



OHIO AUDITOR OF STATE
KEITH FABER



**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
LAKE COUNTY**

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**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
LAKE COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal CFDA Number	Total Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE		
<i>Passed Through Ohio Department of Education</i>		
<u>Child Nutrition Cluster:</u>		
School Breakfast Program	10.553	\$ 205,927
National School Lunch Program	10.555	839,435
National School Lunch Program - Non-Cash Assistance	10.555	184,768
Total - National School Lunch Program		<u>1,024,203</u>
Total U.S. Department of Agriculture/Child Nutrition Cluster		<u>1,230,130</u>
U.S. DEPARTMENT OF EDUCATION		
<i>Passed Through Ohio Department of Education</i>		
<u>Special Education Cluster:</u>		
Special Education: Grants to States	84.027	211,730
		<u>1,481,671</u>
Total - Special Education: Grants to States		1,693,401
Special Education Preschool Grants	84.173	4,172
		<u>20,389</u>
Total - Special Education: Preschool Grants		24,561
Total - Special Education Cluster		1,717,962
Title I Grant to Local Educational Agencies	84.010	134,113
		<u>592,928</u>
Total- Title I Grants to Local Educational Agencies		727,041
Career and Technical Education - Basic Grants to States	84.048	38,822
		<u>226,677</u>
Total - Career and Technical Education - Basic Grants to States		265,499
English Language Acquisition State Grants	84.365	4,723
		<u>28,153</u>
Total - English Language Acquisition State Grants		32,876
Supporting Effective Instruction State Grant	84.367	6,400
		<u>174,732</u>
Total - Supporting Effective Instruction State Grant		181,132
Student Support and Academic Enrichment Title IV-A	84.424	69,380
Total U.S. Department of Education		<u>2,993,890</u>
Total		<u>\$ 4,224,020</u>

The accompanying notes are an integral part of this schedule.

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
LAKE COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED JUNE 30, 2019**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (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, 2019. 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 benefited from the use of those donated food commodities.



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

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, (the District) as of and for the year ended June 30, 2019, 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 26, 2019.

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. Therefore, unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a material weakness. We consider finding 2019-001 to be a material weakness.

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 an instance of noncompliance or other matter we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2019-001.

District's Response to Finding

The District's response to the finding identified in our audit is described in the accompanying schedule of findings and corrective action plan. We did not subject the District's response to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.



Keith Faber
Auditor of State
Columbus, Ohio

December 26, 2019



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

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, 2019. 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 Mentor Exempted Village School 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, 2019.

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 Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the governmental 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, 2019, 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 26, 2019. We conducted our audit to opine on the District's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards 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.



Keith Faber
Auditor of State
Columbus, Ohio

December 26, 2019

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**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
LAKE COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
June 30, 2019**

1. SUMMARY OF AUDITOR'S RESULTS
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(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	Yes
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	➤ Child Nutrition Cluster, CFDA 10.553 and 10.555
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	Yes

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

FINDING NUMBER 2019-001

Noncompliance Finding/Material Weakness – Interfund Transfers

Ohio Rev. Code § 5705.10(I) indicates money paid into any fund “shall be used only for the purposes for which such fund is established.” Additionally, **Ohio Rev. Code § 5705.14, 15 and 16** provide guidelines for interfund transfers. In general, except for certain limited exceptions specified in statute, transfers from funds other than the General Fund may only be made with the approval of the Tax Commissioner.

Ohio Rev. Code 5705.13(A) indicates a taxing authority of a subdivision, by resolution or ordinance, may establish reserve balance accounts to accumulate currently available resources for various purposes. A reserve balance account established for the purpose described in this section may be established in the general fund, however, the amount of money reserved shall not exceed five percent of the revenue credited in the preceding fiscal year to the fund.

On November 20, 2018, the Board of Education approved a *General Fund Operating Budget Reserve* policy which indicated a reserve of 15% of the annual total general fund expenses may be established. The operating fund reserve is to only be accessed with the authority of the Board for extraordinary one-item needs, unexpected expenditures due to natural disasters or emergencies, or to avoid cash flow borrowing. To fund this reserve the Board transferred \$9,102,000 and \$3,413,229 from its Employee Benefits Self-Insurance Fund and Workers’ Compensation Self-Insurance Fund, respectively, to the General Fund operating reserve.

These transfers were not consistent with the purpose for which the self-insurance funds were established nor approved by the Tax Commissioner. As such, Cash and Interfund Transfers In were overstated in the General Fund by \$12,515,229. Additionally, Cash was understated and Interfund Transfers Out were overstated in the Self-Insurance Funds by \$12,515,229. Management subsequently adjusted its financial statements and accounting records to correct these errors.

The District should ensure disbursements from all funds are consistent for the purpose for which such funds were established and that all interfund transfers are approved in accordance with the requirements specified in statute. Additionally, the Board should amend its Operating Reserve Policy to not exceed five percent of the revenue credited in the preceding fiscal year to the general fund consistent with **Ohio Rev. Code § 5705.13**.

Officials’ Response: See Corrective Action Plan.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

Administration Building

William M. Porter
Superintendent

Daniel L. Wilson
Chief Financial Officer

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

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
LAKE COUNTY**

**CORRECTIVE ACTION PLAN
2 CFR § 200.511(c)
JUNE 30, 2019**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2019-001	The Mentor Exempted Village Board of Education met on Monday, December 23, 2019 and voted to authorize six interfund transfers from the General Fund Operating Reserve to the medical self insurance fund, dental self insurance fund, and four workers compensation self insurance funds. These interfund transfers were posted on December 26, 2019. The Board of Education will revise Board of Education policy 8.02.1to fully comply with Ohio Revised Code 5705.13. It is anticipated the policy revision will occur prior to April 2020.	April 2020	Dan Wilson, Treasurer

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COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2019



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, 2019

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



Every year, students from Mentor High School's National Honor Society host a fun-filled party before winter break where they invite the children of our community to join them in an evening of holiday cheer!





Introductory Section



Mentor Exempted Village School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2019
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Our Koman - Spreng - Zonneville Military Commitment Ceremony honors Mentor High School seniors who plan to enter the United States military after graduation. These photos are from the seventh annual event recognizing the Class of 2019. This event was created in partnership with the local VFW and American Legion Post. It's open to the public and all are welcome to attend.



Administration Building

William M. Porter
Superintendent

Daniel L. Wilson
Chief Financial Officer

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

December 26, 2019

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, 2019. 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, 2019. 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 7,331 students in grades kindergarten through twelve during the 2018-2019 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, two middle schools, seven 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 2018-2019:

- 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 Elementary School, constructed in 1963, provides instruction for students in grades kindergarten through five 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.
- Fairfax Elementary School, constructed in 1967, provides instruction for students in grades pre-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 seven 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 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 2,482 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, including a special cheerleading program for children with special needs.

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 2018-2019 school year.

Certified Staff The average experience of the certificated staff is 15.8 years and 85 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 2018-2019 fiscal year was “Maximizing District Resources”. This year’s theme reflects the following budgetary dynamics:

- 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 2018-2019 budget and five-year fiscal projections benefited from refinements and enhancements to calculation formulas and methodologies. The 2018-2019 actual general fund expenses increased 6.51 percent. The Board of Education created and funded a general fund operating reserve fund in November 2018. The general fund contributed \$2,652,474 to create this reserve.

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 2018-2019 school year, Mentor Schools was responsible for the education of approximately 7,331 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 seven elementary schools, two 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 2018-2019 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. In the 2018-2019 school year, the plan began full implementation. 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 2018-2019 school year, as part of our strategic plan work in the area of Resources, we re-opened a repurposed middle school as an elementary school and we began the year with new 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.

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 2018-2019

- Mentor High School offered more than 215 courses for students during the 2018-2019 school year, and each of our two 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 2018-2019 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.
 - 132 Mentor High School students took 362 AP exams during the 2018-2019 school year.
- Dual Credit: Eight dual credit courses were offered to Mentor High students in conjunction with Lakeland Community College for the 2018-2019 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 27 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 2018-2019 school year as part of the School District's balanced learning approach to academics. Mentor Schools provides a balanced education for students by focusing on high-quality instruction that meets the needs of today's diverse learners. Our teachers work hard to create a classroom environment that fosters success and will ultimately encourage each student to become enrolled, enlisted or employed after high school.
- 599 Mentor High School seniors earned their high school diploma, and 143 of those graduates earned an honors diploma.
- Of the Class of 2019 graduates, 420 planned to go on to 72 different colleges or universities pursuing two or four-year programs; 16 were joining the military and 163 were entering the workforce.
- 87 members of the Class of 2019 graduated with Summa Cum Laude honors, meaning they maintained a cumulative Grade Point Average (GPA) of 3.8 or higher. An additional 79 Graduated Magna Cum Laude.
- 52 members of the Mentor High School Class of 2019 graduated with a 4.0 or Higher cumulative Grade Point Average.

- 3 Mentor High School seniors earned recognition from the National Merit Program as commended students.
- 154 seniors earned college credit while still in high school and 13 of those students earned their Associate's Degree.
- 85 students were recognized by the Advanced Placement (AP) Scholar Program. 35 became AP Scholars, 13 AP Scholars with Honors, 34 AP Scholars with Distinction and 4 National AP Scholar.
- 4 seniors took a distance learning Calculus 3 course.
- The class of 2019 spent almost 10,000 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.
- Four members of the Mentor High School Speech & Debate Team qualified for the 2019 OSDA State Tournament.
- During the 2018-2019 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 third 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 600 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 2019'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 third place honors in the 2019 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 School 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 2018-2019.
 - 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 2019 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 2018-2019 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 2019. 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 2018-2019 school year, the Mentor Top 25 Show Choir celebrated its 54th 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 54 years performing throughout northeastern Ohio, the United States, and many countries around the world. 2018-2019 included a successful performance and educational tour in San Antonio, Texas. 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 2018-2019 fall play and spring musical were Noises Off and The Most Happy Fella.
- 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 14th consecutive year for the fiscal year ended June 30, 2018. 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.

Mentor High School and our two middle schools (Memorial and Shore) are also home to very successful Science Olympiad teams. Last year, Mentor High School, Memorial Middle School and Shore Middle School Science Olympiad teams qualified for Ohio's State Science Olympiad Competition at the Ohio State University.

Mentor High School was again named one of America's best by U.S. News & World Report in 2019. Schools are ranked based on their performance on state-required tests and how well they prepare students for college. We were ranked 133rd in the State of Ohio.

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 Keith Faber'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, 2019

Board of Education

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

Superintendent

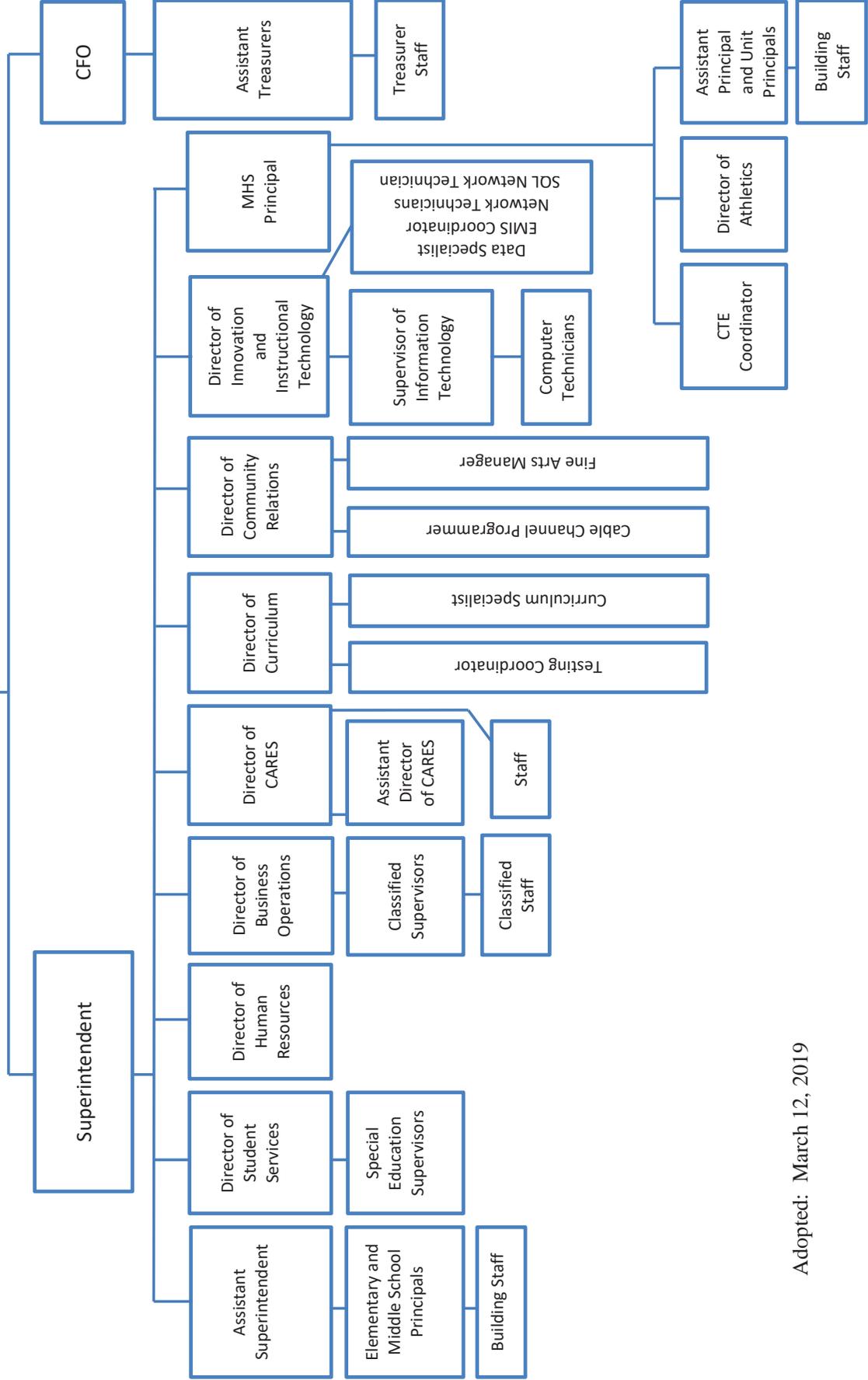
William M. Porter

Chief Financial Officer

Mr. Daniel L. Wilson

Community
Board of Education

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, 2018

Christopher P. Morill

Executive Director/CEO



*The annual Mentor High School Homecoming Parade is a tradition that includes every one of our school buildings joining together to share Cardinal Pride with our community!
Once a Cardinal, Always a Cardinal!*





OHIO AUDITOR OF STATE KEITH FABER



Lausche Building, 12th Floor
615 Superior Avenue, NW
Cleveland, Ohio 44113-1801
(216) 787-3665 or (800) 626-2297
NortheastRegion@ohioauditor.gov

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, 2019, 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, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *management's discussion and analysis*, and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment 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 26, 2019, 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 "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber
Auditor of State
Columbus, Ohio

December 26, 2019



Our talented students are always sure to dazzle a crowd with top-notch performances on the stage of the Fine Arts Center. Many of our student performance events are free and open to the public.



Mentor Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019
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, 2019. 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 2019 were as follows:

- ❖ Total general revenues of governmental activities accounted for \$96,198,140 in revenue or 87.41 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 \$13,855,630 or 12.59 percent of total revenues of \$110,053,770.
- ❖ The School District had \$93,317,099 in expenses related to governmental activities. Of these expenses, only \$13,855,630 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 \$96,198,140 were able to provide for these programs resulting in an increase of net position of governmental activities from (\$8,063,165) to \$8,673,506.
- ❖ The School District's major governmental fund was the general fund. The general fund had \$98,760,388 in revenues and \$99,440,804 in expenditures. The general fund's balance decreased by \$877,814 from \$75,554,059 to \$74,676,245.
- ❖ The School District's major enterprise fund was the Cardinal Autism Resource and Education School fund (C.A.R.E.S). The C.A.R.E.S fund had \$5,102,075 in operating revenues and \$4,066,338 in operating expenses. The C.A.R.E.S net position increased by \$1,035,737 from (\$10,898) to \$1,024,839.

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.

Mentor Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2019
Unaudited*

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 2019?" The statement of net position and the statement of activities answer this question. These statements include all non-fiduciary assets and liabilities using the accrual basis of accounting, similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

In the statement of net position and the statement of activities, the School District is divided into two distinct kinds of activities:

Governmental Activities - Most of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, operation of food services and extracurricular activities.

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

Reporting the School District's Most Significant Funds

The analysis of the School District's major funds begins on page 11. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental fund is the general fund.

Governmental Funds Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at fiscal year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is reconciled in the financial statements.

Mentor Exempted Village School District

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2019

Unaudited

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.

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's only fiduciary fund is custodial.

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 2019 compared to fiscal year 2018:

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Assets						
Current and Other Assets	\$184,861,886	\$168,177,139	\$6,346,648	\$4,787,167	\$191,208,534	\$172,964,306
Capital Assets, Net	25,955,839	25,928,498	679,477	698,224	26,635,316	26,626,722
<i>Total Assets</i>	<u>210,817,725</u>	<u>194,105,637</u>	<u>7,026,125</u>	<u>5,485,391</u>	<u>217,843,850</u>	<u>199,591,028</u>
Deferred Outflows of Resources						
Pension	27,467,511	34,644,144	1,272,784	1,369,967	28,353,054	35,632,610
OPEB	1,203,132	1,172,444	248,963	46,339	1,258,654	1,218,783
<i>Total Deferred Outflows of Resources</i>	<u>28,670,643</u>	<u>35,816,588</u>	<u>1,521,747</u>	<u>1,416,306</u>	<u>29,611,708</u>	<u>36,851,393</u>
Liabilities						
Current Liabilities	14,441,990	13,539,029	327,594	329,334	14,769,584	13,868,363
Long-Term Liabilities:						
Due Within One Year	1,575,681	1,388,882	58,441	40,163	1,634,122	1,429,045
Due In More Than One Year:						
Net Pension Liability	109,437,636	118,732,043	4,315,387	4,086,288	113,753,023	122,818,331
Net OPEB Liability	11,254,036	26,758,000	1,250,449	1,302,195	12,504,485	28,060,195
Other Amounts	5,075,670	4,884,257	89,352	83,423	5,165,022	4,967,680
<i>Total Liabilities</i>	<u>\$141,785,013</u>	<u>\$165,302,211</u>	<u>\$6,041,223</u>	<u>\$5,841,403</u>	<u>\$147,826,236</u>	<u>\$171,143,614</u>

(continued)

Mentor Exempted Village School District
Management's Discussion and Analysis
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Table 1
 Net Position (continued)

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Deferred Inflows of Resources						
Property Taxes	\$63,184,210	\$55,543,531	\$0	\$0	\$63,184,210	\$55,543,531
Payment in Lieu of Taxes	2,129,027	1,883,268	0	0	2,129,027	1,883,268
Pension	12,046,455	11,826,923	341,317	336,456	12,000,531	11,781,878
OPEB	11,670,157	3,429,457	321,383	145,522	11,798,099	3,574,979
<i>Total Deferred Inflows of Resources</i>	<u>89,029,849</u>	<u>72,683,179</u>	<u>662,700</u>	<u>481,978</u>	<u>89,111,867</u>	<u>72,783,656</u>
Net Position						
Net Investment in						
Capital Assets	25,923,032	25,712,480	679,477	698,224	26,602,509	26,410,704
Restricted for:						
Capital Projects	1,508,059	1,719,486	0	0	1,508,059	1,719,486
Other Purposes	828,765	896,549	0	0	828,765	896,549
Unrestricted (Deficit)	<u>(19,586,350)</u>	<u>(36,391,680)</u>	<u>1,164,472</u>	<u>(119,908)</u>	<u>(18,421,878)</u>	<u>(36,511,588)</u>
<i>Total Net Position</i>	<u>\$8,673,506</u>	<u>(\$8,063,165)</u>	<u>\$1,843,949</u>	<u>\$578,316</u>	<u>\$10,517,455</u>	<u>(\$7,484,849)</u>

The net pension liability (NPL) and net OPEB liability (NOL) are the largest liabilities reported by the School District at June 30, 2019. 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.

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.

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Overall, net position increased by \$18,002,304 during fiscal year 2019. Despite program expenses increasing as a result from prior year changes in assumptions and benefit terms related to pensions, net position increased due to revenues outpacing program expenses. Current and other assets increased mainly due to an increase in cash and property taxes receivable. Current liabilities increased due to increases in accrued wages and benefits and intergovernmental payable. The large decrease in deferred outflows of resources for pension resulted from current year amortization of amounts related to changes in assumptions. The increase in deferred inflows of resources for OPEB resulted from a change in assumptions related to the discount rate. 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 2019 and 2018.

Table 2
Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Program Revenues						
Charges for Services and Sales	\$6,301,517	\$5,808,262	\$5,666,850	\$4,838,476	\$11,968,367	\$10,646,738
Operating Grants and Contributions	7,414,742	7,799,993	0	0	7,414,742	7,799,993
Capital Grants and Contributions	139,371	99,650	0	0	139,371	99,650
<i>Total Program Revenues</i>	<u>13,855,630</u>	<u>13,707,905</u>	<u>5,666,850</u>	<u>4,838,476</u>	<u>19,522,480</u>	<u>18,546,381</u>
General Revenues						
Property Taxes	65,344,899	77,771,688	0	0	65,344,899	77,771,688
Grants and Entitlements	24,209,471	25,417,506	0	0	24,209,471	25,417,506
Payment in Lieu of Taxes	2,129,027	2,479,421	0	0	2,129,027	2,479,421
Investment Earnings	2,943,068	466,415	0	0	2,943,068	466,415
Unrestricted Contributions and Donations	60,139	78,561	0	0	60,139	78,561
Gain on Sale of Capital Assets	600,000	0	0	0	600,000	0
Miscellaneous	911,536	729,512	0	0	911,536	729,512
<i>Total General Revenues</i>	<u>96,198,140</u>	<u>106,943,103</u>	<u>0</u>	<u>0</u>	<u>96,198,140</u>	<u>106,943,103</u>
<i>Total Revenues</i>	<u>\$110,053,770</u>	<u>\$120,651,008</u>	<u>\$5,666,850</u>	<u>\$4,838,476</u>	<u>\$115,720,620</u>	<u>\$125,489,484</u>

(continued)

Mentor Exempted Village School District
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Table 2 (continued)
Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Program Expenses						
Instruction:						
Regular	\$36,011,754	\$15,824,007	\$0	\$0	\$36,011,754	\$15,824,007
Special	14,641,562	8,175,008	0	0	14,641,562	8,175,008
Vocational	2,064,563	1,374,215	0	0	2,064,563	1,374,215
Student Intervention	202,007	192,358	0	0	202,007	192,358
Support Services						
Pupils	5,208,249	2,587,146	0	0	5,208,249	2,587,146
Instructional Staff	5,648,210	2,439,325	0	0	5,648,210	2,439,325
Board of Education	185,451	138,330	0	0	185,451	138,330
Administration	4,056,735	(439,780)	0	0	4,056,735	(439,780)
Fiscal	2,497,752	2,835,594	0	0	2,497,752	2,835,594
Business	502,451	412,529	0	0	502,451	412,529
Operation and						
Maintenance of Plant	9,208,526	6,986,740	0	0	9,208,526	6,986,740
Pupil Transportation	5,908,075	6,175,120	0	0	5,908,075	6,175,120
Central	881,140	859,725	0	0	881,140	859,725
Operation of						
Non-Instructional Services	1,620,579	1,761,792	0	0	1,620,579	1,761,792
Operation of Food Service	2,287,853	2,562,055	0	0	2,287,853	2,562,055
Extracurricular Activities	2,392,192	1,662,753	0	0	2,392,192	1,662,753
Cardinal Autism Resource						
and Education School	0	0	4,066,338	1,980,469	4,066,338	1,980,469
Treasury Management						
Services	0	0	334,879	167,119	334,879	167,119
<i>Total Program Expenses</i>	<u>93,317,099</u>	<u>53,546,917</u>	<u>4,401,217</u>	<u>2,147,588</u>	<u>97,718,316</u>	<u>55,694,505</u>
<i>Change in Net Position</i>	<u>16,736,671</u>	<u>67,104,091</u>	<u>1,265,633</u>	<u>2,690,888</u>	<u>18,002,304</u>	<u>69,794,979</u>
Net Position Beginning						
of Year	<u>(8,063,165)</u>	<u>(75,167,256)</u>	<u>578,316</u>	<u>(2,112,572)</u>	<u>(7,484,849)</u>	<u>(77,279,828)</u>
Net Position End of Year	<u>\$8,673,506</u>	<u>(\$8,063,165)</u>	<u>\$1,843,949</u>	<u>\$578,316</u>	<u>\$10,517,455</u>	<u>(\$7,484,849)</u>

The largest component of the increase in program expenses results from changes in assumptions and benefit terms related to pensions in the prior year. For the prior year, STRS adopted certain assumption changes, including a reduction in their discount rate, and also voted to suspend cost of living adjustments (COLA). 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. For fiscal year 2019, pension expense increased to \$7,101,852, closer to the fiscal year 2017 pension expense amount.

Governmental Activities

The School District's governmental activities net position increased by \$16,736,671. Program revenues of \$13,855,630 and general revenues of \$96,198,140 were sufficient to offset total governmental expenses of \$93,317,099. An increase in net position is mainly due to revenues outpacing program expenses. The School District is strategic in their investment opportunities which is apparent with the increase in investment earnings of \$2,476,653.

Governmental program expenses increased in fiscal year 2019 due to a large negative expense related to the change in assumptions and benefit terms related to pension in the prior fiscal year.

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The primary source of revenue for governmental activities is derived from property taxes. This revenue source represents 59.38 percent of total governmental revenue.

Instruction and support services comprise 56.70 and 36.55 percent, respectively, of governmental program expenses. Overall, governmental program expenses excluding amounts related to the net pension and net OPEB liabilities increased due to an increase in salaries and instructional technology as well as the cost of tuition for resident students served outside of the School District.

