

**Mentor Exempted Village School District  
Lake County, Ohio**

**SINGLE AUDIT REPORTS**

**JUNE 30, 2001**





**STATE OF OHIO**  
**OFFICE OF THE AUDITOR**  

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**JIM PETRO, AUDITOR OF STATE**

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Board of Education  
Mentor Exempted Village School District  
6451 Center Street  
Mentor, Ohio 44060

We have reviewed the Independent Auditor's Report of the Mentor Exempted Village School District, Lake County, prepared by Ciuni & Panichi, Inc., for the audit period July 1, 2000 through June 30, 2001. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

**JIM PETRO**  
Auditor of State

March 13, 2002

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# **MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**

**FOR THE YEAR ENDED JUNE 30, 2001**

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**Report On Compliance And On Internal Control  
Required By *Government Auditing Standards***

Board of Education  
Mentor Exempted Village School District  
Mentor, Ohio

We have audited the financial statements of the Mentor Exempted Village School District (the "District"), as of and for the year ended June 30, 2001, and have issued our report thereon dated December 14, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Mentor Exempted Village School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* and are described in the accompanying schedule of findings as items 2001-1 and 2001-2. We also noted certain immaterial instances of noncompliance, which we have reported to management of the Mentor Exempted Village School District in a separate letter dated December 14, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Mentor Exempted Village School District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to management of the Mentor Exempted Village School District in a separate letter dated December 14, 2001.

This report is intended for the information of the District's Board of Education, the District's Management, the Auditor of State, Federal Awarding Agencies, and Pass-Through Entities, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script, appearing to read "Curtis E. ...".

Cleveland, Ohio  
December 14, 2001

\*

**Report On Compliance with Requirements Applicable to Each  
Major Program and On Internal Control Over Compliance in  
Accordance with OMB Circular A-133**

Board of Education  
Mentor Exempted Village School District

Compliance

We have audited the compliance of the Mentor Exempted Village School District with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2001. The Mentor Exempted Village School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal programs are the responsibility of the Mentor Exempted Village School District's management. Our responsibility is to express an opinion on the Mentor Exempted Village School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Mentor Exempted Village School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Mentor Exempted Village School District's compliance with those requirements.

In our opinion, the Mentor Exempted Village School District complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2001.

Internal Control Over Compliance

The management of the Mentor Exempted Village School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Mentor Exempted Village School District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.



Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the Mentor Exempted Village School District as of and for the year ended June 30, 2001, and have issued our report thereon dated December 14, 2001. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements of the Mentor Exempted Village School District. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended for the information and use of the District's Board of Education, the District's Management, the Auditor of State, Federal Awarding Agencies, and Pass-Through Entities, and is not intended to be and should not be used by anyone other than these specified parties.



Cleveland, Ohio  
December 14, 2001

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**FOR THE YEAR ENDED JUNE 30, 2001**

| <u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>                 | <u>Federal CFDA Number</u> | <u>Pass-Through Entity Number</u> | <u>Receipts</u>       | <u>Non-cash Receipts</u> | <u>Disbursements</u>  | <u>Non-Cash Disbursements</u> |
|--|----------------------------|-----------------------------------|-----------------------|--------------------------|-----------------------|-------------------------------|
| U.S. Department of Agriculture:  |                            |                                   |                       |                          |                       |                               |
| Passed-Through State Department of Education:  |                            |                                   |                       |                          |                       |                               |
| Child Nutrition Cluster  |                            |                                   |                       |                          |                       |                               |
| Food Distribution Program  | 10.550                     | N/A                               | \$ <u>          -</u> | \$ <u>  121,866</u>      | \$ <u>          -</u> | \$ <u>  121,866</u>           |
| School Lunch Program   | 10.555                     | 045492-LL-P1-00                   | 58,487                | -                        | 58,487                | -                             |
|  | 10.555                     | 045492-LL-P1-01                   | 126,766               | -                        | 126,766               | -                             |
|  | 10.555                     | 045492-LL-P4-00                   | 34,127                | -                        | 34,127                | -                             |
|  | 10.555                     | 045492-LL-P4-01                   | <u>62,183</u>         | <u>          -</u>       | <u>62,183</u>         | <u>          -</u>            |
|  |                            |                                   | <u>281,563</u>        | <u>          -</u>       | <u>281,563</u>        | <u>          -</u>            |
| Total U.S. Department of Agriculture   |                            |                                   | <u>281,563</u>        | <u>121,866</u>           | <u>281,563</u>        | <u>121,866</u>                |
| U.S. Department of Health and Human Services:  |                            |                                   |                       |                          |                       |                               |
| Passed-Through Ohio Department of Mental Retardation and Developmental Disabilities: |                            |                                   |                       |                          |                       |                               |
| Community Alternative Funding System (CAFS):   |                            |                                   |                       |                          |                       |                               |
| Title XIX – Medical Assistance Program   | 93.778                     |                                   | <u>78,688</u>         | <u>          -</u>       | <u>114,868</u>        | <u>          -</u>            |
| Total Department of Health and Human Services  |                            |                                   | <u>78,688</u>         | <u>          -</u>       | <u>114,868</u>        | <u>          -</u>            |
| U.S. Department of Education:  |                            |                                   |                       |                          |                       |                               |
| Passed-Through State Department of Education:  |                            |                                   |                       |                          |                       |                               |
| Special Education Cluster  |                            |                                   |                       |                          |                       |                               |
| Special Education – Title VI-B   | 84.027                     | 045492-6B-SF-99P                  | 94,245                | -                        | 145,998               | -                             |
|  | 84.027                     | 045492-6B-SF-00P                  | 392,112               | -                        | 373,981               | -                             |
|  | 84.027                     | 045492-6B-SI-99P                  | 210,932               | -                        | 237,887               | -                             |
|  | 84.027                     | 045492-6B-SI-00P                  | <u>537,088</u>        | <u>          -</u>       | <u>447,887</u>        | <u>          -</u>            |
|  |                            |                                   | <u>1,234,377</u>      | <u>          -</u>       | <u>1,205,753</u>      | <u>          -</u>            |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2001**

| <u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u> | <u>Federal CFDA Number</u> | <u>Pass-Through Entity Number</u> | <u>Receipts</u>  | <u>Non-cash Receipts</u> | <u>Disbursements</u> | <u>Non-Cash Disbursements</u> |
|--|----------------------------|-----------------------------------|------------------|--------------------------|----------------------|-------------------------------|
| U.S. Department of Education:  |                            |                                   |                  |                          |                      |                               |
| Passed-Through State Department of Education:                        |                            |                                   |                  |                          |                      |                               |
| Special Education Cluster (Continued)                                |                            |                                   |                  |                          |                      |                               |
| Special Education – Preschool  | 84.173                     | 045492-PG-S1-99P                  | 21,018           | -                        | 21,734               | -                             |
|  | 84.173                     | 045492-PG-S1-00P                  | 48,810           | -                        | 42,643               | -                             |
|  | 84.173                     | 045492-PG-S3-99P                  | 12,454           | -                        | -                    | -                             |
|  | 84.173                     | 045492-PG-S3-00P                  | 22,365           | -                        | 35,550               | -                             |
|  | 84.173                     | 045492-PG-S7-01                   | 11,250           | -                        | 3,977                | -                             |
|  | 84.173                     | 045492-PG-S3-98P                  | -                | -                        | 5,590                | -                             |
|  |                            |                                   | <u>115,897</u>   | <u>-</u>                 | <u>109,494</u>       | <u>-</u>                      |
| Total Special Education Cluster                                      |                            |                                   | <u>1,350,274</u> | <u>-</u>                 | <u>1,315,247</u>     | <u>-</u>                      |
|  |                            |                                   |                  |                          |                      |                               |
| Title I  | 84.010                     | 045492-C1-S1-00                   | 50,000           | -                        | 52,922               | -                             |
|  | 84.010                     | 045492-C1-S1-00C                  | 32,108           | -                        | 31,170               | -                             |
|  | 84.010                     | 045492-C1-S1-01                   | <u>155,421</u>   | <u>-</u>                 | <u>167,757</u>       | <u>-</u>                      |
|  |                            |                                   | <u>237,529</u>   | <u>-</u>                 | <u>251,849</u>       | <u>-</u>                      |
|  |                            |                                   |                  |                          |                      |                               |
| VOCED Basic Grant  | 84.048                     | 045492-20-C1-00                   | 23,729           | -                        | 89,870               | -                             |
|  | 84.048                     | 045492-20-C1-01                   | <u>277,878</u>   | <u>-</u>                 | <u>243,541</u>       | <u>-</u>                      |
|  |                            |                                   | <u>301,607</u>   | <u>-</u>                 | <u>333,411</u>       | <u>-</u>                      |
|  |                            |                                   |                  |                          |                      |                               |
| Chapter 2 – Innovative Education Program Strategy                    | 84.298                     | 045492-C2-S1-98C                  | (22,988)         | -                        | -                    | -                             |
|  | 84.298                     | 045492-C2-S1-00                   | 25,558           | -                        | 52,045               | -                             |
|  | 84.298                     | 045492-C2-S1-01                   | 10,387           | -                        | 6,460                | -                             |
|  | 84.298                     | 045492-C2-S1-99C                  | -                | -                        | 51,857               | -                             |
|  |                            |                                   | <u>12,957</u>    | <u>-</u>                 | <u>110,362</u>       | <u>-</u>                      |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2001**

| <u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>                                  | <u>Federal CFDA Number</u> | <u>Pass-Through Entity Number</u> | <u>Receipts</u>     | <u>Non-cash Receipts</u> | <u>Disbursements</u> | <u>Non-Cash Disbursements</u> |
|---|----------------------------|-----------------------------------|---------------------|--------------------------|----------------------|-------------------------------|
| Eisenhower Math/Science   | 84.281                     | 045492-MS-S1-00                   | 21,675              | -                        | 20,246               | -                             |
|   | 84.281                     | 045492-MS-S1-01                   | 16,558              | -                        | 47,745               | -                             |
|   | 84.281                     | 045492-MS-S1-99C                  | -                   | -                        | 14,052               | -                             |
|   |                            |                                   | <u>38,233</u>       | <u>-</u>                 | <u>82,043</u>        | <u>-</u>                      |
| U.S. Department of Education:<br>Passed-Through State Department of Education:<br>Drug-Free Education | 84.186                     | 045492-DR-S1-00                   | 30,656              | -                        | 1,285                | -                             |
|   | 84.186                     | 045492-DR-S1-01                   | 12,035              | -                        | 4,515                | -                             |
|   | 84.186                     | 045492-DR-S1-99C                  | -                   | -                        | 6,982                | -                             |
|   |                            |                                   | <u>42,691</u>       | <u>-</u>                 | <u>12,782</u>        | <u>-</u>                      |
| Goals 2000  | 84.276                     | 045492-G2-A2-01                   | 157                 | -                        | 4,789                | -                             |
|   | 84.276                     | 045492-G2-S8-00                   | -                   | -                        | 519                  | -                             |
|   | 84.276                     | 045492-G2-S2-99                   | (1,948)             | -                        | -                    | -                             |
|   | 84.276                     | 045492-G2-SP-99                   | (541)               | -                        | -                    | -                             |
|   |                            |                                   | <u>(2,332)</u>      | <u>-</u>                 | <u>5,308</u>         | <u>-</u>                      |
| Tech Literacy Challenge Fund  | 84.318                     | 045492-TF-VM-99P                  | 4,658               | -                        | 4,691                | -                             |
| Class Size Reduction Subsidy  | 84.340                     | 045492-CR-S1-00                   | 38,724              | -                        | 22,193               | -                             |
|   | 84.340                     | 045492-CR-S1-01                   | 45,756              | -                        | 52,702               | -                             |
|   |                            |                                   | <u>84,480</u>       | <u>-</u>                 | <u>74,895</u>        | <u>-</u>                      |
| Total U.S. Department of Education  |                            |                                   | <u>2,070,097</u>    | <u>-</u>                 | <u>2,190,588</u>     | <u>-</u>                      |
| Total Expenditures of Federal Awards  |                            |                                   | \$ <u>2,430,348</u> | \$ <u>121,866</u>        | \$ <u>2,587,019</u>  | \$ <u>121,866</u>             |

# **MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**

## **NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

### **FOR THE YEAR ENDED JUNE 30, 2001**

#### **NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES**

##### **BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the District and is presented on the cash basis of accounting. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.

##### **NON-CASH SUPPORT**

The District receives non-cash support in the form of food subsidies from the National School Lunch Program (“NSLP”), CFDA 10.550. The value of the food subsidies is determined by using the fair market value of the food items as quoted by local food suppliers.

CFDA – Catalog of Federal Domestic Assistance

# MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

## SCHEDULE OF FINDINGS OMB CIRCULAR A-133 SECTION .505

**JUNE 30, 2001**

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### 1. SUMMARY OF AUDITOR'S RESULTS

|              |  |   |
|--------------|--|---|
| (d)(I)(i)    | Type of Financial Statement Opinion  | Unqualified   |
| (d)(I)(ii)   | Were there any material control weakness conditions reported at the financial statement level (GAGAS)?         | No  |
| (d)(I)(ii)   | Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)? | No  |
| (d)(I)(iii)  | Was there any material reported noncompliance at the financial statement level (GAGAS)?                        | Yes   |
| (d)(I)(iv)   | Were there any material internal control weakness conditions reported for major federal programs?              | No  |
| (d)(I)(iv)   | Were there any other reportable internal control weakness conditions reported for major federal programs?      | No  |
| (d)(I)(v)    | Type of Major Programs' Compliance Opinion   | Unqualified   |
| (d)(I)(vi)   | Are there any reportable findings under Section .501?  | No  |
| (d)(I)(vii)  | Major Programs   | Special Education Cluster<br>CFDA Nos. 84.027, 84.173<br>VOCED Basic Grant<br>CFDA No. 84.048 |
| (d)(I)(viii) | Dollar Threshold: Type A/B Programs  | Type A: >\$300,000<br>Type B: All Others  |
| (d)(I)(ix)   | Low Risk Auditee?  | Yes   |

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

|        |   |
|--------|---|
| 2001-1 | <p>Per ORC Section 5705.41(D), no orders or contracts involving the expenditure of money is to be made unless there is attached a certificate of the fiscal officer that the amount required for the order or contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from previous encumbrances.</p> <p>During our testing of expenditures, Ciuni &amp; Panichi, Inc. noted several instances where purchase orders were either issued after the District received the invoice or issued for less than the total expenditure.</p> |
| 2001-2 | <p>Per ORC Section 3315.18, the District is required to restrict cash in an amount equal to the applicable reserves. The District restricts cash and cash equivalents for the purchase of technology/electrical upgrades and for the establishment of a capital maintenance reserve and a textbook reserve. The total amount of the restricted cash should be \$1,059,284 at June 30, 2001; however, the general fund did not have enough cash to meet the reserve requirements. The general fund's entire cash balance of \$470,275 was recorded as restricted cash, leaving an unfunded balance of \$589,009.</p> |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**

**SCHEDULE OF FINDINGS (CONTINUED)  
OMB CIRCULAR A-133 SECTION .505**

**JUNE 30, 2001**

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3. FINDINGS FOR FEDERAL AWARDS

There were no findings for federal awards to report in 2001.

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
OMB CIRCULAR A-133 SECTION .315(b)**

**JUNE 30, 2001**

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There were no prior audit findings or questioned costs for federal awards reported in 2000.



