	0.6700	0.6600	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
1988 Library Bond (\$4,000,000)	0.2600	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
1988 Permanent Improvement - continuing										
Effective Millage Rates	0.4205	4.6870	0.4693	0.4695	0.5122	0.5132	0.5133	0.4970	0.4967	0.4965
Residential/Agricultural	0.6540	0.6726	0.6891	0.6929	0.8013	0.8009	0.7971	0.7892	0.7828	0.7857
Commercial/Industrial	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Tangible/Public Utility Personal										
1991 Bond (\$8,600,000)	0.2300	0.2700	0.2600	0.2300	0.2600	0.0000	0.0000	0.0000	0.0000	0.0000
1992 Operating - continuing										
Effective Millage Rates	2.5290	2.8190	2.8224	2.8234	3.0802	3.0862	3.0869	2.9890	2.9869	2.9861
Residential/Agricultural	3.2333	3.3255	3.4070	3.4258	3.9618	3.9599	3.9408	3.9021	3.8701	3.8847
Commercial/Industrial	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000
Tangible/Public Utility Personal										
1996 Operating - continuing										
Effective Millage Rates	2.6517	2.9558	2.9594	2.9604	3.2297	3.2359	3.2367	3.1341	3.1319	3.1310
Residential/Agricultural	3.0871	3.1751	3.2529	3.2709	3.7826	3.7808	3.7626	3.7256	3.6951	3.7090
Commercial/Industrial	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000
Tangible/Public Utility Personal										

(continued)