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

Table 3
Total and Net Cost of Program Services
Governmental Activities

	2019		2018	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction:				
Regular	\$36,011,754	(\$34,593,535)	\$15,824,007	(\$14,483,044)
Special	14,641,562	(10,570,885)	8,175,008	(4,056,759)
Vocational	2,064,563	(1,854,166)	1,374,215	(1,148,207)
Student Intervention	202,007	10,894	192,358	23,644
Support Services:				
Pupils	5,208,249	(4,164,740)	2,587,146	(1,606,236)
Instructional Staff	5,648,210	(5,278,249)	2,439,325	(1,972,047)
Board of Education	185,451	(181,193)	138,330	(135,083)
Administration	4,056,735	(3,299,853)	(439,780)	1,059,303
Fiscal	2,497,752	(2,405,313)	2,835,594	(2,746,341)
Business	502,451	(490,384)	412,529	(400,995)
Operation and Maintenance of Plant	9,208,526	(8,878,052)	6,986,740	(6,698,376)
Pupil Transportation	5,908,075	(5,766,635)	6,175,120	(6,035,078)
Central	881,140	(725,451)	859,725	(759,828)
Operation of Non-Instructional Services	1,620,579	(132,652)	1,761,792	(210,612)
Operation of Food Service	2,287,853	179,035	2,562,055	63,767
Extracurricular Activities	2,392,192	(1,310,290)	1,662,753	(733,120)
Total	\$93,317,099	(\$79,461,469)	\$53,546,917	(\$39,839,012)

The dependence upon tax revenues during fiscal year 2019 for governmental activities is apparent, as 85.15 percent of 2019 governmental activities are supported through taxes and other general revenues. The School District's taxpayers, as a whole, are by far the primary support for the School District's students.

Business-Type Activities

During fiscal year 2019, 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

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returned 100 percent of the original advance. The major revenue source for this fund is tuition and fees. The C.A.R.E.S fund had an increase in net position from the prior year with operating revenues exceeding operating expenses by \$1,035,737. Operating revenues increased due to an increase in tuition and fees.

The School District also operated a business-type activity for treasury management services. The School District is providing accounting services to other school districts. The major revenue source for this fund is charges for services for the amounts invoiced to other school districts.

The School District's Funds

The School District's governmental funds (as presented on the balance sheet on page 18) reported a combined fund balance of \$76,969,744, which is a decrease from the prior year's fund balance of \$77,997,023 by \$1,027,279.

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 \$74,676,245, of which \$103,072 was nonspendable for inventory, \$4,678,378 was assigned to support services, contracts and for 2020 appropriations, and \$69,894,795 was unassigned. The general fund balance decreased by \$877,814. While there was an increase in interest earned on investments, there were higher instructional and support service expenditures for the 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 \$102,206,640 and \$101,906,640, not including carryover balances, respectively. Actual revenues for fiscal year 2019 exceeded the School District's final budgeted revenues by 1.60 percent. This can be primarily attributed to higher than budgeted interest revenue, intergovernmental revenue and payment in lieu of taxes.

General fund original appropriations were \$106,239,231, which included carryover encumbrances. Final appropriations were \$105,939,231, which also included carryover encumbrances. The actual expenditures for fiscal year 2019 totaled \$102,874,691, which was \$3,064,540 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 2019 balances compared to 2018:

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

	Governmental Activities		Business-Type Activities	
	2019	2018	2019	2018
Land	\$465,776	\$465,776	\$0	\$0
Construction in Progress	261,552	104,750	0	0
Land Improvements	4,334,653	3,540,065	135,011	143,240
Buildings and Improvements	16,401,845	17,233,281	496,246	535,507
Furniture and Fixtures	2,684,023	2,910,327	48,220	19,477
Vehicles	1,807,990	1,674,299	0	0
<i>Total Capital Assets</i>	<u>\$25,955,839</u>	<u>\$25,928,498</u>	<u>\$679,477</u>	<u>\$698,224</u>

Acquisitions for governmental activities totaled \$2,539,953 during fiscal year 2019. The School District had \$261,552 in outstanding construction in progress at year end. Depreciation of governmental activities totaled \$2,065,522 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 2019. The overall debt margin of the School District as of June 30, 2019 was \$173,402,410. See Note 13 for additional information regarding long-term obligations.

Current Financial Related Activities

The theme for the fiscal year 2019 budget was “Maximizing District Resources.” Our plan for executing the theme was detailed in the September 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 2019 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.

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.

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The following fiscal management beliefs were utilized in the fiscal year 2019 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 2019 original general fund budget was an increase of 5.75 percent over actual fiscal year 2018 expenditures and decrease of .82 percent from the fiscal year 2018 budget. The budget was \$2,518,343 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. The 2018-2019 budget models remained unchanged. However, formulas for budget salaries and benefits were enhanced and resulted in improved budget performance.

Contacting the School District's Financial Management

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

Mentor Exempted Village School District

Statement of Net Position

June 30, 2019

	Governmental Activities	Business-Type Activities	Total*
Assets			
Equity in Pooled Cash and Cash Equivalents	\$102,836,134	\$5,304,444	\$108,140,578
Accounts Receivable	179,963	0	179,963
Accrued Interest Receivable	398,971	0	398,971
Intergovernmental Receivable	1,349,005	968,379	2,317,384
Internal Balances	55,162	(55,162)	0
Inventory Held for Resale	81,610	0	81,610
Materials and Supplies Inventory	123,567	0	123,567
Property Taxes Receivable	71,388,068	0	71,388,068
Payment in Lieu of Taxes Receivable	2,129,027	0	2,129,027
Net OPEB Asset	6,320,379	128,987	6,449,366
Nondepreciable Capital Assets	727,328	0	727,328
Depreciable Capital Assets, Net	25,228,511	679,477	25,907,988
<i>Total Assets</i>	<u>210,817,725</u>	<u>7,026,125</u>	<u>217,843,850</u>
Deferred Outflows of Resources			
Pension	27,467,511	1,272,784	28,353,054
OPEB	1,203,132	248,963	1,258,654
<i>Total Deferred Outflows of Resources</i>	<u>28,670,643</u>	<u>1,521,747</u>	<u>29,611,708</u>
Liabilities			
Accounts Payable	1,181,583	14,963	1,196,546
Contracts Payable	32,807	0	32,807
Accrued Wages and Benefits	9,347,797	243,213	9,591,010
Intergovernmental Payable	2,143,561	69,418	2,212,979
Matured Compensated Absences Payable	417,718	0	417,718
Claims Payable	1,318,524	0	1,318,524
Long-Term Liabilities:			
Due Within One Year	1,575,681	58,441	1,634,122
Due In More Than One Year:			
Net Pension Liability (See Note 14)	109,437,636	4,315,387	113,753,023
Net OPEB Liability (See Note 15)	11,254,036	1,250,449	12,504,485
Other Amounts Due In More Than One Year	5,075,670	89,352	5,165,022
<i>Total Liabilities</i>	<u>141,785,013</u>	<u>6,041,223</u>	<u>147,826,236</u>
Deferred Inflows of Resources			
Property Taxes	63,184,210	0	63,184,210
Payment in Lieu of Taxes	2,129,027	0	2,129,027
Pension	12,046,455	341,317	12,000,531
OPEB	11,670,157	321,383	11,798,099
<i>Total Deferred Inflows of Resources</i>	<u>89,029,849</u>	<u>662,700</u>	<u>89,111,867</u>
Net Position			
Net Investment in Capital Assets	25,923,032	679,477	26,602,509
Restricted for:			
Capital Improvement	1,508,059	0	1,508,059
Scholarship Awards	76,336	0	76,336
Driver's Training	292,020	0	292,020
Student Activities	238,439	0	238,439
Athletics and Music	86,275	0	86,275
Auxiliary Services	49,459	0	49,459
Other Purposes	86,236	0	86,236
Unrestricted (Deficit)	(19,586,350)	1,164,472	(18,421,878)
<i>Total Net Position</i>	<u>\$8,673,506</u>	<u>\$1,843,949</u>	<u>\$10,517,455</u>

*After deferred outflows of resources and deferred inflows of resources related to the change in internal proportionate share of pension and OPEB-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, 2019

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
Current:				
Instruction:				
Regular	\$36,011,754	\$1,397,178	\$21,041	\$0
Special	14,641,562	354,205	3,716,472	0
Vocational	2,064,563	51,790	158,607	0
Student Intervention	202,007	4,165	208,736	0
Support Services:				
Pupils	5,208,249	849,647	193,862	0
Instructional Staff	5,648,210	144,730	225,231	0
Board of Education	185,451	4,258	0	0
Administration	4,056,735	242,990	513,892	0
Fiscal	2,497,752	92,197	242	0
Business	502,451	12,067	0	0
Operation and Maintenance of Plant	9,208,526	191,103	0	139,371
Pupil Transportation	5,908,075	138,699	2,741	0
Central	881,140	127,659	28,030	0
Operation of Non-Instructional Services	1,620,579	0	1,487,927	0
Operation of Food Service	2,287,853	1,713,170	753,718	0
Extracurricular Activities	2,392,192	977,659	104,243	0
<i>Total Governmental Activities</i>	<u>93,317,099</u>	<u>6,301,517</u>	<u>7,414,742</u>	<u>139,371</u>
Business-Type Activities				
Cardinal Autism Resource and Education School	4,066,338	5,102,075	0	0
Treasury Management Services	334,879	564,775	0	0
<i>Total Business-Type Activities</i>	<u>4,401,217</u>	<u>5,666,850</u>	<u>0</u>	<u>0</u>
<i>Total</i>	<u>\$97,718,316</u>	<u>\$11,968,367</u>	<u>\$7,414,742</u>	<u>\$139,371</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

Gain on Sale of Capital Assets

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
(\$34,593,535)	\$0	(\$34,593,535)
(10,570,885)	0	(10,570,885)
(1,854,166)	0	(1,854,166)
10,894	0	10,894
(4,164,740)	0	(4,164,740)
(5,278,249)	0	(5,278,249)
(181,193)	0	(181,193)
(3,299,853)	0	(3,299,853)
(2,405,313)	0	(2,405,313)
(490,384)	0	(490,384)
(8,878,052)	0	(8,878,052)
(5,766,635)	0	(5,766,635)
(725,451)	0	(725,451)
(132,652)	0	(132,652)
179,035	0	179,035
(1,310,290)	0	(1,310,290)
(79,461,469)	0	(79,461,469)
0	1,035,737	1,035,737
0	229,896	229,896
0	1,265,633	1,265,633
(79,461,469)	1,265,633	(78,195,836)
64,507,192	0	64,507,192
837,707	0	837,707
24,209,471	0	24,209,471
2,129,027	0	2,129,027
2,943,068	0	2,943,068
60,139	0	60,139
600,000	0	600,000
911,536	0	911,536
96,198,140	0	96,198,140
16,736,671	1,265,633	18,002,304
(8,063,165)	578,316	(7,484,849)
\$8,673,506	\$1,843,949	\$10,517,455

Mentor Exempted Village School District

*Balance Sheet
Governmental Funds
June 30, 2019*

	General	Other Governmental Funds	Total Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$79,544,569	\$2,841,162	\$82,385,731
Accounts Receivable	176,271	3,692	179,963
Accrued Interest Receivable	393,345	5,626	398,971
Intergovernmental Receivable	843,879	464,236	1,308,115
Interfund Receivable	165,892	0	165,892
Inventory Held for Resale	0	81,610	81,610
Materials and Supplies Inventory	103,072	20,495	123,567
Property Taxes Receivable	70,482,103	905,965	71,388,068
Payment in Lieu of Taxes Receivable	2,129,027	0	2,129,027
<i>Total Assets</i>	<u>\$153,838,158</u>	<u>\$4,322,786</u>	<u>\$158,160,944</u>
Liabilities			
Accounts Payable	\$939,177	\$211,731	\$1,150,908
Contracts Payable	0	32,807	32,807
Accrued Wages and Benefits	8,994,349	353,448	9,347,797
Matured Compensated Absences Payable	291,196	126,522	417,718
Interfund Payable	0	110,730	110,730
Intergovernmental Payable	1,983,046	160,515	2,143,561
<i>Total Liabilities</i>	<u>12,207,768</u>	<u>995,753</u>	<u>13,203,521</u>
Deferred Inflows of Resources			
Unavailable Revenue	2,441,333	233,109	2,674,442
Property Taxes	62,383,785	800,425	63,184,210
Payment in Lieu of Taxes	2,129,027	0	2,129,027
<i>Total Deferred Inflows of Resources</i>	<u>66,954,145</u>	<u>1,033,534</u>	<u>67,987,679</u>
Fund Balances			
Nonspendable	103,072	20,495	123,567
Restricted	0	2,227,036	2,227,036
Committed	0	128,878	128,878
Assigned	4,678,378	0	4,678,378
Unassigned (Deficit)	69,894,795	(82,910)	69,811,885
<i>Total Fund Balances</i>	<u>74,676,245</u>	<u>2,293,499</u>	<u>76,969,744</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$153,838,158</u>	<u>\$4,322,786</u>	<u>\$158,160,944</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, 2019*

Total Governmental Fund Balances \$76,969,744

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 25,955,839

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	1,591,493
Intergovernmental	564,313
Tuition and Fees	486,382
Charges for Services	1,928
Rentals	4,374
Miscellaneous	<u>25,952</u>

Total 2,674,442

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	17,830,444
Claims Payable	<u>1,311,650</u>

Total 19,142,094

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:

Claims Payable	(1,311,650)
Compensated Absences	<u>(5,339,701)</u>

Total (6,651,351)

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	27,467,511
Deferred Inflows - Pension	(12,046,455)
Net Pension Liability	(109,437,636)
Deferred Outflows - OPEB	1,203,132
Net OPEB Asset	6,320,379
Deferred Inflows - OPEB	(11,670,157)
Net OPEB Liability	<u>(11,254,036)</u>

Total (109,417,262)

Net Position of Governmental Activities \$8,673,506

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, 2019

	General	Other Governmental Funds	Total Governmental Funds
Revenues			
Property Taxes	\$64,254,870	\$833,924	\$65,088,794
Intergovernmental	26,281,229	5,191,911	31,473,140
Interest	2,798,355	29,385	2,827,740
Tuition and Fees	1,742,365	778,225	2,520,590
Extracurricular Activities	553,640	799,042	1,352,682
Contributions and Donations	60,139	193,419	253,558
Charges for Services	70,968	1,724,311	1,795,279
Rentals	196,438	4,026	200,464
Payment in Lieu of Taxes	2,129,027	0	2,129,027
Miscellaneous	673,357	215,302	888,659
<i>Total Revenues</i>	<u>98,760,388</u>	<u>9,769,545</u>	<u>108,529,933</u>
Expenditures			
Current:			
Instruction:			
Regular	44,219,751	93,078	44,312,829
Special	15,568,277	1,628,268	17,196,545
Vocational	1,989,366	323,692	2,313,058
Student Intervention	183,267	19,248	202,515
Support Services:			
Pupils	5,254,827	1,012,122	6,266,949
Instructional Staff	6,377,316	337,039	6,714,355
Board of Education	187,363	1,200	188,563
Administration	5,508,215	516,195	6,024,410
Fiscal	2,520,158	83,271	2,603,429
Business	541,188	0	541,188
Operation and Maintenance of Plant	8,257,062	1,767,609	10,024,671
Pupil Transportation	6,085,763	2,540	6,088,303
Central	858,152	29,328	887,480
Operation of Non-Instructional Services	74,601	1,554,905	1,629,506
Operation of Food Service	0	2,407,862	2,407,862
Extracurricular Activities	1,768,485	940,051	2,708,536
Capital Outlay	47,013	0	47,013
<i>Total Expenditures</i>	<u>99,440,804</u>	<u>10,716,408</u>	<u>110,157,212</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(680,416)</u>	<u>(946,863)</u>	<u>(1,627,279)</u>
Other Financing Sources (Uses)			
Sale of Capital Assets	0	600,000	600,000
Transfers In	0	197,398	197,398
Transfers Out	(197,398)	0	(197,398)
<i>Total Other Financing Sources (Uses)</i>	<u>(197,398)</u>	<u>797,398</u>	<u>600,000</u>
<i>Net Change in Fund Balances</i>	(877,814)	(149,465)	(1,027,279)
<i>Fund Balances Beginning of Year - Restated (See Note 3)</i>	<u>75,554,059</u>	<u>2,442,964</u>	<u>77,997,023</u>
<i>Fund Balances End of Year</i>	<u>\$74,676,245</u>	<u>\$2,293,499</u>	<u>\$76,969,744</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, 2019*

Net Change in Fund Balances - Total Governmental Funds (\$1,027,279)

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	2,539,953
Depreciation	<u>(2,065,522)</u>

Total 474,431

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. (447,090)

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

Delinquent Property Taxes	256,105
Intergovernmental	97,025
Tuition and Fees	444,241
Charges for Services	(109)
Rentals	(11,630)
Miscellaneous	<u>22,535</u>

Total 808,167

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

Pension	8,337,042
OPEB	<u>281,198</u>

Total 8,618,240

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	(6,438,800)
OPEB	<u>13,333,133</u>

Total 6,894,333

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. (85,129)

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. 1,500,998

Change in Net Position of Governmental Activities \$16,736,671

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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$60,407,120	\$71,171,645	\$70,431,700	(\$739,945)
Intergovernmental	21,748,018	25,576,995	26,529,192	952,197
Interest	760,764	1,020,000	1,748,064	728,064
Tuition and Fees	1,629,059	1,844,250	1,499,179	(345,071)
Extracurricular Activities	290,315	338,537	325,165	(13,372)
Contributions and Donations	0	0	181	181
Charges for Services	40,316	50,000	65,299	15,299
Rentals	75,156	85,000	66,376	(18,624)
Payment in Lieu of Taxes	585,132	600,000	2,129,027	1,529,027
Miscellaneous	1,093,057	1,110,213	570,073	(540,140)
<i>Total Revenues</i>	86,628,937	101,796,640	103,364,256	1,567,616
Expenditures				
Current:				
Instruction:				
Regular	45,632,828	45,343,599	44,751,358	592,241
Special	17,341,766	17,260,094	17,158,808	101,286
Vocational	2,301,529	2,090,806	1,825,531	265,275
Student Intervention	282,724	307,466	272,924	34,542
Support Services:				
Pupils	5,246,263	5,292,304	5,260,345	31,959
Instructional Staff	6,690,808	6,638,063	6,506,445	131,618
Board of Education	216,408	248,324	215,006	33,318
Administration	5,776,013	5,629,810	5,368,215	261,595
Fiscal	2,567,433	2,843,759	2,716,516	127,243
Business	577,125	581,060	543,331	37,729
Operation and Maintenance of Plant	9,284,948	9,257,591	8,612,483	645,108
Pupil Transportation	6,290,358	6,863,758	6,693,366	170,392
Central	1,031,629	1,065,215	927,543	137,672
Operation of Non-Instructional Services	91,107	91,323	85,767	5,556
Extracurricular Activities	1,908,529	1,833,796	1,613,512	220,284
Capital Outlay	47,143	127,143	127,143	0
<i>Total Expenditures</i>	105,286,611	105,474,111	102,678,293	2,795,818
<i>Excess of Revenues Over (Under) Expenditures</i>	(18,657,674)	(3,677,471)	685,963	4,363,434
Other Financing Sources (Uses)				
Advances In	410,000	110,000	175,000	65,000
Advances Out	(537,500)	(50,000)	0	50,000
Transfers In	15,167,703	0	0	0
Transfers Out	(415,120)	(415,120)	(196,398)	218,722
<i>Total Other Financing Sources (Uses)</i>	14,625,083	(355,120)	(21,398)	333,722
<i>Net Change in Fund Balance</i>	(4,032,591)	(4,032,591)	664,565	4,697,156
<i>Fund Balance Beginning of Year</i>	68,630,442	68,630,442	68,630,442	0
Prior Year Encumbrances Appropriated	5,121,214	5,121,214	5,121,214	0
<i>Fund Balance End of Year</i>	\$69,719,065	\$69,719,065	\$74,416,221	\$4,697,156

See accompanying notes to the basic financial statements

Mentor Exempted Village School District

Statement of Fund Net Position

Proprietary Funds

June 30, 2019

	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	\$4,549,769	\$754,675	\$5,304,444	\$20,450,403
Intergovernmental Receivable	963,379	5,000	968,379	40,890
Interfund Receivable	0	213,751	213,751	0
<i>Total Current Assets</i>	<u>5,513,148</u>	<u>973,426</u>	<u>6,486,574</u>	<u>20,491,293</u>
<i>Non-Current Assets:</i>				
Net OPEB Asset	128,987	0	128,987	0
Depreciable Capital Assets, Net	679,477	0	679,477	0
<i>Total Non-Current Assets:</i>	<u>808,464</u>	<u>0</u>	<u>808,464</u>	<u>0</u>
<i>Total Assets</i>	<u>6,321,612</u>	<u>973,426</u>	<u>7,295,038</u>	<u>20,491,293</u>
Deferred Outflows of Resources				
Pension	1,086,872	185,912	1,272,784	0
OPEB	135,296	113,667	248,963	0
<i>Total Deferred Outflows of Resources</i>	<u>1,222,168</u>	<u>299,579</u>	<u>1,521,747</u>	<u>0</u>
Liabilities				
<i>Current Liabilities:</i>				
Accounts Payable	8,145	6,818	14,963	30,675
Accrued Wages and Benefits	238,246	4,967	243,213	0
Interfund Payable	268,913	0	268,913	0
Intergovernmental Payable	69,318	100	69,418	0
Compensated Absences	40,474	17,967	58,441	0
Claims Payable	0	0	0	1,433,912
<i>Total Current Liabilities</i>	<u>625,096</u>	<u>29,852</u>	<u>654,948</u>	<u>1,464,587</u>
<i>Long-Term Liabilities (net of current portion):</i>				
Net Pension Liability	4,060,346	255,041	4,315,387	0
Net OPEB Liability	1,125,404	125,045	1,250,449	0
Compensated Absences	63,884	25,468	89,352	0
Claims Payable	0	0	0	1,196,262
<i>Total Long-Term Liabilities</i>	<u>5,249,634</u>	<u>405,554</u>	<u>5,655,188</u>	<u>1,196,262</u>
<i>Total Liabilities</i>	<u>5,874,730</u>	<u>435,406</u>	<u>6,310,136</u>	<u>2,660,849</u>
Deferred Inflows of Resources				
Pension	334,251	7,066	341,317	0
OPEB	309,960	11,423	321,383	0
<i>Total Deferred Inflows of Resources</i>	<u>644,211</u>	<u>18,489</u>	<u>662,700</u>	<u>0</u>
Net Position				
Investment in Capital Assets	679,477	0	679,477	0
Unrestricted	345,362	819,110	1,164,472	17,830,444
<i>Total Net Position</i>	<u>\$1,024,839</u>	<u>\$819,110</u>	<u>\$1,843,949</u>	<u>\$17,830,444</u>

See accompanying notes to the basic financial statements

Mentor Exempted Village School District

*Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2019*

	<u>Business Type Activities - Enterprise Funds</u>			
	Cardinal Autism Resource and Education School	Non-Major Treasury Management Services	Total	Governmental Activities - Internal Service Funds
Operating Revenues				
Charges for Services	\$57,461	\$564,775	\$622,236	\$17,414,473
Tuition and Fees	5,044,614	0	5,044,614	0
Miscellaneous	0	0	0	342
<i>Total Operating Revenues</i>	<u>5,102,075</u>	<u>564,775</u>	<u>5,666,850</u>	<u>17,414,815</u>
Operating Expenses				
Salaries and Wages	2,059,079	145,141	2,204,220	137,243
Fringe Benefits	998,383	173,671	1,172,054	21,579
Purchased Services	734,181	8,087	742,268	126,642
Materials and Supplies	219,495	7,980	227,475	0
Claims	0	0	0	15,601,982
Other	1,579	0	1,579	141,699
Depreciation	53,621	0	53,621	0
<i>Total Operating Expenses</i>	<u>4,066,338</u>	<u>334,879</u>	<u>4,401,217</u>	<u>16,029,145</u>
<i>Operating Income (Loss)</i>	1,035,737	229,896	1,265,633	1,385,670
Non-Operating Income (Expense)				
Interest	0	0	0	115,328
<i>Change in Net Position</i>	1,035,737	229,896	1,265,633	1,500,998
<i>Net Position Beginning of Year</i>	<u>(10,898)</u>	<u>589,214</u>	<u>578,316</u>	<u>16,329,446</u>
<i>Net Position End of Year</i>	<u>\$1,024,839</u>	<u>\$819,110</u>	<u>\$1,843,949</u>	<u>\$17,830,444</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, 2019

	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	\$57,461	\$402,236	\$459,697	\$0
Cash Received from Tuition and Fees	5,692,620	0	5,692,620	0
Cash Received from Interfund Services Provided	0	0	0	17,411,834
Cash Received from Other	0	0	0	342
Cash Payments for Salaries	(2,068,857)	(145,824)	(2,214,681)	(137,243)
Cash Payments for Employee Benefits	(904,707)	(66,446)	(971,153)	(21,579)
Cash Payments for Goods and Services	(680,456)	(11,063)	(691,519)	(95,967)
Cash Payments for Claims	0	0	0	(15,199,470)
Cash Payments for Other	(1,579)	0	(1,579)	(141,699)
<i>Net Cash Provided by (Used for) Operating Activities</i>	2,094,482	178,903	2,273,385	1,816,218
Cash Flows from Capital and Related Financing Activities				
Payments for Capital Acquisitions	(34,874)	0	(34,874)	0
Cash Flows from Investing Activities				
Interest	0	0	0	115,328
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	2,059,608	178,903	2,238,511	1,931,546
<i>Cash and Cash Equivalents Beginning of Year</i>	2,490,161	575,772	3,065,933	18,518,857
<i>Cash and Cash Equivalents End of Year</i>	\$4,549,769	\$754,675	\$5,304,444	\$20,450,403
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used for) by Operating Activities				
Operating Income (Loss)	\$1,035,737	\$229,896	\$1,265,633	\$1,385,670
Depreciation	53,621	0	53,621	0
<i>Adjustments:</i>				
(Increase)/Decrease in Assets:				
Intergovernmental Receivable	(45,843)	1,174	(44,669)	(2,639)
Interfund Receivable	743,914	(157,539)	586,375	0
Deferred Outflows of Resources - Pension	840,367	106,530	946,897	0
Deferred Outflows of Resources - OPEB	30,709	20,120	50,829	0
Increase/(Decrease) in Liabilities:				
Accounts Payable	3,460	6,715	10,175	30,675
Accrued Wages and Benefits	494	(2,394)	(1,900)	0
Interfund Payable	266,311	0	266,311	0
Intergovernmental Payable	(5,871)	(4,144)	(10,015)	0
Net Pension Liability	(140,049)	(12,821)	(152,870)	0
Net OPEB Liability	(178,229)	7,643	(170,586)	0
Compensated Absences	18,008	6,199	24,207	0
Claims Payable	0	0	0	402,512
Deferred Inflows of Resources - Pension	(445,370)	(17,514)	(462,884)	0
Deferred Inflows of Resources - OPEB	(82,777)	(4,962)	(87,739)	0
<i>Total Adjustments</i>	1,005,124	(50,993)	954,131	430,548
<i>Net Cash Provided by (Used for) Operating Activities</i>	\$2,094,482	\$178,903	\$2,273,385	\$1,816,218

See accompanying notes to the basic financial statements

Mentor Exempted Village School District
Statement of Fiduciary Assets and Liabilities
Custodial Fund
June 30, 2019

Assets	
Equity in Pooled Cash and Cash Equivalents	<u><u>\$2,629</u></u>
Liabilities	
Accounts Payable	<u><u>\$2,629</u></u>

See accompanying notes to the basic financial statements

Mentor Exempted Village School District
Statement of Changes in Fiduciary Net Position
Custodial Fund
June 30, 2019

Additions	
Extracurricular Activities	\$57,096
Deductions	
Distributions to Ohio High School Athletic Association	<u>57,096</u>
<i>Change in Net Position</i>	0
<i>Net Position Beginning of Year - Restated (See Note 3)</i>	<u>0</u>
<i>Net Position End of Year</i>	<u><u>\$0</u></u>

See accompanying notes to the basic financial statements

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019*

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 11 public instructional facilities including one building housing the Cardinal Autism Resource and Education School (C.A.R.E.S.), one high school, two middle schools and seven 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 351 classified employees, 505 certificated teaching personnel, and 42 administrators who provide services to 7,331 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.