**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
**6451 CENTER STREET**  
**MENTOR, OHIO 44060**  
**(440) 255-4444**

**Response To Findings Associated With Audit Conducted  
In Accordance With *Government Auditing Standards*  
For The Year Ended June 30, 2001**

| Finding Number | Planned Corrective Action   | Anticipated Completion Date | Responsible Contact Person |
|----------------|---|-----------------------------|----------------------------|
| 2001-1         | The District will monitor the issuance of purchase orders and will ensure that purchase orders are issued prior to initiating a purchase. | N/A                         | James Metz,<br>Treasurer   |
| 2001-2         | The District will monitor the General Fund's cash balance to ensure the reserve requirements are met at all times during the year.        | N/A                         | James Metz,<br>Treasurer   |



MENTOR EXEMPTED VILLAGE  
SCHOOL DISTRICT

*COMPREHENSIVE ANNUAL  
FINANCIAL REPORT  
FOR THE YEAR ENDED  
JUNE 30, 2001*

LAKE COUNTY, OHIO

**BOARD MEMBERS**

Charleen Gawronski, President  
Valerie Federico, Vice-President  
Patrick Hanrahan  
Judith Keller  
Arthur Kless

**SUPERINTENDENT**

Dr. William T. Hiller

**TREASURER**

James Metz

PREPARED BY THE TREASURER'S OFFICE

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2001**

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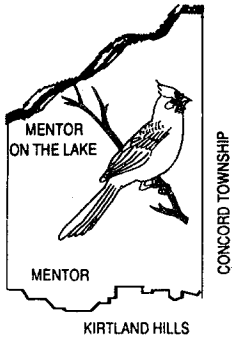
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**INTRODUCTORY  
SECTION**



# Mentor Public Schools

Helen H. "Sue" Osborn Administration Building  
6451 Center Street • Mentor, Ohio 44060 • 440-255-4444 / FAX 440-255-4622

WILLIAM T. HILLER, PH.D., SUPERINTENDENT

JAMES C. METZ, TREASURER

BOARD OF EDUCATION

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**Mentor Public Schools**  
COMMITTED TO EXCELLENCE

December 31, 2001

Mentor Exempted Village Board of Education  
6451 Center Street  
Mentor, Ohio 44060

Members of the Board:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Mentor Exempted Village School District for the fiscal year ended June 30, 2001. This CAFR, which includes financial statements and other financial and statistical data, conforms to generally accepted accounting principles as applicable to governmental entities. Responsibility for both the accuracy of the data presented, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The report provides the community of the Mentor Exempted Village School District, bond rating agencies and other interested parties with comprehensive financial information, enabling them to gain a clear understanding of the District's finances. This report is intended to contribute to meeting the accountability requirements of the public. Copies will be made available to all residents of the Mentor Exempted Village School District and any other interested parties.

This report is divided into the following sections:

- o The Introductory Section, which includes this transmittal letter, a list of principal officials, and the District's organizational chart.
- o The Financial Section, which includes the general purpose financial statements and the combining and individual fund and account group financial statements and schedules, as well as the independent auditors' report on the financial statements and schedules.
- o The Statistical Section, which includes related financial and demographic information, generally presented on a multiyear basis.

## The School District

The Mentor Exempted Village School District is governed by the Constitution of the State of Ohio and various statutes enacted by the Ohio General Assembly through the State Department of Education. Under Ohio Law, the School District is a separate and distinct unit of government with its own taxing authority. The Mentor Exempted Village Board of Education is a five-member board, elected at large, with staggered four-year terms.

The District, one of 613 in the State and 9 in the County, provides education to 10,272 students in grades preschool through twelve. The District is located in Lake and Geauga Counties in northeastern Ohio, approximately 25 miles east of the downtown area of the City of Cleveland.

While most of the District's population is located in the City of Mentor and the City of Mentor-on-the-Lake, included in the District's territory are all or portions of the following cities, townships and villages:

|                            |                           |
|----------------------------|---------------------------|
| City of Mentor             | Village of Kirtland Hills |
| City of Mentor-on-the-Lake | Chardon Township          |
|                            | Concord Township          |

## The Reporting Entity

This report includes all funds and account groups of the District. The District provides a full range of traditional and non-traditional educational programs and services. These include elementary and secondary curriculum offerings at the general, college preparatory and vocational levels; a broad range of co-curricular and extra curricular activities; adult and community education offerings; special education programs and facilities and community recreation facilities.

In addition to providing these general activities, the District acts as a primary recipient for State funds distributed to parochial schools located within the District boundaries; therefore this fiduciary responsibility is included in the reporting entity as a special revenue fund. The parochial schools served are St. Mary, St. Gabriel and Lake Catholic. While these organizations share operational and service similarity with the District, all are separate and distinct entities. Because of their independent nature, none of these organizations' financial statements are included in this report.

The District's Board of Education also serves as the statutory overseer of the Mentor Public Library (the Library). As provided by Ohio Law, the Board of Education appoints trustees to the Library and approves the Library's annual tax budget; however, the District is not financially accountable for the activities of the Library. Furthermore, the District has only ministerial approval of the Library's tax budget and cannot amend the budget. The trustees are charged with the responsibility to manage the Library's overall operations, and the Library is a separate entity for financial reporting purposes. Accordingly, the Library's financial position is not included in this report.

## Major Initiatives and Events - Fiscal Year 2001

In 2001, there were a number of important initiatives and events that took place in the District. The following is a brief summary of the more noteworthy:

- Mr. Tom Ramsey, teacher at Mentor High School, and 16 student members of the Mentor High School Web Team, were recognized by Education World as having one of the outstanding web sites in the country.

- Anne Shafer, teacher at Shore Junior High, Kerry Banks and Dione DeMitro, teachers at Mentor High School, earned the National Board Certification for Teachers.
- Shawn Peterson and Richard McKenna, students at Mentor High School, placed first in the Greater Cleveland Dealer Auto Technical Competition.
- Mentor High School was recognized as being in compliance with the North Central Association standards.
- Governor Robert Taft presented a check in the amount of \$25,000 to Bellflower Elementary School in recognition for improvement of the Grade Four proficiency test scores.
- Ben Blakeslee, student at Mentor High School, was awarded a medal of recognition from the United States Air Force.
- SchoolMatch recognized the Mentor Public Schools with the "What Parents Want" award. Only 15 percent of the nations 15,620 school systems are recognized.
- Mentor High School's Economic Challenge Team were first place winners in the regional economic challenge competition. The team went on to compete at the national level in New York City.
- Top 25 Show Choir were the Overall Grand Champions in the FAME National Show Choir Invitational Competition.
- Students from Mentor High School participating in the Lakeland Community College Tech Prep CIS program won the State Championship for Information Systems Technology.

### Financial Information

#### Basis of Accounting

The District's accounting system is organized on a "fund basis" where each fund or account group is a distinct, self-balancing accounting entity.

Governmental and fiduciary fund types are accounted for on the modified accrual basis of accounting. Governmental revenues are recognized when they become measurable and available to finance expenditures of the current period. Revenue items, which are susceptible to accrual, are recorded as receivables. Expenditures are recognized when the related fund liability is incurred, with the exception of accumulated unpaid employee compensation which is not payable from current expendable financial resources, and general long term obligation interest which is reported when due.

Proprietary fund types are accounted for on the accrual basis of accounting. Their revenues are recognized in the period earned and expenses are recognized in the period incurred. Proprietary fund unbilled services receivables are recognized as revenue in the period when the services are provided.

## Internal Control

In developing and evaluating the District's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are in place and are designed to provide reasonable, but not absolute assurance regarding: (1) the safeguarding against loss of assets; and (2) the reliability of financial data used in preparing the financial statements and maintaining the accountability of assets. The concept of reasonable assurance recognizes that the cost of internal controls should not exceed the benefits likely to be gained from the implementation of the controls. Management believes that the District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

## Budgetary Control

The District also maintains a series of budgetary controls. These controls are in place to ensure compliance with legal requirements of the District's annual appropriation measure. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function and object within each fund.

One such budgetary control is the encumbrance accounting system utilized by the District. Encumbrances are made when the District makes an obligation to purchase an item or service and are not relieved until payment is made or the District revokes that obligation. Open encumbrances are reviewed at fiscal year end, and if determined to be still valid, are carried over to the succeeding fiscal year. Special attention is given to encumbrances, which have been in effect for a long period of time. Encumbrances are reported as a reservation of fund balance at year end.

Budgets are legally adopted and controlled on a cash basis, including encumbrances. For that reason, the Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual reports actual cash revenues and expenditures (including encumbrances) compared to budget amounts. Unencumbered appropriations terminate at year end.

## General Government Functions

The following schedule represents a summary of revenues for the governmental funds, which include general, special revenue, debt service, and capital projects fund types for the fiscal year ended June 30, 2001.

|                            | <u>Fiscal Year 2001</u> | <u>Fiscal Year 2000</u> | <u>Change</u>       | <u>% Change</u> |
|----------------------------|-------------------------|-------------------------|---------------------|-----------------|
| Taxes                      | \$ 50,558,752           | \$ 49,220,831           | \$ 1,337,921        | 2.72%           |
| Tuition and fees           | 195,240                 | 206,366                 | (11,126)            | -5.39%          |
| Earnings on investments    | 763,319                 | 719,649                 | 43,670              | 6.07%           |
| Intergovernmental          | 26,290,117              | 25,582,794              | 707,323             | 2.76%           |
| Extracurricular activities | 227,311                 | 228,910                 | (1,599)             | -0.70%          |
| Miscellaneous revenue      | 101,013                 | 335,102                 | (234,089)           | -69.86%         |
|                            | <u>\$ 78,135,752</u>    | <u>\$ 76,293,652</u>    | <u>\$ 1,842,100</u> | 2.41%           |

Local property tax revenues are the major source of operating funds for the District. The following represents a distribution of the tax revenues to the various funds:

| Fund                  | Percent<br>of Total |
|-----------------------|---------------------|
| General               | 95.02%              |
| Bond Retirement       | 3.12%               |
| Permanent Improvement | 1.86%               |
| Total                 | <u>100.00%</u>      |

Tax revenues increased as a result of growth of the tax duplicate.

Tuition and fees revenue include charges for students living out of the District, tuition charged to other districts for vocational and special education programs and other court ordered placements.

Interest increased as the result of higher interest rates, a stronger cash flow, and the issuance of tax advances from the Lake County Auditor on a more timely basis.

Intergovernmental revenues include the Homestead Rollback reimbursements from the State of Ohio, the State Foundation receipts, State and Federal grants, and other reimbursements from the State. The Homestead Rollback funds are based on local tax collection efforts. Commercial and residential property owners in the State of Ohio are given a 10 percent and 12.5 percent reduction in real property taxes, respectively. The State reimburses those funds to school districts. The Homestead Rollback funds provide about 6.5 percent of the District's general fund revenues. The State Foundation funds are controlled by the State Legislature. These funds provide about 23.6 percent of the District's General Fund revenues, and the expectation is that minimal increases will be available for future reporting periods.

Extracurricular and miscellaneous revenues include rental fees, donations and various fee payments from students.

The following schedule represents a summary of all governmental expenditures of general, special revenue, debt service, and capital projects fund types for the fiscal year ended June 30, 2001:

|                                  | Fiscal Year 2001     | Fiscal Year 2000     | Change              | % Change |
|----------------------------------|----------------------|----------------------|---------------------|----------|
| Instruction                      | \$ 47,522,157        | \$ 44,106,416        | \$ 3,415,741        | 7.74%    |
| Support services:                |                      |                      |                     |          |
| Pupil                            | 4,664,488            | 4,610,482            | 54,006              | 1.17%    |
| Instructional staff              | 3,466,640            | 3,183,325            | 283,315             | 8.90%    |
| Board of Education               | 614,501              | 501,619              | 112,882             | 22.50%   |
| Administration                   | 4,951,244            | 4,817,330            | 133,914             | 2.78%    |
| Fiscal                           | 1,742,146            | 1,636,206            | 105,940             | 6.47%    |
| Business                         | 674,150              | 526,875              | 147,275             | 27.95%   |
| Operation & maintenance of plant | 8,344,673            | 8,095,071            | 249,602             | 3.08%    |
| Pupil transportation             | 4,389,336            | 4,100,279            | 289,057             | 7.05%    |
| Central                          | 891,720              | 681,143              | 210,577             | 30.92%   |
| Food service                     | 350                  | 222                  | 128                 | 57.66%   |
| Community services               | 1,169,267            | 1,017,397            | 151,870             | 14.93%   |
| Extracurricular activities       | 1,340,470            | 1,237,068            | 103,402             | 8.36%    |
| Capital outlay                   | 0                    | 200,667              | (200,667)           | -100.00% |
| Debt Service:                    |                      |                      |                     |          |
| Principal                        | 416,507              | 442,945              | (26,438)            | -5.97%   |
| Interest                         | 1,462,360            | 1,432,468            | 29,892              | 2.09%    |
| Refund of prior year receipts    | 27,669               | 7,547                | 20,122              | 266.62%  |
| Total                            | <u>\$ 81,677,678</u> | <u>\$ 76,597,060</u> | <u>\$ 5,080,618</u> | 6.63%    |

Instruction and support services reflect increases as the result of salary adjustments and the hiring of additional staff.

Instructional staff expenses increase caused by salary and staff adjustment to meet student and community needs.

Administration expenses increased as the result of salary adjustments.

Operation and maintenance of plant expenses increased due to salary and staff adjustments to meet the operational needs of the buildings.

Pupil transportation expenses increased because of salary adjustments and substitute charges.

Central expenses increased as the result of salary adjustments.

Community services increased as the result of changes making additional funds available.

Capital outlay expenses decreased due to budget decisions and management analysis of district needs.

Debt service decreased due to the payment of principal and interest payments associated with the House Bill 264 project and construction at Memorial Junior High and Mentor High School.

#### Enterprise

The District operates several enterprise activities including the Food Service Program, Uniform School Supply, Rotary, Adult Education and Recreation Programs. It is the District's intent to operate these programs on a self-supporting basis. Therefore, profit/loss measures must be maintained. These operations are classified and accounted for as enterprise funds.

The Food Service program provides lunches and other food related services to students and staff of the District and represents the largest enterprise operation.

The Uniform School Supply program accounts for materials provided to students for which fees are charged. Due to the fact that eligible families qualify for fees to be waived and others fail to pay the District supports the program.

The Adult Education program experienced an operating loss of \$2,775 for the year. Course offerings will be reviewed and tuition and fees will be adjusted and supplemented in the future to eliminate the operating loss.

#### Internal Service

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



## Trust Operations

The District acts in a trustee capacity for various scholarship and award programs along with student activity funds for those activities managed by students.

## Debt Administration

At June 30, 2001, the District had general obligation bonds outstanding of \$13,316,399. At June 30, 2001, \$1,000,000 of bond anticipation notes is recorded as a liability of the Capital Projects Fund.

Under the Ohio Revised Code, total general obligation bonded debt is subject to a legal limitation on both voted and unvoted debt. The limitation is based on 9% and .1% of the total assessed value of real and personal tangible property, respectively. The District's total general obligation debt of \$13,316,399 is below the legal limit of \$146,341,960 (voted and unvoted). All bonds outstanding are general obligations of the District for which the full faith and credit of the District is pledged for repayment.

The District general obligation debt is made up of the following original issues:

- A) \$9,500,000 approved by the voters in November of 1988 for the renovation, rehabilitating, remodeling, improving, and adding to, furnishing and equipping Memorial Junior High School and improving its site.
- B) \$4,000,000 approved by the voters in May of 1988 for the purpose of enlarging, rehabilitating, improving, adding to, furnishing and equipping the Mentor Public Library and improving the site and parking facilities thereof.

Bonds totaling \$13,500,000 were issued in May of 1989. The District services the debt for both bond issues as required by the Ohio Revised Code.

On March 1, 1993, the District refinanced the outstanding balance of the original issue reducing the aggregate debt service payments by \$573,050 over the next 19 years.

- C) The voters approved \$8,600,000 issue in May of 1991 with the actual sale of the bond occurring in December of 1991. The purpose of the issue was to construct an auditorium, renovate science facilities, and remodeling, adding to, rehabilitating, improving, furnishing and equipping facilities at Mentor High School and improving its site.

Additional information regarding the debt of the District is available by reviewing the footnotes of the Comprehensive Annual Financial Report as of June 30, 2001.

## Cash Management

Cash not needed for immediate use during the year was invested in interest bearing demand deposit accounts, an open repurchase agreement and the State Treasurer's Asset Reserve of Ohio (STAR Ohio) program administered by the Office of the Treasurer of the State of Ohio. STAR Ohio is an investment pool offered to political subdivisions of the State of Ohio for the investment of funds. STAR Ohio's investment portfolio consists of investments authorized by the Ohio Revised Code including instruments of the Federal government and its agencies collateralized certificates of deposits and repurchase agreements. This investment pool offers daily liquidity of all funds, no minimum balance requirements and no service charges. Total interest earnings for the District for the Governmental Funds during the year was \$765,183. Of that total, \$743,950 was credited to the General Fund, \$10,681 was credited to the Special Revenue Fund, \$5,186 was credited to the Debt Service Fund, \$3,502 was credited to the Capital Projects Funds, and \$1,864 to the Expendable Trust Fund. These amounts are higher than previous years due to the increase of interim monies held from the tax anticipation bonds and higher interest rates. The crediting of interest earnings to particular funds are directed by the Ohio Revised Code and Board of Education policy.

## Risk Management

The District protects its assets through a comprehensive insurance program. A schedule of insurance in force at June 30, 2001 is included in the Statistical Section of this report.

To control health insurance cost, the District participates in a consortium of school districts in northeast Ohio. The consortium provides eligible employees basic medical coverage along with dental, vision and life insurance. The consortium contracts with a third party administrator for the processing of claims. Since joining the consortium in 1995, the District's medical rate adjustments have averaged approximately 7.5% per year. This program has allowed the District to control fringe benefit costs representing a significant portion of the District's annual cost of operating.