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
2003 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	\$2.3402	\$2.6086	\$2.6118	\$2.6127	\$2.8503	\$2.8558	\$2.8565	\$2.7659	\$2.7640	\$2.7632
Commercial/Industrial	2.4935	2.5646	2.6275	2.6420	3.0000	2.9986	2.9841	2.9548	2.9306	2.9416
Tangible/Public Utility Personal	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000
2009 Emergency (\$15,015,990)	7.3600	8.0000	7.9900	8.0300	8.8400	8.7900	8.7200	8.4600	8.4100	8.4500
2016 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	4.8966	4.8952
Commercial/Industrial	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	4.8599	4.8782
Tangible/Public Utility Personal	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	4.9000	4.9000
Total Effective Voted Millage by type of property										
Residential/Agricultural	\$28.0248	\$35.2678	\$31.0463	\$30.4042	\$33.2581	\$32.9948	\$32.9304	\$31.9030	\$36.7335	\$0.0000
Commercial/Industrial	35.9644	37.5061	38.1765	37.6883	43.0767	42.7508	42.5171	41.9246	46.4607	46.6439
Tangible/Public Utility Personal	72.0900	72.8400	72.8100	72.1600	73.0000	72.6900	72.6200	72.3600	77.2100	77.2500
Total Millage by type of property										
Residential/Agricultural	\$32.8248	\$40.0678	\$35.8463	\$35.2042	\$38.0581	\$37.7948	\$37.7304	\$36.7030	\$41.5335	\$4.8000
Commercial/Industrial	40.7644	42.3061	42.9765	42.4883	47.8767	47.5508	47.3171	46.7246	51.2607	51.4439
Tangible/Public Utility Personal	76.8900	77.6400	77.6100	76.9600	77.8000	77.4900	77.4200	77.1600	82.0100	82.0500
Total Weighted Average Tax Rate	\$36.5338	\$41.6005	\$38.7075	\$38.0893	\$41.5770	\$41.4090	\$41.3906	\$40.3919	\$45.2283	\$45.2724
Overlapping Rates by Taxing District										
Concord Township Voted Millage										
Effective Millage Rates										
Residential/Agricultural	\$8.0655	\$8.7392	\$9.7413	\$9.7344	\$10.4000	\$10.4000	\$10.4000	\$11.0675	\$11.0593	\$11.3428
Commercial/Industrial	8.2134	8.2516	8.9597	9.8300	10.4000	10.2924	10.2276	11.1551	11.4000	11.6139
Tangible/Public Utility Personal	9.4000	9.4000	10.4000	10.4000	10.4000	10.4000	10.4000	11.4000	11.4000	11.7000
City of Mentor Voted Millage										
Effective Millage Rates										
Residential/Agricultural	3.5875	3.6528	3.6532	3.6533	3.7160	3.7169	3.7170	3.6936	3.6929	3.6930
Commercial/Industrial	3.8607	3.8854	3.9082	3.9132	4.0557	4.0554	4.0484	4.0373	4.0289	4.0326
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	1.0989	1.0953	1.1000	1.1000	2.0000	2.0000	2.0000	1.9366	1.9353	1.9347
Commercial/Industrial	1.0649	1.1000	1.1000	1.1000	2.0000	1.9991	1.9894	1.9699	1.9537	1.9611
Tangible/Public Utility Personal	1.1000	1.1000	1.1000	1.1000	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000
City of Mentor-on-the-Lake Voted Millage										
Effective Millage Rates										
Residential/Agricultural	11.6276	12.1447	12.1866	12.1887	12.4902	12.5138	16.3190	16.3083	16.3135	16.3196
Commercial/Industrial	12.8826	13.1061	13.1130	13.1688	14.0941	14.1117	18.1161	18.1161	18.0178	18.0714
Tangible/Public Utility Personal	24.0000	24.0000	24.0000	24.0000	24.0000	24.0000	27.8000	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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
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	6.3295	7.0161	7.0207	7.1243	7.1295	7.1321	7.1256	7.8755	7.8766	7.6246
Commercial/Industrial	6.2408	6.9704	6.9846	6.6004	6.6031	6.6016	6.5990	7.3495	7.7394	7.8464
Tangible/Public Utility Personal	6.7000	7.2000	7.2000	7.2000	7.2000	7.2000	7.2000	7.9500	7.9500	7.9500
Lake County Voted Millage										
Effective Millage Rates										
Residential/Agricultural	7.6470	8.1390	9.6417	9.6430	8.8463	8.8530	8.8557	8.7459	8.7511	9.0521
Commercial/Industrial	8.8311	8.8061	9.7205	9.7979	9.1904	9.2586	9.2793	9.3007	9.3180	9.6208
Tangible/Public Utility Personal	10.4000	10.4000	10.4000	10.4000	9.4000	9.4000	9.4000	9.4000	9.4000	9.7000
Lake Metropolitan Park District Voted Millage										
Effective Millage Rates										
Residential/Agricultural	1.8752	2.0872	2.0893	2.0895	2.7000	2.7000	2.7000	2.6618	2.6636	2.6639
Commercial/Industrial	1.9321	1.9248	1.9488	1.9932	2.7000	2.7000	2.7000	2.7000	2.7000	2.7000
Tangible/Public Utility Personal	2.2000	2.2000	2.2000	2.2000	2.7000	2.7000	2.7000	2.7000	2.7000	2.7000
Lakeland Community College Voted Millage										
Effective Millage Rates										
Residential/Agricultural	1.3781	1.5338	2.9574	2.9582	3.0833	3.0875	3.0892	3.4454	3.4475	3.4479
Commercial/Industrial	1.8352	1.8283	2.9844	3.0137	3.2000	3.2000	3.2000	3.6000	3.6000	3.6000
Tangible/Public Utility Personal	3.2000	3.2000	3.2000	3.2000	3.2000	3.2000	3.2000	3.6000	3.6000	3.6000
Genuga County Voted Millage										
Effective Millage Rates										
Residential/Agricultural	10.9013	11.2064	11.6098	11.9674	11.9850	11.8028	11.4712	13.2506	13.2553	12.9946
Commercial/Industrial	11.5893	12.0949	12.4349	12.5853	12.7460	12.4790	12.1414	14.0525	14.0753	14.1203
Tangible/Public Utility Personal	15.1000	15.1000	15.1000	15.1000	15.1000	14.1000	13.4000	15.6000	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
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
2017 (3)	80,413,585	78,473,208	97.59	2,255,654	80,728,862	100.39

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 2018 information cannot be presented because all collections have not been made by June 30, 2018.

(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.