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.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019*

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. 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.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019*

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 (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement that has certain characteristics. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The School District's custodial fund accounts for amounts held for the benefit of the Ohio High School Athletic Association.

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 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.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019

Like the government-wide statements, all proprietary and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fund net position. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

For proprietary funds, the statement of 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.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from the custodial fund.

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, 2019*

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, 2019, but which were levied to finance fiscal year 2020 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, rentals 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 19. 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 (asset), 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, except custodial 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, 2019*

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 2019, investments were limited to nonnegotiable certificates of deposits, US treasury obligations, fannie mae notes, freddie mac notes, negotiable certificates of deposits, federal farm credit bank bonds, federal home loan bank bonds, federal national mortgage association notes, federal home loan mortgage corporation bonds 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 2019 amounted to \$2,798,355, which includes \$292,990 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 of supplies are reported at cost on a first-in, first out basis and inventories held for resale are presented at the lower of cost or market value. Inventories are expended/expensed when used. Inventories consist of materials and supplies held for consumption 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 capitalized.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019

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 and OPEB 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, 2019*

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, 2019*

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 support services and to cover a gap between estimated revenues and appropriations in fiscal year 2020's appropriated budget.

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, 2019

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

Change in Accounting Principles

For fiscal year 2019, the School District implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, and Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*.

For fiscal year 2019, the School District also implemented the Governmental Accounting Standards Board's (GASB) *Implementation Guide No. 2017-2*. These changes were incorporated in the School District's 2019 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 84 established specific criteria for identifying activities that should be reported as fiduciary activities and clarifies whether and how business type activities should report their fiduciary activities. Due to the implementation of GASB Statement No. 84, the School District will no longer be reporting agency funds. The School District reviewed its agency funds and certain funds will be reported in the new fiduciary fund classification of custodial funds, while other funds have been reclassified as governmental funds. These fund reclassifications resulted in the restatement of the School District's financial statements.

GASB 88 improves the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. These changes were incorporated in the School District's 2019 financial statements; however, there was no effect on beginning net position.

GASB 89 establishes accounting requirements for interest cost incurred before the end of a construction period. These changes were incorporated in the School District's 2019 financial statements; however, there was no effect on beginning net position.

Restatement of Fund Balance/Net Position

The implementation of GASB Statement No. 84 had the following effect on fund balance as of June 30, 2018:

	General	Other Governmental Funds	Total Governmental Funds
Fund Balance June 30, 2018	\$75,554,059	\$2,173,491	\$77,727,550
Adjustments:			
GASB 84	0	269,473	269,473
Restated Fund Balance June 30, 2018	<u>\$75,554,059</u>	<u>\$2,442,964</u>	<u>\$77,997,023</u>

The implementation of GASB Statement No. 84 had the following effect on net position as of June 30, 2018:

	Governmental Activities	Business-Type Activities	Total
Net Position June 30, 2018	(\$8,332,638)	\$578,316	(\$7,754,322)
Adjustments:			
GASB 84	269,473	0	269,473
Restated Net Position June 30, 2018	<u>(\$8,063,165)</u>	<u>\$578,316</u>	<u>(\$7,484,849)</u>

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019

Also related to the implementation of GASB Statement No. 84, the School District will no longer be reporting agency funds, at December 31, 2018, agency funds reported assets and liabilities of \$269,473. The School District will be reporting one custodial fund under GASB 84; however, this fund had beginning net position of \$0.

Note 4 - Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in the government funds.

The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented as follows:

Fund Balances	General	Other Governmental Funds	Total
<i>Nonspendable:</i>			
Inventory	\$103,072	\$20,495	\$123,567
<i>Restricted for:</i>			
Capital Improvement	0	1,469,816	1,469,816
Scholarship Awards	0	76,336	76,336
Driver's Training	0	292,020	292,020
Student Activities	0	238,439	238,439
Athletics and Music	0	86,275	86,275
Auxiliary Services	0	49,459	49,459
<i>Other Purposes:</i>			
Clean Diesel Buses	0	5,018	5,018
Vocational Education	0	3,255	3,255
Food Service Operations	0	145	145
Classroom Reduction	0	6,273	6,273
<i>Total Restricted</i>	0	2,227,036	2,227,036
<i>Committed to:</i>			
We Care Program	0	128,878	128,878
<i>Assigned to:</i>			
Support Services	577,682	0	577,682
<i>Purchases on Order:</i>			
Instruction	1,119,574	0	1,119,574
Support Services	1,952,348	0	1,952,348
Extracurricular	14,536	0	14,536
Fiscal Year 2020 Appropriations	1,014,238	0	1,014,238
<i>Total Assigned</i>	4,678,378	0	4,678,378
<i>Unassigned (Deficit)</i>	69,894,795	(82,910)	69,811,885
<i>Total Fund Balances</i>	\$74,676,245	\$2,293,499	\$76,969,744

Stabilization arrangement In addition to the above fund balance, the governing council adopted a resolution to establish a policy to create and maintain a revenue stabilization reserve (“rainy day fund”) in the general fund that does not meet the criteria to be classified as restricted or committed. The principal resource for this reserve is the excess reserves of the general fund. The revenue will be reserved on an annual basis with a maximum of 15 percent of the annual total general fund expenses being set aside in any one year. Once the School District’s reserve reaches the 15 percent of general fund expenditure threshold, all revenues may be

Mentor Exempted Village School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

appropriated for current year operations. The School District passed a resolution authorizing investment income revenues to be 100 percent allocated to the General Fund Operating Budget Reserve balance. The reserve monies can only be accessed with the authority of the Board of Education. The General Fund Operating Budget Reserve balance was \$2,652,474 as of June 30, 2019.

Note 5 – Accountability

The following funds had deficit fund balances at June 30, 2019:

	<u>Amount</u>
<i>Special Revenue Funds:</i>	
Rotary Special Services	\$17,903
Title VI-B	20,746
Title I	33,856
Preschool Grant	10,405

The special revenue funds' deficits were caused by the recognition of expenditures on a modified accrual basis of accounting which is 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 6 - Budgetary Basis of Accounting

While the School District is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The statement of revenues, expenditures and changes in fund balance - budget (non-GAAP basis) and actual presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and GAAP basis are:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Advances In 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).

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019*

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	(\$877,814)
Net Adjustment for Revenue Accruals	4,795,634
Advances In	175,000
Beginning Fair Value Adjustment for Investments	(547,337)
Ending Fair Value Adjustment for Investments	(359,658)
Beginning Unrecorded Cash	(72,457)
Ending Unrecorded Cash	910
Perspective Differences:	
Uniform School Supplies	43,465
Public School Support	(56,864)
AT&T Surplus	(66,603)
Net Adjustment for Expenditure Accruals	1,609,617
Encumbrances	<u>(3,979,328)</u>
Budget Basis	<u>\$664,565</u>

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;

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019*

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 including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) 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); and
8. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy 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.

Mentor Exempted Village School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

Investments

Investments are reported at fair value. As of June 30, 2019, the School District had the following investments:

Measurement/Investment	Measurement Amount	Maturity	Moody's	Percent of Total Investments
Fair Value - Level Two Inputs:				
Negotiable Certificates of Deposit	\$37,959,968	Less than five years	N/A	40.47%
US Treasury Obligations	18,159,438	Less than two years	N/A	N/A
Freddie Mac Notes	9,473,167	Less than two years	Aaa	10.10%
Federal Farm Credit Bank Bonds	9,325,174	Less than four years	Aaa	9.94%
Federal Home Loan Bank Bonds	9,141,819	Less than two years	Aaa	9.75%
Federal Home Loan Mortgage Corporation Bonds	7,392,378	Less than four years	Aaa	7.88%
Federal National Mortgage Association Notes	1,742,359	Less than one years	Aaa	N/A
Fannie Mae Notes	500,055	Less than three years	Aaa	N/A
Municipal Bonds	101,850	Less than two years	Aaa	N/A
Total Portfolio	<u>\$93,796,208</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, 2019. The School District's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

Interest Rate Risk The School District has no investment policy that addresses the interest rate risk. 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, 2019, consisted of accounts, accrued interest, intergovernmental grants, property taxes, and payments in lieu of taxes. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables, except for delinquent property taxes, are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Mentor Exempted Village School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

A summary of the principal items of intergovernmental receivables follows:

Intergovernmental Receivables	Amounts
Governmental Activities:	
Ohio Department of Education	\$488,600
School Employee Retirement System	353,463
Special Education, Part B-IDEA Grant	224,839
Title I	131,121
Carl Perkins Grant	45,624
Mentor Public Library	40,890
ECSE - IDEA Grant	18,219
Title II-A	16,908
Miscellaneous Federal Grant	14,278
Title III	9,972
Parent Mentor Grant	3,275
Chardon Local School District	1,816
<i>Total Governmental Activities</i>	<u>\$1,349,005</u>
Business-Type Activities:	
Euclid City School District	231,847
Riverside Local School District	145,146
Mayfield City School District	100,988
Madison Local School District	84,096
Wickliffe City School District	78,075
Chardon Local School District	68,627
Ashtabula Area City School District	48,316
Kenston Local School District	39,979
Cardinal Local School District	38,897
Conneaut Area City School District	35,809
Cuyahoga Heights Local School District	17,905
Willoughby Eastlake City School District	17,905
Painesville City School District	17,905
Fairport Harbor Exempted Village School District	17,904
Perry Local School District	17,904
Chagrin Falls Exempted Village School District	5,000
Kirtland Local School District	2,076
<i>Total Business-Type Activities</i>	<u>968,379</u>
<i>Total</i>	<u>\$2,317,384</u>

Payments in Lieu of Taxes

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

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019*

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 2019 represents collections of calendar year 2018 taxes. Real property taxes received in calendar year 2019 were levied after April 1, 2018, on the assessed value listed as of January 1, 2018, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2019 represents collections of calendar year 2018 taxes. Public utility real and tangible personal property taxes received in calendar year 2019 became a lien December 31, 2017, were levied after April 1, 2018 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, 2019, are available to finance fiscal year 2019 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, 2019 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, 2019, was \$6,529,084 in the general fund and \$83,281 in the permanent improvement capital projects fund. 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. 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 2019 taxes were collected are:

	2018 Second Half Collections		2019 First Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$1,680,939,270	96.28%	\$1,861,089,760	96.60%
Public Utility Personal	64,907,790	3.72	65,603,680	3.40
Total	<u>\$1,745,847,060</u>	<u>100.00%</u>	<u>\$1,926,693,440</u>	<u>100.00%</u>
Full Tax Rate per \$1,000 of assessed valuation	\$82.05		\$81.30	

Mentor Exempted Village School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

The County's six year reappraisal was performed in fiscal year 2019. Assessed values increased, which decreased the emergency levy by .75 mills.

Note 10 – Tax Abatements

The School District's property taxes were reduced by \$160,773 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 \$197,398 to move unrestricted balances to support programs and projects accounted for in other funds.

Interfund Balances

Interfund balances at June 30, 2019, 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	Non-Major Enterprise Fund	
Other Governmental Funds	\$106,963	\$3,767	\$110,730
CARES	58,929	209,984	268,913
<i>Total</i>	<u>\$165,892</u>	<u>\$213,751</u>	<u>\$379,643</u>

Internal Balances – Change in Proportionate Share

The School District uses an internal proportionate share to allocate its net pension/OPEB liability and corresponding deferred outflows/inflows of resources and pension/OPEB 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/OPEB 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 related to pension include deferred outflows of resources for the business-type activities (\$240,891 related to the Cardinal Autism Resources and Education School enterprise fund and \$146,350 related to the treasury management services enterprise fund) and deferred inflows of resources for the governmental type activities in the amount of \$387,241. Eliminations made in the total column of the entity

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019*

wide statement of net position related to OPEB include deferred outflows of resources for the business-type activities (\$82,577 related to the Cardinal Autism Resources and Education School enterprise fund and \$110,864 related to the treasury management services enterprise fund) and deferred inflows of resources for the governmental type activities in the amount of \$193,441.

Note 12 – Capital Assets

Governmental fund capital asset activity for the fiscal year ended June 30, 2019, was as follows:

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
Capital Assets Not Being Depreciated				
Land	\$465,776	\$0	\$0	\$465,776
Construction in Progress	104,750	156,802	0	261,552
<i>Total Capital Assets Not Being Depreciated</i>	<u>570,526</u>	<u>156,802</u>	<u>0</u>	<u>727,328</u>
Capital Assets Being Depreciated				
Land Improvements	7,608,685	1,108,633	(65,892)	8,651,426
Buildings and Improvements	49,450,632	479,416	(1,244,729)	48,685,319
Furniture, Fixtures and Equipment	12,806,099	272,429	(404,455)	12,674,073
Vehicles	6,137,571	522,673	(338,626)	6,321,618
<i>Total Capital Assets Being Depreciated</i>	<u>76,002,987</u>	<u>2,383,151</u>	<u>(2,053,702)</u>	<u>76,332,436</u>
Less: Accumulated Depreciation				
Land Improvements	(4,068,620)	(308,656)	60,503	(4,316,773)
Buildings and Improvements	(32,217,351)	(931,558)	865,435	(32,283,474)
Furniture, Fixtures and Equipment	(9,895,772)	(470,190)	375,912	(9,990,050)
Vehicles	(4,463,272)	(355,118)	304,762	(4,513,628)
<i>Total Accumulated Depreciation</i>	<u>(50,645,015)</u>	<u>(2,065,522) *</u>	<u>1,606,612</u>	<u>(51,103,925)</u>
<i>Capital Assets Being Depreciated, Net</i>	<u>25,357,972</u>	<u>317,629</u>	<u>(447,090)</u>	<u>25,228,511</u>
<i>Governmental Activities Capital Assets, Net</i>	<u>\$25,928,498</u>	<u>\$474,431</u>	<u>(\$447,090)</u>	<u>\$25,955,839</u>

*Depreciation expense was charged to governmental functions as follows:

Instruction	
Regular	\$264,317
Special	2,169
Vocational	39,530
Student Intervention	1,531
Support Services	
Pupils	513
Instructional Staff	137,967
Board of Education	134
Administration	35,877
Fiscal	2,085
Business	3,284
Operation and Maintenance of Plant	1,044,018
Pupil Transportation	365,373
Central	31,270
Non Instructional Services	46,587
Operation of Food Service	7,673
Extracurricular Activities	83,194
Total Depreciation Expense	<u>\$2,065,522</u>

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
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Business type capital asset activity for the fiscal year ended June 30, 2019, was as follows:

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
Capital Assets Being Depreciated				
Land Improvements	\$158,939	\$0	\$0	\$158,939
Buildings and Improvements	1,274,431	0	0	1,274,431
Furniture, Fixtures and Equipment	278,490	34,874	0	313,364
<i>Total Capital Assets Being Depreciated</i>	<u>1,711,860</u>	<u>34,874</u>	<u>0</u>	<u>1,746,734</u>
Less: Accumulated Depreciation				
Land Improvements	(15,699)	(8,229)	0	(23,928)
Buildings and Improvements	(738,924)	(39,261)	0	(778,185)
Furniture, Fixtures and Equipment	(259,013)	(6,131)	0	(265,144)
<i>Total Accumulated Depreciation</i>	<u>(1,013,636)</u>	<u>(53,621)</u>	<u>0</u>	<u>(1,067,257)</u>
<i>Business-Type Activities Capital Assets, Net</i>	<u>\$698,224</u>	<u>(\$18,747)</u>	<u>\$0</u>	<u>\$679,477</u>

Note 13 – Long-Term Obligations

Changes in long-term obligations of the School District during fiscal year 2019 were as follows:

	Principal Outstanding July 1, 2018	Additions	Deductions	Principal Outstanding June 30, 2019	Amount Due in One Year
Governmental Activities:					
Net Pension Liability:					
SERS	\$24,992,125	\$0	(\$2,038,462)	\$22,953,663	\$0
STRS	93,739,918	0	(7,255,945)	86,483,973	0
<i>Total Net Pension Liability</i>	<u>118,732,043</u>	<u>0</u>	<u>(9,294,407)</u>	<u>109,437,636</u>	<u>0</u>
Net OPEB Liability:					
SERS	11,361,862	0	(107,826)	11,254,036	0
STRS	15,396,138	0	(15,396,138)	0	0
<i>Total Net OPEB Liability</i>	<u>26,758,000</u>	<u>0</u>	<u>(15,503,964)</u>	<u>11,254,036</u>	<u>0</u>
Workers Compensation Claims	1,018,567	447,271	(154,188)	1,311,650	115,388
Compensated Absences	5,254,572	1,367,396	(1,282,267)	5,339,701	1,460,293
<i>Total Governmental Activities Long-Term Liabilities</i>	<u>\$151,763,182</u>	<u>\$1,814,667</u>	<u>(\$26,234,826)</u>	<u>\$127,343,023</u>	<u>\$1,575,681</u>
Business-Type Activities:					
Net Pension Liability:					
SERS	\$2,173,229	\$377,180	\$0	\$2,550,409	\$0
STRS	1,913,059	0	(148,081)	1,764,978	0
<i>Total Net Pension Liability</i>	<u>4,086,288</u>	<u>377,180</u>	<u>(148,081)</u>	<u>4,315,387</u>	<u>0</u>
Net OPEB Liability:					
SERS	987,988	262,461	0	1,250,449	0
STRS	314,207	0	(314,207)	0	0
<i>Total Net OPEB Liability</i>	<u>1,302,195</u>	<u>262,461</u>	<u>(314,207)</u>	<u>1,250,449</u>	<u>0</u>
Compensated Absences	123,586	64,370	(40,163)	147,793	58,441
<i>Total Business-Type Activities Long-Term Liabilities</i>	<u>\$5,512,069</u>	<u>\$704,011</u>	<u>(\$502,451)</u>	<u>\$5,713,629</u>	<u>\$58,441</u>

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019*

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, 2019 was \$173,402,410.

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 (asset) 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 (asset) 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 (asset) calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

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/OPEB 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 (asset). Resulting adjustments to the net pension/OPEB liability (asset) 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, 2019

The proportionate share of each plan's unfunded benefits is presented as a *net OPEB asset* or 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.

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost of living adjustment (COLA) on the first anniversary date of the benefit. Beginning April 1, 2018, new benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. A three-year COLA suspension is in effect for all benefit recipients for the years 2018, 2019, and 2020. Upon resumption of the COLA, it will be indexed to the percentage increase in the CPI-W, not to exceed 2.5 percent and with a floor of 0 percent.

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, 2019, 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 \$1,981,630 for fiscal year 2019. Of this amount \$97,176 is reported as an intergovernmental payable.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019*

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. In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0 percent to preserve the fiscal integrity of the retirement system. Benefit recipients’ base benefit and past cost-of living increases are not affected by this change. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 27 years of service, or 30 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 9.53 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.47 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, 2019*

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, 2019, the employer rate was 14 percent and the plan members were also required to contribute 14 percent of covered salary. For fiscal year 2019, the contributions rates were equal to the statutory maximum rates and the full employer contribution was allocated to pension.

The School District’s contractually required contribution to STRS was \$6,687,321 for fiscal year 2019. Of this amount \$1,053,032 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, 2018, 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:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Net Pension Liability			
Prior Measurement Date	0.45466710%	0.40266098%	
Proportion of the Net Pension Liability			
Current Measurement Date	<u>0.44531600%</u>	<u>0.40135499%</u>	
Change in Proportionate Share	<u>-0.00935110%</u>	<u>-0.00130599%</u>	
Proportionate Share of the Net			
Pension Liability	\$25,504,072	\$88,248,951	\$113,753,023
Pension Expense	\$1,334,692	\$5,767,160	\$7,101,852

At June 30, 2019, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$1,398,739	\$2,037,056	\$3,435,795
Changes of assumptions	575,936	15,639,378	16,215,314
Changes in proportionate Share and difference between School District contributions and proportionate share of contributions	32,994	0	32,994
School District contributions subsequent to the measurement date	<u>1,981,630</u>	<u>6,687,321</u>	<u>8,668,951</u>
Total Deferred Outflows of Resources	<u>\$3,989,299</u>	<u>\$24,363,755</u>	<u>\$28,353,054</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$0	\$576,319	\$576,319
Net difference between projected and actual earnings on pension plan investments	706,640	5,351,319	6,057,959
Changes in Proportionate Share and Difference between School District contributions and proportionate share of contributions	<u>504,011</u>	<u>4,862,242</u>	<u>5,366,253</u>
Total Deferred Inflows of Resources	<u>\$1,210,651</u>	<u>\$10,789,880</u>	<u>\$12,000,531</u>

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019*

\$8,668,951 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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ending June 30:	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2020	\$1,494,967	\$4,858,675	\$6,353,642
2021	355,743	3,334,956	3,690,699
2022	(836,976)	(86,279)	(923,255)
2023	<u>(216,716)</u>	<u>(1,220,798)</u>	<u>(1,437,514)</u>
Total	<u>\$797,018</u>	<u>\$6,886,554</u>	<u>\$7,683,572</u>

Actuarial Assumptions - SERS

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

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, 2018, are presented below:

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 investment expense, including inflation
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
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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	\$35,924,409	\$25,504,072	\$16,767,317

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, 2018, 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
Discount Rate of Return	7.45 percent
Payroll Increases	3 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017

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.

Actuarial assumptions used in the July 1, 2018 valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

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:

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	 100.00 %	

* 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.

Mentor Exempted Village School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

Discount Rate The discount rate used to measure the total pension liability was 7.45 percent as of June 30, 2018. 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, 2018. 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, 2018.

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	\$128,875,975	\$88,248,951	\$53,863,686

Note 15 - Defined Benefit OPEB Plans

See note 14 for a description of the net OPEB liability (asset)

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.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019*

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 2019, .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 2019, this amount was \$21,600. 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 2019, the School District’s surcharge obligation was \$227,848.

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 \$301,242 for fiscal year 2019. Of this amount \$231,447 is reported as an intergovernmental payable.

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, 2019, 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 (asset) was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability (asset) 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	0.46017360%	0.40266098%	
Proportion of the Net OPEB Liability			
Current Measurement Date	<u>0.45073060%</u>	<u>0.40135499%</u>	
Change in Proportionate Share	<u>-0.00944300%</u>	<u>-0.00130599%</u>	
Proportionate Share of the:			
Net OPEB Liability	\$12,504,485	\$0	\$12,504,485
Net OPEB (Asset)	\$0	\$6,449,366	\$6,449,366
OPEB Expense	\$543,061	(\$14,063,646)	(\$13,520,585)

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
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At June 30, 2019, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$204,117	\$753,295	\$957,412
School District contributions subsequent to the measurement date	<u>301,242</u>	<u>0</u>	<u>301,242</u>
Total Deferred Outflows of Resources	<u>\$505,359</u>	<u>\$753,295</u>	<u>\$1,258,654</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$0	\$375,761	\$375,761
Changes of assumptions	1,123,433	8,787,768	9,911,201
Net difference between projected and actual earnings on OPEB plan investments	18,761	736,788	755,549
Changes in Proportionate Share and Difference between School District contributions and proportionate share of contributions	<u>372,169</u>	<u>383,419</u>	<u>755,588</u>
Total Deferred Inflows of Resources	<u>\$1,514,363</u>	<u>\$10,283,736</u>	<u>\$11,798,099</u>

\$301,242 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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2020	(\$533,135)	(\$1,712,796)	(\$2,245,931)
2021	(430,781)	(1,712,796)	(2,143,577)
2022	(106,669)	(1,712,800)	(1,819,469)
2023	(98,683)	(1,545,472)	(1,644,155)
2024	(99,982)	(1,486,767)	(1,586,749)
Thereafter	<u>(40,996)</u>	<u>(1,359,810)</u>	<u>(1,400,806)</u>
Total	<u>(\$1,310,246)</u>	<u>(\$9,530,441)</u>	<u>(\$10,840,687)</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.