## Economic Condition and Outlook

Growth of the community is the primary issue of concern. The number of students has decreased from 10,670 in fiscal 1992 to 10,272 in fiscal 2001, representing a decrease of 398 students or an average of approximately 40 per year. Single family housing units in the City of Mentor for the same period grew a total of 1,866, or 187 per year at an average cost of \$155,978. The tax duplicate continues to increase but the cost of providing services clearly indicates that additional operating revenues will be required to maintain services at current levels. The community is expected to grow at the same rate as property is available to build and the community is extremely attractive to the upper to middle income homeowner.

The demand for technology and the cost to provide service to the students is also a demand, which needs to be addressed. The private sector already demands that students be able to cope with the technology available. The demands that this brings to the educational community will continue to put strains on the funds available to maintain high standards for the current student population and those to come.

The State is faced with difficult problems to fund public education at an adequate level. The courts have ruled the State must replace the current system of funding public education and develop a system to allow all students to receive an appropriate education.

Classroom space is also approaching the point that all available classrooms are being utilized. The rapid growth of special education and the demands for space and technology clearly indicate that the future for the District will be exciting, but also costly, if the current expectations of education are to be maintained and revised to meet tomorrow's expectations.

### Prospects for the Future

The funding structure of public education in Ohio poses a challenge to school districts. There is very little in the funding structure which allows districts to receive additional revenues relative to inflationary pressures. Boards of education throughout Ohio must propose issues on the ballot for voter approval in order to receive significant additional revenues. The District placed a 4.5 mill operating levy on the March, 1996 ballot and the voters approved the request. Collections began in January 1997. Fiscal 1998 was the first year for 100 percent collections of the new monies. As of the end of the reporting period no new operating levies are being considered. Of particular concern in the State of Ohio is the issue of "equity in school funding." Significant changes in the public school funding structure, either through the legislative or judicial process, may be enacted which will effectively redistribute revenues from wealthier school districts to poorer school districts.

The granting of tax abatement to new companies moving into the City of Mentor or existing companies expanding has impacted local tax revenues. Unless legislation is put in place in the future to limit abatements or create greater accountability to those companies granted abatement, the community and the District will be negatively impacted. The District has an agreement with the City of Mentor to share income tax generated by employees of companies who have been granted tax abatement.

The employment agreements currently in place with the Mentor Teachers Association and the Mentor Classified Employees, covering members of the teaching staff and non-teaching staff, expires in August, 2002.

### Other Information

#### Independent Audit

The Ohio Revised Code requires an annual audit of the District's financial statements and its compliance with certain section of the Ohio Revised Code. The accounting firm of Ciuni & Panichi, Inc. was engaged to perform the audit for the 2001 fiscal year. In addition, the audit was designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and OMB Circular A-133. The independent auditors' report on the general purpose financial statements and combining and individual fund statements and schedules is included in the Financial Section of this report. The independent auditors' reports relating to the Single Audit and Ohio Revised Code compliance have been issued under separate cover.

#### Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2000. This was the eighth consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principals and applicable legal requirements.

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


Acknowledgments

The publication of this report is a significant step toward professionalizing the District's financial reporting. It can only enhance the District's accountability to our investors, the residents of the Mentor Exempted Village School District, and to our customers, the students.

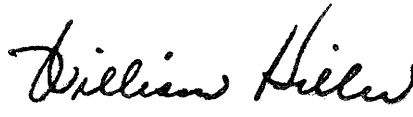
We would like to express appreciation to the many persons in the office of the Treasurer who have assisted in preparing this report with special thanks to Mrs. Terri Mervo and Mrs. Nancy Leonard. Also, the help of Ciuni & Panichi, Inc., Certified Public Accountants and the examiners from the State Auditors office have been greatly appreciated.

Further, the support of the Board of Education, where the commitment to excellence begins, is sincerely appreciated.

Respectfully submitted,



James Metz  
Treasurer



William T. Hiller, Ph.D.  
Superintendent

# MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

## Elected Officials

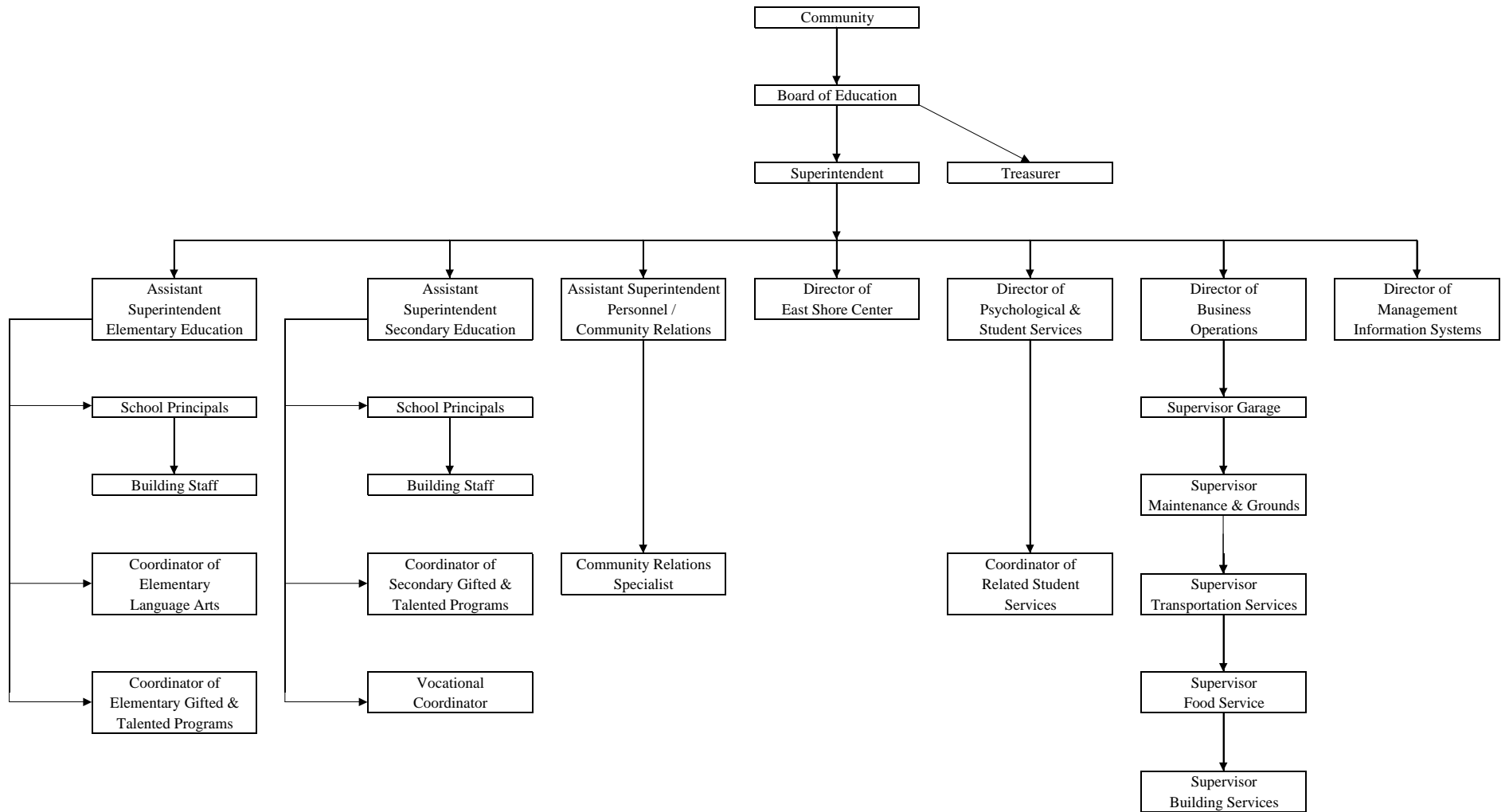
### Board of Education

|                         |                |
|-------------------------|----------------|
| Mrs. Charleen Gawronski | President      |
| Mrs. Valerie Federico   | Vice-President |
| Mr. Patrick Hanrahan    | Member         |
| Mrs. Judith B. Keller   | Member         |
| Mr. Arthur Kless        | Member         |

## Appointed Officials

|                       |   |
|-----------------------|---|
| Dr. William T. Hiller | Superintendent  |
| Mr. James Metz        | Treasurer   |
| Mr. William Parkinson | Assistant Treasurer   |
| Dr. John Rose         | Director of Business Operations   |
| Dr. Joff Jones        | Assistant Superintendent /<br>Secondary Education                           |
| Dr. Linda Williams    | Assistant Superintendent /<br>Elementary Education                          |
| Dr. Larry Disbro      | Assistant Superintendent /<br>Personnel / School and<br>Community Relations |

**Mentor Public Schools  
Organization Chart**



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Mentor Exempted Village  
School District, Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2000

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



*Timothy A. Howe*  
President

*Jeffrey L. Esser*  
Executive Director

**FINANCIAL  
SECTION**



Creating economic value through  
knowledge, innovation, commitment, and service

CIUNI & PANICHI  
INC.

CERTIFIED PUBLIC ACCOUNTANTS  
AND BUSINESS CONSULTING FIRM

a C&P Advisors Company

## INDEPENDENT AUDITORS' REPORT

Board of Education  
Mentor Exempted Village School District  
Mentor, Ohio

We have audited the accompanying general-purpose financial statements of Mentor Exempted Village School District (the "District") as of and for the year ended June 30, 2001, as listed in the *Table of Contents*. These general-purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

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

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2001, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2001 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The combining and individual fund and account group financial statements and schedules listed in the *Table of Contents* are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of the District. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

We did not audit the introductory and statistical information as listed in the *Table of Contents* and therefore express no opinion thereon.

*Ciuni & Panichi, Inc.*

Cleveland, Ohio  
December 14, 2001

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MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
 Combined Balance Sheet-  
 All Fund Types and Account Groups  
 June 30, 2001  
 (With Comparative Totals for 2000)

**GOVERNMENTAL FUND TYPES**

|   | <b><u>GENERAL</u></b>   | <b><u>SPECIAL<br/>REVENUE</u></b> | <b><u>DEBT<br/>SERVICE</u></b> | <b><u>CAPITAL<br/>PROJECTS</u></b> |
|---|-------------------------|-----------------------------------|--------------------------------|------------------------------------|
| <b>ASSETS</b>   |                         |                                   |                                |                                    |
| Equity in pooled cash and investments                                 | \$0                     | 1,372,583                         | 810,304                        | 620,328                            |
| Restricted cash   | 470,275                 | 0                                 | 0                              | 0                                  |
| Receivables   |                         |                                   |                                |                                    |
| Taxes - current   | 50,738,714              | 0                                 | 1,705,994                      | 989,711                            |
| Accounts  | 192,325                 | 8,477                             | 5,186                          | 0                                  |
| Due from other funds  | 3,405,760               | 0                                 | 0                              | 0                                  |
| Due from other governments  | 0                       | 0                                 | 0                              | 0                                  |
| Materials and supplies inventories                                    | 257,634                 | 0                                 | 0                              | 0                                  |
| Prepays and other assets  | 84,406                  | 5,067                             | 0                              | 0                                  |
| Fixed assets net (where applicable) of accumulated depreciation       | 0                       | 0                                 | 0                              | 0                                  |
| Amount available for retirement of general long-term obligations      | 0                       | 0                                 | 0                              | 0                                  |
| Amount to be provided for retirement of general long-term obligations |                         |                                   |                                |                                    |
| Debt  | 0                       | 0                                 | 0                              | 0                                  |
| Other obligations   | 0                       | 0                                 | 0                              | 0                                  |
| <br>Total assets and other debits                                     | <br><u>\$55,149,114</u> | <br><u>1,386,127</u>              | <br><u>2,521,484</u>           | <br><u>1,610,039</u>               |
| <b>LIABILITIES</b>  |                         |                                   |                                |                                    |
| Accounts payable  | \$294,949               | 152,765                           | 0                              | 136,266                            |
| Accrued wages and benefits  | 7,381,538               | 96,464                            | 0                              | 0                                  |
| Pension obligation payable  | 1,213,273               | 18,490                            | 0                              | 0                                  |
| Due to other governments  | 30,180                  | 193,491                           | 0                              | 0                                  |
| Due to other funds  | 903,622                 | 182,642                           | 0                              | 160,000                            |
| Due to students   | 0                       | 0                                 | 0                              | 0                                  |
| Claims payable  | 622,128                 | 0                                 | 0                              | 0                                  |
| Deferred revenue  |                         |                                   |                                |                                    |
| Taxes   | 50,738,714              | 0                                 | 1,705,994                      | 989,711                            |
| Bond anticipation notes   | 0                       | 0                                 | 0                              | 1,000,000                          |
| Capital lease obligation  | 0                       | 0                                 | 0                              | 0                                  |
| General obligation bonds payable                                      | 0                       | 0                                 | 0                              | 0                                  |
| <br>Total liabilities   | <br><u>61,184,404</u>   | <br><u>643,852</u>                | <br><u>1,705,994</u>           | <br><u>2,285,977</u>               |
| <b>FUND EQUITY (DEFICIT) AND OTHER CREDITS</b>                        |                         |                                   |                                |                                    |
| Investment in general fixed assets                                    | 0                       | 0                                 | 0                              | 0                                  |
| Retained earnings-unreserved  | 0                       | 0                                 | 0                              | 0                                  |
| Fund balances (deficit)   |                         |                                   |                                |                                    |
| Budget stabilization reserve  | 0                       | 0                                 | 0                              | 0                                  |
| Capital maintenance reserve   | 35,111                  | 0                                 | 0                              | 0                                  |
| Reserve for technology/electrical upgrades                            | 83,715                  | 0                                 | 0                              | 0                                  |
| Reserve for textbooks   | 351,449                 | 0                                 | 0                              | 0                                  |
| Reserved for inventory  | 257,634                 | 0                                 | 0                              | 0                                  |
| Reserved for prepaids   | 84,406                  | 0                                 | 0                              | 0                                  |
| Reserved for encumbrances   | 1,034,454               | 697,701                           | 0                              | 1,220,741                          |
| Reserved for debt   | 0                       | 0                                 | 815,490                        | 0                                  |
| Unreserved-undesignated   | (7,882,059)             | 44,574                            | 0                              | (1,896,679)                        |
| <br>Total fund balances (deficit)                                     | <br><u>(6,035,290)</u>  | <br><u>742,275</u>                | <br><u>815,490</u>             | <br><u>(675,938)</u>               |
| <br>Total fund equity (deficit) and other credits                     | <br><u>(6,035,290)</u>  | <br><u>742,275</u>                | <br><u>815,490</u>             | <br><u>(675,938)</u>               |
| <br>Total liabilities, fund equity and other credits                  | <br><u>\$55,149,114</u> | <br><u>1,386,127</u>              | <br><u>2,521,484</u>           | <br><u>1,610,039</u>               |

The notes to the financial statements are an integral part of this statement.