Paradigm

Mentor Exempted Village School District

Principal Taxpayers

Real Estate Tax

2018 and 2009

Name of Taxpayer	Line of Business	2018	
		Assessed Value	Percent of Real Property Assessed Value
Mall at Great Lakes LLC	Retail Mall	\$22,535,050	1.34%
Mentor OH Senior Property LLC	Senior Center	12,444,250	0.74
Steris Corporation	Medical Equipment	9,336,420	0.56
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	4,144,110	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
VOH-Mentor LLC	Property Management	3,112,840	0.18
Totals		<u>\$73,271,060</u>	<u>4.36%</u>
Real Property Assessed Valuation		<u>\$1,680,939,270</u>	

Name of Taxpayer	Line of Business	2009	
		Assessed Value	Percent of Real Property Assessed Value
Simon Property Group, LP	Retail Mall	\$27,595,230	1.42%
Steris Corporation	Medical Equipment	10,703,340	0.55
Cleveland Cuyahoga	Port Authority	7,339,250	0.38
Points East	Retail Sales	7,223,610	0.37
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	0.19
Michaels, Inc.	Retail Sales	3,466,810	0.18
F I Mentor II, Limited	Retail Sales	3,444,680	0.17
Totals		<u>\$77,212,400</u>	<u>3.96%</u>
Real Property Assessed Valuation		<u>\$1,949,271,920</u>	

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

Mentor Exempted Village School District

Principal Taxpayers

Public Utilities Tax

2018 and 2009

Name of Taxpayer	2018	
	Assessed Value	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$29,451,650	45.38%
Aqua Ohio, Incorporated	25,471,040	39.24
American Transmission System	6,922,290	10.66
Total	\$61,844,980	95.28%
Public Utility Assessed Valuation	\$64,907,790	
Name of Taxpayer	2009	
	Assessed Value	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$19,437,060	46.06%
Aqua Ohio, Incorporated	16,917,910	40.09
American Transmission System	1,719,510	4.07
Total	\$38,074,480	90.22%
Public Utility Assessed Valuation	\$42,200,590	

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				Total 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	Ratio of					
						General Debt to Personal Income (3)	General Debt per Capita (2)				
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			
2018	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 S20

(3) The personal income can be found on S20

(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

	2009 (1)	2010 (1)	2011 (1)	2012 (1)	2013 (1)	2014 (1)	2015 (1)	2016 (1)	2017 (1)	2018 (1)
Residential/Agricultural Real Property	\$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	\$1,291,780,540
Commercial/Industrial Real Property	482,612,050	464,397,920	459,585,610	450,380,350	387,336,420	391,518,460	395,838,840	397,925,860	396,998,650	389,158,730
Tangible Personal Property	0	2,163,150	1,095,740	0	0	0	0	0	0	0
Public Utility Tangible	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	64,907,790
Less: Rail Road and Telephone Tangible Property	(3,299,460)	(2,163,150)	(1,095,740)	0	0	0	0	0	0	0
Total Assessed Valuation	\$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	\$1,745,847,060
Debt Limit - .9% of Assessed Value (2)	\$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	\$157,126,235
Amount of Debt Applicable to Debt Limit										
General Obligation Bonds	5,199,996	3,639,996	2,019,996	935,007	475,007	0	0	0	0	0
Energy Conservation Notes	773,333	696,000	618,667	541,333	464,000	386,667	0	0	0	0
Tax Anticipation Notes	1,400,000	0	0	0	0	0	0	0	0	0
School Improvement Note	1,755,000	1,560,000	1,365,000	1,170,000	975,000	780,000	585,000	390,000	0	0
Less Amount Available in Debt Service	(1,131,247)	(1,230,644)	(1,206,488)	(360,535)	(294,042)	(4,767)	(11)	0	0	0
Total	7,997,082	4,665,352	2,797,175	2,285,805	1,619,965	1,161,900	584,989	390,000	0	0
Exemptions:										
Energy Conservation Notes	(773,333)	(696,000)	(618,667)	(541,333)	(464,000)	(386,667)	0	0	0	0
Tax Anticipation Notes	(1,400,000)	0	0	0	0	0	0	0	0	0
Amount of Debt Subject to Limit	5,823,749	3,969,352	2,178,508	1,744,472	1,155,965	775,233	584,989	390,000	0	0
Legal Debt Margin	\$173,111,826	\$160,966,049	\$162,601,693	\$162,685,455	\$147,296,542	\$149,013,546	\$150,757,659	\$155,487,494	\$157,050,935	\$157,126,235
Legal Debt Margin as a Percentage of the Debt Limit	96.75%	97.59%	98.68%	98.94%	99.22%	99.48%	99.61%	99.75%	100.00%	100.00%
Unvoted Debt Limit - .10% of Assessed Value (2)	\$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	\$1,745,847
Amount of Debt Applicable	0	0	0	0	0	0	0	0	0	0
Unvoted Legal Debt Margin	\$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	\$1,745,847
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	\$17,893,557	\$16,493,540	\$16,478,020	\$16,442,993	\$14,895,251	\$14,978,878	\$15,134,265	\$15,587,749	\$15,705,094	\$15,712,624
Energy Conservation Notes	(773,333)	(696,000)	(618,667)	(541,333)	(464,000)	(386,667)	0	0	0	0
Additional Unvoted Debt Margin	\$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	\$15,712,624