Mentor Exempted Village School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

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, 2018, are presented below:

Inflation	3.00 percent
Wage Increases	3.50 percent to 18.20 percent
Investment Rate of Return	7.50 percent net of investment expense, including inflation
Municipal Bond Index Rate:	
Measurement Date	3.62 percent
Prior Measurement Date	3.56 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Measurement Date	3.70 percent
Prior Measurement Date	3.63 percent
Medical Trend Assumption	
Medicare	5.375 to 4.75 percent
Pre-Medicare	7.25 to 4.75 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, 2018 was 3.70 percent. The discount rate used to measure total OPEB liability prior to June 30, 2018 was 3.63 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 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

Mentor Exempted Village School District

Notes to the Basic Financial Statements

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to make future benefit payments during the fiscal year ending June 30, 2026. 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, 2025 and the Fidelity General Obligation 20-year Municipal Bond Index rate of 3.62 percent, as of June 30, 2018 (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 (2.70%) and higher (4.70%) than the current discount rate (3.70%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.25% decreasing to 3.75%) and higher (8.25% decreasing to 5.75%) than the current rate.

	1% Decrease (2.70%)	Current Discount Rate (3.70%)	1% Increase (4.70%)
School District's proportionate share of the net OPEB liability	\$15,173,209	\$12,504,485	\$10,391,355

	1% Decrease (6.25 % decreasing to 3.75%)	Current Trend Rate (7.25 % decreasing to 4.75%)	1% Increase (8.25 % decreasing to 5.75%)
School District's proportionate share of the net OPEB liability	\$10,088,825	\$12,504,485	\$15,703,251

Actuarial Assumptions – STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2018, actuarial valuation are presented below:

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
Discount Rate of Return - Current Year	7.45 percent
Blended Discount Rate of Return - Prior Year	4.13 percent
Health Care Cost Trends	
Medical	
Pre-Medicare	6 percent initial, 4 percent ultimate
Medicare	5 percent initial, 4 percent ultimate
Prescription Drug	
Pre-Medicare	8 percent initial, 4 percent ultimate
Medicare	-5.23 initial, 4 percent ultimate

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

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019*

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, 2018, 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 the blended rate of 4.13 percent to the long-term expected rate of return of 7.45 percent based on the methodology defined under GASB *Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)*. Valuation year per capita health care costs were updated.

Also since the prior measurement date, the subsidy multiplier for non-Medicare benefit recipients was increased from 1.9 percent to 1.944 percent per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements were scheduled to be discontinued beginning January 1, 2020. However, in June of 2019, the STRS Board voted to extend the current Medicare Part B partial reimbursement for one year.

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 7.45 percent as of June 30, 2018. The blended 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 projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on health care plan investments of 7.45 percent was used to measure the total OPEB liability as of June 30, 2018. 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.

Sensitivity of the School District's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate The following table represents the net OPEB asset as of June 30, 2018, calculated using the current period discount rate assumption of 7.45 percent, as well as what the net OPEB asset 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 assumption. Also shown is the net OPEB asset 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 (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
School District's proportionate share of the net OPEB asset	(\$5,527,710)	(\$6,449,366)	(\$7,223,972)

Mentor Exempted Village School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
School District's proportionate share of the net OPEB asset	(\$7,180,245)	(\$6,449,366)	(\$5,707,099)

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 81.25 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 \$5,487,494 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.

Social Security

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Employees Retirement System. As of June 30, 2019, two members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages.

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, 2019, 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. ODE has finalized the adjustments and they did not have any significant impact on the School District's funding. As a result, the impact of future FTE adjustments on the fiscal year 2019 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.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019

Litigation

As of June 30, 2019, 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 2019, the School District had the following insurance coverage:

<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage</u>
Catlin Indemnity Company	Buildings and Contents	\$236,402,510
	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.

Workers' Compensation

On July 1, 2010, the School District was approved for self-insured status by the Bureau of Workers' Compensation and began to administer its own workers' compensation program (the program). The School District has established a workers' compensation internal service fund to account for assets set aside for claim settlements and related liabilities associated with the program. Liabilities of the fund are reported when an employee injury has occurred, it is probable that a claim will be filed under the program and the amount of the claim can be reasonably estimated. The School District utilizes the services of Compensable Benefits, the third party administrator, to review, process, and to pay employee claims. The School District also maintains excess insurance coverage which would pay the portion of the claims that exceed \$400,000 per occurrence for all employees.

Mentor Exempted Village School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019

Incurred but not reported claims and premium of \$1,311,650 have been accrued as a liability at June 30, 2019, based on an estimate by Compensable Benefits. Of this amount, \$115,388 is due within one year. The claims liability reported in the workers' compensation internal service fund at June 30, 2019, 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 2018 and 2019 were:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2018	\$1,151,050	\$70,333	\$202,816	\$1,018,567
2019	1,018,567	443,735	150,652	1,311,650

Employee Insurance Benefits

The School District offers medical, prescription drug and dental insurance to employees through a self-insurance internal service fund. Medical Mutual of Ohio serves as the School District's third party administrator. The School District's monthly premiums are paid to the fiscal agent who in turn pays the claims on the School District's behalf. A specific excess loss coverage (stop-loss) insurance policy covers claims in excess of \$175,000 per employee, per year. The claims liability of \$1,318,524 reported in the internal service fund at June 30, 2019, 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 2018 and 2019 was:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2018	\$1,414,601	\$15,243,494	\$15,449,000	\$1,209,095
2019	1,209,095	15,158,247	15,048,818	1,318,524

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.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019

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 on 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 2019, the School District paid \$174,413 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 Schools District participates in the Ohio Schools Council's natural gas program. This program allows the School District to purchase natural gas at reduced rates. Constellation New Energy was the supplier from 7/1/18 to 6/30/19 and again from 7/1/19 to 6/30/22. There are currently 163 participants in the program. The participants make monthly payments to the Council based on the previous year's usage. Each September, actual payments are compared to their actual usage for the year (July to June). Districts that paid more than their actual usage can use their credit on future billings or request a refund. Districts that did not pay enough on estimated billings are invoiced for the difference on their October or November monthly bill.

The School District also participates in the Council's current electric purchase program. The Power 4 Schools Program provides a fixed price rate for electricity supplied by First Energy Solutions of \$0.0518 per kwh for the generation of electricity. There are currently 256 participants in the program including the School District. School districts are not charged a fee by the Council to participate in this program. School districts pay the utility (Ohio Edison, Toledo Edison or Cleveland Electric Illuminating Co.) directly and receive a discount for the fixed price of generation.

Northeast Ohio Network for Educational Technology The Northeast Ohio Network for Educational Technology (NEONET) is the computer service organization or Data Acquisition Site (DAS) used by the School District. NEONET is a jointly governed organization among twenty-nine members. The Summit County Educational Service Center acts as the fiscal agent for the consortium. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The Board of Directors consists of member district superintendents and treasurers. The manager/director is a permanent, non-voting member of the board of directors. Each school district's control is limited to its representation on the board. The Board of Directors exercise total control over the operations of the association including budgeting, appropriating, contracting and designating management. All association revenues are generated from charges for services and State funding. Payments to NEONET are made from the general fund. During the current fiscal year, the School District paid \$151,113 to NEONET for payroll and internet technology services. Financial information can be obtained by writing to the Summit County Educational Service Center, 700 Graham Road, Cuyahoga Falls, OH 44221.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019*

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.

	<u>Capital Improvements</u>
Set-Aside Balance as of June 30, 2018	\$0
Current Year Set-aside Requirement	1,362,655
Offsets	(923,259)
Qualifying Disbursements	<u>(3,607,063)</u>
Total	<u><u>(\$3,167,667)</u></u>
Set-aside Balance Carried Forward to Future Fiscal Years	<u>\$0</u>
Set-aside Balance as of June, 30 2019	<u><u>\$0</u></u>

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

Note 22 – Significant Commitments

Contractual Commitments

At June 30, 2019, 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 Construction - Ridge Renovations	\$387,000	\$240,425	\$146,575
Royal Heating and Air Conditioning	30,797	21,127	9,670
School Specialty - Art Room Renovations	44,565	0	44,565
JC Sharp Corporation - Wall Panel Systems	13,270	0	13,270
Tiffin Scenic Studios - Stage Drapery	13,245	0	13,245
Total	<u><u>\$488,877</u></u>	<u><u>\$261,552</u></u>	<u><u>\$227,325</u></u>

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

The amount paid as of June 30, 2019, as well as contracts payable of \$32,807 have been capitalized.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019*

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:

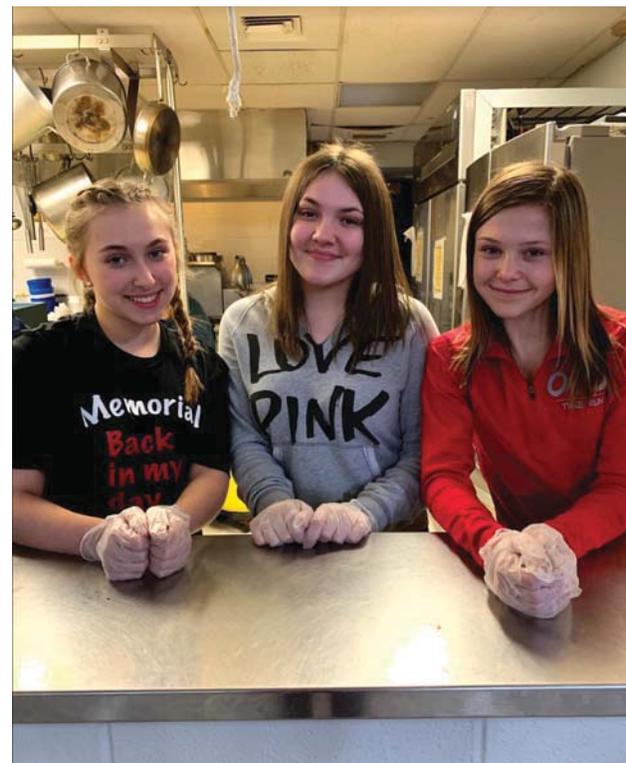
General	\$3,979,328
Other Governmental Funds	<u>790,933</u>
Total Governmental	<u>\$4,770,261</u>

Proprietary Funds:

CARES	\$783,943
Nonmajor Enterprise Fund	3,073
Internal Service Funds	<u>359,891</u>
Total Proprietary	<u>\$1,146,907</u>



A special reading assignment turns a classroom lesson into a life lesson as students embark on a quest to conduct volunteer work all around town. The 8th graders pictured here are modeling the book “I Am Malala”, which shares an overarching theme of how one person can make a big difference and change a community.



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 Six Fiscal Years (1)

	2019	2018	2017
School District's Proportion of the Net Pension Liability	0.44531600%	0.45466710%	0.45421380%
School District's Proportionate Share of the Net Pension Liability	\$25,504,072	\$27,165,354	\$33,244,260
School District's Covered Payroll	\$14,602,430	\$14,670,100	\$14,180,357
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	174.66%	185.17%	234.44%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.36%	69.50%	62.98%

(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

2016	2015	2014
0.46797890%	0.48814100%	0.48814100%
\$26,703,330	\$24,704,538	\$29,028,179
\$14,539,856	\$13,753,694	\$13,533,952
183.66%	179.62%	214.48%
69.16%	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 Three Fiscal Years (1)

	2019	2018	2017
School District's Proportion of the Net OPEB Liability	0.45073060%	0.46017360%	0.45967400%
School District's Proportionate Share of the Net OPEB Liability	\$12,504,485	\$12,349,850	\$13,102,409
School District's Covered Payroll	\$14,602,430	\$14,670,100	\$14,180,357
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	85.63%	84.18%	92.40%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	13.57%	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

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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 Six Fiscal Years (1)

	2019	2018	2017
School District's Proportion of the Net Pension Liability	0.40135499%	0.40266098%	0.41147978%
School District's Proportionate Share of the Net Pension Liability	\$88,248,951	\$95,652,977	\$137,734,685
School District's Covered Payroll	\$45,869,079	\$44,131,993	\$43,299,243
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	192.39%	216.74%	318.10%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.30%	75.30%	66.80%

(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

2016	2015	2014
0.42878209%	0.44619334%	0.44619334%
\$118,502,829	\$108,529,663	\$129,279,824
\$46,767,429	\$45,395,854	\$46,421,792
253.39%	239.07%	278.49%
72.10%	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 Three Fiscal Years (1)

	2019	2018	2017
School District's Proportion of the Net OPEB Liability	0.40135499%	0.40266098%	0.41147978%
School District's Proportionate Share of the Net OPEB Liability (Asset)	(\$6,449,366)	\$15,710,345	\$22,006,046
School District's Covered Payroll	\$45,869,079	\$44,131,993	\$43,299,243
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	-14.06%	35.60%	50.82%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	176.00%	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

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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>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Net Pension Liability				
Contractually Required Contribution	\$1,981,630	\$1,971,328	\$2,053,814	\$1,985,250
Contributions in Relation to the Contractually Required Contribution	<u>(1,981,630)</u>	<u>(1,971,328)</u>	<u>(2,053,814)</u>	<u>(1,985,250)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered Payroll (1)	\$14,678,741	\$14,602,430	\$14,670,100	\$14,180,357
Pension Contributions as a Percentage of Covered Payroll	<u>13.50%</u>	<u>13.50%</u>	<u>14.00%</u>	<u>14.00%</u>
Net OPEB Liability				
Contractually Required Contribution (2)	301,242	311,886	245,216	229,929
Contributions in Relation to the Contractually Required Contribution	<u>(301,242)</u>	<u>(311,886)</u>	<u>(245,216)</u>	<u>(229,929)</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>2.05%</u>	<u>2.14%</u>	<u>1.67%</u>	<u>1.62%</u>
Total Contributions as a Percentage of Covered Payroll (2)	<u>15.55%</u>	<u>15.64%</u>	<u>15.67%</u>	<u>15.62%</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

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$1,916,353	\$1,906,262	\$1,873,099	\$1,830,426	\$1,694,334	\$1,763,769
<u>(1,916,353)</u>	<u>(1,906,262)</u>	<u>(1,873,099)</u>	<u>(1,830,426)</u>	<u>(1,694,334)</u>	<u>(1,763,769)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$14,539,856	\$13,753,694	\$13,533,952	\$13,609,115	\$13,479,189	\$13,026,359
<u>13.18%</u>	<u>13.86%</u>	<u>13.84%</u>	<u>13.45%</u>	<u>12.57%</u>	<u>13.54%</u>
350,112	217,867	220,918	341,465	457,466	320,466
<u>(350,112)</u>	<u>(217,867)</u>	<u>(220,918)</u>	<u>(341,465)</u>	<u>(457,466)</u>	<u>(320,466)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>2.41%</u>	<u>1.58%</u>	<u>1.63%</u>	<u>2.51%</u>	<u>3.39%</u>	<u>2.46%</u>
<u>15.59%</u>	<u>15.44%</u>	<u>15.47%</u>	<u>15.96%</u>	<u>15.96%</u>	<u>16.00%</u>

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>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Net Pension Liability				
Contractually Required Contribution	\$6,687,321	\$6,421,671	\$6,178,479	\$6,061,894
Contributions in Relation to the Contractually Required Contribution	<u>(6,687,321)</u>	<u>(6,421,671)</u>	<u>(6,178,479)</u>	<u>(6,061,894)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered Payroll (1)	\$47,766,579	\$45,869,079	\$44,131,993	\$43,299,243
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

2015	2014	2013	2012	2011	2010
\$6,547,440	\$5,901,461	\$6,034,833	\$6,064,863	\$5,891,217	\$5,832,661
(6,547,440)	(5,901,461)	(6,034,833)	(6,064,863)	(5,891,217)	(5,832,661)
\$0	\$0	\$0	\$0	\$0	\$0
\$46,767,429	\$45,395,854	\$46,421,792	\$46,652,792	\$45,317,054	\$44,866,623
14.00%	13.00%	13.00%	13.00%	13.00%	13.00%
\$0	\$453,959	\$464,218	\$466,528	\$453,171	\$448,666
0	(453,959)	(464,218)	(466,528)	(453,171)	(448,666)
\$0	\$0	\$0	\$0	\$0	\$0
0.00%	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, 2019*

Net Pension Liability

Changes in Assumptions – SERS

Beginning in 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 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

Beginning with fiscal year 2018, amounts reported 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.

Beginning with 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 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.

Mentor Exempted Village School District

Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2019

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 incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

Municipal Bond Index Rate:	
Fiscal year 2019	3.62 percent
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 2019	3.70 percent
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.

For fiscal year 2019, the discount rate was increased from the blended rate of 4.13 percent to the long-term expected rate of return of 7.45.

Changes in Benefit Terms – STRS OPEB

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 2020.

For fiscal year 2019, the subsidy multiplier for non-Medicare benefit recipients was increased from 1.9 percent to 1.944 percent per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.

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.

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.

Student Activities Fund This fund accounts for and reports resources that are restricted to the student bodies of the various schools for which the School District has administrative involvement, accounting for fund-raising sales and other revenue generating activities.

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.

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.

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.

(continued)

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

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, 2019*

	Nonmajor Special Revenue Funds	Permanent Improvement Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$1,444,506	\$1,396,656	\$2,841,162
Accounts Receivable	2,856	836	3,692
Accrued Interest Receivable	599	5,027	5,626
Intergovernmental Receivable	464,236	0	464,236
Inventory Held for Resale	81,610	0	81,610
Materials and Supplies Inventory	20,495	0	20,495
Property Taxes Receivable	0	905,965	905,965
<i>Total Assets</i>	<u>\$2,014,302</u>	<u>\$2,308,484</u>	<u>\$4,322,786</u>
Liabilities			
Accounts Payable	\$211,731	\$0	\$211,731
Contracts Payable	16,823	15,984	32,807
Accrued Wages and Benefits	353,448	0	353,448
Matured Compensated Absences Payable	126,522	0	126,522
Interfund Payable	110,730	0	110,730
Intergovernmental Payable	160,515	0	160,515
<i>Total Liabilities</i>	<u>979,769</u>	<u>15,984</u>	<u>995,753</u>
Deferred Inflows of Resources			
Unavailable Revenue	210,850	22,259	233,109
Property Taxes	0	800,425	800,425
<i>Total Deferred Inflows of Resources</i>	<u>210,850</u>	<u>822,684</u>	<u>1,033,534</u>
Fund Balances			
Nonspendable	20,495	0	20,495
Restricted	757,220	1,469,816	2,227,036
Committed	128,878	0	128,878
Unassigned (Deficit)	(82,910)	0	(82,910)
<i>Total Fund Balances</i>	<u>823,683</u>	<u>1,469,816</u>	<u>2,293,499</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$2,014,302</u>	<u>\$2,308,484</u>	<u>\$4,322,786</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, 2019

	Nonmajor Special Revenue Funds	Permanent Improvement Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues			
Property Taxes	\$0	\$833,924	\$833,924
Intergovernmental	5,077,540	114,371	5,191,911
Interest	7,372	22,013	29,385
Tuition and Fees	778,225	0	778,225
Extracurricular Activities	799,042	0	799,042
Contributions and Donations	168,419	25,000	193,419
Charges for Services	1,724,311	0	1,724,311
Rentals	0	4,026	4,026
Miscellaneous	215,302	0	215,302
<i>Total Revenues</i>	<u>8,770,211</u>	<u>999,334</u>	<u>9,769,545</u>
Expenditures			
Current:			
Instruction:			
Regular	93,078	0	93,078
Special	1,628,268	0	1,628,268
Vocational	323,692	0	323,692
Student Intervention	19,248	0	19,248
Support Services:			
Pupils	1,012,122	0	1,012,122
Instructional Staff	337,039	0	337,039
Board of Education	1,200	0	1,200
Administration	516,195	0	516,195
Fiscal	69,533	13,738	83,271
Operation and Maintenance of Plant	68,335	1,699,274	1,767,609
Pupil Transportation	2,540	0	2,540
Central	29,328	0	29,328
Operation of Non-Instructional Services	1,554,905	0	1,554,905
Operation of Food Service	2,407,862	0	2,407,862
Extracurricular Activities	940,051	0	940,051
<i>Total Expenditures</i>	<u>9,003,396</u>	<u>1,713,012</u>	<u>10,716,408</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(233,185)</u>	<u>(713,678)</u>	<u>(946,863)</u>
Other Financing Sources (Uses)			
Sale of Capital Assets	0	600,000	600,000
Transfers In	117,398	80,000	197,398
<i>Total Other Financing Sources (Uses)</i>	<u>117,398</u>	<u>680,000</u>	<u>797,398</u>
<i>Net Change in Fund Balances</i>	(115,787)	(33,678)	(149,465)
<i>Fund Balances Beginning of Year</i>	<u>939,470</u>	<u>1,503,494</u>	<u>2,442,964</u>
<i>Fund Balances End of Year</i>	<u><u>\$823,683</u></u>	<u><u>\$1,469,816</u></u>	<u><u>\$2,293,499</u></u>

Mentor Exempted Village School District

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2019

	Food Service	Special Trust	Rotary Special Services	Rotary
Assets				
Equity in Pooled Cash and Cash Equivalents	\$125,710	\$77,694	\$80,602	\$222,900
Accounts Receivable	0	0	0	0
Accrued Interest Receivable	439	80	0	0
Intergovernmental Receivable	0	0	0	0
Inventory Held for Resale	81,610	0	0	0
Materials and Supplies Inventory	20,495	0	0	0
<i>Total Assets</i>	<u>\$228,254</u>	<u>\$77,774</u>	<u>\$80,602</u>	<u>\$222,900</u>
Liabilities				
Accounts Payable	\$16,383	\$1,000	\$481	\$8,287
Contracts Payable	16,823	0	0	0
Accrued Wages and Benefits	56,519	0	5,091	3,600
Matured Compensated Absences Payable	85,782	0	0	0
Interfund Payable	0	438	85,248	19,433
Intergovernmental Payable	32,107	0	7,685	62,702
<i>Total Liabilities</i>	<u>207,614</u>	<u>1,438</u>	<u>98,505</u>	<u>94,022</u>
Deferred Inflows of Resources				
Unavailable Revenue	0	0	0	0
Fund Balances				
Nonspendable	20,495	0	0	0
Restricted	145	76,336	0	0
Committed	0	0	0	128,878
Unassigned (Deficit)	0	0	(17,903)	0
<i>Total Fund Balances(Deficit)</i>	<u>20,640</u>	<u>76,336</u>	<u>(17,903)</u>	<u>128,878</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$228,254</u>	<u>\$77,774</u>	<u>\$80,602</u>	<u>\$222,900</u>

Other Grants	Student Activities	Athletics and Music	Auxiliary Services	Miscellaneous State Grants	Title VI-B
\$289,084	\$242,146	\$107,708	\$215,127	\$3,393	\$46,509
2,856	0	0	0	0	0
80	0	0	0	0	0
0	0	0	0	3,275	224,839
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$292,020</u>	<u>\$242,146</u>	<u>\$107,708</u>	<u>\$215,127</u>	<u>\$6,668</u>	<u>\$271,348</u>
\$0	\$3,616	\$20,572	\$155,421	\$0	\$236
0	0	0	0	0	0
0	0	0	0	1,429	160,410
0	0	0	0	0	15,930
0	78	0	5,533	0	0
0	13	861	4,714	221	30,973
<u>0</u>	<u>3,707</u>	<u>21,433</u>	<u>165,668</u>	<u>1,650</u>	<u>207,549</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>84,545</u>
0	0	0	0	0	0
292,020	238,439	86,275	49,459	5,018	0
0	0	0	0	0	0
0	0	0	0	0	(20,746)
<u>292,020</u>	<u>238,439</u>	<u>86,275</u>	<u>49,459</u>	<u>5,018</u>	<u>(20,746)</u>
<u>\$292,020</u>	<u>\$242,146</u>	<u>\$107,708</u>	<u>\$215,127</u>	<u>\$6,668</u>	<u>\$271,348</u>

(continued)

Mentor Exempted Village School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2019

	Carl Perkins Grant	Title III	Title I	Preschool Grant
Assets				
Equity in Pooled Cash and Cash Equivalents	\$5,859	\$0	\$26,461	\$535
Accounts Receivable	0	0	0	0
Accrued Interest Receivable	0	0	0	0
Intergovernmental Receivable	45,624	9,972	131,121	18,219
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$51,483</u>	<u>\$9,972</u>	<u>\$157,582</u>	<u>\$18,754</u>
Liabilities				
Accounts Payable	\$5,735	\$0	\$0	\$0
Contracts Payable	0	0	0	0
Accrued Wages and Benefits	0	0	110,588	12,829
Matured Compensated Absences Payable	0	0	24,810	0
Interfund Payable	0	0	0	0
Intergovernmental Payable	6,100	0	11,830	2,223
<i>Total Liabilities</i>	<u>11,835</u>	<u>0</u>	<u>147,228</u>	<u>15,052</u>
Deferred Inflows of Resources				
Unavailable Revenue	36,393	9,972	44,210	14,107
Fund Balances				
Nonspendable	0	0	0	0
Restricted	3,255	0	0	0
Committed	0	0	0	0
Unassigned (Deficit)	0	0	(33,856)	(10,405)
<i>Total Fund Balances (Deficit)</i>	<u>3,255</u>	<u>0</u>	<u>(33,856)</u>	<u>(10,405)</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$51,483</u>	<u>\$9,972</u>	<u>\$157,582</u>	<u>\$18,754</u>