(continued)

| <u>PROPRIETARY FUND TYPES</u> |                         | <u>FIDUCIARY FUND TYPES</u>        | <u>ACCOUNT GROUPS</u>       |                               | <u>2001 TOTALS (MEMORANDUM ONLY)</u> | <u>2000 TOTALS (MEMORANDUM ONLY)</u> |
|-------------------------------|-------------------------|------------------------------------|-----------------------------|-------------------------------|--------------------------------------|--------------------------------------|
| <u>ENTERPRISE</u>             | <u>INTERNAL SERVICE</u> | <u>EXPENDABLE TRUST AND AGENCY</u> | <u>GENERAL FIXED ASSETS</u> | <u>GENERAL LONG-TERM DEBT</u> |                                      |                                      |
| 954,971                       | 0                       | 5,429,550                          | 0                           | 0                             | \$9,187,736                          | \$11,067,954                         |
| 0                             | 0                       | 0                                  | 0                           | 0                             | 470,275                              | 1,607,661                            |
| 0                             | 0                       | 0                                  | 0                           | 0                             | 53,434,419                           | 48,916,120                           |
| 52,286                        | 44,647                  | 19,188                             | 0                           | 0                             | 322,109                              | 277,546                              |
| 0                             | 903,622                 | 0                                  | 0                           | 0                             | 4,309,382                            | 4,480,443                            |
| 0                             | 2,305,415               | 0                                  | 0                           | 0                             | 2,305,415                            | 1,652,080                            |
| 47,442                        | 0                       | 0                                  | 0                           | 0                             | 305,076                              | 268,085                              |
| 0                             | 0                       | 0                                  | 0                           | 0                             | 89,473                               | 63,014                               |
| 196,377                       | 112,749                 | 0                                  | 54,621,539                  | 0                             | 54,930,665                           | 53,774,353                           |
| 0                             | 0                       | 0                                  | 0                           | 815,490                       | 815,490                              | 894,225                              |
| 0                             | 0                       | 0                                  | 0                           | 12,500,909                    | 12,500,909                           | 12,838,681                           |
| 0                             | 0                       | 0                                  | 0                           | 6,057,096                     | 6,057,096                            | 5,000,067                            |
| <u>1,251,076</u>              | <u>3,366,433</u>        | <u>5,448,738</u>                   | <u>54,621,539</u>           | <u>19,373,495</u>             | <u>\$144,728,045</u>                 | <u>\$140,840,229</u>                 |
| 67,166                        | 5,088                   | 36,505                             | 0                           | 0                             | \$692,739                            | \$785,023                            |
| 95,331                        | 182,868                 | 0                                  | 0                           | 4,516,459                     | 12,272,660                           | 11,702,422                           |
| 18,664                        | 36,489                  | 0                                  | 0                           | 682,614                       | 1,969,530                            | 1,144,852                            |
| 580                           | 13,892                  | 1,201,533                          | 0                           | 0                             | 1,439,676                            | 1,862,866                            |
| 0                             | 1,700,162               | 1,362,956                          | 0                           | 0                             | 4,309,382                            | 4,480,443                            |
| 0                             | 0                       | 382,299                            | 0                           | 0                             | 382,299                              | 319,344                              |
| 0                             | 0                       | 2,156,710                          | 0                           | 0                             | 2,778,838                            | 1,772,808                            |
| 0                             | 0                       | 0                                  | 0                           | 0                             | 53,434,419                           | 48,916,120                           |
| 0                             | 0                       | 0                                  | 0                           | 0                             | 1,000,000                            | 1,250,000                            |
| 0                             | 0                       | 0                                  | 0                           | 858,023                       | 858,023                              | 848,488                              |
| 0                             | 0                       | 0                                  | 0                           | 13,316,399                    | 13,316,399                           | 13,732,906                           |
| <u>181,741</u>                | <u>1,938,499</u>        | <u>5,140,003</u>                   | <u>0</u>                    | <u>19,373,495</u>             | <u>92,453,965</u>                    | <u>86,815,272</u>                    |
| 0                             | 0                       | 0                                  | 54,621,539                  | 0                             | 54,621,539                           | 53,499,637                           |
| 1,069,335                     | 1,427,934               | 0                                  | 0                           | 0                             | 2,497,269                            | 1,744,385                            |
| 0                             | 0                       | 0                                  | 0                           | 0                             | 0                                    | 1,129,410                            |
| 0                             | 0                       | 0                                  | 0                           | 0                             | 35,111                               | 371,496                              |
| 0                             | 0                       | 0                                  | 0                           | 0                             | 83,715                               | 106,755                              |
| 0                             | 0                       | 0                                  | 0                           | 0                             | 351,449                              | 0                                    |
| 0                             | 0                       | 0                                  | 0                           | 0                             | 257,634                              | 212,913                              |
| 0                             | 0                       | 0                                  | 0                           | 0                             | 84,406                               | 63,014                               |
| 0                             | 0                       | 57,322                             | 0                           | 0                             | 3,010,218                            | 3,556,680                            |
| 0                             | 0                       | 0                                  | 0                           | 0                             | 815,490                              | 894,225                              |
| 0                             | 0                       | 251,413                            | 0                           | 0                             | (9,482,751)                          | (7,553,558)                          |
| <u>0</u>                      | <u>0</u>                | <u>308,735</u>                     | <u>0</u>                    | <u>0</u>                      | <u>(4,844,728)</u>                   | <u>(1,219,065)</u>                   |
| 1,069,335                     | 1,427,934               | 308,735                            | 54,621,539                  | 0                             | 52,274,080                           | 54,024,957                           |
| <u>1,251,076</u>              | <u>3,366,433</u>        | <u>5,448,738</u>                   | <u>54,621,539</u>           | <u>19,373,495</u>             | <u>\$144,728,045</u>                 | <u>\$140,840,229</u>                 |

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MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
 Combined Statement of Revenues, Expenditures and Changes in Fund Balances-  
 All Governmental Fund Types and Expendable Trust Fund  
 For The Year Ended June 30, 2001  
 (With Comparative Totals for 2000)

|  | <u>GOVERNMENTAL FUND TYPES</u> |                            |                         |                             | <u>FIDUCIARY<br/>FUND TYPE</u> | <u>TOTALS 2001<br/>(MEMORANDUM<br/>ONLY)</u> | <u>TOTALS 2000<br/>(MEMORANDUM<br/>ONLY)</u> |
|--|--------------------------------|----------------------------|-------------------------|-----------------------------|--------------------------------|--|--|
|  | <u>GENERAL</u>                 | <u>SPECIAL<br/>REVENUE</u> | <u>DEBT<br/>SERVICE</u> | <u>CAPITAL<br/>PROJECTS</u> | <u>EXPENDABLE<br/>TRUST</u>    |  |  |
| Revenues   |                                |                            |                         |                             |                                |  |  |
| Taxes  | \$48,042,371                   | 0                          | 1,576,727               | 939,654                     | 0                              | \$50,558,752                                 | \$49,220,831                                 |
| Tuition and fees   | 195,240                        | 0                          | 0                       | 0                           | 0                              | 195,240                                      | 206,366                                      |
| Sales  | 0                              | 0                          | 0                       | 0                           | 105,312                        | 105,312                                      | 105,270                                      |
| Earnings on investments  | 743,950                        | 10,681                     | 5,186                   | 3,502                       | 1,864                          | 765,183                                      | 720,286                                      |
| Intergovernmental  | 21,531,337                     | 4,160,271                  | 177,068                 | 421,441                     | 0                              | 26,290,117                                   | 25,582,794                                   |
| Extracurricular activities   | 0                              | 227,311                    | 0                       | 0                           | 23,208                         | 250,519                                      | 247,783                                      |
| Contributions  | 0                              | 0                          | 0                       | 0                           | 232,435                        | 232,435                                      | 190,893                                      |
| Refund of prior year expenditures  | 333,595                        | 2,717                      | 0                       | 0                           | 0                              | 336,312                                      | 18,019                                       |
| Miscellaneous revenue  | 86,642                         | 14,246                     | 0                       | 125                         | 0                              | 101,013                                      | 335,102                                      |
| Total revenues   | <u>70,933,135</u>              | <u>4,415,226</u>           | <u>1,758,981</u>        | <u>1,364,722</u>            | <u>362,819</u>                 | <u>78,834,883</u>                            | <u>76,627,344</u>                            |
| Expenditures   |                                |                            |                         |                             |                                |  |  |
| Current  |                                |                            |                         |                             |                                |  |  |
| Instruction  | 44,971,122                     | 2,288,215                  | 0                       | 262,820                     | 67,205                         | 47,589,362                                   | 44,183,055                                   |
| Support services   |                                |                            |                         |                             |                                |  |  |
| Pupil  | 4,233,825                      | 430,663                    | 0                       | 0                           | 14,859                         | 4,679,347                                    | 4,621,957                                    |
| Instructional staff  | 3,229,314                      | 237,326                    | 0                       | 0                           | 33,967                         | 3,500,607                                    | 3,214,204                                    |
| Board of Education   | 614,501                        | 0                          | 0                       | 0                           | 0                              | 614,501                                      | 501,619                                      |
| Administration   | 4,168,180                      | 783,064                    | 0                       | 0                           | 2,391                          | 4,953,635                                    | 4,821,304                                    |
| Fiscal   | 1,639,639                      | 0                          | 15,691                  | 86,816                      | 0                              | 1,742,146                                    | 1,636,206                                    |
| Business   | 608,986                        | 8,257                      | 0                       | 56,907                      | 0                              | 674,150                                      | 526,875                                      |
| Operation and maintenance of plant   | 7,552,704                      | 18,215                     | 0                       | 773,754                     | 0                              | 8,344,673                                    | 8,095,071                                    |
| Pupil transportation   | 4,365,855                      | 22,956                     | 0                       | 525                         | 0                              | 4,389,336                                    | 4,100,279                                    |
| Central  | 797,597                        | 69,348                     | 0                       | 24,775                      | 63,001                         | 954,721                                      | 728,205                                      |
| Food service operation   | 0                              | 0                          | 0                       | 350                         | 87,415                         | 87,765                                       | 77,621                                       |
| Community services   | 78,896                         | 1,090,371                  | 0                       | 0                           | 0                              | 1,169,267                                    | 1,017,397                                    |
| Extracurricular activities   | 1,022,948                      | 317,522                    | 0                       | 0                           | 18,560                         | 1,359,030                                    | 1,251,397                                    |
| Capital outlay   | 0                              | 0                          | 0                       | 0                           | 0                              | 0  | 200,667                                      |
| Debt service   |                                |                            |                         |                             |                                |  |  |
| Principal  | 0                              | 0                          | 416,507                 | 0                           | 0                              | 416,507                                      | 442,945                                      |
| Interest   | 0                              | 0                          | 1,403,518               | 58,842                      | 0                              | 1,462,360                                    | 1,432,468                                    |
| Refund of prior year receipts  | 0                              | 27,669                     | 0                       | 0                           | 832                            | 28,501                                       | 8,491  |
| Total expenditures   | <u>73,283,567</u>              | <u>5,293,606</u>           | <u>1,835,716</u>        | <u>1,264,789</u>            | <u>288,230</u>                 | <u>81,965,908</u>                            | <u>76,859,761</u>                            |
| Excess (deficiency) of revenues<br>over (under) expenditures                                     | <u>(2,350,432)</u>             | <u>(878,380)</u>           | <u>(76,735)</u>         | <u>99,933</u>               | <u>74,589</u>                  | <u>(3,131,025)</u>                           | <u>(232,417)</u>                             |
| Other financing sources (uses)   |                                |                            |                         |                             |                                |  |  |
| Operating transfers in   | 103,509                        | 119,101                    | 0                       | 338,842                     | 0                              | 561,452                                      | 382,624                                      |
| Operating transfers out  | (1,300,789)                    | (50,146)                   | (2,000)                 | 0                           | (13)                           | (1,352,948)                                  | (1,230,620)                                  |
| Inception of capital lease   | 197,701                        | 0                          | 0                       | 77,835                      | 0                              | 275,536                                      | 0  |
| Proceeds from sale of assets   | 21,322                         | 0                          | 0                       | 0                           | 0                              | 21,322                                       | 12,056                                       |
| Total other financing sources (uses)   | <u>(978,257)</u>               | <u>68,955</u>              | <u>(2,000)</u>          | <u>416,677</u>              | <u>(13)</u>                    | <u>(494,638)</u>                             | <u>(835,940)</u>                             |
| Excess (deficiency) of revenues<br>and other sources over (under)<br>expenditures and other uses | <u>(3,328,689)</u>             | <u>(809,425)</u>           | <u>(78,735)</u>         | <u>516,610</u>              | <u>74,576</u>                  | <u>(3,625,663)</u>                           | <u>(1,068,357)</u>                           |
| Fund balances (deficit),<br>beginning of year  | <u>(2,706,601)</u>             | <u>1,551,700</u>           | <u>894,225</u>          | <u>(1,192,548)</u>          | <u>234,159</u>                 | <u>(1,219,065)</u>                           | <u>(150,708)</u>                             |
| Fund balances (deficit), end of year   | <u>(\$6,035,290)</u>           | <u>742,275</u>             | <u>815,490</u>          | <u>(675,938)</u>            | <u>308,735</u>                 | <u>(\$4,844,728)</u>                         | <u>(\$1,219,065)</u>                         |

The notes to the financial statements are an integral part of this statement.

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
 Combined Statement of Revenues, Expenditures and Changes in Fund Balances -  
 Budget (Non-GAAP Basis) and Actual -  
 All Governmental Fund Types and Expendable Trust Fund  
 For The Year Ended June 30, 2001

|  | <u>General Fund</u> |             | Variance<br>Favorable<br>(Unfavorable) |
|--|---------------------|-------------|--|
|  | Revised Budget      | Actual      |  |
| <b>Revenues:</b>   |                     |             |  |
| Taxes  | \$47,542,429        | 48,042,371  | \$499,942                              |
| Tuition and fees   | 105,877             | 106,990     | 1,113                                  |
| Interest   | 696,374             | 703,697     | 7,323                                  |
| Intergovernmental  | 21,307,276          | 21,531,337  | 224,061                                |
| Extracurricular activities   | 0                   | 0           | 0                                      |
| Contributions  | 0                   | 0           | 0                                      |
| Miscellaneous revenue  | 186,896             | 188,861     | 1,965                                  |
| Total revenue  | 69,838,852          | 70,573,256  | 734,404                                |
| <b>Expenditures:</b>   |                     |             |  |
| <b>Current:</b>  |                     |             |  |
| Instruction  | 45,450,074          | 45,450,074  | 0                                      |
| Support services:  |                     |             |  |
| Pupil  | 4,038,705           | 4,038,705   | 0                                      |
| Instructional Staff  | 3,122,541           | 3,119,226   | 3,315                                  |
| Board of Education   | 615,589             | 615,589     | 0                                      |
| Administration   | 4,237,458           | 4,237,458   | 0                                      |
| Fiscal   | 1,458,766           | 1,458,766   | 0                                      |
| Business   | 602,004             | 602,004     | 0                                      |
| Operation and maintenance of plant   | 7,863,600           | 7,863,600   | 0                                      |
| Pupil transportation   | 4,514,551           | 4,514,551   | 0                                      |
| Central  | 941,896             | 941,896     | 0                                      |
| Community services   | 78,226              | 78,226      | 0                                      |
| Extracurricular activities   | 1,022,269           | 1,022,269   | 0                                      |
| <b>Debt service:</b>   |                     |             |  |
| Principal  | 0                   | 0           | 0                                      |
| Interest   | 0                   | 0           | 0                                      |
| Total expenditures   | 73,945,679          | 73,942,364  | 3,315                                  |
| Excess (deficiency) of revenues<br>over (under) expenditures                                 | (4,106,827)         | (3,369,108) | 737,719                                |
| <b>Other financing sources (uses):</b>   |                     |             |  |
| Advances / transfers in  | 602,669             | 602,669     | 0                                      |
| Sale of notes  | 0                   | 0           | 0                                      |
| Other sources  | 333,409             | 333,409     | 0                                      |
| Advances / transfers out   | (1,643,431)         | (1,643,431) | 0                                      |
| Other uses   | (262)               | (262)       | 0                                      |
| Total other financing sources (uses)   | (707,615)           | (707,615)   | 0                                      |
| Excess (deficiency) of revenue and other sources<br>over (under) expenditures and other uses | (4,814,442)         | (4,076,723) | 737,719                                |
| Fund balances, beginning of year   | 3,788,157           | 3,788,157   | 0                                      |
| Expenditures against prior year's encumbrances   | 1,026,285           | 1,026,285   | 0                                      |
| Fund balances, end of year   | \$0                 | 737,719     | \$737,719                              |

The notes to the financial statements are an integral part of this statement.