Source: Lake County Auditor and School District Financial Records

(1) HBS30 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, 2017

	<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	\$16,240,000	100.00%	\$16,240,000
Special Assessment Bonds	7,105,000	100.00%	7,105,000
Notes Payable	7,500,000	100.00%	7,500,000
OWDA/OPWC Loans	573,469	100.00%	573,469
City of Mentor-on-the-Lake			
Various Purpose Notes	1,470,000	100.00%	1,470,000
OPWC Loans	161,632	100.00%	161,632
Lake County			
General Obligation Bonds	9,400,000	28.98%	2,724,120
Special Assessment Bonds	7,216,430	28.98%	2,091,321
OWDA Loans	19,586,845	28.98%	5,676,268
OPWC Loans	528,034	28.98%	153,024
Geauga County			
Revenue Bonds	3,569,500	0.27%	9,638
General Obligation Bonds	130,000	0.27%	351
Special Assessment Bonds	398,456	0.27%	1,076
OWDA Loans	9,132,656	0.27%	24,658
OPWC Loans	647,599	0.27%	1,749
Total	<u>\$83,659,621</u>		<u>\$43,732,306</u>

Source: Office of the Auditor, Lake County, Ohio

- (1) The School District had no direct debt at December 31, 2017.
- (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 2017 collection year.

Mentor Exempted Village School District

Principal Employers

2018 and 2009

Employer	2018		
	Number of Employees	Rank	Percent of Employment
Steris Corporation	1,700	1	4.90%
City of Mentor	931	2	2.69
Mentor Exempted Village School District	917	3	2.65
Classic Auto Group	624	4	1.80
Lincoln Electric	450	5	1.29
Component Repair Technologies	450	6	1.30
Avery Dennison	400	7	1.15
PCC Airfoils	350	8	1.01
Princeton Tools, Incorporated	300	9	0.87
Deepwood Industries	236	10	0.68
Total	6,358		18.34%
Total Employment within the School District	34,669		
Employer	2009		
	Number of Employees	Rank	Percent of Employment
Mentor Exempted Village School District	967	1	2.87%
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	5,013		14.88%
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
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
2018	47,126	1,421,131,656	30,156	62,546	44.80	172,600	5.7	1,745,847,060

Source: U.S. Census
 Year 2011 - 2018 The 2010 Federal Census
 Years 2009 - 2010 The 2000 Federal Census



Service Building

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
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	2,838	2,780	2,700	2,617	2,670	2,591	2,552	2,578	2,489	2,479
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	763	754	718	793	701	682	685	701	736	726
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	118,450
Enrollment Grades 6-8	543	536	514	514	500	608	516	548	635	625
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	40,552
Enrollment Grades 6-8	695	685	670	684	632	608	592	574	567	557
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	35,276
Enrollment Grades K-5	444	438	439	434	436	393	373	510	529	519
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	281	277	279	282	284	285	305	311	326	316
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	285	281	277	281	285	289	300	320	326	315

(continued)

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
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	449	442	445	456	444	420	422	418	427	417
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	195	196	165	18	21	25	35	41	60	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	496	489	531	528	531	554	557	555	556	546
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	348	345	314	302	301	308	375	348	315	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	296	291	276	355	344	323	301	309	283	273
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	417	412	412	444	417	401	395	411	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	323	319	305	315	303	311	276	0	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		
2009	8,373	(1.44%)	\$108,382,142	\$12,944	\$107,269,802	\$12,811	637	13.14	1,340	1600.00%		
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		
2018 (2)	7,559	0.37	107,750,259	14,255	53,280,961	7,049	506	14.94	1,824	24.19		