Classroom Reduction	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$778	\$0	\$1,444,506
0	0	2,856
0	0	599
16,908	14,278	464,236
0	0	81,610
0	0	20,495
<u>\$17,686</u>	<u>\$14,278</u>	<u>\$2,014,302</u>
\$0	\$0	\$211,731
0	0	16,823
2,982	0	353,448
0	0	126,522
0	0	110,730
1,086	0	160,515
<u>4,068</u>	<u>0</u>	<u>979,769</u>
<u>7,345</u>	<u>14,278</u>	<u>210,850</u>
0	0	20,495
6,273	0	757,220
0	0	128,878
0	0	(82,910)
<u>6,273</u>	<u>0</u>	<u>823,683</u>
<u>\$17,686</u>	<u>\$14,278</u>	<u>\$2,014,302</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, 2019*

	Food Service	Special Trust	Rotary Special Services	Rotary
Revenues				
Intergovernmental	\$773,557	\$0	\$0	\$0
Interest	3,479	409	0	0
Tuition and Fees	0	0	47,962	730,263
Extracurricular Activities	0	30	0	282,144
Contributions and Donations	652	43,470	0	11,411
Charges for Services	1,724,311	0	0	0
Miscellaneous	0	0	189,000	0
<i>Total Revenues</i>	<u>2,501,999</u>	<u>43,909</u>	<u>236,962</u>	<u>1,023,818</u>
Expenditures				
Current:				
Instruction:				
Regular	0	945	37,552	32,144
Special	0	5,258	0	0
Vocational	0	0	174,229	0
Student Intervention	0	0	0	0
Support Services:				
Pupils	0	0	0	839,515
Instructional Staff	0	1,275	0	0
Board of Education	0	1,200	0	0
Administration	0	0	0	3,767
Fiscal	44,854	0	0	24,679
Operation and Maintenance of Plant	0	10,000	0	14,886
Pupil Transportation	0	2,428	0	0
Central	0	3,847	0	3,481
Operation of Non-Instructional Services	0	0	0	0
Operation of Food Service	2,407,862	0	0	0
Extracurricular Activities	0	27,237	0	261,490
<i>Total Expenditures</i>	<u>2,452,716</u>	<u>52,190</u>	<u>211,781</u>	<u>1,179,962</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	49,283	(8,281)	25,181	(156,144)
Other Financing Sources				
Transfers In	0	0	0	54,398
<i>Net Change in Fund Balances</i>	49,283	(8,281)	25,181	(101,746)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>(28,643)</u>	<u>84,617</u>	<u>(43,084)</u>	<u>230,624</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$20,640</u>	<u>\$76,336</u>	<u>(\$17,903)</u>	<u>\$128,878</u>

Other Grants	Student Activities	Athletics and Music	Auxiliary Services	OneNet Data Communications	Miscellaneous State Grants
\$0	\$0	\$0	\$1,318,538	\$18,000	\$70,266
541	0	0	2,943	0	0
0	0	0	0	0	0
0	219,992	296,876	0	0	0
75,000	12,487	25,399	0	0	0
0	0	0	0	0	0
26,302	0	0	0	0	0
<u>101,843</u>	<u>232,479</u>	<u>322,275</u>	<u>1,321,481</u>	<u>18,000</u>	<u>70,266</u>
0	1,186	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	650	0	0	0	22,140
1	0	0	0	0	0
0	0	0	0	0	0
22,997	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	43,449
112	0	0	0	0	0
4,000	0	0	0	18,000	0
0	0	0	1,347,991	0	0
0	0	0	0	0	0
23,599	261,677	365,548	0	0	500
<u>50,709</u>	<u>263,513</u>	<u>365,548</u>	<u>1,347,991</u>	<u>18,000</u>	<u>66,089</u>
51,134	(31,034)	(43,273)	(26,510)	0	4,177
0	0	63,000	0	0	0
51,134	(31,034)	19,727	(26,510)	0	4,177
<u>240,886</u>	<u>269,473</u>	<u>66,548</u>	<u>75,969</u>	<u>0</u>	<u>841</u>
<u>\$292,020</u>	<u>\$238,439</u>	<u>\$86,275</u>	<u>\$49,459</u>	<u>\$0</u>	<u>\$5,018</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, 2019

	Title VI-B	Carl Perkins Grant	Title III	Title I	Preschool Grant
Revenues					
Intergovernmental	\$1,641,473	\$241,766	\$28,153	\$706,299	\$25,036
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>1,641,473</u>	<u>241,766</u>	<u>28,153</u>	<u>706,299</u>	<u>25,036</u>
Expenditures					
Current:					
Instruction:					
Regular	0	0	0	0	0
Special	1,019,480	0	21,617	578,367	3,546
Vocational	0	149,463	0	0	0
Student Intervention	19,248	0	0	0	0
Support Services:					
Pupils	14,823	76,066	4,590	0	32,338
Instructional Staff	21,682	23,351	3,691	117,025	0
Board of Education	0	0	0	0	0
Administration	430,053	13,242	0	46,136	0
Fiscal	0	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0	0
Pupil Transportation	0	0	0	0	0
Central	0	0	0	0	0
Operation of Non-Instructional Services	161,240	0	0	10,009	0
Operation of Food Service	0	0	0	0	0
Extracurricular Activities	0	0	0	0	0
<i>Total Expenditures</i>	<u>1,666,526</u>	<u>262,122</u>	<u>29,898</u>	<u>751,537</u>	<u>35,884</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(25,053)	(20,356)	(1,745)	(45,238)	(10,848)
Other Financing Sources					
Transfers In	0	0	0	0	0
<i>Net Change in Fund Balances</i>	(25,053)	(20,356)	(1,745)	(45,238)	(10,848)
<i>Fund Balances (Deficit) Beginning of Year</i>	4,307	23,611	1,745	11,382	443
<i>Fund Balances (Deficit) End of Year</i>	<u>(\$20,746)</u>	<u>\$3,255</u>	<u>\$0</u>	<u>(\$33,856)</u>	<u>(\$10,405)</u>

Classroom Reduction	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$185,072	\$69,380	\$5,077,540
0	0	7,372
0	0	778,225
0	0	799,042
0	0	168,419
0	0	1,724,311
0	0	215,302
<u>185,072</u>	<u>69,380</u>	<u>8,770,211</u>
0	21,251	93,078
0	0	1,628,268
0	0	323,692
0	0	19,248
0	22,000	1,012,122
152,309	17,705	337,039
0	0	1,200
0	0	516,195
0	0	69,533
0	0	68,335
0	0	2,540
0	0	29,328
27,241	8,424	1,554,905
0	0	2,407,862
0	0	940,051
<u>179,550</u>	<u>69,380</u>	<u>9,003,396</u>
5,522	0	(233,185)
<u>0</u>	<u>0</u>	<u>117,398</u>
5,522	0	(115,787)
<u>751</u>	<u>0</u>	<u>939,470</u>
<u>\$6,273</u>	<u>\$0</u>	<u>\$823,683</u>

Combining Statements - Internal Service Funds

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

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

Workers' Compensation Fund - To account for revenues used to provide workers' compensation benefits to employees.

Mentor Exempted Village School District

Combining Statement of Fund Net Position

Internal Service Funds

June 30, 2019

	<u>Employee Benefits</u>	<u>Workers' Compensation</u>	<u>Total Internal Service Funds</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$15,458,382	\$4,992,021	\$20,450,403
Intergovernmental Receivable	<u>40,890</u>	<u>0</u>	<u>40,890</u>
<i>Total Assets</i>	<u>15,499,272</u>	<u>4,992,021</u>	<u>20,491,293</u>
Liabilities			
<i>Current Liabilities</i>			
Accounts Payable	29,023	1,652	30,675
Claims Payable	<u>1,318,524</u>	<u>115,388</u>	<u>1,433,912</u>
<i>Total Current Liabilities</i>	<u>1,347,547</u>	<u>117,040</u>	<u>1,464,587</u>
<i>Long-Term Liabilities (net of current portion)</i>			
Claims Payable	<u>0</u>	<u>1,196,262</u>	<u>1,196,262</u>
<i>Total Liabilities</i>	<u>1,347,547</u>	<u>1,313,302</u>	<u>2,660,849</u>
Net Position			
Unrestricted	<u>\$14,151,725</u>	<u>\$3,678,719</u>	<u>\$17,830,444</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, 2019*

	<u>Employee Benefits</u>	<u>Workers' Compensation</u>	<u>Total Internal Service Funds</u>
Operating Revenues			
Charges for Services	\$16,657,605	\$756,868	\$17,414,473
Miscellaneous	342	0	342
<i>Total Operating Revenues</i>	<u>16,657,947</u>	<u>756,868</u>	<u>17,414,815</u>
Operating Expenses			
Salaries and Wages	127,175	10,068	137,243
Fringe Benefits	21,579	0	21,579
Purchased Services	118,740	7,902	126,642
Claims	15,158,247	443,735	15,601,982
Other	0	141,699	141,699
<i>Total Operating Expenses</i>	<u>15,425,741</u>	<u>603,404</u>	<u>16,029,145</u>
<i>Operating Income (Loss)</i>	1,232,206	153,464	1,385,670
Non-Operating Income (Expense)			
Interest	90,277	25,051	115,328
<i>Change in Net Position</i>	1,322,483	178,515	1,500,998
<i>Net Position Beginning of Year</i>	<u>12,829,242</u>	<u>3,500,204</u>	<u>16,329,446</u>
<i>Net Position End of Year</i>	<u>\$14,151,725</u>	<u>\$3,678,719</u>	<u>\$17,830,444</u>

Mentor Exempted Village School District

Combining Statement of Cash Flows

Internal Service Funds

For the Fiscal Year Ended June 30, 2019

	<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	\$16,654,966	\$756,868	\$17,411,834
Cash Received from Other	342	0	342
Cash Payments for Salaries	(127,175)	(10,068)	(137,243)
Cash Payments for Employee Benefits	(21,579)	0	(21,579)
Cash Payments for Goods and Services	(89,717)	(6,250)	(95,967)
Cash Payments for Claims	(15,048,818)	(150,652)	(15,199,470)
Cash Payments for Other	0	(141,699)	(141,699)
<i>Net Cash Provided by (Used for) Operating Activities</i>	1,368,019	448,199	1,816,218
Cash Flows from Investing Activities			
Interest	90,277	25,051	115,328
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	1,458,296	473,250	1,931,546
<i>Cash and Cash Equivalents Beginning of Year</i>	14,000,086	4,518,771	18,518,857
<i>Cash and Cash Equivalents End of Year</i>	\$15,458,382	\$4,992,021	\$20,450,403
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Operating Income (Loss)	\$1,232,206	\$153,464	\$1,385,670
<i>Adjustments:</i>			
<i>(Increase)/Decrease in Assets:</i>			
Intergovernmental Receivable	(2,639)	0	(2,639)
<i>Increase (Decrease) in Liabilities:</i>			
Accounts Payable	29,023	1,652	30,675
Claims Payable	109,429	293,083	402,512
<i>Total Adjustments</i>	135,813	294,735	430,548
<i>Net Cash Provided by (Used for) Operating Activities</i>	\$1,368,019	\$448,199	\$1,816,218

**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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$60,407,120	\$71,171,645	\$70,431,700	(\$739,945)
Intergovernmental	21,748,018	25,576,995	26,529,192	952,197
Interest	760,764	1,020,000	1,748,064	728,064
Tuition and Fees	1,629,059	1,844,250	1,499,179	(345,071)
Extracurricular Activities	290,315	338,537	325,165	(13,372)
Contributions and Donations	0	0	181	181
Charges for Services	40,316	50,000	65,299	15,299
Rentals	75,156	85,000	66,376	(18,624)
Payment in Lieu of Taxes	585,132	600,000	2,129,027	1,529,027
Miscellaneous	1,093,057	1,110,213	570,073	(540,140)
<i>Total Revenues</i>	<i>86,628,937</i>	<i>101,796,640</i>	<i>103,364,256</i>	<i>1,567,616</i>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	29,175,498	28,762,437	28,644,759	117,678
Fringe Benefits	10,095,956	10,165,091	10,165,091	0
Purchased Services	2,685,330	2,357,283	2,357,283	0
Materials and Supplies	2,550,714	2,926,740	2,482,945	443,795
Capital Outlay	1,060,182	1,070,320	1,045,925	24,395
Other	65,148	61,728	55,355	6,373
Total Regular	45,632,828	45,343,599	44,751,358	592,241
Special:				
Salaries and Wages	7,758,620	8,130,412	8,130,412	0
Fringe Benefits	4,009,340	4,016,837	4,016,837	0
Purchased Services	5,569,100	5,108,139	5,009,157	98,982
Materials and Supplies	4,406	4,406	2,402	2,004
Capital Outlay	300	300	0	300
Total Special	17,341,766	17,260,094	17,158,808	101,286
Vocational:				
Salaries and Wages	984,216	814,080	806,742	7,338
Fringe Benefits	340,201	340,201	321,504	18,697
Purchased Services	900,472	862,885	647,186	215,699
Materials and Supplies	47,445	47,445	31,966	15,479
Capital Outlay	11,419	8,419	2,349	6,070
Other	17,776	17,776	15,784	1,992
Total Vocational	\$2,301,529	\$2,090,806	\$1,825,531	\$265,275

(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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Student Intervention:				
Salaries and Wages	\$8,316	\$25,000	\$9,973	\$15,027
Fringe Benefits	151,889	8,316	1,662	6,654
Purchased Services	122,519	141,957	129,646	12,311
Materials and Supplies	0	132,193	131,643	550
Total Student Intervention	282,724	307,466	272,924	34,542
 Total Instruction	 65,558,847	 65,001,965	 64,008,621	 993,344
Support Services:				
Pupils:				
Salaries and Wages	3,640,870	3,690,164	3,690,164	0
Fringe Benefits	1,561,572	1,561,572	1,536,370	25,202
Purchased Services	30,107	26,454	20,939	5,515
Materials and Supplies	12,314	12,014	11,103	911
Capital Outlay	1,400	2,100	1,769	331
Total Pupils	5,246,263	5,292,304	5,260,345	31,959
Instructional Staff:				
Salaries and Wages	3,829,622	3,569,922	3,526,481	43,441
Fringe Benefits	1,329,355	1,331,250	1,331,250	0
Purchased Services	801,079	897,205	825,747	71,458
Materials and Supplies	403,046	461,069	447,564	13,505
Capital Outlay	324,570	374,581	373,969	612
Other	3,136	4,036	1,434	2,602
Total Instructional Staff	6,690,808	6,638,063	6,506,445	131,618
Board of Education:				
Salaries and Wages	22,000	22,000	13,500	8,500
Fringe Benefits	4,018	4,018	2,985	1,033
Purchased Services	65,352	64,268	45,187	19,081
Materials and Supplies	4,008	4,008	1,707	2,301
Other	121,030	154,030	151,627	2,403
Total Board of Education	\$216,408	\$248,324	\$215,006	\$33,318

(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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Administration:				
Salaries and Wages	\$3,804,065	\$3,622,065	\$3,460,384	\$161,681
Fringe Benefits	1,714,742	1,722,539	1,653,834	68,705
Purchased Services	237,599	263,199	238,964	24,235
Materials and Supplies	13,535	15,935	12,133	3,802
Other	6,072	6,072	2,900	3,172
Total Administration	5,776,013	5,629,810	5,368,215	261,595
Fiscal:				
Salaries and Wages	974,707	782,521	782,470	51
Fringe Benefits	358,531	359,693	355,699	3,994
Purchased Services	552,451	587,774	577,895	9,879
Materials and Supplies	16,722	21,222	20,841	381
Capital Outlay	5,525	5,525	525	5,000
Other	659,497	1,087,024	979,086	107,938
Total Fiscal	2,567,433	2,843,759	2,716,516	127,243
Business:				
Salaries and Wages	384,803	384,803	360,516	24,287
Fringe Benefits	157,066	160,251	160,251	0
Purchased Services	8,949	9,699	4,399	5,300
Materials and Supplies	8,111	8,111	7,811	300
Capital Outlay	1,878	1,878	1,274	604
Other	16,318	16,318	9,080	7,238
Total Business	577,125	581,060	543,331	37,729
Operation and Maintenance of Plant:				
Salaries and Wages	3,742,526	3,702,781	3,298,308	404,473
Fringe Benefits	1,780,988	1,798,419	1,798,419	0
Purchased Services	2,985,639	2,959,961	2,769,691	190,270
Materials and Supplies	471,785	484,307	478,145	6,162
Capital Outlay	279,592	287,525	243,325	44,200
Other	24,418	24,598	24,595	3
Total Operation and Maintenance of Plant	\$9,284,948	\$9,257,591	\$8,612,483	\$645,108

(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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Pupil Transportation:				
Salaries and Wages	\$2,043,304	\$2,841,144	\$2,841,144	\$0
Fringe Benefits	1,593,135	1,593,135	1,466,365	126,770
Purchased Services	1,099,609	1,045,181	1,020,567	24,614
Materials and Supplies	1,023,156	852,591	850,780	1,811
Capital Outlay	530,835	531,388	514,206	17,182
Other	319	319	304	15
Total Pupil Transportation	6,290,358	6,863,758	6,693,366	170,392
Central:				
Salaries and Wages	217,726	217,726	169,118	48,608
Fringe Benefits	115,441	113,911	87,978	25,933
Purchased Services	640,657	675,481	614,213	61,268
Materials and Supplies	23,900	24,276	23,635	641
Capital Outlay	15,740	15,656	14,936	720
Other	18,165	18,165	17,663	502
Total Central	1,031,629	1,065,215	927,543	137,672
Total Support Services	37,680,985	38,419,884	36,843,250	1,576,634
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	63,195	63,195	57,639	5,556
Fringe Benefits	27,912	28,128	28,128	0
Total Operation of Non-Instructional Services	91,107	91,323	85,767	5,556
Extracurricular Activities:				
Academic Oriented Activities:				
Salaries and Wages	303,069	303,069	274,045	29,024
Fringe Benefits	45,243	49,004	49,004	0
Purchased Services	49,232	50,698	45,660	5,038
Materials and Supplies	7,304	8,604	6,916	1,688
Capital Outlay	5,001	3,701	3,700	1
Other	6,277	6,277	5,791	486
Total Academic Oriented Activities	416,126	421,353	385,116	36,237
Occupation Oriented Activities:				
Salaries and Wages	4,642	4,621	2,870	1,751
Fringe Benefits	397	458	458	0
Total Occupation Oriented Activities	\$5,039	\$5,079	\$3,328	\$1,751

(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, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Athletic Oriented Activities:				
Salaries and Wages	\$917,193	\$917,193	\$820,766	\$96,427
Fringe Benefits	199,023	199,023	196,134	2,889
Purchased Services	27,500	27,500	22,000	5,500
Capital Outlay	84,590	4,590	4,590	0
Other	101,640	101,640	50,640	51,000
Total Athletic Oriented Activities	1,329,946	1,249,946	1,094,130	155,816
School and Public Service Co-Curricular Activities:				
Salaries and Wages	131,988	131,988	106,308	25,680
Fringe Benefits	25,430	25,430	24,630	800
Total School and Public Service Co-Curricular Activities	157,418	157,418	130,938	26,480
Total Extracurricular Activities	1,908,529	1,833,796	1,613,512	220,284
Capital Outlay:				
Building Acquisition and Construction:				
Purchased Services	18	18	18	0
Materials and Supplies	875	10,851	10,851	0
Capital Outlay	46,250	116,274	116,274	0
Total Capital Outlay	47,143	127,143	127,143	0
Total Expenditures	105,286,611	105,474,111	102,678,293	2,795,818
Excess of Revenues Over (Under) Expenditures	(18,657,674)	(3,677,471)	685,963	4,363,434
Other Financing Sources (Uses)				
Advances In	410,000	110,000	175,000	65,000
Advances Out	(537,500)	(50,000)	0	50,000
Transfers In	15,167,703	0	0	0
Transfers Out	(415,120)	(415,120)	(196,398)	218,722
Total Other Financing Sources (Uses)	14,625,083	(355,120)	(21,398)	333,722
Net Change in Fund Balance	(4,032,591)	(4,032,591)	664,565	4,697,156
Fund Balance Beginning of Year	68,630,442	68,630,442	68,630,442	0
Prior Year Encumbrances Appropriated	5,121,214	5,121,214	5,121,214	0
Fund Balance End of Year	\$69,719,065	\$69,719,065	\$74,416,221	\$4,697,156

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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$0	\$0	\$57,461	\$57,461
Tuition and Fees	4,480,000	4,480,000	5,692,620	1,212,620
<i>Total Revenues</i>	4,480,000	4,480,000	5,750,081	1,270,081
Expenses				
Salaries and Wages	2,466,243	2,444,394	2,388,281	56,113
Fringe Benefits	1,074,922	1,075,372	1,058,673	16,699
Purchased Services	788,943	800,785	749,389	51,396
Materials and Supplies	138,492	131,668	104,334	27,334
Capital Outlay	178,139	199,529	177,128	22,401
Other	8,549	3,540	3,021	519
<i>Total Expenses</i>	4,655,288	4,655,288	4,480,826	174,462
<i>Net Change in Fund Equity</i>	(175,288)	(175,288)	1,269,255	1,444,543
<i>Fund Equity Beginning of Year</i>	1,873,185	1,873,185	1,873,185	0
Prior Year Encumbrances Appropriated	623,386	623,386	623,386	0
<i>Fund Equity End of Year</i>	\$2,321,283	\$2,321,283	\$3,765,826	\$1,444,543

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, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$1,010,400	\$1,010,400	\$1,014,580	\$4,180
Interest	1,000	1,000	2,428	1,428
Contributions and Donations	0	0	652	652
Charges for Services	1,266,850	1,566,850	1,740,266	173,416
<i>Total Revenues</i>	<u>2,278,250</u>	<u>2,578,250</u>	<u>2,757,926</u>	<u>179,676</u>
Expenditures				
Support Services:				
Fiscal:				
Other	30,000	52,000	44,854	7,146
Operation of Food Service:				
Salaries and Wages	1,105,060	1,105,060	997,639	107,421
Fringe Benefits	861,130	861,130	767,025	94,105
Purchased Services	57,038	57,038	39,891	17,147
Materials and Supplies	1,158,752	1,158,752	864,818	293,934
Capital Outlay	80,000	58,000	16,823	41,177
<i>Total Operation of Food Service</i>	<u>3,261,980</u>	<u>3,239,980</u>	<u>2,686,196</u>	<u>553,784</u>
<i>Total Expenditures</i>	<u>3,291,980</u>	<u>3,291,980</u>	<u>2,731,050</u>	<u>560,930</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,013,730)</u>	<u>(713,730)</u>	<u>26,876</u>	<u>740,606</u>
Other Financing Sources (Uses)				
Advances In	300,000	0	0	0
Transfers In	700,000	700,000	0	(700,000)
<i>Total Other Financing Sources</i>	<u>1,000,000</u>	<u>700,000</u>	<u>0</u>	<u>(700,000)</u>
<i>Net Change in Fund Balance</i>	(13,730)	(13,730)	26,876	40,606
<i>Fund Balance Beginning of Year</i>	60,549	60,549	60,549	0
Prior Year Encumbrances Appropriated	5,726	5,726	5,726	0
<i>Fund Balance End of Year</i>	<u>\$52,545</u>	<u>\$52,545</u>	<u>\$93,151</u>	<u>\$40,606</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, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Interest	\$0	\$0	\$196	\$196
Extracurricular Activities	8,000	8,000	30	(7,970)
Contributions and Donations	120,300	130,776	43,470	(87,306)
<i>Total Revenues</i>	<u>128,300</u>	<u>138,776</u>	<u>43,696</u>	<u>(95,080)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	717	0	0	0
Fringe Benefits	119	0	0	0
Purchased Services	0	592	350	242
Materials and Supplies	1,482	2,182	1,572	610
Other	150	150	0	150
Total Regular	<u>2,468</u>	<u>2,924</u>	<u>1,922</u>	<u>1,002</u>
Special:				
Purchased Services	692	2,032	1,963	69
Materials and Supplies	1,079	2,837	2,550	287
Other	2,667	6,075	5,133	942
Total Special	<u>4,438</u>	<u>10,944</u>	<u>9,646</u>	<u>1,298</u>
Total Instruction	<u>6,906</u>	<u>13,868</u>	<u>11,568</u>	<u>2,300</u>
Support Services:				
Instructional Staff:				
Purchased Services	4,400	5,500	1,100	4,400
Materials and Supplies	0	395	395	0
Total Instructional Staff	<u>4,400</u>	<u>5,895</u>	<u>1,495</u>	<u>4,400</u>
Board of Education:				
Other	10,000	10,000	1,200	8,800
Administration:				
Purchased Services	155	155	0	155
Operation and Maintenance of Plant:				
Capital Outlay	\$10,000	\$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, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Pupil Transportation:				
Purchased Services	\$701	\$4,856	\$4,546	\$310
Central:				
Purchased Services	3,500	3,500	0	3,500
Materials and Supplies	3,413	3,413	717	2,696
Other	14,152	14,652	4,575	10,077
Total Central	21,065	21,565	5,292	16,273
Total Support Services	46,321	52,471	22,533	29,938
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	228	228	0	228
Materials and Supplies	407	407	306	101
Total Operation of Non-Instructional Services	635	635	306	329
Extracurricular Activities:				
Academic Oriented Activities:				
Purchased Services	550	550	500	50
Materials and Supplies	341	3,441	2,785	656
Other	82,800	84,300	19,370	64,930
Total Academic Oriented Activities	83,691	88,291	22,655	65,636
Sports Oriented Activities:				
Purchased Services	0	275	275	0
Other	2,500	2,500	500	2,000
Total Sports Oriented Activities	2,500	2,775	775	2,000
School and Public Service				
Co-Curricular Activities:				
Purchased Services	350	350	0	350
Materials and Supplies	100	100	0	100
Other	16,260	17,097	5,391	11,706
Total School and Public Service				
Co-Curricular Activities	16,710	17,547	5,391	12,156
Total Extracurricular Activities	102,901	108,613	28,821	79,792
<i>Total Expenditures</i>	156,763	175,587	63,228	112,359
<i>Net Change in Fund Balance</i>	(28,463)	(36,811)	(19,532)	17,279
<i>Fund Balance Beginning of Year</i>	68,414	68,414	68,414	0
Prior Year Encumbrances Appropriated	17,405	17,405	17,405	0
<i>Fund Balance End of Year</i>	\$57,356	\$49,008	\$66,287	\$17,279