(continued)

| <u>Special Revenue Funds</u> |             |                                  | <u>Debt Service Fund</u> |             |                                  |
|------------------------------|-------------|----------------------------------|--------------------------|-------------|----------------------------------|
| Revised Budget               | Actual      | Variance Favorable (Unfavorable) | Revised Budget           | Actual      | Variance Favorable (Unfavorable) |
| \$0                          | 0           | \$0                              | \$1,576,727              | 1,576,727   | \$0                              |
| 0                            | 0           | 0                                | 0                        | 0           | 0                                |
| 10,127                       | 10,204      | 77                               | 0                        | 0           | 0                                |
| 5,162,405                    | 4,120,205   | (1,042,200)                      | 177,068                  | 177,068     | 0                                |
| 275,776                      | 227,311     | (48,465)                         | 0                        | 0           | 0                                |
| 17,283                       | 14,246      | (3,037)                          | 0                        | 0           | 0                                |
|                              |             | 0                                | 0                        | 0           | 0                                |
| 5,465,591                    | 4,371,966   | (1,093,625)                      | 1,753,795                | 1,753,795   | 0                                |
| 3,531,483                    | 2,803,152   | 728,331                          | 0                        | 0           | 0                                |
| 683,687                      | 534,013     | 149,674                          | 0                        | 0           | 0                                |
| 468,156                      | 321,618     | 146,538                          | 0                        | 0           | 0                                |
|                              |             | 0                                | 0                        | 0           | 0                                |
| 982,995                      | 721,476     | 261,519                          | 0                        | 0           | 0                                |
|                              |             | 0                                | 543,294                  | 15,690      | 527,604                          |
| 16,657                       | 16,657      | 0                                | 0                        | 0           | 0                                |
| 39,409                       | 36,932      | 2,477                            | 0                        | 0           | 0                                |
| 24,957                       | 24,582      | 375                              | 0                        | 0           | 0                                |
| 70,400                       | 68,613      | 1,787                            | 0                        | 0           | 0                                |
| 1,297,749                    | 1,284,494   | 13,255                           | 0                        | 0           | 0                                |
| 466,665                      | 396,635     | 70,030                           | 0                        | 0           | 0                                |
| 0                            | 0           | 0                                | 1,666,507                | 1,666,507   | 0                                |
| 0                            | 0           | 0                                | 1,462,360                | 1,462,360   | 0                                |
| 7,582,158                    | 6,208,172   | 1,373,986                        | 3,672,161                | 3,144,557   | 527,604                          |
| (2,116,567)                  | (1,836,206) | 280,361                          | (1,918,366)              | (1,390,762) | 527,604                          |
| 290,859                      | 290,859     | 0                                | 24,142                   | 306,842     | 282,700                          |
|                              |             | 0                                | 1,000,000                | 1,000,000   | 0                                |
| 2,717                        | 2,717       | 0                                | 0                        | 0           | 0                                |
| (443,985)                    | (341,109)   | 102,876                          | 0                        | 0           | 0                                |
| (33,068)                     | (33,068)    | 0                                | 0                        | 0           | 0                                |
| (183,477)                    | (80,601)    | 102,876                          | 1,024,142                | 1,306,842   | 282,700                          |
| (2,300,044)                  | (1,916,807) | 383,237                          | (894,224)                | (83,920)    | 810,304                          |
| 619,818                      | 619,818     | 0                                | 894,224                  | 894,224     | 0                                |
| 1,680,235                    | 1,680,235   | 0                                | 0                        | 0           | 0                                |
| \$9                          | 383,246     | \$383,237                        | \$0                      | 810,304     | \$810,304                        |

(continued)

(continued)



MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
 Combined Statement of Revenues, Expenditures and Changes in Fund Balances -  
 Budget (Non-GAAP Basis) and Actual -  
 All Governmental Fund Types and Expendable Trust Fund  
 For The Year Ended June 30, 2001

|  | <u>Capital Projects Funds</u> |           | Variance                   |
|--|-------------------------------|-----------|----------------------------|
|  | Revised Budget                | Actual    | Favorable<br>(Unfavorable) |
| <b>Revenues:</b>   |                               |           |                            |
| Taxes  | \$811,014                     | 939,654   | \$128,640                  |
| Tuition and fees   | 0                             | 0         | 0                          |
| Interest   | 3,502                         | 3,502     | 0                          |
| Intergovernmental  | 421,441                       | 421,441   | 0                          |
| Extracurricular activities   | 0                             | 0         | 0                          |
| Contributions  | 0                             | 0         | 0                          |
| Miscellaneous revenue  | 125                           | 125       | 0                          |
| Total revenue  | 1,236,082                     | 1,364,722 | 128,640                    |
| <b>Expenditures:</b>   |                               |           |                            |
| <b>Current:</b>  |                               |           |                            |
| Instruction  | 295,900                       | 286,862   | 9,038                      |
| Support services:  |                               |           |                            |
| Pupil  | 0                             | 0         | 0                          |
| Instructional Staff  | 0                             | 0         | 0                          |
| Board of Education   | 0                             | 0         | 0                          |
| Administration   | 0                             | 0         | 0                          |
| Fiscal   | 8,981                         | 8,981     | 0                          |
| Business   | 56,907                        | 56,907    | 0                          |
| Operation and maintenance of plant   | 901,223                       | 895,161   | 6,062                      |
| Pupil transportation   | 1,160                         | 1,093     | 67                         |
| Central  | 160,775                       | 120,775   | 40,000                     |
| Community services   | 350                           | 350       | 0                          |
| Extracurricular activities   | 25                            | 0         | 25                         |
| <b>Debt service:</b>   |                               |           |                            |
| Principal  | 0                             | 0         | 0                          |
| Interest   | 0                             | 0         | 0                          |
| Total expenditures   | 1,425,321                     | 1,370,129 | 55,192                     |
| Excess (deficiency) of revenues<br>over (under) expenditures                                 | (189,239)                     | (5,407)   | 183,832                    |
| <b>Other financing sources (uses):</b>   |                               |           |                            |
| Advances / transfers in  | 85,293                        | 190,000   | 104,707                    |
| Sale of notes  | 0                             | 0         | 0                          |
| Other sources  | 0                             | 0         | 0                          |
| Advances / transfers out   | (186,000)                     | (186,000) | 0                          |
| Other uses   | 0                             | 0         | 0                          |
| Total other financing sources (uses)   | (100,707)                     | 4,000     | 104,707                    |
| Excess (deficiency) of revenue and other sources<br>over (under) expenditures and other uses | (289,946)                     | (1,407)   | 288,539                    |
| Fund balances, beginning of year   | 51,064                        | 51,064    | 0                          |
| Expenditures against prior year's encumbrances   | 238,885                       | 238,885   | 0                          |
| Fund balances, end of year   | \$3                           | 288,542   | \$288,539                  |

The notes to the financial statements are an integral part of this statement.

(continued)

| <u>Expendable Trust Fund</u> |         |  | <u>Totals (Memorandum Only)</u> |             |  |
|------------------------------|---------|--|---------------------------------|-------------|--|
| Revised Budget               | Actual  | Variance<br>Favorable<br>(Unfavorable) | Revised Budget                  | Actual      | Variance<br>Favorable<br>(Unfavorable) |
| \$0                          | 0       | \$0                                    | \$49,930,170                    | 50,558,752  | \$628,582                              |
| 0                            | 0       | 0                                      | 105,877                         | 106,990     | 1,113                                  |
| 2,181                        | 1,840   | (341)                                  | 712,184                         | 719,243     | 7,059                                  |
| 0                            | 0       | 0                                      | 27,068,190                      | 26,250,051  | (818,139)                              |
| 27,513                       | 23,208  | (4,305)                                | 303,289                         | 250,519     | (52,770)                               |
| 124,847                      | 105,312 | (19,535)                               | 142,130                         | 119,558     | (22,572)                               |
| 270,809                      | 228,431 | (42,378)                               | 457,830                         | 417,417     | (40,413)                               |
| 425,350                      | 358,791 | (66,559)                               | 78,719,670                      | 78,422,530  | (297,140)                              |
| 153,373                      | 83,682  | 69,691                                 | 49,430,830                      | 48,623,770  | 807,060                                |
| 34,226                       | 16,207  | 18,019                                 | 4,756,618                       | 4,588,925   | 167,693                                |
| 128,799                      | 41,051  | 87,748                                 | 3,719,496                       | 3,481,895   | 237,601                                |
|                              |         | 0                                      | 615,589                         | 615,589     | 0                                      |
| 26,310                       | 3,936   | 22,374                                 | 5,246,763                       | 4,962,870   | 283,893                                |
|                              |         | 0                                      | 2,011,041                       | 1,483,437   | 527,604                                |
|                              |         | 0                                      | 675,568                         | 675,568     | 0                                      |
|                              |         | 0                                      | 8,804,232                       | 8,795,693   | 8,539                                  |
|                              |         | 0                                      | 4,540,668                       | 4,540,226   | 442                                    |
| 130,826                      | 75,720  | 55,106                                 | 1,303,897                       | 1,207,004   | 96,893                                 |
| 156,910                      | 117,973 | 38,937                                 | 1,533,235                       | 1,481,043   | 52,192                                 |
| 43,271                       | 21,198  | 22,073                                 | 1,532,230                       | 1,440,102   | 92,128                                 |
|                              |         | 0                                      | 1,666,507                       | 1,666,507   | 0                                      |
|                              |         | 0                                      | 1,462,360                       | 1,462,360   | 0                                      |
| 673,715                      | 359,767 | 313,948                                | 87,299,034                      | 85,024,989  | 2,274,045                              |
| (248,365)                    | (976)   | 247,389                                | (8,579,364)                     | (6,602,459) | 1,976,905                              |
| 0                            | 0       | 0                                      | 1,002,963                       | 1,390,370   | 387,407                                |
| 0                            | 0       | 0                                      | 1,000,000                       | 1,000,000   | 0                                      |
| 4                            | 4       | 0                                      | 336,130                         | 336,130     | 0                                      |
| (13)                         | (13)    | 0                                      | (2,273,429)                     | (2,170,553) | 102,876                                |
| (832)                        | (832)   | 0                                      | (34,162)                        | (34,162)    | 0                                      |
| (841)                        | (841)   | 0                                      | 31,502                          | 521,785     | 490,283                                |
| (249,206)                    | (1,817) | 247,389                                | (8,547,862)                     | (6,080,674) | 2,467,188                              |
| 181,697                      | 181,697 | 0                                      | 5,534,960                       | 5,534,960   | 0                                      |
| 67,509                       | 67,509  | 0                                      | 3,012,914                       | 3,012,914   | 0                                      |
| \$0                          | 247,389 | \$247,389                              | \$12                            | 2,467,200   | \$2,467,188                            |

(continued)

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Combined Statement of Revenues, Expenses, and Changes in Retained Earnings -  
 All Proprietary Fund Types  
 For The Year Ended June 30, 2001  
 (With Comparative Totals for 2000)

|  | <u>ENTERPRISE</u>  | <u>INTERNAL<br/>SERVICE</u> | <u>2001 TOTALS<br/>(MEMORANDUM<br/>ONLY)</u> | <u>2000 TOTALS<br/>(MEMORANDUM<br/>ONLY)</u> |
|--|--------------------|-----------------------------|--|--|
| Operating revenues                           |                    |                             |  |  |
| Tuition and fees                             | \$411,609          | 3,568,502                   | \$3,980,111                                  | \$2,620,589                                  |
| Sales  | 1,808,976          | 301,795                     | 2,110,771                                    | 2,065,158                                    |
| Charges for services                         | 303,500            | 674,777                     | 978,277                                      | 986,310                                      |
| Total operating revenues                     | <u>2,524,085</u>   | <u>4,545,074</u>            | <u>7,069,159</u>                             | <u>5,672,057</u>                             |
| Operating expenses                           |                    |                             |  |  |
| Salaries and wages                           | 865,811            | 2,006,075                   | 2,871,886                                    | 2,682,688                                    |
| Fringe benefits                              | 290,705            | 382,965                     | 673,670                                      | 890,349                                      |
| Contractual services                         | 281,434            | 2,008,432                   | 2,289,866                                    | 1,824,733                                    |
| Materials and supplies                       | 1,305,564          | 123,386                     | 1,428,950                                    | 1,688,682                                    |
| Other expenses                               | 87,863             | 270,629                     | 358,492                                      | 314,311                                      |
| Depreciation                                 | 30,837             | 23,538                      | 54,375                                       | 47,739                                       |
| Total operating expenses                     | <u>2,862,214</u>   | <u>4,815,025</u>            | <u>7,677,239</u>                             | <u>7,448,502</u>                             |
| Operating loss                               | <u>(338,129)</u>   | <u>(269,951)</u>            | <u>(608,080)</u>                             | <u>(1,776,445)</u>                           |
| Non-operating revenues (expenses)            |                    |                             |  |  |
| Grant revenue                                | 439,585            | 87,477                      | 527,062                                      | 516,127                                      |
| Interest                                     | 39,874             | 3,076                       | 42,950                                       | 30,329                                       |
| Proceeds from sale of assets                 | 2,500              | 0                           | 2,500  | 1,600  |
| Other non-operating expenses                 | (400)              | (2,644)                     | (3,044)                                      | 0  |
| Total non-operating revenues                 | <u>481,559</u>     | <u>87,909</u>               | <u>569,468</u>                               | <u>548,056</u>                               |
| Net income (loss) before operating transfers | 143,430            | (182,042)                   | (38,612)                                     | (1,228,389)                                  |
| Operating transfers in                       | 110,000            | 681,496                     | 791,496                                      | 848,496                                      |
| Operating transfers out                      | 0                  | 0                           | 0  | (500)  |
| Net income (loss)                            | 253,430            | 499,454                     | 752,884                                      | (380,393)                                    |
| Retained earnings, beginning of year         | 815,905            | 928,480                     | 1,744,385                                    | 2,124,778                                    |
| Retained earnings, end of year               | <u>\$1,069,335</u> | <u>1,427,934</u>            | <u>\$2,497,269</u>                           | <u>\$1,744,385</u>                           |

The notes to the financial statements are an integral part of this statement.

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
 Combined Statement of Cash Flows-  
 All Proprietary Fund Types  
 For The Year Ended June 30, 2001  
 (With Comparative Totals for 2000)

|  | ENTERPRISE  | INTERNAL<br>SERVICE | 2001 TOTALS<br>(MEMORANDUM<br>ONLY) | 2000 TOTALS<br>(MEMORANDUM<br>ONLY) |
|--|-------------|---------------------|-------------------------------------|-------------------------------------|
| Cash flows from operating activities:  |             |                     |                                     |                                     |
| Operating loss   | (\$338,129) | (269,951)           | (\$608,080)                         | (\$1,776,445)                       |
| Adjustments to reconcile operating loss<br>to net cash used in operating activities: |             |                     |                                     |                                     |
| Depreciation   | 30,837      | 23,538              | 54,375                              | 47,739                              |
| (Increase) decrease in:  |             |                     |                                     |                                     |
| Accounts receivable  | 20,460      | (41,315)            | (20,855)                            | 122,819                             |
| Due from other governments   | 0           | (653,335)           | (653,335)                           | (393,403)                           |
| Due from other funds   | 0           | 97,451              | 97,451                              | 0                                   |
| Materials and supplies inventory   | 7,730       | 0                   | 7,730                               | (1,924)                             |
| Increase (decrease) in:  |             |                     |                                     |                                     |
| Accounts payable   | 1,334       | (32,101)            | (30,767)                            | 67,475                              |
| Accrued wages and benefits   | (71,136)    | (73,973)            | (145,109)                           | 88,544                              |
| Pension obligation payable   | 18,664      | 26,371              | 45,035                              | 5,139                               |
| Due to other governments   | (32,277)    | 13,804              | (18,473)                            | (7,412)                             |
| Due to other funds   | (70,146)    | 164,004             | 93,858                              | 648,892                             |
| Total adjustments  | (94,534)    | (475,556)           | (570,090)                           | 577,869                             |
| Net cash used in operating activities  | (432,663)   | (745,507)           | (1,178,170)                         | (1,198,576)                         |
| Cash flows from noncapital financing activities:                                     |             |                     |                                     |                                     |
| Operating grants received  | 439,585     | 87,477              | 527,062                             | 516,127                             |
| Proceeds from sale of assets   | 2,500       | 0                   | 2,500                               | 1,600                               |
| Operating transfers-in   | 110,000     | 681,496             | 791,496                             | 848,496                             |
| Operating transfers-out  | 0           | 0                   | 0                                   | (500)                               |
| Other non-operating  | (400)       | (2,644)             | (3,044)                             | 0                                   |
| Net cash provided by noncapital financing activities                                 | 551,685     | 766,329             | 1,318,014                           | 1,365,723                           |
| Cash flows from capital and related financing activities:                            |             |                     |                                     |                                     |
| Acquisition and construction of capital assets                                       | (64,887)    | (23,898)            | (88,785)                            | (36,728)                            |
| Cash flows from investing activities:  |             |                     |                                     |                                     |
| Interest received  | 39,874      | 3,076               | 42,950                              | 30,329                              |
| Net increase in cash and cash equivalents  | 94,009      | 0                   | 94,009                              | 160,748                             |
| Cash and cash equivalents at beginning of year                                       | 860,962     | 0                   | 860,962                             | 700,214                             |
| Cash and cash equivalents at end of year   | \$954,971   | 0                   | \$954,971                           | \$860,962                           |

The notes to the financial statements are an integral part of this statement.

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
**Notes to General Purpose Financial Statements**  
**June 30, 2001**

(1) **Description of the District**

The Mentor Exempted Village School District (the "District") operates under a locally elected, five member Board and provides educational services as authorized by its charter or further mandated by state and/or federal agencies. The Board controls sixteen public schools including one high school consisting of grades ten, eleven and twelve; three junior high schools with grades seven, eight, and nine; and twelve elementary schools, grades kindergarten through six. The District also acts as the fiscal agent for a special education service center for children having severe and multiple handicaps from Lake and Geauga Counties, and for the Lake County Council of Governments Health Care Consortium.

The District is located east of Cleveland, Ohio and serves primarily residences of Lake County and a small section of Geauga County. The District's population is drawn primarily from the cities of Mentor and Mentor-on-the Lake but also serves portions of the Village of Kirtland Hills and Concord Township. The District's population according to the Ohio Department of Taxation was 58,405 and its area covers approximately 34.5 square miles.