Source: School District Records
Ohio Department of Education

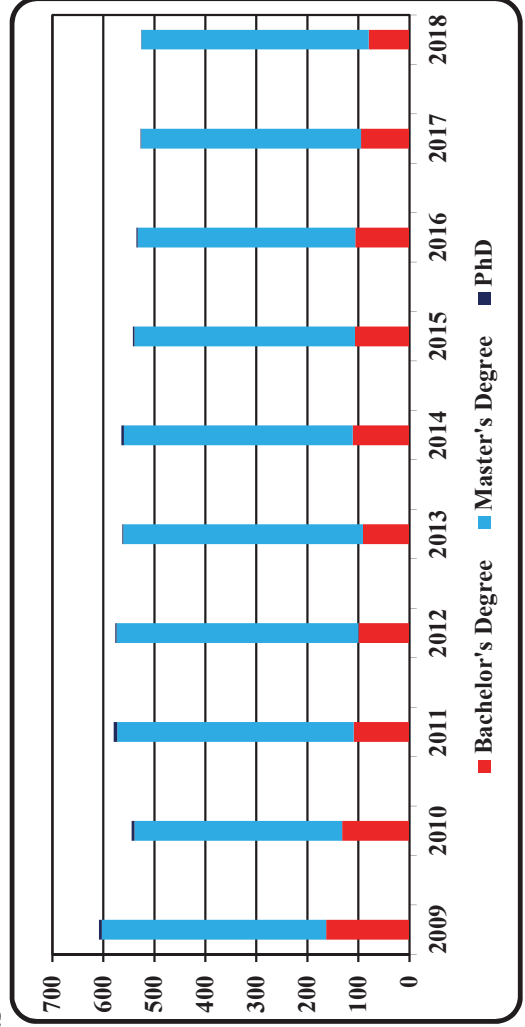
(1) Debt Service totals have been excluded.

(2) Total Expenses decreased during 2018 due to changes in assumptions and benefit terms related to pensions.

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

Degree	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Bachelor's Degree	163	132	109	100	91	111	107	106	95	80
Master's Degree	440	407	464	474	470	449	432	427	431	445
PhD	6	6	7	3	2	5	3	2	1	1
Total	609	545	580	577	563	565	542	535	527	526
Years of Experience										
0 - 5	152	112	141	128	126	120	106	133	90	81
6 - 10	67	56	63	79	89	117	139	129	125	115
11 and over	390	377	376	370	348	328	297	273	312	330
Total	609	545	580	577	563	565	542	535	527	526

Source: School District Records



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

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Current:										
Instruction:										
Regular	504	494	453	398	394	391	382	367	329	325
Special	116	34	121	108	103	102	126	139	189	211
Vocational	17	16	16	14	15	15	9	12	10	11
Student Intervention	9	11	9	11	0	0	1	0	0	0
Support Services:										
Pupils	113	102	116	74	76	75	114	134	109	108
Instructional Staff	49	48	55	124	118	117	91	42	45	39
Board of Education	0	1	0	0	5	5	0	0	0	0
Administration	57	46	57	51	51	51	40	50	52	45
Fiscal	11	17	11	14	14	14	10	15	15	13
Business	6	6	6	7	7	7	5	7	7	6
Operation and Maintenance of Plant	45	65	44	72	69	69	68	73	81	60
Pupil Transportation	6	56	6	81	78	77	72	68	53	59
Central	7	3	7	9	9	9	8	2	2	2
Operation of Non-Instructional Services	1	1	1	1	1	1	1	1	1	1
Operation of Food Service	14	24	13	44	44	44	41	41	35	36
Extracurricular Activities	12	11	11	2	2	2	2	2	2	1
Totals	967	935	926	1,010	986	979	970	953	930	917

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



*Helen H. "Sue" Osborn
Administration Building*



The Treasurer's Office was recognized by Ohio Auditor Dave Yost for receiving the district's 8th consecutive Perfect Audit report.



Cardinal **PRIDE**

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

6451 Center Street
Mentor, Ohio 44060

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Phone: (440)255-4444
Facsimile: (440)255-4622



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
JANUARY 10, 2019**