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, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Tuition and Fees	\$85,010	\$85,010	\$47,962	(\$37,048)
Miscellaneous	200,000	200,000	189,000	(11,000)
<i>Total Revenues</i>	<u>285,010</u>	<u>285,010</u>	<u>236,962</u>	<u>(48,048)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	54,200	54,200	45,472	8,728
Fringe Benefits	9,550	9,550	8,348	1,202
Purchased Services	400	400	270	130
Materials and Supplies	1,000	1,000	0	1,000
Other	3,280	3,280	2,700	580
Total Regular	<u>68,430</u>	<u>68,430</u>	<u>56,790</u>	<u>11,640</u>
Vocational:				
Purchased Services	17,159	40,959	39,906	1,053
Materials and Supplies	58,465	54,365	54,308	57
Capital Outlay	80,744	72,244	70,459	1,785
Other	29,533	29,533	17,377	12,156
Total Vocational	<u>185,901</u>	<u>197,101</u>	<u>182,050</u>	<u>15,051</u>
<i>Total Expenditures</i>	<u>254,331</u>	<u>265,531</u>	<u>238,840</u>	<u>26,691</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	30,679	19,479	(1,878)	(21,357)
Other Financing Sources (Uses)				
Advances Out	0	(175,000)	(175,000)	0
<i>Net Change in Fund Balance</i>	30,679	(155,521)	(176,878)	(21,357)
<i>Fund Balance Beginning of Year</i>	243,154	243,154	243,154	0
Prior Year Encumbrances Appropriated	10,105	10,105	10,105	0
<i>Fund Balance End of Year</i>	<u>\$283,938</u>	<u>\$97,738</u>	<u>\$76,381</u>	<u>(\$21,357)</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Rotary Fund
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Tuition and Fees	\$816,000	\$816,000	\$740,018	(\$75,982)
Extracurricular Activities	129,500	397,350	282,144	(115,206)
Contributions and Donations	47,150	47,150	11,411	(35,739)
<i>Total Revenues</i>	<u>992,650</u>	<u>1,260,500</u>	<u>1,033,573</u>	<u>(226,927)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	33,400	40,840	26,605	14,235
Fringe Benefits	6,706	8,046	4,439	3,607
Materials and Supplies	2,092	11,092	3,081	8,011
Total Instruction	<u>42,198</u>	<u>59,978</u>	<u>34,125</u>	<u>25,853</u>
Support Services:				
Pupils:				
Salaries and Wages	494,915	494,915	459,471	35,444
Fringe Benefits	188,029	188,029	177,709	10,320
Purchased Services	87,693	87,693	65,263	22,430
Materials and Supplies	129,380	111,180	104,566	6,614
Capital Outlay	1,500	6,700	6,592	108
Other	4,645	12,495	3,374	9,121
Total Pupils	<u>906,162</u>	<u>901,012</u>	<u>816,975</u>	<u>84,037</u>
Administration:				
Purchased Services	0	3,800	3,767	33
Fiscal:				
Other	15,000	28,000	24,679	3,321
Operation and Maintenance of Plant:				
Purchased Services	0	14,900	14,886	14
Central:				
Salaries and Wages	3,000	8,000	3,084	4,916
Fringe Benefits	85	85	46	39
Total Central	<u>3,085</u>	<u>8,085</u>	<u>3,130</u>	<u>4,955</u>
Total Support Services	<u>\$924,247</u>	<u>\$955,797</u>	<u>\$863,437</u>	<u>\$92,360</u>

(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, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Extracurricular Activities:				
Academic Oriented Activities:				
Purchased Services	\$0	\$291,000	\$215,254	\$75,746
School and Public Service Co-Curricular Activities:				
Purchased Services	24,040	24,040	10,920	13,120
Materials and Supplies	500	500	0	500
Other	99,424	104,424	41,539	62,885
Total School and Public Service Co-Curricular Activities	123,964	128,964	52,459	76,505
Total Extracurricular Activities	123,964	419,964	267,713	152,251
<i>Total Expenditures</i>	1,090,409	1,435,739	1,165,275	270,464
<i>Excess of Revenues Over (Under) Expenditures</i>	(97,759)	(175,239)	(131,702)	43,537
Other Financing Sources (Uses)				
Transfers In	63,707	63,707	54,398	(9,309)
<i>Net Change in Fund Balance</i>	(34,052)	(111,532)	(77,304)	34,228
<i>Fund Balance Beginning of Year</i>	209,353	209,353	209,353	0
Prior Year Encumbrances Appropriated	32,886	32,886	32,886	0
<i>Fund Balance End of Year</i>	\$208,187	\$130,707	\$164,935	\$34,228

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, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Interest	\$0	\$0	\$298	\$298
Contributions and Donations	65,250	65,250	75,000	9,750
Miscellaneous	30,000	30,000	30,856	856
<i>Total Revenues</i>	<u>95,250</u>	<u>95,250</u>	<u>106,154</u>	<u>10,904</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Other	2,000	2,000	0	2,000
Support Services:				
Instructional Staff:				
Other	69,118	69,118	48,743	20,375
Administration:				
Purchased Services	10,847	27,847	12,992	14,855
Materials and Supplies	10,957	10,957	7,341	3,616
Other	10,482	10,482	9,670	812
Total Administration	<u>32,286</u>	<u>49,286</u>	<u>30,003</u>	<u>19,283</u>
Pupil Transportation:				
Purchased Services	5,522	5,522	2,671	2,851
Central:				
Purchased Services	47,000	47,000	4,000	43,000
Other	15,000	15,000	0	15,000
Total Central	<u>62,000</u>	<u>62,000</u>	<u>4,000</u>	<u>58,000</u>
Total Support Services	<u>168,926</u>	<u>185,926</u>	<u>85,417</u>	<u>100,509</u>
Extracurricular Activities:				
Academic Oriented Activities:				
Purchased Services	13,510	13,510	6,867	6,643
Materials and Supplies	13,973	13,973	6,350	7,623
Capital Outlay	19,380	19,380	6,193	13,187
Total Academic Oriented Activities	46,863	46,863	19,410	27,453
School and Public Service Co-Curricular:				
Other	126,659	109,659	15,134	94,525
Total Extracurricular Activities	<u>173,522</u>	<u>156,522</u>	<u>34,544</u>	<u>121,978</u>
<i>Total Expenditures</i>	<u>344,448</u>	<u>344,448</u>	<u>119,961</u>	<u>224,487</u>
<i>Net Change in Fund Balance</i>	(249,198)	(249,198)	(13,807)	235,391
<i>Fund Balance Beginning of Year</i>	131,287	131,287	131,287	0
Prior Year Encumbrances Appropriated	160,374	160,374	160,374	0
<i>Fund Balance End of Year</i>	<u>\$42,463</u>	<u>\$42,463</u>	<u>\$277,854</u>	<u>\$235,391</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Student Activities Fund
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Extracurricular Activities	\$836,850	\$841,850	\$219,992	(\$621,858)
Contributions and Donations	115,450	115,450	12,487	(102,963)
Miscellaneous	8,000	8,000	0	(8,000)
<i>Total Revenues</i>	<u>960,300</u>	<u>965,300</u>	<u>232,479</u>	<u>(732,821)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	500	500	265	235
Materials and Supplies	1,075	1,075	155	920
Other	1,462	1,462	905	557
<i>Total Instruction</i>	<u>3,037</u>	<u>3,037</u>	<u>1,325</u>	<u>1,712</u>
Support Services:				
Pupils:				
Purchased Services	3,000	3,000	0	3,000
Materials and Supplies	500	500	0	500
Other	2,000	2,000	650	1,350
<i>Total Support Services</i>	<u>5,500</u>	<u>5,500</u>	<u>650</u>	<u>4,850</u>
Extracurricular Activities:				
Academic Oriented Activities:				
Salaries and Wages	13,250	13,350	5,350	8,000
Fringe Benefits	3,100	3,000	909	2,091
Purchased Services	223,805	227,806	30,903	196,903
Materials and Supplies	103,267	110,091	40,112	69,979
Capital Outlay	12,000	12,000	0	12,000
Other	189,401	190,501	66,699	123,802
<i>Total Academic Oriented Activities</i>	<u>544,823</u>	<u>556,748</u>	<u>143,973</u>	<u>412,775</u>
Occupation Oriented Activities:				
Salaries and Wages	150	150	0	150
Fringe Benefits	50	50	0	50
Purchased Services	14,884	14,884	3,160	11,724
Materials and Supplies	8,923	9,073	499	8,574
Other	28,770	30,170	14,635	15,535
<i>Total Occupation Oriented Activities</i>	<u>52,777</u>	<u>54,327</u>	<u>18,294</u>	<u>36,033</u>
Athletic Oriented Activities:				
Purchased Services	900	900	0	900
Materials and Supplies	2,550	2,550	0	2,550
Other	3,075	3,075	301	2,774
<i>Total Athletic Oriented Activities</i>	<u>\$6,525</u>	<u>\$6,525</u>	<u>\$301</u>	<u>\$6,224</u>

(continued)

Mentor Exempted Village School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Student Activities Fund (continued)
 For the Fiscal Year Ended June 30, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
School and Public Service Co-Curricular Activities:				
Salaries and Wages	\$500	\$500	\$266	\$234
Fringe Benefits	100	100	44	56
Purchased Services	103,638	104,638	37,827	66,811
Materials and Supplies	96,309	106,059	29,832	76,227
Capital Outlay	15,200	17,200	650	16,550
Other	204,637	236,960	69,434	167,526
Total School and Public Service Co-Curricular Activities	420,384	465,457	138,053	327,404
Total Extracurricular Activities	1,024,509	1,083,057	300,621	782,436
Total Expenditures	1,033,046	1,091,594	302,596	788,998
<i>Excess of Revenues Over (Under) Expenditures</i>	(72,746)	(126,294)	(70,117)	56,177
Other Financing Sources (Uses)				
Transfers Out	(31,623)	(31,933)	0	31,933
<i>Net Change in Fund Balance</i>	(104,369)	(158,227)	(70,117)	88,110
<i>Fund Balance Beginning of Year</i>	199,144	199,144	199,144	0
Prior Year Encumbrances Appropriated	70,329	70,329	70,329	0
Fund Balance End of Year	\$165,104	\$111,246	\$199,356	\$88,110

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, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Extracurricular Activities	\$447,850	\$447,850	\$296,876	(\$150,974)
Contributions and Donations	84,100	84,100	25,399	(58,701)
<i>Total Revenues</i>	<u>531,950</u>	<u>531,950</u>	<u>322,275</u>	<u>(209,675)</u>
Expenditures				
Current:				
Extracurricular Activities:				
Sports Oriented Activities:				
Salaries and Wages	36,620	34,620	18,405	16,215
Fringe Benefits	4,462	5,462	4,480	982
Purchased Services	234,828	216,128	131,807	84,321
Materials and Supplies	135,290	145,896	95,952	49,944
Capital Outlay	11,607	11,607	7	11,600
Other	155,579	199,603	119,496	80,107
<i>Total Expenditures</i>	<u>578,386</u>	<u>613,316</u>	<u>370,147</u>	<u>243,169</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(46,436)	(81,366)	(47,872)	33,494
Other Financing Sources (Uses)				
Transfers In	52,000	35,912	63,000	27,088
<i>Net Change in Fund Balance</i>	5,564	(45,454)	15,128	60,582
<i>Fund Balance Beginning of Year</i>	67,132	67,132	67,132	0
Prior Year Encumbrances Appropriated	11,454	11,454	11,454	0
<i>Fund Balance End of Year</i>	<u>\$84,150</u>	<u>\$33,132</u>	<u>\$93,714</u>	<u>\$60,582</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, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$1,390,220	\$1,318,538	\$1,318,538	\$0
Interest	0	0	2,943	2,943
<i>Total Revenues</i>	<u>1,390,220</u>	<u>1,318,538</u>	<u>1,321,481</u>	<u>2,943</u>
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	1,222,420	1,076,015	1,076,015	0
Materials and Supplies	164,787	437,944	437,944	0
Capital Outlay	30,223	72,672	72,672	0
<i>Total Expenditures</i>	<u>1,417,430</u>	<u>1,586,631</u>	<u>1,586,631</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(27,210)	(268,093)	(265,150)	2,943
<i>Fund Balance Beginning of Year</i>	50,567	50,567	50,567	0
Prior Year Encumbrances Appropriated	217,526	217,526	217,526	0
<i>Fund Balance End of Year</i>	<u>\$240,883</u>	<u>\$0</u>	<u>\$2,943</u>	<u>\$2,943</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, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$18,000	\$18,000	\$18,000	\$0
Expenditures				
Current:				
Support Services:				
Central:				
Capital Outlay	18,000	18,000	18,000	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<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
Miscellaneous State Grants Fund
For the Fiscal Year Ended June 30, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$57,158	\$81,200	\$80,427	(\$773)
Expenditures				
Current:				
Instruction:				
Special:				
Materials and Supplies	28,380	10,562	10,562	0
Capital Outlay	8,644	6,555	6,555	0
Total Instruction	37,024	17,117	17,117	0
Support Services:				
Pupils:				
Salaries and Wages	25,002	25,002	21,431	3,571
Fringe Benefits	4,164	4,164	3,569	595
Total Pupils	29,166	29,166	25,000	4,166
Operation and Maintenance of Plant:				
Materials and Supplies	0	34,999	34,999	0
Capital Outlay	0	8,450	8,450	0
Total Operation and Maintenance of Plant	0	43,449	43,449	0
Total Support Services	29,166	72,615	68,449	4,166
Extracurricular Activities:				
Sports Oriented Activities:				
Materials and Supplies	0	500	500	0
Total Expenditures	66,190	90,232	86,066	4,166
Net Change in Fund Balance	(9,032)	(9,032)	(5,639)	3,393
Fund Balance Beginning of Year	1,042	1,042	1,042	0
Prior Year Encumbrances Appropriated	7,990	7,990	7,990	0
Fund Balance End of Year	\$0	\$0	\$3,393	\$3,393

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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$1,836,315	\$1,843,591	\$1,618,752	(\$224,839)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	743,165	768,204	664,780	103,424
Fringe Benefits	280,188	280,107	240,398	39,709
Purchased Services	82,756	81,465	59,422	22,043
Materials and Supplies	49,478	72,311	55,034	17,277
Capital Outlay	20,068	6,000	4,277	1,723
Total Special	1,175,655	1,208,087	1,023,911	184,176
Student Intervention:				
Salaries and Wages	25,000	16,500	16,500	0
Fringe Benefits	4,164	2,748	2,748	0
Total Student Intervention	29,164	19,248	19,248	0
Total Instruction	1,204,819	1,227,335	1,043,159	184,176
Support Services:				
Pupils:				
Salaries and Wages	5,120	4,763	263	4,500
Fringe Benefits	962	794	44	750
Purchased Services	15,735	15,253	8,692	6,561
Materials and Supplies	17,389	18,133	15,581	2,552
Capital Outlay	2,000	1,600	0	1,600
Total Pupils	41,206	40,543	24,580	15,963
Instructional Staff:				
Purchased Services	74,475	32,997	24,293	8,704
Administration:				
Salaries and Wages	265,061	304,470	274,494	29,976
Fringe Benefits	151,810	150,889	126,697	24,192
Purchased Services	20,941	15,393	13,901	1,492
Materials and Supplies	4,945	5,280	4,896	384
Capital Outlay	2,000	1,000	0	1,000
Total Administration	\$444,757	\$477,032	\$419,988	\$57,044

(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, 2019*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	\$162,476	\$161,240	\$161,240	\$0
Capital Outlay:				
Capital Outlay	4,138	0	0	0
<i>Total Expenditures</i>	<u>1,931,871</u>	<u>1,939,147</u>	<u>1,673,260</u>	<u>265,887</u>
<i>Net Change in Fund Balance</i>	(95,556)	(95,556)	(54,508)	41,048
<i>Fund Balance Beginning of Year</i>	50,932	50,932	50,932	0
Prior Year Encumbrances Appropriated	<u>44,624</u>	<u>44,624</u>	<u>44,624</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$41,048</u></u>	<u><u>\$41,048</u></u>

Mentor Exempted Village School District
*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Carl Perkins Grant Fund
For the Fiscal Year Ended June 30, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$290,132	\$303,452	\$257,828	(\$45,624)
Expenditures				
Current:				
Instruction:				
Vocational:				
Salaries and Wages	15,222	7,421	6,601	820
Fringe Benefits	2,592	1,243	1,104	139
Purchased Services	80,625	74,725	53,824	20,901
Materials and Supplies	43,337	63,300	49,393	13,907
Capital Outlay	28,360	44,911	44,535	376
Total Instruction	170,136	191,600	155,457	36,143
Support Services:				
Pupils:				
Salaries and Wages	9,950	9,860	9,860	0
Fringe Benefits	1,692	1,639	1,639	0
Purchased Services	73,515	65,514	64,567	947
Total Pupils	85,157	77,013	76,066	947
Instructional Staff:				
Salaries and Wages	960	960	960	0
Fringe Benefits	160	160	160	0
Purchased Services	34,006	34,006	25,444	8,562
Total Instructional Staff	35,126	35,126	26,564	8,562
Administration:				
Salaries and Wages	11,352	11,352	11,352	0
Fringe Benefits	1,890	1,890	1,890	0
Total Administration	13,242	13,242	13,242	0
Total Support Services	133,525	125,381	115,872	9,509
Total Expenditures	303,661	316,981	271,329	45,652
Net Change in Fund Balance	(13,529)	(13,529)	(13,501)	28
Fund Balance Beginning of Year	580	580	580	0
Prior Year Encumbrances Appropriated	12,949	12,949	12,949	0
Fund Balance End of Year	\$0	\$0	\$28	\$28

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, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$39,171	\$39,681	\$29,709	(\$9,972)
Expenditures				
Current:				
Instruction:				
Special:				
Materials and Supplies	11,217	26,020	23,410	2,610
Capital Outlay	2,100	1,185	1,185	0
Total Instruction	13,317	27,205	24,595	2,610
Support Services:				
Pupils:				
Salaries and Wages	4,117	1,200	0	1,200
Fringe Benefits	736	300	0	300
Purchased Services	8,645	6,511	4,590	1,921
Total Pupils	13,498	8,011	4,590	3,421
Instructional Staff:				
Salaries and Wages	3,334	2,000	440	1,560
Fringe Benefits	689	400	73	327
Purchased Services	6,954	2,000	1,425	575
Materials and Supplies	314	3,232	1,753	1,479
Total Instructional Staff	11,291	7,632	3,691	3,941
Total Support Services	24,789	15,643	8,281	7,362
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	4,232	0	0	0
<i>Total Expenditures</i>	42,338	42,848	32,876	9,972
<i>Net Change in Fund Balance</i>	(3,167)	(3,167)	(3,167)	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	3,167	3,167	3,167	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, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$829,789	\$832,340	\$701,219	(\$131,121)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	485,437	468,927	387,073	81,854
Fringe Benefits	141,380	170,259	139,138	31,121
Purchased Services	1,800	1,800	535	1,265
Materials and Supplies	37,765	26,577	22,735	3,842
Total Instruction	666,382	667,563	549,481	118,082
Support Services:				
Instructional Staff:				
Salaries and Wages	106,405	112,923	96,123	16,800
Fringe Benefits	42,373	41,236	33,977	7,259
Purchased Services	6,074	4,338	2,290	2,048
Materials and Supplies	1,228	895	275	620
Total Instructional Staff	156,080	159,392	132,665	26,727
Administration:				
Salaries and Wages	31,692	31,152	24,863	6,289
Fringe Benefits	10,846	10,440	8,947	1,493
Total Administration	42,538	41,592	33,810	7,782
Total Support Services	198,618	200,984	166,475	34,509
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	17,072	16,076	11,085	4,991
Total Expenditures	882,072	884,623	727,041	157,582
Net Change in Fund Balance	(52,283)	(52,283)	(25,822)	26,461
Fund Balance Beginning of Year	52,282	52,282	52,282	0
Prior Year Encumbrances Appropriated	1	1	1	0
Fund Balance End of Year	\$0	\$0	\$26,461	\$26,461

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, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$41,768	\$41,766	\$23,547	(\$18,219)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	3,418	1,000	0	1,000
Fringe Benefits	572	291	0	291
Purchased Services	951	1,400	354	1,046
Materials and Supplies	4,524	14,000	3,031	10,969
Total Instruction	9,465	16,691	3,385	13,306
Support Services:				
Pupils:				
Salaries and Wages	26,421	17,630	14,982	2,648
Fringe Benefits	5,203	7,394	6,194	1,200
Purchased Services	1,000	400	0	400
Materials and Supplies	728	700	0	700
Total Pupils	33,352	26,124	21,176	4,948
Pupil Transportation:				
Purchased Services	500	500	0	500
Total Support Services	33,852	26,624	21,176	5,448
<i>Total Expenditures</i>	43,317	43,315	24,561	18,754
<i>Net Change in Fund Balance</i>	(1,549)	(1,549)	(1,014)	535
<i>Fund Balance Beginning of Year</i>	1,329	1,329	1,329	0
Prior Year Encumbrances Appropriated	220	220	220	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$535	\$535

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, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$205,090	\$197,112	\$180,204	(\$16,908)
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	29,391	62,425	50,463	11,962
Fringe Benefits	11,698	10,722	8,413	2,309
Purchased Services	116,485	88,089	86,900	1,189
Materials and Supplies	9,880	6,218	5,842	376
Total Support Services	167,454	167,454	151,618	15,836
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	25,361	24,466	23,788	678
Materials and Supplies	13,980	6,897	5,725	1,172
Total Operation of Non-Instructional Services	39,341	31,363	29,513	1,850
<i>Total Expenditures</i>	206,795	198,817	181,131	17,686
<i>Net Change in Fund Balance</i>	(1,705)	(1,705)	(927)	778
<i>Fund Balance Beginning of Year</i>	1,698	1,698	1,698	0
Prior Year Encumbrances Appropriated	7	7	7	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$778	\$778

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, 2019*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$87,172	\$83,657	\$69,380	(\$14,277)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	4,500	4,500	2,500	2,000
Fringe Benefits	500	500	416	84
Materials and Supplies	13,368	13,368	11,459	1,909
Capital Outlay	7,000	6,974	6,876	98
Total Instruction	25,368	25,342	21,251	4,091
Support Services:				
Pupils:				
Purchased Services	22,000	22,000	22,000	0
Instructional Staff:				
Purchased Services	24,604	24,750	17,705	7,045
Total Support Services	46,604	46,750	39,705	7,045
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	15,200	10,898	8,424	2,474
Capital Outlay	0	667	0	667
Total Operation of Non-Instructional Services	15,200	11,565	8,424	3,141
<i>Total Expenditures</i>	87,172	83,657	69,380	14,277
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	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
Uniform School Supplies Fund
For the Fiscal Year Ended June 30, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Tuition and Fees	\$341,000	\$341,000	\$357,307	\$16,307
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	146,205	150,705	60,315	90,390
Materials and Supplies	275,123	285,623	223,902	61,721
Other	13,383	13,383	10,332	3,051
Total Regular Instruction	434,711	449,711	294,549	155,162
Vocational:				
Purchased Services	0	2,500	925	1,575
Materials and Supplies	14,413	11,913	7,723	4,190
Total Vocational Instruction	14,413	14,413	8,648	5,765
Total Instruction	449,124	464,124	303,197	160,927
Support Services:				
Fiscal:				
Other	12,000	22,000	10,645	11,355
<i>Total Expenditures</i>	461,124	486,124	313,842	172,282
<i>Net Change in Fund Balance</i>	(120,124)	(145,124)	43,465	188,589
<i>Fund Balance Beginning of Year</i>	298,784	298,784	298,784	0
Prior Year Encumbrances Appropriated	41,224	41,224	41,224	0
<i>Fund Balance End of Year</i>	\$219,884	\$194,884	\$383,473	\$188,589

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, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Extracurricular Activities	\$352,900	\$352,900	\$228,475	(\$124,425)
Contributions and Donations	98,050	98,050	59,958	(38,092)
Charges for Services	22,850	22,850	4,712	(18,138)
Miscellaneous	4,000	4,000	0	(4,000)
<i>Total Revenues</i>	<u>477,800</u>	<u>477,800</u>	<u>293,145</u>	<u>(184,655)</u>
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Materials and Supplies	1,000	1,000	0	1,000
Administration:				
Salaries and Wages	2,750	2,300	300	2,000
Fringe Benefits	655	655	300	355
Purchased Services	19,713	12,713	1,722	10,991
Materials and Supplies	55,352	53,193	38,293	14,900
Capital Outlay	13,595	20,507	13,419	7,088
Other	37,884	53,165	38,487	14,678
Total Administration	<u>129,949</u>	<u>142,533</u>	<u>92,521</u>	<u>50,012</u>
Central:				
Salaries and Wages	2,500	2,500	0	2,500
Fringe Benefits	985	985	0	985
Purchased Services	30,315	22,678	12,102	10,576
Materials and Supplies	91,287	86,287	30,567	55,720
Capital Outlay	20,600	14,600	500	14,100
Other	79,535	93,971	57,443	36,528
Total Central	<u>225,222</u>	<u>221,021</u>	<u>100,612</u>	<u>120,409</u>
Total Support Services	<u>\$356,171</u>	<u>\$364,554</u>	<u>\$193,133</u>	<u>\$171,421</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, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operation of Non-Instructional Services:				
Community Services:				
Other	\$3,000	\$3,000	\$500	\$2,500
Food Service Operations:				
Materials and Supplies	3,750	3,750	349	3,401
Capital Outlay	2,450	2,450	1,070	1,380
Other	1,100	1,100	171	929
Total Food Service Operations	7,300	7,300	1,590	5,710
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	32,830	22,532	5,680	16,852
Materials and Supplies	139,181	151,213	126,336	24,877
Capital Outlay	13,900	13,900	0	13,900
Other	36,292	38,645	21,770	16,875
Total Extracurricular Activities	228,213	232,300	153,786	78,514
<i>Total Expenditures</i>	594,684	607,154	349,009	258,145
<i>Excess of Revenues Over (Under) Expenditures</i>	(116,884)	(129,354)	(55,864)	73,490
Other Financing Sources (Uses)				
Transfers Out	(18,897)	(33,500)	(1,000)	32,500
<i>Net Change in Fund Balance</i>	(135,781)	(162,854)	(56,864)	105,990
<i>Fund Balance Beginning of Year</i>	198,112	198,112	198,112	0
Prior Year Encumbrances Appropriated	48,465	48,465	48,465	0
<i>Fund Balance End of Year</i>	\$110,796	\$83,723	\$189,713	\$105,990