As of October 2001, 10,272 students were enrolled in the District's 16 schools. The average pupil/teacher ratio was 16.3. The District employs approximately 745 professional staff and 424 non-teaching and support staff employees.

(2) **Description of Reporting Entity, Basis of Presentation and Summary of Significant Accounting Policies**

**A. The Reporting Entity**

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, the financial reporting entity consists of a primary government and its component units. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. Furthermore, there are no component units combined with the District for financial statement presentation purposes, and it is not included in any other governmental reporting entity. Consequently, the District's financial statements include only the funds and account groups of those organizational entities for which its elected governing body is financially accountable. The District's major operations include education, pupil transportation, food service, and maintenance of District facilities.

The District participates in one Jointly Governed Organization that is further described in the notes to the financial statements.

**B. Basis of Presentation**

The accounting policies of the District conform to generally accepted accounting principles (GAAP) as applicable to governments.

The financial transactions of the District are recorded in individual funds and account groups. The various funds and account groups are reported by type in the general purpose financial statements. Amounts in the “total—memorandum only” columns in the general purpose financial statements represent a summation of the combined financial statement line items of the fund types and account groups and are presented only for analytical purposes. The summation includes fund types and account groups that use different basis of accounting, interfund transactions that have not been eliminated, and the caption “amounts to be provided,” which does not represent an asset. Consequently, amounts shown in the “total—memorandum only” columns are not comparable to a consolidation and do not represent the total resources available or total revenues and expenditures/expenses of the District.

The District uses the following fund categories, fund types, and account groups:

Governmental Funds:

Governmental Funds are accounted for on a flow of current financial resources measurement focus. Only current assets and current liabilities are generally included on their balance sheets. Their operating statements present sources (revenues and other financing sources) and uses (expenditures and other financing uses) of “available spendable resources” during a period.

General Fund

The general fund is the general operating fund of the District and is used to account for all revenues and expenditures except those required to be accounted for in another fund.

Special Revenue Funds

Special revenue funds are used to account for revenue from specific revenue sources (other than expendable trust, or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Fund

The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest and related cost; and for the payment of interest on general obligation notes payable, as required by Ohio Law.

Capital Projects Funds

Capital projects funds are used to account for revenues and expenditures related to the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Proprietary Funds:

Proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Proprietary fund measurement focus is upon determination of net income, financial position and cash flows.

### Enterprise Funds

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises -- where the intent of the governing body is that the cost (i.e., expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

### Internal Service Fund

Internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District, or to other governments on a cost reimbursement basis.

### Fiduciary Funds

Fiduciary funds are used to account for the assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include expendable trust and agency funds. Expendable trust funds are accounted for in essentially the same manner as governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

### Account Groups:

Account groups are used to establish accounting control and accountability for the District's general fixed assets and general long-term debt.

#### General Fixed Assets Account Group

This account is used to account for all fixed assets of the District, other than those accounted for in proprietary funds.

#### General Long-Term Debt Account Group

This account is used to account for all long-term obligations of the District, except those accounted for in proprietary funds. These obligations are secured by the credit of the District as a whole and are payable from general government resources or assessments against property owners.

## **C. Basis of Accounting**

Governmental and fiduciary fund types are accounted for on the modified accrual basis of accounting. Governmental revenues are recognized when they become measurable and available to finance expenditures of the current period. Revenue items, which are susceptible to accrual and therefore are recorded as receivables, include investment income and reimbursable-type grants. Expenditures are recognized when the related fund liability is incurred, with the exception of accumulated unpaid employee compensation which is not payable from current expendable financial resources, and general long-term obligation interest which is reported when due.

Proprietary funds are accounted for on the accrual basis of accounting. Their revenues are recognized in the period earned and expenses are recognized in the period incurred. Proprietary funds' unbilled services receivables are recognized as revenue in the period when the service is provided.

Pursuant to GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting", the District follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

**D. Budgetary Basis of Accounting**

The District is required by State Statute to adopt an annual appropriated budget for all governmental fund types, fiduciary fund types except agency fund, and proprietary funds. The specific timetable is as follows:

1. Prior to January 15 of the preceding fiscal year, the Treasurer submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers comments. The expressed purpose of this budget document is to reflect the need for existing (or increased) tax rates.
2. By no later than January 20, the board-adopted budget is filed with the Lake County Budget Commission (the Commission) for tax rate determination.
3. Prior to March 15, the Board of Education accepts by formal resolution, the tax rates as determined by the Commission and receives the Commission's certificate of estimated resources, which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as a basis for the appropriation measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered balances from the preceding year as reported by the District's Treasurer. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District's Treasurer. The amounts reported in the budgetary statement reflect the amounts set forth in the final amended certificate of estimated resources.
4. By July 1, the annual appropriation resolution is legally enacted by the Board of Education at the fund, function, and object level of expenditures, which are the legal levels of budgetary control. State statute permits a temporary appropriation to be effective until no later than October 1 of each year. Resolution appropriations by fund must be within the estimated resources as certified by the Commission and the total of expenditures and encumbrances may not exceed the appropriation totals.
5. Any revisions that alter the total of any fund appropriation or alter total function appropriations within a fund, or alter object appropriations within functions must be approved by the Board of Education.
6. Formal budgetary integration is employed as a management control device during the year for all funds consistent with statutory provisions.



7. Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations which either reallocated or increased the original appropriated amounts. The Board legally enacted all supplemental appropriations during fiscal 2000-01 and none were significant.
8. Unencumbered appropriations lapse at year end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be reappropriated. Expenditures plus encumbrances may not legally exceed budgeted appropriations at the fund, function and/or object level.

The District's budgetary process accounts for certain transactions on a basis other than GAAP. The major difference between the budget basis and the GAAP basis are:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when encumbered or paid in cash (budget), as opposed to when susceptible to accrual (GAAP).

|  | General<br>Fund  | Special<br>Revenue<br>Funds | Debt<br>Service | Capital<br>Projects | Expendable<br>Trust |
|--|------------------|-----------------------------|-----------------|---------------------|---------------------|
| GAAP basis - fund balance (deficit)                            | (\$6,035,290)    | 742,275                     | 815,490         | (675,938)           | \$308,735           |
| Adjustments for GAAP basis -                                   |                  |                             |                 |                     |                     |
| Accrued revenues/prepaid items<br>at June 30, 2001             | (53,093,616)     | (64,544)                    | (1,711,180)     | (989,711)           | (4,024)             |
| Accrued expenditures/deferred revenue<br>at June 30, 2001      | 61,184,404       | 643,852                     | 1,705,994       | 2,285,977           | 0                   |
| Encumbrances outstanding at<br>at June 30, 2001 (budget basis) | (1,317,779)      | (989,337)                   | 0               | (331,786)           | (57,322)            |
| Budget basis - fund balance (deficit)                          | <u>\$737,719</u> | <u>332,246</u>              | <u>810,304</u>  | <u>288,542</u>      | <u>\$247,389</u>    |

**E. Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary control. Encumbrances outstanding as of year-end are reported as a reservation of fund balances.

**F. Cash and Cash Equivalents**

To improve cash management, cash received by the School District is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through School District records. Each fund's interest in the pool is presented as "equity in pooled cash and investments" on the combined balance sheet.

During fiscal year 2001, investments were limited to STAR Ohio, the State Treasurer's Investment Pool and repurchase agreements. All investments of the School District had a maturity of two years or less. Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts such as repurchase agreements are reported at cost.

The School District has invested funds in the State Treasury Assets Reserve (STAR Ohio) during fiscal year 2000. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the state to pool their funds for investment purposes. STAR Ohio is not registered with SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of The Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2001.

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest. Interest revenue credited to the general fund during fiscal year 2001 amounted to \$743,950.

For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, 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 considered to be cash equivalents. Investments with an original maturity of more than three months that are not made from the pool are considered to be investments.

**G. Restricted Assets**

Restricted assets in the general fund represents cash and cash equivalents restricted for the purchase of technology/electrical upgrades and the establishment of a budget stabilization reserve, a capital maintenance reserve, and a textbook reserve.

During 1998, the District entered into a five-year lease agreement for technology/electrical upgrades. The unspent portion at June 30, 2001, of \$83,715 is held in a restricted trust account for future expenditures and is recorded as a fund balance reserve.

The capital maintenance reserve of \$35,111 is required by State statute and can be used solely for the acquisition, replacement, enhancement, maintenance and repair of permanent improvements. A fund balance reserve has also been established. See Note 13 for further detail on the Statutory Reserves.

The textbook reserve of \$351,449 is also required by State statute and can be used for acquisition of textbooks and instructional materials. A fund balance reserve has also been established.

In accordance with the reserve requirements, the total amount of restricted cash should be \$1,059,284; however, the general fund did not have enough cash to meet the reserve requirements. Although the general fund cash balance did not meet the reserve requirements, the entire balance of \$470,275 is reported as restricted cash, leaving \$589,009 of the reserves unfunded.

**H. Inventory**

Inventories are valued at cost, which approximates market, using the first-in, first-out method (FIFO) and are determined by physical count. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recognized as an expenditure when used (consumption method). Reported inventories in the general fund are equally offset by a fund balance reserve, which indicates they are unavailable for appropriation.

**I. Prepays and Other Assets**

Payments made to vendors for services that will benefit periods beyond June 30, 2001 are recorded as prepaid items.

**J. Fixed Assets and Depreciation**

1. General Fixed Assets Account Group

General fixed assets are capitalized at historical cost (or estimated historical cost) and updated for the cost of additions and retirements during the year in the general fixed assets account group. Contributed fixed assets are recorded at their fair market values as of the date donated. The District follows the policy of not capitalizing assets with a cost of less than \$1,000 and a useful life of less than one year. No depreciation is recognized for assets in the general fixed assets account group.

2. Proprietary Funds

Property, plant, and equipment reflected in the proprietary funds are stated at historical cost (or estimated historical cost) and updated for the cost of additions and retirements during the year. Contributed fixed assets are recorded at their fair market values as of the date donated. Depreciation has been provided on a straight-line basis for all property, plant, and equipment based on estimated useful lives ranging from 5 to 15 years for vehicles, furniture and equipment.

**K. Interfund Transactions**

During the course of normal operations, the District has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets, and service debt. Operating subsidies are recorded as operating transfers. The classification of amounts recorded as subsidies, advances, or equity contributions is based on the intent of the District at the time of the transaction.

**L. Fund Balance Reserves**

Reserved fund balances indicate that portion of fund equity, which is not available for current appropriation or is legally segregated for a specific use. Fund balances are reserved for prepaid items, materials and supplies inventory, payment of debt, legislative mandated reserves, and encumbrances. The unreserved portions of fund equity reflected for the governmental funds are available for use within the specific purposes of those funds.

**M. 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.

**N. Reclassifications**

Certain reclassifications of prior year amounts have been made in order to make the financial statements comparative.

**(3) Deficit Fund Balance / Retained Earnings**

Fund balances/retained earnings at June 30, 2001, included the following individual fund deficits:

|                                 | <u>Deficit Fund Balance/<br/>Retained Earnings</u> |
|---------------------------------|--|
| General Fund                    | \$ (6,035,290)                                     |
| Special Revenue Funds:          |  |
| Career Development OVEP         | \$ (25,500)  |
| Preschool Grant for Handicapped | \$ (880)   |
| Title I                         | \$ (57,567)  |
| Chapter II                      | \$ (37,507)  |
| Drug Free School Grant          | \$ (18,573)  |
| Capital Projects Fund:          |  |
| Building                        | \$ (999,970)                                       |

The deficits in the General Fund, Career Development OVEP, Preschool Grant for Handicapped, Title I, Chapter II, and Drug Free School Grant are due to timing differences in accruing revenues and expenditures.

The deficit in the Building Fund was due to timing differences in expenditures.

**(4) Equity in Pooled Cash and Investments**

The District maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in pooled cash and investments". In addition, investments are pooled for all funds and summarized on the balance sheet at cost.

**Legal Requirements**

State statutes classify monies held by the District into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the 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 two 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, by eligible securities pledged by the financial institution, as security for repayment by surety company, bonds deposited with the Treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution. Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States.
2. Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio), and
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time.

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 qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

GASB Statement 3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements", requires disclosures to help assess actual and potential future deposit and investment market and credit risks. The following information regarding deposits and investments is presented using the categories of risk identified in GASB Statement 3.

(a) Deposits

At year end, the carrying amount of the District's deposits was \$319,429 and the bank balance was \$1,092,885. The bank balance is categorized as follows:

|  |            |
|--|------------|
| Amount insured by the FDIC (Category 1)  | \$ 240,454 |
| Collateralized with securities held by the pledging financial institution's trust department but not in the name of the District. (Category 3) | \$ 852,431 |

(b) Investments

Investments made by the District as of June 30, 2001, are summarized below. The investments that are represented by specific identifiable investment securities are classified as to credit risk by the three categories described below:

- Category 1 Insured or registered, or investments held by the District or its agents in the District's name.
- Category 2 Uninsured and unregistered, with investments held by the counterparty's trust department or agent in the District's name.
- Category 3 Uninsured and unregistered, with investments held by the counterparty, or by its trust department or agent but not in the District's name.

|                                    | <u>Carrying<br/>Value</u> | <u>Fair<br/>Value</u> |
|------------------------------------|---------------------------|-----------------------|
| Repurchase Agreements (Category 3) | \$ 838,582                | \$ 838,582            |
| STAR Ohio                          | <u>8,500,000</u>          | <u>8,500,000</u>      |
|                                    | <u>\$ 9,338,582</u>       | <u>\$ 9,338,582</u>   |

(5) Interfund Transactions

Interfund balances at June 30, 2001 consist of the following individual fund receivables and payables:

|                             | <u>Receivables</u>  | <u>Payables</u>     |
|-----------------------------|---------------------|---------------------|
| General fund                | \$ 3,405,760        | \$ 903,622          |
| Special revenue funds:      |                     |                     |
| Other grants                |                     | 80,000              |
| Career development OVEP     |                     | 27,642              |
| Title I                     |                     | 42,000              |
| Chapter II                  |                     | 33,000              |
| Total special revenue funds | <u>0</u>            | <u>182,642</u>      |
| Capital projects fund       |                     |                     |
| Permanent improvement       |                     | 160,000             |
| Internal service fund       | 903,622             | 1,700,162           |
| Agency funds:               |                     |                     |
| Employee benefits           |                     | 1,362,956           |
| Total                       | <u>\$ 4,309,382</u> | <u>\$ 4,309,382</u> |

**(6) Property Taxes**

Property taxes include amounts levied against all real, public utility, and tangible (used in business) property located in the District. Real property taxes and public utility taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Assessed values are established by State law at 35% of appraised market value. Public utility property taxes are assessed on tangible personal property, as well as land and improvements, at true value (normally 50% of cost). Tangible personal property taxes attach as a lien and are levied on January 1 of the current year. Tangible personal property assessments are 25% of market value. The assessed value upon which the 2001 taxes were collected was \$1,626,021,781. Agricultural/Residential and Other Real Estate represented \$1,394,604,940 (86%) of this total; Public utility tangible \$51,031,770 (3%) and General tangible property \$180,385,071 (11%). The general tax rate for operations for the fiscal year ended June 30, 2001, was \$64.90 per \$1,000 of assessed valuation, \$0.94 per \$1,000 of assessed valuation for debt retirement, and \$1.00 per \$1,000 of assessed valuation for permanent improvement purposes.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 20; if paid semi-annually, the first payment is due January 20, with the remainder payable by June 20. Under certain circumstances, State statute permits earlier or later payment dates to be established.

The Lake County Treasurer collects property taxes on behalf of the District. The County Auditor periodically remits to the District its portions of the taxes collected.

Accrued taxes receivable represent delinquent taxes outstanding and real property, personal property, and public utility taxes, which became measurable as of June 30, 2001. Although total property tax (other than personal property) collections for the next fiscal year are measurable, they are not intended to finance current year operations. The receivable is, therefore, offset by a credit to deferred revenue. The amount available to the District as an advance at June 30, 2001 was \$4,357,842 in the General Fund, \$146,525 in the Debt Service Fund and \$85,005 in the Capital Projects Fund.

(7) **Fixed Assets**

A summary of the changes in the general fixed asset account group for 2001 is as follows:

|                       | Balance<br>June 30,<br>2000 | Additions | Disposals | Balance<br>June 30,<br>2001 |
|-----------------------|-----------------------------|-----------|-----------|-----------------------------|
| Land & improvements   | \$ 725,721                  | 0         | 0         | \$ 725,721                  |
| Buildings             | 33,274,656                  | 0         | 0         | 33,274,656                  |
| Vehicles              | 4,264,371                   | 195,200   | 0         | 4,459,571                   |
| Furniture & equipment | 15,234,889                  | 949,515   | 22,813    | 16,161,591                  |
| Total                 | \$ 53,499,637               | 1,144,715 | 22,813    | \$ 54,621,539               |

A summary of the enterprise fund fixed assets is as follows:

|                  | Furniture<br>and<br>Equipment | Less<br>Accumulated<br>Depreciation | Carrying<br>Value |
|------------------|-------------------------------|-------------------------------------|-------------------|
| Enterprise funds |                               |                                     |                   |
| Food service     | 562,870                       | 369,579                             | \$ 193,291        |
| Recreation       | 6,234                         | 3,148                               | 3,086             |
| Total            | \$ 569,104                    | 372,727                             | \$ 196,377        |

A summary of the internal fund fixed assets is as follows:

|   | Furniture<br>and<br>Equipment | Less<br>Accumulated<br>Depreciation | Carrying<br>Value |
|---|-------------------------------|-------------------------------------|-------------------|
| Internal service fund                   |                               |                                     |                   |
| Balance, June 30, 2000                  | 222,160                       | 109,771                             | \$ 112,389        |
| Additions and current year depreciation | 23,898                        | 23,538                              | 360               |
| Balance, June 30, 2001                  | \$ 246,058                    | 133,309                             | \$ 112,749        |

(8) **Long-Term Debt**

A. **Bonded Debt**

All bonds outstanding are general obligations of the District for which the full faith and credit of the District is pledged for repayment. Accordingly, such unmatured obligations of the District are accounted for in the general long-term obligations account group. Payments of principal and interest relating to these liabilities are recorded as expenditures in the debt service fund. The source of payment is derived from a current 1.14 mill bonded-debt tax levy.



| <u>Taxing Authority</u>                    | <u>Original<br/>Bond Issue</u> | <u>Voter<br/>Approval</u> | <u>Millage</u> | <u>Issue<br/>Date</u> |
|--|--------------------------------|---------------------------|----------------|-----------------------|
| Mentor Exempted Village Board of Education | \$ 9,500,000                   | 11/07/84                  | 0.33           | 04/30/85              |
| Mentor Public Library                      | 4,000,000                      | 05/02/84                  | 0.20           | 04/30/85              |
| Mentor Exempted Village Board of Education | <u>8,600,000</u>               | 05/06/87                  | <u>0.61</u>    | 11/30/87              |
|  | <u>\$22,100,000</u>            |                           | <u>1.14</u>    |                       |

The District services the debt of the Mentor Public Library as required by law serving as the taxing authority but does not participate in any other manner regarding the use of the funds.

On March 1, 1993, the District issued \$12,729,687 in school improvement refunding bonds with interest rates ranging from 2.30% to 5.375% to advance refund \$12,730,000 of outstanding School Improvement Bonds, Series 1989 with interest rates ranging from 7.00% to 7.40%. The proceeds of the Bonds plus an original issue premium were used to purchase State and Local Government Securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Series 1989 bonds. As a result, the Series 1989 bonds are considered to be defeased and the liability for those bonds were removed in 1993. On December 1, 1999, the Series 1989 school improvement bonds outstanding were paid in full.

The following is a schedule of bonds outstanding as of June 30, 2001 for the District:

| <u>Purpose</u>                        | <u>Interest<br/>Rate</u> | <u>Issue<br/>Date</u> | <u>Maturity<br/>Date</u> | <u>Amount<br/>Outstanding<br/>Beginning<br/>of Year</u> | <u>Principal<br/>Redemption<br/>During<br/>Year</u> | <u>Amount<br/>Outstanding<br/>End of<br/>Period</u> |
|---------------------------------------|--------------------------|-----------------------|--------------------------|---|---|---|
| School Construction                   | 6.38                     | 11/30/87              | 11/30/09                 | \$ 4,995,000  | 235,000   | \$ 4,760,000  |
| School Improvement<br>Refunding Bonds | 7.13                     | 02/28/89              | 11/30/07                 | <u>8,737,906</u>  | <u>181,507</u>                                      | <u>8,556,399</u>                                    |
|                                       |                          |                       |                          | <u>\$ 13,732,906</u>                                    | <u>416,507</u>                                      | <u>\$ 13,316,399</u>                                |

The District's future annual debt service requirements for bonded debt is as follows:

| Year Ending<br>June 30 | Principal on                | Interest on                 | Total         |
|------------------------|-----------------------------|-----------------------------|---------------|
|                        | General Obligation<br>Bonds | General Obligation<br>Bonds |               |
| 2002                   | \$ 394,540                  | 1,428,443                   | \$ 1,822,983  |
| 2003                   | 381,934                     | 1,441,021                   | 1,822,955     |
| 2004                   | 374,925                     | 1,451,842                   | 1,826,767     |
| 2005                   | 1,145,000                   | 663,549                     | 1,808,549     |
| 2006                   | 1,210,000                   | 601,565                     | 1,811,565     |
| 2007                   | 1,270,000                   | 533,219                     | 1,803,219     |
| 2008                   | 1,345,000                   | 458,660                     | 1,803,660     |
| 2009                   | 1,420,000                   | 379,757                     | 1,799,757     |
| 2010                   | 1,500,000                   | 296,375                     | 1,796,375     |
| 2011                   | 1,585,000                   | 208,247                     | 1,793,247     |
| 2012                   | 1,680,000                   | 114,938                     | 1,794,938     |
| 2013                   | 490,000                     | 50,681                      | 540,681       |
| 2014                   | 520,000                     | 17,225                      | 537,225       |
| Total                  | \$ 13,316,399               | 7,645,522                   | \$ 20,961,921 |

**B. Compensated Balances**

The criteria for determining vested vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn up to twenty days of vacation per year depending upon length of service. Vacation days are credited to classified employees on the anniversary of their employment and must be used within the next twenty-four months. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers do not earn vacation time.

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. A percentage of unused sick time is paid at retirement or death at rates depending on an employee's classification. The number of unused sick days, which can accumulate, is determined by the number of workdays specified in the employees' employment contract.

Accumulated vacation and sick leave of governmental fund type employees meeting the eligibility requirements have been recorded in the appropriate governmental fund as a current liability to the extent that the amounts are expected to be payable within the current period. The balance of the liability is recorded in the general long-term debt account group. Vacation and sick leave for employees paid from the proprietary funds are recorded as an expense when earned.

The following is a schedule of compensated absences at June 30, 2001:

|                      | Balance<br>July 1, 2000 | Increase<br>(Decrease) | Balance<br>June 30, 2001 |
|----------------------|-------------------------|------------------------|--------------------------|
| Compensated Absences | \$ 3,416,370            | 1,100,089              | \$ 4,516,459             |

**C. Changes in the General Long-Term Debt Account Group**

During the year ended June 30, 2001, the following changes occurred in the General Long Term Debt Account Group. Compensated absences will be paid from the fund in which the employee is paid.

|                                       | <u>Balance</u><br><u>July 1, 2000</u> | <u>Increase</u><br><u>(Decrease)</u> | <u>Balance</u><br><u>June 30, 2001</u> |
|---------------------------------------|---------------------------------------|--------------------------------------|--|
| Compensated Absences                  | \$ 3,416,370                          | 1,100,089                            | \$ 4,516,459                           |
| Pension Obligation Payable            | 735,209                               | (52,595)                             | 682,614                                |
| Capital Lease Payable                 | 848,488                               | 275,536                              | 858,023                                |
|                                       |                                       | (266,001)                            |  |
| General Obligation Debt Notes Payable | <u>13,732,906</u>                     | <u>(416,507)</u>                     | <u>13,316,399</u>                      |
|                                       | <u>\$ 18,732,973</u>                  | <u>640,522</u>                       | <u>\$ 19,373,495</u>                   |

**D. Capital Lease Obligations**

The District has entered into four capital leases for technology/electrical upgrades and acquisition of equipment. The terms of the agreement provide ownership of the equipment. The lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term.

The assets acquired through capital leases at June 30, 2001 are as follows:

| <u>Asset</u>          | <u>General Fixed Assets</u> |
|-----------------------|-----------------------------|
| Building improvements | \$ 984,716                  |
| Equipment             | 770,754                     |

The following is a schedule of future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2001:

|                                   |                   |
|-----------------------------------|-------------------|
| Year Ending June 30,              |                   |
| 2002                              | \$ 455,065        |
| 2003                              | 404,002           |
| 2004                              | 48,104            |
| 2005                              | 24,052            |
| Total Payments                    | <u>931,223</u>    |
| Less amount representing interest | 73,200            |
|                                   | <u>\$ 858,023</u> |

**(9) Notes Payable**

In accordance with Ohio law, general obligation note debt service (interest and fiscal charges) was recorded in the Debt Service Fund. GASB Codification B50.101 requires the Debt Service Fund present general obligation long-term debt principal and interest retirement only and that anticipation notes payable be shown as liabilities of the funds which receive the note proceeds. Accordingly, bond anticipation notes have been reported in the capital projects fund.

|                   | <u>Interest<br/>Rate</u> | <u>Issue<br/>Date</u> | <u>Maturity<br/>Date</u> | <u>Outstanding<br/>Beginning<br/>of Year</u> | <u>Redemption<br/>During<br/>Year</u> | <u>Outstanding<br/>End of<br/>Period</u> |
|-------------------|--------------------------|-----------------------|--------------------------|--|---------------------------------------|--|
| Bond Anticipation | 3.35%                    | 05/03/01              | 05/02/02                 | \$ -   | 1,000,000                             | \$ 1,000,000                             |
| Bond Anticipation | 4.56%                    | 05/04/00              | 05/03/01                 | <u>1,250,000</u>                             | <u>(1,250,000)</u>                    | <u>0</u>                                 |
|                   |                          |                       |                          | <u>\$ 1,250,000</u>                          | <u>(250,000)</u>                      | <u>\$ 1,000,000</u>                      |

(10) **Segment Information for Enterprise Funds**

The District maintains five enterprise funds to account for food service operations, uniform school supplies, rotary accounts, adult education and recreation fund. The more significant financial information for those funds is as follows:

| <u>Function</u>         | <u>Food<br/>Service</u> | <u>Uniform<br/>School Supply</u> | <u>Rotary</u> | <u>Adult<br/>Education</u> | <u>Recreation</u> | <u>Total<br/>Enterprise<br/>Funds</u> |
|-------------------------|-------------------------|----------------------------------|---------------|----------------------------|-------------------|---------------------------------------|
| Operating Revenues      | \$1,808,976             | \$331,595                        | \$111,500     | \$11,251                   | \$260,763         | \$2,524,085                           |
| Operating Expenses      |                         |                                  |               |                            |                   |                                       |
| before depreciation     | 2,155,016               | 307,274                          | 132,733       | 14,026                     | 222,328           | 2,831,377                             |
| Depreciation            | 30,213                  | 0                                | 0             | 0                          | 624               | 30,837                                |
| Operating income (loss) | (376,253)               | 24,321                           | (21,233)      | (2,775)                    | 37,811            | (338,129)                             |
| Non-operating grant     |                         |                                  |               |                            |                   |                                       |
| revenue (expenses)      | 481,959                 | 0                                | (400)         | 0                          | 0                 | 481,559                               |
| Transfers/Advances in   | 0                       | 105,000                          | 0             | 5,000                      | 0                 | 110,000                               |
| Net income (loss)       | 105,706                 | 129,321                          | (21,633)      | 2,225                      | 37,811            | 253,430                               |
| Fixed assets additions  | 64,887                  | 0                                | 0             | 0                          | 0                 | 64,887                                |
| Net working capital     | 667,169                 | 187,525                          | 1,573         | 584                        | 16,107            | 872,958                               |
| Total assets            | 955,064                 | 220,129                          | 56,106        | 584                        | 19,193            | 1,251,076                             |
| Total Liabilities       | 94,604                  | 32,604                           | 54,533        | 0                          | 0                 | 181,741                               |
| Total equity            | \$860,460               | \$187,525                        | \$1,573       | \$584                      | \$19,193          | \$1,069,335                           |

(11) **Defined Benefit Pension Plans**

A. **School Employees Retirement System**

The District contributes to the School Employees Retirement System of Ohio (SERS), a cost sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost of living adjustments, and death to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the School Employees Retirement System, 45 North Fourth Street, Columbus, Ohio 43215-3634, or by calling (614) 222-5853.

Plan members are required to contribute 9 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's contributions to SERS for the fiscal years ended June 30, 2001, 2000, and 1999 were \$1,690,356, \$1,461,968 and \$1,387,215 respectively; 100 percent has been contributed for fiscal years 2001, 2000 and 1999.

**B. State Teachers Retirement System**

The District contributes to the State Teachers Retirement System of Ohio (STRS), a cost sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides basic retirement benefits, disability, survivor and health care benefits based on eligible service credit to members and beneficiaries. Chapter 3307 of the Ohio Revised Code establishes benefits. STRS issues a publicly available financial report that includes financial statements and required supplementary information for STRS. The report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771.

For the fiscal year ended June 30, 2001, plan members were required to contribute 9.3 percent of their annual covered salaries. The School District was required to contribute 14 percent; 6 percent was the portion used to fund pension obligations. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2001, 2000, and 1999 were \$5,952,243, \$5,502,691, and \$5,365,154, respectively; 100 percent has been contributed for fiscal years 2001, 2000 and 1999.

**(12) Postemployment Benefits**

The School District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System (STRS), and to retired non-certificated employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by State statute. Both systems are funded on a pay-as-you-go basis.

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. The board allocated employer contributions equal to 8 percent of covered payroll to the Health Care Reserve Fund. For the School District this amount equaled \$3,144,395.

STRS pays health care benefits from the Health Care Reserve Fund. The balance in the Fund was \$3.419 billion at June 30, 2000. For the year ended June 30, 2000, net health care costs paid by STRS were \$283,137,000 and STRS had 99,011 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2001, employer contributions to fund health care benefits were 8.5 percent of the covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2001, the minimum pay was established at \$12,400. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 2001 fiscal year equaled \$1,607.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of the annual health care expenses. Expenses for the fiscal year ended June 30, 2000 (the latest information available), were \$140,696,340 and the target level was \$211.0 million. At June 30, 2000, SERS had net assets available for payment of health care benefits of \$252.3 million. SERS has approximately 50,000 participants currently receiving health care benefits.

**(13) Statutory Reserves**

The District is required by state law to set aside certain general fund revenue amounts, as defined, into various reserves. During the fiscal year ended June 30, 2001, the reserve activity was as follows:

|  | <u>Textbook<br/>Reserve</u> | <u>Capital<br/>Maintenance<br/>Reserve</u> | <u>Budget<br/>Stabilization<br/>Reserve</u> |
|--|-----------------------------|--|---|
| Balance, July 1, 2000                          | \$ 0                        | \$ 371,496                                 | \$ 1,129,410                                |
| Required Set-Aside                             | 1,821,277                   | 1,821,277                                  | 0   |
| Offset Credits                                 | 0                           | (939,654)                                  | 0   |
| Elimination of Budget<br>Stabilization Reserve | 0                           | 0  | (1,129,410)                                 |
| Qualifying Expenditures                        | <u>(1,469,828)</u>          | <u>(628,999)</u>                           | <u>0</u>                                    |
| Balance, June 30, 2001                         | <u>\$ 351,449</u>           | <u>\$ 624,120</u>                          | <u>\$ 0</u>                                 |
| Balance Reserved, June 30, 2001                | <u>\$ 351,449</u>           | <u>\$ 35,111</u>                           | <u>\$ 0</u>                                 |

Effective April 10, 2001, S.B. No. 345 eliminated the requirement that districts establish and maintain a budget stabilization reserve. There were no monies representing BWC refunds that were received prior to April 10, 2001; therefore, the entire remaining balance of the reserve can be returned to the general fund once the District obtains Board approval. Because Board approval was not obtained during 2001, the reserve balance was not eliminated.

The amounts reserved does not equal the entire balance of the Capital Maintenance Reserve due to the fact that the General Fund did not have enough cash to meet the reserve requirements. See Note 2G – Restricted Assets.

**(14) Risk Management**

The 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 2001, the District contracted with Indiana Insurance Company for property, building contents, and data processing insurance. Indiana Insurance Company covers the boiler and machinery. There is a \$1,000 and \$500 deductible per occurrence.

School District umbrella policies are with Nationwide Mutual Insurance Company and have a \$1,000,000 limit and up to \$5,000,000 aggregate. Vehicles are covered by Indiana Insurance Company and have a \$100 deductible for comprehensive collision. Automobile liability has a \$1,000,000 combined single limit of liability. There were no reductions in insurance coverage from the previous year, nor have settled claims exceeded this commercial coverage in any of the past three years.