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, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$0	\$0	\$770	\$770
Rentals	125,000	125,000	135,554	10,554
<i>Total Revenues</i>	<u>125,000</u>	<u>125,000</u>	<u>136,324</u>	<u>11,324</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Materials and Supplies	80,000	80,000	80,000	0
Support Services:				
Administration:				
Purchased Services	19,959	19,959	5,209	14,750
Materials and Supplies	12,670	12,670	4,581	8,089
Other	55,165	37,658	13,282	24,376
Total Administration	87,794	70,287	23,072	47,215
Operation and Maintenance of Plant:				
Other	0	17,507	17,507	0
Pupil Transportation:				
Purchased Services	27,159	27,159	12,159	15,000
Total Support Services	114,953	114,953	52,738	62,215
Extracurricular Activities:				
Sport Oriented Activities:				
Purchased Services	8,000	8,000	7,200	800
School and Public Service Co-Curricular:				
Other	63,004	63,004	62,989	15
Total Extracurricular Activities	71,004	71,004	70,189	815
<i>Total Expenditures</i>	<u>265,957</u>	<u>265,957</u>	<u>202,927</u>	<u>63,030</u>
<i>Net Change in Fund Balance</i>	(140,957)	(140,957)	(66,603)	74,354
<i>Fund Balance Beginning of Year</i>	18,464	18,464	18,464	0
Prior Year Encumbrances Appropriated	157,287	157,287	157,287	0
<i>Fund Balance End of Year</i>	<u>\$34,794</u>	<u>\$34,794</u>	<u>\$109,148</u>	<u>\$74,354</u>

Mentor Exempted Village School District
*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2019*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$933,884	\$933,884	\$906,808	(\$27,076)
Intergovernmental	109,000	109,000	114,371	5,371
Interest	15,000	15,000	7,532	(7,468)
Contributions and Donations	0	0	25,000	25,000
Rentals	0	0	3,190	3,190
<i>Total Revenues</i>	<u>1,057,884</u>	<u>1,057,884</u>	<u>1,056,901</u>	<u>(983)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Capital Outlay	119	119	119	0
Support Services:				
Fiscal:				
Other	90	13,738	13,738	0
Operation and Maintenance of Plant:				
Purchased Services	112,309	112,309	111,998	311
Capital Outlay	2,153,885	2,140,237	2,087,584	52,653
Total Operation and Maintenance of Plant	<u>2,266,194</u>	<u>2,252,546</u>	<u>2,199,582</u>	<u>52,964</u>
Total Support Services	<u>2,266,284</u>	<u>2,266,284</u>	<u>2,213,320</u>	<u>52,964</u>
<i>Total Expenditures</i>	<u>2,266,403</u>	<u>2,266,403</u>	<u>2,213,439</u>	<u>52,964</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,208,519)</u>	<u>(1,208,519)</u>	<u>(1,156,538)</u>	<u>51,981</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	2,224,000	2,224,000	600,000	(1,624,000)
Transfers In	0	0	80,000	80,000
<i>Total Other Financing Sources (Uses)</i>	<u>2,224,000</u>	<u>2,224,000</u>	<u>680,000</u>	<u>(1,544,000)</u>
<i>Net Change in Fund Balance</i>	1,015,481	1,015,481	(476,538)	(1,492,019)
<i>Fund Balance Beginning of Year</i>	353,245	353,245	353,245	0
Prior Year Encumbrances Appropriated	1,229,453	1,229,453	1,229,453	0
<i>Fund Balance End of Year</i>	<u>\$2,598,179</u>	<u>\$2,598,179</u>	<u>\$1,106,160</u>	<u>(\$1,492,019)</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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$311,296	\$311,296	\$402,236	\$90,940
Expenses				
Salaries and Wages	154,650	159,650	147,535	12,115
Fringe Benefits	74,360	75,260	68,446	6,814
Purchased Services	6,999	51,999	10,428	41,571
Materials and Supplies	700	700	316	384
Capital Outlay	54	54	40	14
Other	2,200	2,200	1,654	546
<i>Total Expenses</i>	<u>238,963</u>	<u>289,863</u>	<u>228,419</u>	<u>61,444</u>
<i>Net Change in Fund Equity</i>	72,333	21,433	173,817	152,384
<i>Fund Equity Beginning of Year</i>	576,462	576,462	576,462	0
Prior Year Encumbrances Appropriated	<u>1,323</u>	<u>1,323</u>	<u>1,323</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$650,118</u></u>	<u><u>\$599,218</u></u>	<u><u>\$751,602</u></u>	<u><u>\$152,384</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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$17,045,000	\$17,045,000	\$16,654,966	(\$390,034)
Interest	0	0	90,277	90,277
Miscellaneous	0	0	342	342
<i>Total Revenues</i>	<u>17,045,000</u>	<u>17,045,000</u>	<u>16,745,585</u>	<u>(299,415)</u>
Expenses				
Salaries and Wages	96,000	127,607	127,175	432
Fringe Benefits	84,820	59,353	51,579	7,774
Purchased Services	116,702	116,702	95,806	20,896
Materials and Supplies	892	892	392	500
Claims	16,525,535	16,519,395	15,254,717	1,264,678
Other	1,056	1,056	826	230
<i>Total Expenses</i>	<u>16,825,005</u>	<u>16,825,005</u>	<u>15,530,495</u>	<u>1,294,510</u>
<i>Net Change in Fund Equity</i>	219,995	219,995	1,215,090	995,095
<i>Fund Equity Beginning of Year</i>	13,876,065	13,876,065	13,876,065	0
Prior Year Encumbrances Appropriated	<u>147,057</u>	<u>147,057</u>	<u>147,057</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$14,243,117</u>	<u>\$14,243,117</u>	<u>\$15,238,212</u>	<u>\$995,095</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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$775,000	\$775,000	\$756,868	(\$18,132)
Interest	2,500	2,500	25,051	22,551
<i>Total Revenues</i>	<u>777,500</u>	<u>777,500</u>	<u>781,919</u>	<u>4,419</u>
Expenses				
Salaries and Wages	10,000	10,068	10,068	0
Purchased Services	69,686	69,686	32,002	37,684
Claims	491,258	446,190	240,947	205,243
Other	99,566	144,566	141,699	2,867
<i>Total Expenses</i>	<u>670,510</u>	<u>670,510</u>	<u>424,716</u>	<u>245,794</u>
<i>Net Change in Fund Equity</i>	106,990	106,990	357,203	250,213
<i>Fund Equity Beginning of Year</i>	4,431,797	4,431,797	4,431,797	0
Prior Year Encumbrances Appropriated	90,510	90,510	90,510	0
<i>Fund Equity End of Year</i>	<u>\$4,629,297</u>	<u>\$4,629,297</u>	<u>\$4,879,510</u>	<u>\$250,213</u>



It is an honor for student groups to be selected to showcase their work at the annual Ohio School Boards Association Capital Conference in Columbus. Last year, our Cardinal Lab students demonstrated their learning of critical employment and independent living skills through community partnerships, including running a storefront and community donation "Cardinal Closet" for families in need.





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.

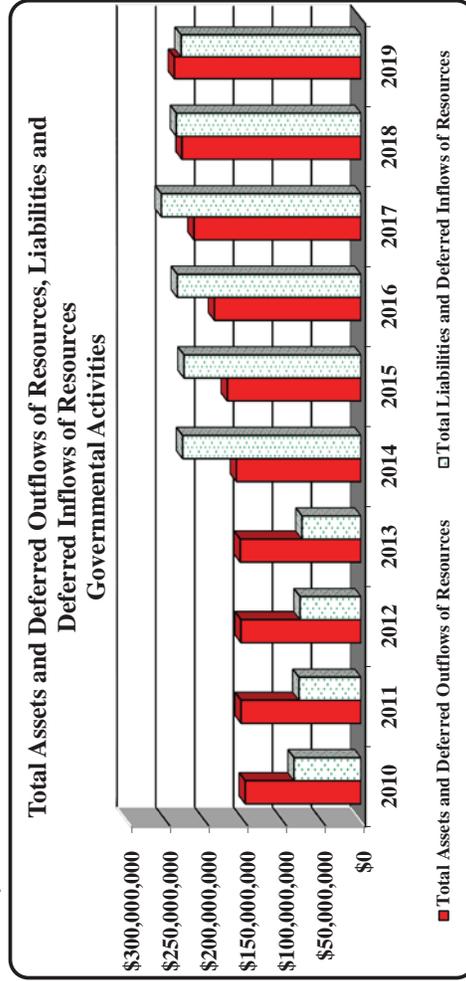
Contents	Pages(s)
<i>Financial Trends</i>	<i>S2 – S7</i>
These schedules contain trend information to help the reader understand how the School District’s financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	<i>S8 – S13</i>
These schedules contain information to help the reader assess the School District’s most significant local revenue, the property tax.	
<i>Debt Capacity</i>	<i>S14 – S16</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>S17 – S18</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>S19 – S23</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)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities:										
Net Investment in Capital Assets	\$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	\$25,923,032
Restricted for:										
Capital Projects	362,698	0	0	1,303,234	1,856,003	1,583,300	1,408,363	1,869,982	1,719,486	1,508,059
Debt Service	1,282,983	1,291,257	399,601	309,186	5,386	11	0	0	0	0
Other Purposes	816,437	718,814	837,355	905,617	1,250,617	6,039,333	1,741,642	1,496,006	896,549	828,765
Unrestricted (Deficit)	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)	(19,586,350)
Total Governmental Activities	63,150,438	74,121,015	76,907,484	79,331,756	(69,091,410)	(55,624,390)	(47,833,216)	(75,167,256)	(8,063,165)	8,673,506
Business-Type Activities:										
Net Investment in Capital Assets	0	0	776,333	736,293	690,236	648,786	620,802	591,072	698,224	679,477
Unrestricted (Deficit)	0	(48,355)	(927,055)	(541,013)	(3,889,524)	(3,037,830)	(2,325,047)	(2,703,644)	(119,908)	1,164,472
Total Business-Type Activities	0	(48,355)	(150,722)	195,280	(3,199,288)	(2,389,044)	(1,704,245)	(2,112,572)	578,316	1,843,949
Total	\$63,150,438	\$74,072,660	\$76,756,762	\$79,527,036	(\$72,290,698)	(\$58,013,434)	(\$49,537,461)	(\$77,279,828)	(\$7,484,849)	\$10,517,455

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)

	2010	2011	2012	2013	2014	2015	2016	2017	2018 (1)	2019
Expenses										
Governmental Activities:										
Regular Instruction	\$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	\$36,011,754
Special Instruction	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	14,641,562
Vocational Instruction	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	2,064,563
Adult/Continuing Instruction	0	0	0	0	0	1,653	1,598	0	0	0
Student Intervention	242,414	157,223	24,699	100,553	97,568	152,730	149,374	175,503	192,358	202,007
Pupil Support	7,009,557	6,847,947	6,823,981	6,381,842	6,211,357	5,713,690	5,638,049	6,219,741	2,587,146	5,208,249
Instructional Staff Support	5,508,798	6,269,397	6,845,936	6,665,047	3,862,888	4,974,475	6,130,131	6,486,640	2,439,325	5,648,210
Board of Education	604,673	649,396	532,055	527,619	353,843	101,051	121,393	138,330	185,451	185,451
Administration	5,803,805	5,699,441	5,640,548	5,524,560	5,729,659	6,419,801	5,276,526	6,743,917	(439,780)	4,056,735
Fiscal	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	2,497,752
Business	678,606	621,092	580,681	559,614	590,895	580,374	593,946	548,872	412,529	502,451
Operation and Maintenance of Plant	8,593,179	8,708,180	6,103,554	8,779,394	10,014,973	10,218,945	9,423,648	9,258,444	6,986,740	9,208,526
Pupil Transportation	6,380,577	6,214,657	6,274,223	6,626,148	6,493,521	6,207,664	6,007,113	5,756,272	6,175,120	5,908,075
Central Support	2,151,550	2,035,025	1,956,913	2,025,556	834,397	956,647	869,171	1,118,205	859,725	881,140
Operation of Non-Instructional Services	1,521,042	1,737,643	1,508,012	1,631,958	1,722,196	2,061,460	2,141,108	1,748,597	1,761,792	1,620,579
Operation of Food Services	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	2,287,853
Extracurricular Activities	1,986,932	2,030,230	1,989,896	1,953,991	2,159,981	2,011,173	2,090,434	2,351,078	1,662,753	2,392,192
Interest and Fiscal Charges	321,316	230,762	115,597	31,645	23,743	9,214	5,627	4,055	0	0
Total Governmental Activities Expenses	103,718,967	101,432,683	100,430,818	102,710,250	106,461,774	108,612,433	100,082,650	108,328,471	53,546,917	93,317,099
Business-Type Activities:										
Cardinal Autism and Resource	0	12,409	866,875	1,215,128	1,604,743	1,661,959	2,483,893	3,270,028	1,980,469	4,066,338
Education School	0	0	0	0	455	64,463	103,597	151,980	167,119	334,879
Treasury Management Services	0	12,409	866,875	1,215,128	1,605,198	1,726,422	2,587,490	3,422,008	2,147,588	4,401,217
Total Business-Type Activities	0	12,409	866,875	1,215,128	1,605,198	1,726,422	2,587,490	3,422,008	2,147,588	4,401,217
Total Primary Government Expenses	103,718,967	101,445,092	101,297,693	103,925,378	108,066,972	110,338,855	102,670,140	111,750,479	55,694,505	97,718,316
Program Revenues										
Governmental Activities:										
Charges for Services:										
Regular Instruction	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	1,397,178
Special Instruction	299,639	307,739	267,883	121,723	166,184	319,032	406,883	372,291	328,786	354,205
Vocational Instruction	86,816	84,300	46,693	6,179	3,891	49,524	60,180	54,791	47,413	51,790
Student Intervention	7,173	4,950	652	0	0	3,712	4,652	4,005	3,816	4,165
Pupil Support	595,714	668,870	670,465	497,992	463,159	613,849	793,143	759,288	790,996	849,647
Instructional Staff Support	0	0	1,158	1,669	5,801	117,088	232,365	143,839	125,650	144,730
Board of Education	0	0	0	0	0	2,377	3,736	4,037	3,247	4,258
Administration	0	0	16,140	39,431	58,202	215,783	195,032	228,433	204,030	242,990
Fiscal	0	0	0	0	10,047	76,461	103,480	88,725	89,040	92,197
Business	0	0	0	0	0	14,607	13,694	13,694	11,534	12,067
Operation and Maintenance of Plant	7,894	31,689	4,065	19,690	20,504	223,126	238,735	235,337	188,714	191,103
Pupil Transportation	0	32	0	15,133	10,111	183,521	153,897	155,368	134,492	138,699
Central Support	97,297	98,330	63,026	74,775	73,622	106,743	106,246	109,131	68,795	127,659
Operation of Non-Instructional Services	1,818	344	1,211	2,659	1,054	3,539	2,729	4,387	13,533	0
Operation of Food Service	2,039,957	1,937,715	2,014,632	1,717,323	1,635,561	1,557,356	1,679,047	1,642,696	1,597,586	1,713,170
Extracurricular Activities	378,119	436,430	419,388	751,628	930,774	451,883	521,674	492,519	869,911	977,659
Operating Grants, and Contributions	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	7,414,742
Capital Grants and Contributions	300,058	297,469	223,455	173,146	176,620	582,572	139,666	313,337	99,650	139,371
Total Governmental Activities	\$13,444,652	\$13,436,466	\$12,301,814	\$12,754,467	\$13,940,391	\$27,946,018	\$14,555,171	\$15,094,123	\$13,707,905	\$13,855,630

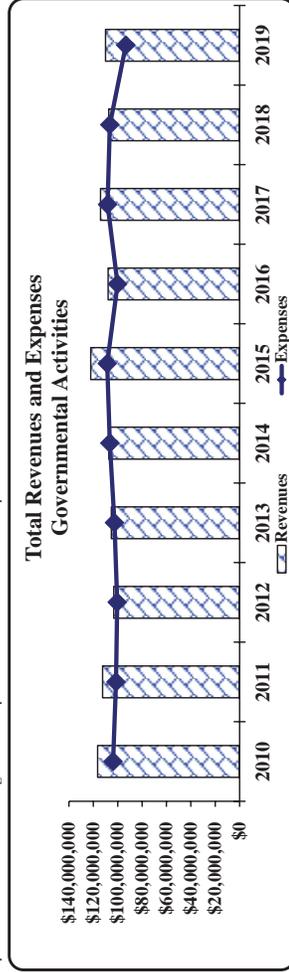
(continued)

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Business-Type Activities:										
Cardinal Autism and Resource Education School	\$0	\$0	\$712,052	\$1,558,993	\$1,676,154	\$2,360,753	\$3,078,826	\$4,148,762	\$4,560,456	\$5,102,075
Treasury Management Services	0	0	0	0	97,243	175,913	193,463	332,189	278,020	564,775
Total Business-Type Activities	0	0	712,052	1,558,993	1,773,397	2,536,666	3,272,289	4,480,951	4,838,476	5,666,850
Total Program Revenues	13,444,652	13,436,466	13,013,866	14,313,460	15,713,788	30,482,684	17,827,460	19,575,074	18,546,381	19,522,480
Net (Expense)/Revenue										
Governmental Activities	(90,274,315)	(87,996,217)	(88,129,004)	(89,955,783)	(92,521,383)	(80,666,415)	(85,527,479)	(93,234,348)	(39,839,012)	(79,461,469)
Business-Type Activities	0	(12,409)	(154,823)	343,865	168,199	810,244	684,799	1,058,943	2,690,888	1,265,633
Total Primary Government Net Expense	(90,274,315)	(88,008,626)	(88,283,827)	(89,611,918)	(92,353,184)	(79,856,171)	(84,842,680)	(92,175,405)	(37,148,124)	(78,195,836)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for:										
General Purposes	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	64,507,192
Debt Service	1,271,091	1,189,811	392,865	35,877	132,794	0	0	0	0	0
Capital Outlay	1,272,012	1,197,778	1,111,700	1,200,902	899,854	970,551	843,141	912,831	990,410	837,707
Grants and Entitlements not Restricted to Specific Programs	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	24,209,471
Payment in Lieu of Taxes	281,912	632,472	2,019,534	810,267	1,061,014	1,304,929	1,304,929	976,978	2,479,421	2,129,027
Investment Earnings	624,575	394,628	303,946	240,583	177,630	242,800	469,354	897,186	466,415	2,943,068
Unrestricted Contributions and Donations	1,000	26,800	58,625	46,175	55,409	60,215	60,575	80,191	78,561	60,139
Gain on Sale of Capital Assets	24,547	0	0	0	0	26,259	0	0	0	600,000
Miscellaneous	222,196	404,274	276,002	1,006,391	619,195	601,917	930,975	851,506	729,512	911,536
Transfers	0	35,946	(52,456)	(2,137)	0	0	0	0	0	0
Total Governmental Activities	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	96,198,140
Business-Type Activities:										
Transfers	0	(35,946)	52,456	2,137	0	0	0	0	0	0
Total Primary Government	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	96,198,140
Change in Net Position										
Governmental Activities	12,738,158	10,970,577	2,786,469	2,424,272	888,116	13,467,020	7,791,174	5,807,735	67,104,091	16,736,671
Business-Type Activities	0	(48,355)	(102,367)	346,002	168,199	810,244	684,799	1,058,943	2,690,888	1,265,633
Total Primary Government Change in Net Position	\$12,738,158	\$10,922,222	\$2,684,102	\$2,770,274	\$1,056,315	\$14,277,264	\$8,475,973	\$6,866,678	\$69,794,979	\$18,002,304

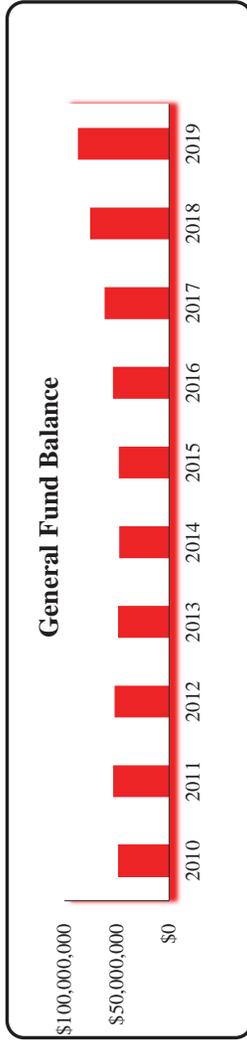
Note: The School District implemented GASB 68 in fiscal year 2015.
The School District implemented GASB 75 in fiscal year 2018.

(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)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Nonspendable	\$75,796	\$85,245	\$93,351	\$81,448	\$104,117	\$80,747	\$84,415	\$88,606	\$105,284	\$103,072
Assigned	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	4,678,378
Unassigned	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	82,410,024
Total General Fund	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	87,191,474
All Other Governmental Funds										
Nonspendable	86,912	66,505	19,236	20,833	8,286	22,861	19,551	21,007	17,739	20,495
Restricted	2,248,818	1,958,438	1,282,675	1,592,997	1,736,182	5,353,578	2,079,366	2,495,778	2,284,067	2,227,036
Committed	176,519	184,790	213,221	227,255	210,745	189,396	265,675	231,050	230,624	128,878
Unassigned (Deficit)	(122,143)	(197,945)	(211,540)	(78,425)	(395,251)	0	(7,333)	(47,770)	(89,466)	(82,910)
Total All Other Governmental Funds	2,390,106	2,011,788	1,303,592	1,762,660	1,559,962	5,565,835	2,357,259	2,700,065	2,442,964	2,293,499
Total Governmental Funds	\$51,363,258	\$55,526,883	\$53,529,366	\$50,633,174	\$49,149,374	\$53,546,496	\$56,101,512	\$64,458,798	\$77,997,023	\$89,484,973

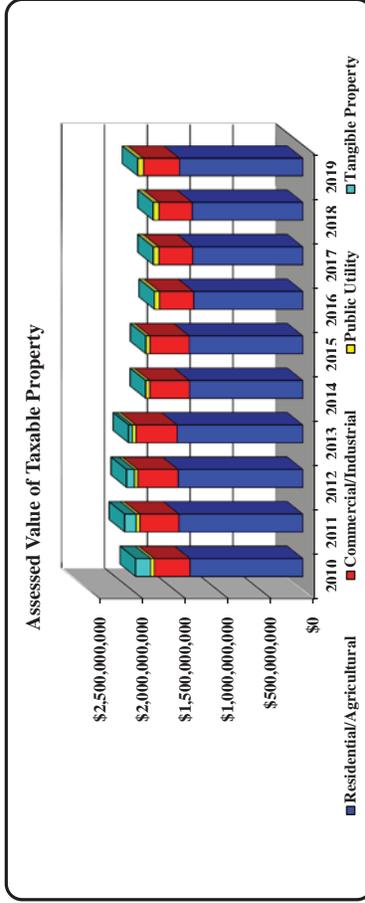


Mentor Exempted Village School District
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Property Taxes	\$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	\$65,088,794
Intergovernmental	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	31,473,140
Interest	620,196	380,642	300,565	239,426	162,004	212,234	443,491	849,471	362,106	2,827,740
Tuition and Fees	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	2,520,590
Extracurricular Activities	1,339,049	1,351,003	1,398,618	1,370,675	1,333,133	1,329,201	895,167	817,219	1,204,211	1,352,682
Contributions and Donations	216,810	271,539	243,349	300,802	245,309	720,506	287,422	233,162	227,904	253,558
Charges for Services	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	1,795,279
Rentals	98,927	81,653	99,512	115,349	173,680	168,737	158,169	215,481	201,227	200,464
Payment in Lieu of Taxes	281,912	316,236	1,167,885	989,076	1,061,014	1,116,449	1,210,689	2,187,667	2,479,421	2,129,027
Miscellaneous	220,343	410,972	227,963	938,419	690,623	584,507	978,020	857,347	703,008	888,659
Total Revenues	116,127,526	110,715,829	105,384,555	103,984,135	107,122,734	122,882,603	108,803,540	115,443,670	121,300,246	108,529,933
Expenditures										
Current:										
Instruction:										
Regular	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	44,312,829
Special	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	17,196,545
Vocational	2,115,669	2,103,371	1,846,689	2,001,758	2,461,321	2,272,130	2,135,402	2,362,278	2,346,811	2,313,058
Student Intervention	234,632	190,986	56,865	135,860	101,894	156,663	155,293	176,607	193,101	202,515
Support Services:										
Pupils	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	6,266,949
Instructional Staff	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	6,714,355
Board of Education	603,120	646,644	538,033	542,655	351,365	102,589	125,705	156,840	147,162	188,563
Administration	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	6,024,410
Fiscal	2,183,528	2,342,990	2,422,710	2,466,694	2,800,123	2,997,494	2,795,143	3,178,843	2,603,429	2,603,429
Business	672,979	663,067	595,192	574,700	606,837	616,886	640,342	536,838	518,744	541,188
Operation and Maintenance of Plant	10,462,819	10,002,493	9,543,235	8,625,875	9,566,407	10,117,439	10,010,553	9,490,512	10,024,671	10,024,671
Plant Transportation	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	6,088,303
Central	2,105,387	1,936,650	2,037,333	1,960,039	628,973	986,653	989,537	1,065,689	932,674	887,480
Operation of Non-Instructional Services	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	1,629,506
Operation of Food Services	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	2,407,862
Extracurricular Activities	1,886,480	1,921,630	1,917,563	1,928,218	2,094,539	2,044,953	2,122,316	2,219,867	2,637,438	2,708,536
Capital Outlay	0	21,800	0	0	0	4,763,639	1,527,419	41,580	99,841	47,013
Debt Service:										
Principal Retirement	2,312,205	2,238,667	1,626,323	924,000	861,674	0	0	0	0	0
Interest and Fiscal Charges	222,884	124,207	73,412	54,327	31,132	4,326	5,627	4,055	0	0
Capital Appreciation Bond Interest	0	0	600,011	0	0	0	0	0	0	0
Total Expenditures	109,079,601	107,109,116	107,854,285	107,277,234	108,606,534	118,511,740	106,248,524	107,086,384	108,016,215	110,157,212
Excess of Revenues Over (Under) Expenditures	7,047,925	3,606,713	(2,469,730)	(3,293,099)	(1,483,800)	4,370,863	2,555,016	8,357,286	13,284,031	(1,627,279)
Other Financing Sources (Uses)										
Sale of Capital Assets	33,446	15,578	8,213	12,377	0	26,259	0	0	0	600,000
Energy Conservation Notes Issued	618,667	541,334	464,000	386,667	0	0	0	0	0	0
Transfers In	1,008,373	429,434	478,157	433,814	427,201	1,129,832	422,309	623,845	205,900	12,712,627
Transfers Out	(1,824,762)	(429,434)	(478,157)	(435,951)	(427,201)	(1,129,832)	(422,309)	(623,845)	(205,900)	(197,398)
Total Other Financing Sources (Uses)	(164,276)	556,912	472,213	396,907	0	26,259	0	0	0	13,115,229
Net Change in Fund Balances	\$6,883,649	\$4,163,625	(\$1,997,517)	(\$2,896,192)	(\$1,483,800)	\$4,397,122	\$2,555,016	\$8,357,286	\$13,284,031	(\$11,487,950)
Debt Service as a Percentage of Noncapital Expenditures	2.38%	2.24%	2.22%	0.93%	0.83%	0.00%	0.01%	0.00%	0.00%	0.00%

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									
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
2019	1,439,651,250	421,438,510	1,861,089,760	5,317,399,314	0	0	65,603,680	74,549,636	1,926,693,440	5,391,948,950	81,3000	41.8197



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 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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Unvoted Millage										
Operating	\$4.8000	\$4.8000	\$4.8000	\$4.8000	\$4.8000	\$4.8000	\$4.8000	\$4.8000	\$4.8000	\$4.8000
Voted Millage - by levy										
1976 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	4.9259	4.9318	4.9336	5.3823	5.3927	5.3939	5.2230	5.2194	5.2179	4.7270
Commercial/Industrial	7.5969	7.5783	7.6202	8.8123	8.8082	8.7658	8.6795	8.6085	8.6409	8.0788
Tangible/Public Utility Personal	29.8000	29.8000	29.8000	29.8000	29.8000	29.8000	29.8000	29.8000	29.8000	29.8000
1977 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	1.2964	1.2980	1.2985	1.4165	1.4193	1.4196	1.3746	1.3737	1.3733	1.2411
Commercial/Industrial	1.6067	1.6461	1.6552	1.9141	1.9132	1.9040	1.8852	1.8698	1.8769	1.7548
Tangible/Public Utility Personal	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000
1984 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	3.8762	3.8809	3.8823	4.2354	4.2436	4.2445	4.1100	4.1072	4.1060	3.7197
Commercial/Industrial	5.1906	5.3179	5.3473	6.1838	6.1809	6.1511	6.0906	6.0408	6.0635	5.6691
Tangible/Public Utility Personal	8.9000	8.9000	8.9000	8.9000	8.9000	8.9000	8.9000	8.9000	8.9000	8.9000
1986 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	3.1589	3.1627	3.1638	3.4516	3.4582	3.4590	3.3494	3.3471	3.3461	3.0313
Commercial/Industrial	4.6341	4.7477	4.7740	5.5208	5.5182	5.4916	5.4376	5.3931	5.4134	5.0612
Tangible/Public Utility Personal	6.9000	6.9000	6.9000	6.9000	6.9000	6.9000	6.9000	6.9000	6.9000	6.9000
1988 Bond (\$9,500,000)	0.6700	0.6600	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
1988 Permanent Improvement - continuing										
Effective Millage Rates										
Residential/Agricultural	4.6870	0.4693	0.4695	0.5122	0.5132	0.5133	0.4970	0.4967	0.4965	0.4498
Commercial/Industrial	0.6726	0.6891	0.6929	0.8013	0.8009	0.7971	0.7892	0.7828	0.7857	0.7346
Tangible/Public Utility Personal	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
1991 Bond (\$8,600,000)	0.2700	0.2600	0.2300	0.2600	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
1992 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	2.8190	2.8224	2.8234	3.0802	3.0862	3.0869	2.9890	2.9869	2.9861	2.7051
Commercial/Industrial	3.3255	3.4070	3.4258	3.9618	3.9599	3.9408	3.9021	3.8701	3.8847	3.6320
Tangible/Public Utility Personal	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000
1996 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	2.9558	2.9594	2.9604	3.2297	3.2359	3.2367	3.1341	3.1319	3.1310	2.8564
Commercial/Industrial	3.1751	3.2529	3.2709	3.7826	3.7808	3.7626	3.6951	3.6951	3.7090	3.4677
Tangible/Public Utility Personal	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000

(continued)

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
2003 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	\$2.6086	\$2.6118	\$2.6127	\$2.8503	\$2.8558	\$2.8565	\$2.7659	\$2.7640	\$2.7632	\$2.5032
Commercial/Industrial	2.5646	2.6275	2.6420	3.0000	2.9986	2.9841	2.9548	2.9306	2.9416	2.7503
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)										
Emergenc	8.0000	7.9900	8.0300	8.8400	8.7900	8.7200	8.4600	8.4100	8.4500	7.7000
2016 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	4.8966	4.8952	4.4346
Commercial/Industrial	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	4.8599	4.8782	4.5608
Tangible/Public Utility Personal	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	4.9000	4.9000	4.9000
Total Effective Voted Millage by type of property										
Residential/Agricultural	\$35.2678	\$31.0463	\$30.4042	\$33.2581	\$32.9948	\$32.9304	\$31.9030	\$36.7335	\$36.7653	\$33.3482
Commercial/Industrial	37.5061	38.1765	37.6883	43.0767	42.7508	42.5171	41.9246	46.4607	46.6439	43.4093
Tangible/Public Utility Personal	72.8400	72.8100	72.1600	73.0000	72.6900	72.6200	72.3600	77.2100	77.2500	76.5000
Total Millage by type of property										
Residential/Agricultural	\$40.0678	\$35.8463	\$35.2042	\$38.0581	\$37.7948	\$37.7304	\$36.7030	\$41.5335	\$41.5653	\$38.1482
Commercial/Industrial	42.3061	42.9765	42.4883	47.8767	47.5508	47.3171	46.7246	51.2607	51.4439	48.2093
Tangible/Public Utility Personal	77.6400	77.6100	76.9600	77.8000	77.4900	77.4200	77.1600	82.0100	82.0500	81.3000
Total Weighted Average Tax Rate	\$41.6005	\$38.7075	\$38.0893	\$41.5770	\$41.4090	\$41.3906	\$40.3919	\$45.2283	\$45.2724	\$41.8197
Overlapping Rates by Taxing District										
Concord Township Voted Millage										
Effective Millage Rates										
Residential/Agricultural	\$8.7392	\$9.7413	\$9.7344	\$10.4000	\$10.4000	\$10.4000	\$11.0675	\$11.0593	\$11.3428	\$10.7497
Commercial/Industrial	8.2516	8.9597	9.8300	10.4000	10.2924	10.2276	11.1551	11.4000	11.6139	11.4498
Tangible/Public Utility Personal	9.4000	10.4000	10.4000	10.4000	10.4000	10.4000	11.4000	11.4000	11.7000	11.7000
City of Mentor Voted Millage										
Effective Millage Rates										
Residential/Agricultural	3.6528	3.6532	3.6533	3.7160	3.7169	3.7170	3.6936	3.6929	3.6930	4.3506
Commercial/Industrial	3.8854	3.9082	3.9132	4.0557	4.0554	4.0484	4.0373	4.0289	4.0326	4.4070
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	1.0953	1.1000	1.1000	2.0000	2.0000	2.0000	1.9366	1.9353	1.9347	1.7527
Commercial/Industrial	1.1000	1.1000	1.1000	2.0000	1.9991	1.9894	1.9699	1.9537	1.9611	1.8335
Tangible/Public Utility Personal	1.1000	1.1000	1.1000	2.0000	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	12.1447	12.1866	12.1887	12.4902	12.5138	16.3190	16.3083	16.3135	16.3196	15.8141
Commercial/Industrial	13.1061	13.1130	13.1688	14.0941	14.1117	18.1161	18.1161	18.0178	18.0714	17.2705
Tangible/Public Utility Personal	24.0000	24.0000	24.0000	24.0000	24.0000	27.8000	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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
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	\$23.0000
Commercial/Industrial	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	23.0000
Tangible/Public Utility Personal	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	23.0000
Chardon Township Voted Millage										
Effective Millage Rates										
Residential/Agricultural	7.0161	7.0207	7.1243	7.1295	7.1321	7.1256	7.8755	7.8766	7.6246	7.9131
Commercial/Industrial	6.9704	6.9846	6.6004	6.6031	6.6016	6.5990	7.3495	7.7394	7.8464	8.0954
Tangible/Public Utility Personal	7.2000	7.2000	7.2000	7.2000	7.2000	7.2000	7.9500	7.9500	7.9500	8.2000
Lake County Voted Millage										
Effective Millage Rates										
Residential/Agricultural	8.1390	9.6417	9.6430	8.8463	8.8530	8.8557	8.7459	8.7511	9.0521	9.1800
Commercial/Industrial	8.8061	9.7205	9.7979	9.1904	9.2586	9.2793	9.3007	9.3180	9.6208	10.0300
Tangible/Public Utility Personal	10.4000	10.4000	10.4000	9.4000	9.4000	9.4000	9.4000	9.4000	9.7000	10.5000
Lake Metropolitan Park District Voted Millage										
Effective Millage Rates										
Residential/Agricultural	2.0872	2.0893	2.0895	2.7000	2.7000	2.7000	2.6618	2.6636	2.6639	2.4581
Commercial/Industrial	1.9248	1.9488	1.9932	2.7000	2.7000	2.7000	2.7000	2.7000	2.7000	2.5862
Tangible/Public Utility Personal	2.2000	2.2000	2.2000	2.7000	2.7000	2.7000	2.7000	2.7000	2.7000	2.7000
Lakeland Community College Voted Millage										
Effective Millage Rates										
Residential/Agricultural	1.5338	2.9574	2.9582	3.0833	3.0875	3.0892	3.4454	3.4475	3.4479	3.1924
Commercial/Industrial	1.8283	2.9844	3.0137	3.2000	3.2000	3.2000	3.6000	3.6000	3.6000	3.4451
Tangible/Public Utility Personal	3.2000	3.2000	3.2000	3.2000	3.2000	3.2000	3.6000	3.6000	3.6000	3.6000
Geauga County Voted Millage										
Effective Millage Rates										
Residential/Agricultural	11.2064	11.6098	11.9674	11.9850	11.8028	11.4712	13.2506	13.2553	12.9946	12.9966
Commercial/Industrial	12.0949	12.4349	12.5853	12.7460	12.4790	12.1414	14.0525	14.0753	14.1203	14.0858
Tangible/Public Utility Personal	15.1000	15.1000	15.1000	15.1000	14.1000	13.4000	15.6000	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
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
2018 (3)	81,876,756	79,671,638	97.31	1,968,148	81,639,786	99.71

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.

Mentor Exempted Village School District

Principal Taxpayers

Real Estate Tax

2019 and 2010

Name of Taxpayer	Line of Business	2019	
		Assessed Value	Percent of Real Property Assessed Value
Mall at Great Lakes LLC	Retail Mall	\$18,937,140	1.02%
Steris Corporation	Medical Equipment	10,275,620	0.55
DFG Mentor Erie Commons	Retail Sales	6,337,330	0.34
Points East	Retail Sales	5,442,500	0.29
Inland Creekside Commons	Retail Sales	4,361,910	0.23
BCM Mentor on the Lake LLC	Property Management	4,284,580	0.23
FI Mentor I, LLC	Retail Sales	3,450,150	0.19
Deepwood North Co LLC	Property Management	3,194,100	0.17
Monarch Mentor LP	Construction	3,063,640	0.17
Michaels Inc.	Retail Sales	2,975,000	0.16
Totals		<u>\$62,321,970</u>	<u>3.35%</u>
Real Property Assessed Valuation		<u>\$1,861,089,760</u>	

Name of Taxpayer	Line of Business	2010	
		Assessed Value	Percent of Real Property Assessed Value
Simon Property Group, LP	Retail Mall	\$27,595,230	1.55%
Steris Corporation	Manufacturing Infection Prevention	10,703,340	0.60
Points East	Port Authority	7,307,240	0.41
First Interstate	Public Utility	4,882,590	0.27
FI Mentor Commons, Ltd.	Retail Sales	4,603,940	0.26
Harbour Run Apartments	Apartment Rental	4,116,060	0.23
Deepwood North Co LLC	Property Management	3,785,250	0.21
Michaels, Inc.	Retail Sales	3,466,810	0.19
FI Mentor II Ltd.	Retail Sales	3,447,440	0.19
McKay Real	Real Estate	3,313,160	0.19
Totals		<u>\$73,221,060</u>	<u>4.10%</u>
Real Property Assessed Valuation		<u>\$1,787,595,530</u>	

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

Mentor Exempted Village School District

Principal Taxpayers

Public Utilities Tax

2019 and 2010

Name of Taxpayer	2019	
	Assessed Value	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$28,899,420	44.05%
Aqua Ohio, Incorporated	21,926,700	33.43
American Transmission System	7,204,500	10.98
Total	\$58,030,620	88.46%
Public Utility Assessed Valuation	\$65,603,680	

Name of Taxpayer	2010	
	Assessed Value	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$22,466,870	49.90%
Aqua Ohio, Incorporated	18,904,530	41.99
American Transmission System	1,826,400	4.06
East Ohio Gas	1,340,760	2.98
Total	\$44,538,560	98.93%
Public Utility Assessed Valuation	\$45,020,040	

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

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

Fiscal Year	General Bonded Debt				Other General Debt				Ratio of General Debt to Personal Income (3)	General Debt per Capita (2)
	General Bonded Debt	Ratio of Bonded Debt to Estimated Actual Value (1)	Bonded Debt per Capita (2)(4)	Energy Conservation Notes	Capital Leases	Total Debt	Ratio of			
							General Debt to Personal Income (3)	General Debt per Capita (2)		
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		
2019	0	0.00	0.00	0	0	0	0.00	0.00		

(1) The Estimated Actual Value can be found on S7

(2) The population can be found on S18

(3) The personal income can be found on S18

(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

	2010 (L)	2011 (L)	2012 (L)	2013 (L)	2014 (L)	2015 (L)	2016 (L)	2017 (L)	2018 (L)	2019 (L)
Residential/Agricultural Real Property	\$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	\$1,439,651,250
Commercial/Industrial Real Property	464,397,920	459,585,610	450,380,550	387,356,420	391,518,460	395,838,840	397,925,860	396,998,650	389,158,730	421,438,510
Tangible Personal Property	2,163,150	1,095,740	0	0	0	0	0	0	0	0
Public Utility Tangible	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	65,603,680
Less: Rail Road and Telephone Tangible Property	(2,163,150)	(1,095,740)	0	0	0	0	0	0	0	0
Total Assessed Valuation	\$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	\$1,926,693,440
Debt Limit - 9% of Assessed Value (2)	\$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	\$173,402,410
Amount of Debt Applicable to Debt Limit										
General Obligation Bonds	3,639,996	2,019,996	935,007	475,007	0	0	0	0	0	0
Energy Conservation Notes	696,000	618,667	541,333	464,000	386,667	0	0	0	0	0
Tax Anticipation Notes	0	0	0	0	0	0	0	0	0	0
School Improvement Note	1,560,000	1,365,000	1,170,000	975,000	780,000	585,000	390,000	0	0	0
Less Amount Available in Debt Service	(1,230,644)	(1,206,488)	(360,535)	(294,042)	(4,767)	(11)	0	0	0	0
Total	4,665,352	2,797,175	2,285,805	1,619,965	1,161,900	584,989	390,000	0	0	0
Exemptions:										
Energy Conservation Notes	(696,000)	(618,667)	(541,333)	(464,000)	(386,667)	0	0	0	0	0
Tax Anticipation Notes	0	0	0	0	0	0	0	0	0	0
Amount of Debt Subject to Limit	3,969,352	2,178,508	1,744,472	1,155,965	775,233	584,989	390,000	0	0	0
Legal Debt Margin	\$160,966,049	\$162,601,693	\$162,685,455	\$147,796,542	\$149,013,546	\$150,757,659	\$155,487,494	\$157,050,935	\$157,126,235	\$173,402,410
Legal Debt Margin as a Percentage of the Debt Limit	97.59%	98.68%	98.94%	99.22%	99.48%	99.61%	99.75%	100.00%	100.00%	100.00%
Unvoted Debt Limit - .10% of Assessed Value (2)	\$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	\$1,926,693
Amount of Debt Applicable	0									
Unvoted Legal Debt Margin	\$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	\$1,926,693
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%									
Additional Limit for Unvoted Energy Conservation Notes:										
Debt Limit - .9% of Assessed Value	\$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	\$17,340,241
Energy Conservation Notes	(696,000)	(618,667)	(541,333)	(464,000)	(386,667)	0	0	0	0	0
Additional Unvoted Debt Margin	\$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	\$17,340,241

Source: Lake County Auditor and School District Financial Records

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

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

Mentor Exempted Village School District

Computation of Direct (1) and Overlapping

Governmental Activities Debt

December 31, 2018

	<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	\$24,625,000	100.00%	\$24,625,000
Special Assessment Bonds	6,445,000	100.00%	6,445,000
OWDA/OPWC Loans	669,604	100.00%	669,604
City of Mentor-on-the-Lake			
OPWC Loans	192,953	100.00%	192,953
Lake County			
General Obligation Bonds	8,405,000	28.98%	2,435,769
Special Assessment Bonds	6,601,344	28.98%	1,913,069
OWDA Loans	17,242,873	28.98%	4,996,985
OPWC Loans	481,679	28.98%	139,591
Geauga County			
Revenue Bonds	3,503,500	0.27%	9,459
General Obligation Bonds	65,000	0.27%	176
Special Assessment Bonds	377,300	0.27%	1,019
OWDA Loans	8,134,554	0.27%	21,963
OPWC Loans	<u>577,880</u>	0.27%	<u>1,560</u>
Total	<u>\$77,321,687</u>		<u>\$41,452,148</u>

Source: Office of the Auditor, Lake County, Ohio

- (1) The School District had no direct debt at December 31, 2018.
- (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 2018 collection year.

Mentor Exempted Village School District

Principal Employers

2019 and 2010

Employer	2019		
	Number of Employees	Rank	Percent of Employment
Steris Corporation	1,750	1	5.66%
City of Mentor	916	2	2.96
Mentor Exempted Village School District	898	3	2.90
Avery Dennison	731	7	2.37
Classic Auto Group	624	4	2.02
Lincoln Electric	450	5	1.46
Component Repair Technologies	450	6	1.46
PCC Airfoil	325	8	1.05
Stahl's Transfer Express	300	9	0.97
Race Winning Brands	300	10	0.97
Total	6,744		21.82%
Total Employment within the School District	30,911		

Employer	2010		
	Number of Employees	Rank	Percent of Employment
Mentor Exempted Village School District	1,026	1	3.04%
City of Mentor	851	2	2.53
Steris Corporation	796	3	2.36
Deepwood/Lake County DD	468	4	1.39
PCC Airfoil	455	5	1.35
Avery Dennison	450	6	1.34
U.S. Endoscopy	330	7	0.98
Lincoln Electric	327	8	0.97
Component Repair Technologies	308	9	0.91
JC Penney Co.	275	10	0.82
Total	5,286		15.69%
Total Employment within the School District	33,696		

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
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
2019	47,126	1,421,131,656	30,156	62,546	44.80	172,600	5.7	1,926,693,440

Source: U.S. Census
 Year 2011 - 2019 The 2010 Federal Census
 Year 2010 The 2000 Federal Census

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
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	2,780	2,700	2,617	2,670	2,591	2,552	2,578	2,489	2,479	2,482
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	754	718	793	701	682	685	701	736	726	857
Ridge Elementary School (4)										
Constructed in 1963										
Total Building Square Footage	87,865	87,865	87,865	87,865	87,865	87,865	87,865	87,865	118,450	87,865
Enrollment Grades K-5	0	0	0	0	0	0	0	0	0	737
Enrollment Grades 6-8	536	514	514	500	608	516	548	635	625	0
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	40,552	40,552
Enrollment Grades 6-8	685	670	684	632	608	592	574	567	557	856
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	35,276	40,552
Enrollment Grades K-5	438	439	434	436	393	373	510	529	519	497
Brentmoor Elementary School (3)										
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	277	279	282	284	285	305	311	326	316	0
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	281	277	281	285	289	300	320	326	315	344

(continued)

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Garfield Elementary School (3)										
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	442	445	456	444	420	422	418	427	417	0
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	196	165	18	21	25	35	41	60	60	68
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	489	531	528	531	554	557	555	556	546	468
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	345	314	302	301	308	375	348	315	315	302
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	291	276	355	344	323	301	309	283	273	293
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	412	412	444	417	401	395	411	411	411	427
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	319	305	315	303	311	276	0	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.
- (3) Garfield and Brentmoor Elementary Schools were closed for the 2018-2019 school year.
- (4) Ridge Middle School became Ridge Elementary for the 2018-2019 school year.

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	Students Receiving Free or Reduced Lunch	Number of Students Receiving Free or Reduced Lunch	Percentage of Free or Reduced Lunches to Total Enrollment	
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	108,016,215	14,290	53,280,961	7,049	506	14.94	1,824	24.19		
2019	7,331	(3.02)	110,157,212	15,026	93,317,099	12,729	505	14.52	1,892	25.81		

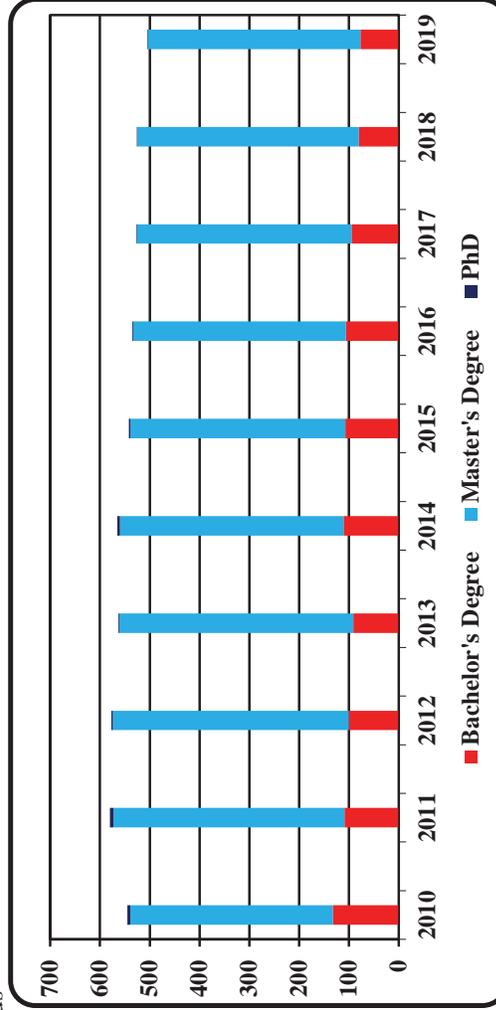
Source: School District Records
Ohio Department of Education

(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	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Bachelor's Degree	132	109	100	91	111	107	106	95	80	77
Master's Degree	407	464	474	470	449	432	427	431	445	427
PhD	6	7	3	2	5	3	2	1	1	1
Total	545	580	577	563	565	542	535	527	526	505
Years of Experience										
0 - 5	112	141	128	126	120	106	133	90	81	70
6 - 10	56	63	79	89	117	139	129	125	115	109
11 and over	377	376	370	348	328	297	273	312	330	326
Total	545	580	577	563	565	542	535	527	526	505

Source: School District Records



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

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Current:										
Instruction:										
Regular	494	453	398	394	391	382	367	329	325	313
Special	34	121	108	103	102	126	139	189	211	211
Vocational	16	16	14	15	15	9	12	10	11	10
Student Intervention	11	9	11	0	0	1	0	0	0	0
Support Services:										
Pupils	102	116	74	76	75	114	134	109	108	107
Instructional Staff	48	55	124	118	117	91	42	45	39	36
Board of Education	1	0	0	5	5	0	0	0	0	0
Administration	46	57	51	51	51	40	50	52	45	42
Fiscal	17	11	14	14	14	10	15	15	13	13
Business	6	6	7	7	7	5	7	7	6	6
Operation and Maintenance of Plant	65	44	72	69	69	68	73	81	60	60
Pupil Transportation	56	6	81	78	77	72	68	53	59	60
Central	3	7	9	9	9	8	2	2	2	2
Operation of Non-Instructional Services	1	1	1	1	1	1	1	1	1	1
Operation of Food Service	24	13	44	44	44	41	41	35	36	36
Extracurricular Activities	11	11	2	2	2	2	2	2	1	1
Totals	935	926	1,010	986	979	970	953	930	917	898

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

Source: School District Records



The Mentor Schools Treasurer's Office was recognized by the Ohio Auditor's Office in 2019 for receiving the district's 9th consecutive Perfect Audit report.

OHIO AUDITOR OF STATE KEITH FABER



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 9, 2020**