The School District has elected to provide medical coverage through a self-insured program. The School District uses the general fund to account for and finance its uninsured risks of loss in this program. The claims are serviced through the Lake County Council of Governments Health Care Benefits Program. The Lake County Council of Governments Health Care Benefits Program has stop loss coverage of 110% of expected claims. The claims liability of \$622,128 reported in the general fund at June 30, 2000 is based on the requirements of Government Accounting Standards Board Statement No. 10 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 claim adjustment expenses. Changes in the fund’s claims liability amount was:

|      | <u>Balance at</u><br><u>Beginning of Year</u> | <u>Current Year</u><br><u>Claims</u> | <u>Claim</u><br><u>Payments</u> | <u>Balance at</u><br><u>End of Year</u> |
|------|---|--------------------------------------|---------------------------------|---|
| 2000 | \$ 389,070                                    | \$ 4,186,063                         | \$ 4,167,073                    | \$ 408,060                              |
| 2001 | \$ 408,060                                    | \$ 4,675,289                         | \$ 4,461,221                    | \$ 622,128                              |

**(15) Claims Servicing Pool**

Lake County Council of Governments Health Care Benefits Program (HCBP) Self Insurance Program – The School District participates in Lake County Council of Governments Health Care Benefits Program (HCBP) Self Insurance Program, a claim servicing pool, comprised of eleven members. Each member pays an administrative fee to the pool. The Plan’s business and affairs are conducted by a five member Board of Directors elected from the HCBP’s assembly. All participating members retain their risk and the Plan acts as the claims servicing agent.

**(16) OSBA Group Rating Program**

The District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by a three member Board of Directors consisting of the President, the President-Elect and the Immediate Past President of the Ohio School Boards Association. The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers compensation experience of the participating districts is calculated as one experience and a common premium rate is applied to all districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund". This "equity pooling" arrangement insures that each participant share equally in the overall performance of the GRP. Participation in the GRP is limited to districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Company provides administrative, cost control and actuarial services to the GRP.

**(17) Jointly Governed Organization**

The Ohio Schools Council (Council) is a jointly governed organization among seventy School Districts. The jointly governed organization was formed to bring quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual fee of \$700 and an annual participation fee. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. Financial information can be obtained by contacting Albert Vasek, Executive Secretary/Treasurer at the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

The School District participates in the Council's electric purchase program, which was implemented during fiscal year 1998. This program allows school districts to purchase electricity at reduced rates, if the school districts will commit to participating for an eight-year period. The participants make monthly payments based on estimated usage. Each June these estimated payments are compared to their actual usage for the year and any necessary adjustments are made.

Energy Acquisition Corporation, a non-profit corporation with a self-appointing board, issued \$119,140,000 in debt to prepurchase eight years of electricity from Cleveland Electric Illuminating (CEI) for the participants. The participating school district is not obligated in any manner for this debt. If a participating school district terminates their agreement, they are required to repay the savings to CEI and CEI will refund the remaining prepayment related to that participant to Energy Acquisition Corp. Financial information can be obtained by contacting Albert Vasek, Executive Secretary/Treasurer at the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.



(18) **Contingency Liabilities**

**A. Grants**

The District receives financial assistance from numerous federal, state, and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District at June 30, 2001.

**B. Litigation**

The District was named as defendant in several court actions during the period ended June 30, 2001. Management does not believe that the ultimate resolution of these cases will have a material impact on the general purpose financial statements of the District.

**C. State School Funding Decision**

On September 6, 2001, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision identified aspects of the current plan that require modification if the plan is to be considered constitutional, including:

- A change in the school districts that are used as the basis for determining the base cost support amount. Any change in the amount of funds distributed to school districts as a result of this change must be retroactive to July 1, 2001, although a time line for distribution is not specified.
- Fully funding parity aid no later than the beginning of fiscal year 2004 rather than fiscal year 2006.

The Supreme Court relinquished jurisdiction over the case based on anticipated compliance with its order.

In general, it is expected that the decision would result in an increase in State funding for most Ohio school districts. However, as of November 28, 2001, the Ohio General Assembly is still analyzing the impact this Supreme Court decision will have on funding for individual school districts. Further, the State of Ohio, in a motion filed September 17, 2001, asked the Court to reconsider and clarify the parts of the decision changing the school districts that are used as the basis for determining the base cost support amount and the requirement that changes be made retroactive to July 1, 2001.

As of the date of these financial statements, the School District is unable to determine what effect, if any, this decision will have on its future State funding and on its financial operations.

**D. Property Tax Refunds**

On November 6, 1998, the Ohio Board of Tax Appeals issued its decision in the case of Duquesne Light Company, an electric utility and part owner of the Perry Nuclear Power Plant. The decision ordered personal property refunds based on reductions in taxable value of about \$145 million. This decision was immediately appealed to the Ohio Supreme Court.

The implications raised by Duquesne are far reaching and can result in refund claims for 1988-93 and additional claims being filed by other electric companies and other utilities. As of the date of these financial statements, the District is unable to determine what effect, if any, this decision will have on tax revenue or possible payments of tax refunds.

(19) **Changes in Accounting Principals and Restatement of Fund Balance**

For fiscal year 2001, the District has implemented GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. At June 30, 2001 the prior period amounts were restated as a result of implementing GASB 33. For fiscal year June 30, 2000, deferred revenue increased and tax revenue decreased by \$3,716,987, \$116,561 and \$77,226 in the General Fund, Debt Service Fund and Capital Projects Fund, respectively.

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
SUPPLEMENTAL DATA**

**GENERAL FUND**

The General Fund is used to account for all activities of the District not included in other specified funds. This includes, but is not limited to, general instruction, pupil services, operation and maintenance of buildings and grounds, pupil transportation, and the administration of District functions.

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
Comparative Balance Sheet -  
General Fund  
June 30, 2001 and 2000

|   | 2001         | 2000         |
|---|--------------|--------------|
| <b>ASSETS</b>                               |              |              |
| Equity in pooled cash and investments       | \$0          | \$1,777,378  |
| Restricted cash                             | 470,275      | 1,607,661    |
| Receivables                                 |              |              |
| Taxes - current                             | 50,738,714   | 46,797,772   |
| Accounts                                    | 192,325      | 200,317      |
| Due from other funds                        | 3,405,760    | 3,435,269    |
| Materials and supplies inventories          | 257,634      | 212,913      |
| Prepays and other assets                    | 84,406       | 63,014       |
|   | \$55,149,114 | \$54,094,324 |
| <b>LIABILITIES</b>                          |              |              |
| Accounts payable                            | \$294,949    | \$391,577    |
| Accrued wages and benefits                  | 7,381,538    | 7,757,291    |
| Pension obligation payable                  | 1,213,273    | 399,525      |
| Due to other governments                    | 30,180       | 45,627       |
| Due to other funds                          | 903,622      | 1,001,073    |
| Claims payable                              | 622,128      | 408,060      |
| Deferred revenue - taxes                    | 50,738,714   | 46,797,772   |
| Total liabilities                           | 61,184,404   | 56,800,925   |
| <b>FUND DEFICIT</b>                         |              |              |
| Fund balances (deficit)                     |              |              |
| Budget stabilization reserve                | 0            | 1,129,410    |
| Capital maintenance reserve                 | 35,111       | 371,496      |
| Reserve for technology / electrical upgrade | 83,715       | 106,755      |
| Reserve for textbooks                       | 351,449      | 0            |
| Reserved for inventory                      | 257,634      | 212,913      |
| Reserved for prepaids                       | 84,406       | 63,014       |
| Reserved for encumbrances                   | 1,034,454    | 676,346      |
| Unreserved-undesignated                     | (7,882,059)  | (5,266,535)  |
| Total fund deficit                          | (6,035,290)  | (2,706,601)  |
|   | (6,035,290)  | (2,706,601)  |
|   | \$55,149,114 | \$54,094,324 |

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
Comparative Statements of Revenues, Expenditures and  
Changes in Fund Balances -  
General Fund  
For The Years Ended June 30, 2001 and 2000

|  | <u>2001</u>                 | <u>2000</u>                 |
|--|-----------------------------|-----------------------------|
| <b>Revenues</b>  |                             |                             |
| Taxes  | \$48,042,371                | \$46,640,454                |
| Tuition and fees   | 195,240                     | 206,366                     |
| Earnings on investments  | 743,950                     | 701,218                     |
| Intergovernmental  | 21,531,337                  | 21,367,997                  |
| Refund of prior year expenditures  | 333,595                     | 0                           |
| Miscellaneous revenue  | 86,642                      | 280,673                     |
| Total revenues   | <u>70,933,135</u>           | <u>69,196,708</u>           |
| <b>Expenditures</b>  |                             |                             |
| <b>Current</b>   |                             |                             |
| Instruction  | 44,971,122                  | 42,950,681                  |
| Support services   |                             |                             |
| Pupil  | 4,233,825                   | 3,931,569                   |
| Instructional staff  | 3,229,314                   | 3,006,500                   |
| Board of Education   | 614,501                     | 501,619                     |
| Administration   | 4,168,180                   | 3,993,159                   |
| Fiscal   | 1,639,639                   | 1,604,864                   |
| Business   | 608,986                     | 518,860                     |
| Operation and maintenance of plant   | 7,552,704                   | 6,740,570                   |
| Pupil transportation   | 4,365,855                   | 4,002,300                   |
| Central  | 797,597                     | 670,483                     |
| Community services   | 78,896                      | 75,307                      |
| Extracurricular activities   | 1,022,948                   | 906,986                     |
| Capital outlay   | 0                           | 200,667                     |
| Debt service interest  | 0                           | 50,418                      |
| Total expenditures   | <u>73,283,567</u>           | <u>69,153,983</u>           |
| Excess (deficiency) of revenues<br>over (under) expenditures                 | <u>(2,350,432)</u>          | <u>42,725</u>               |
| <b>Other financing sources (uses)</b>  |                             |                             |
| Operating transfers in   | 103,509                     | 0                           |
| Operating transfers out  | (1,300,789)                 | (1,230,620)                 |
| Inception of capital lease   | 197,701                     | 0                           |
| Proceeds from sale of assets   | 21,322                      | 10,787                      |
| Total other financing uses   | <u>(978,257)</u>            | <u>(1,219,833)</u>          |
| Deficiency of revenue and other sources<br>under expenditures and other uses | <u>(3,328,689)</u>          | <u>(1,177,108)</u>          |
| Fund deficit, beginning of year  | <u>(2,706,601)</u>          | <u>(1,529,493)</u>          |
| Fund deficit, end of year  | <u><u>(\$6,035,290)</u></u> | <u><u>(\$2,706,601)</u></u> |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances  
 Budget (Non-GAAP) and Actual -  
 General Fund  
 Year Ended June 30, 2001

|                                  | <b>Revised<br/>Budget</b> | <b>Actual</b>     | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|----------------------------------|---------------------------|-------------------|---|
| <b>Revenues:</b>                 |                           |                   |   |
| Taxes                            | \$47,542,429              | 48,042,371        | \$499,942                                       |
| Tuition and fees                 | 105,877                   | 106,990           | 1,113   |
| Interest                         | 696,374                   | 703,697           | 7,323   |
| Intergovernmental                | 21,307,276                | 21,531,337        | 224,061   |
| Miscellaneous revenue            | 186,896                   | 188,861           | 1,965   |
| <b>Total revenues</b>            | <b>69,838,852</b>         | <b>70,573,256</b> | <b>734,404</b>                                  |
| <b>Expenditures:</b>             |                           |                   |   |
| <b>Instruction:</b>              |                           |                   |   |
| <b>Regular instruction:</b>      |                           |                   |   |
| Salaries and wages               | 28,464,427                | 28,464,427        | 0   |
| Fringe benefits                  | 6,926,406                 | 6,926,406         | 0   |
| Contract services                | 65,158                    | 65,158            | 0   |
| Supplies                         | 869,035                   | 869,035           | 0   |
| Equipment                        | 199,005                   | 199,005           | 0   |
| <b>Total regular instruction</b> | <b>36,524,031</b>         | <b>36,524,031</b> | <b>0</b>  |
| <b>Special instruction:</b>      |                           |                   |   |
| Salaries and wages               | 3,813,224                 | 3,813,224         | 0   |
| Fringe benefits                  | 863,755                   | 863,755           | 0   |
| Contract services                | 246,815                   | 246,815           | 0   |
| Supplies                         | 64,382                    | 64,382            | 0   |
| Other                            |                           |                   |   |
| <b>Total special instruction</b> | <b>4,988,176</b>          | <b>4,988,176</b>  | <b>0</b>  |
| <b>Other instruction:</b>        |                           |                   |   |
| Salaries and wages               | 1,576,245                 | 1,576,245         | 0   |
| Fringe benefits                  | 390,625                   | 390,625           | 0   |
| Contract services                | 1,869,787                 | 1,869,787         | 0   |
| Supplies                         | 25,533                    | 25,533            | 0   |
| Equipment                        | 75,677                    | 75,677            | 0   |
| <b>Total other instruction</b>   | <b>3,937,867</b>          | <b>3,937,867</b>  | <b>0</b>  |
| <b>Total instruction</b>         | <b>45,450,074</b>         | <b>45,450,074</b> | <b>0</b>  |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances  
 Budget (Non-GAAP) and Actual -  
 General Fund  
 Year Ended June 30, 2001

|                           | <b>Revised<br/>Budget</b> | <b>Actual</b>    | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|---------------------------|---------------------------|------------------|---|
| Support services:         |                           |                  |   |
| Pupils:                   |                           |                  |   |
| Salaries and wages        | 2,974,830                 | 2,974,830        | 0   |
| Fringe benefits           | 1,003,026                 | 1,003,026        | 0   |
| Contract services         | 3,797                     | 3,797            | 0   |
| Supplies                  | 36,014                    | 36,014           | 0   |
| Equipment                 | 21,038                    | 21,038           | 0   |
| Total pupils              | <u>4,038,705</u>          | <u>4,038,705</u> | <u>0</u>  |
| Instructional staff:      |                           |                  |   |
| Salaries and wages        | 2,176,677                 | 2,176,677        | 0   |
| Fringe benefits           | 686,614                   | 686,614          | 0   |
| Contract services         | 61,935                    | 61,935           | 0   |
| Supplies                  | 136,949                   | 133,634          | 3,315   |
| Equipment                 | 60,366                    | 60,366           | 0   |
| Total instructional staff | <u>3,122,541</u>          | <u>3,119,226</u> | <u>3,315</u>                                    |
| Board of education:       |                           |                  |   |
| Salaries and wages        | 13,360                    | 13,360           | 0   |
| Fringe benefits           | 2,441                     | 2,441            | 0   |
| Contract services         | 340,061                   | 340,061          | 0   |
| Other                     | 259,727                   | 259,727          | 0   |
| Total board of education  | <u>615,589</u>            | <u>615,589</u>   | <u>0</u>  |
| Administration            |                           |                  |   |
| Salaries and wages        | 3,054,168                 | 3,054,168        | 0   |
| Fringe benefits           | 937,362                   | 937,362          | 0   |
| Contract services         | 151,644                   | 151,644          | 0   |
| Supplies                  | 32,761                    | 32,761           | 0   |
| Equipment                 | 15,400                    | 15,400           | 0   |
| Other                     | 46,123                    | 46,123           | 0   |
| Total administration      | <u>4,237,458</u>          | <u>4,237,458</u> | <u>0</u>  |
| Fiscal:                   |                           |                  |   |
| Salaries and wages        | 619,889                   | 619,889          | 0   |
| Fringe benefits           | 195,056                   | 195,056          | 0   |
| Contract services         | 110,949                   | 110,949          | 0   |
| Supplies                  | 62,036                    | 62,036           | 0   |
| Equipment                 | 11,081                    | 11,081           | 0   |
| Other                     | 459,755                   | 459,755          | 0   |
| Total fiscal              | <u>1,458,766</u>          | <u>1,458,766</u> | <u>0</u>  |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances  
 Budget (Non-GAAP) and Actual -  
 General Fund  
 Year Ended June 30, 2001

|   | <b>Revised<br/>Budget</b> | <b>Actual</b>     | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|---|---------------------------|-------------------|---|
| <b>Business:</b>                                    |                           |                   |   |
| Salaries and wages                                  | 385,085                   | 385,085           | 0   |
| Fringe benefits                                     | 111,664                   | 111,664           | 0   |
| Contract services                                   | 8,703                     | 8,703             | 0   |
| Supplies  | 95,648                    | 95,648            | 0   |
| Other   | 904                       | 904               | 0   |
| <b>Total business</b>                               | <b>602,004</b>            | <b>602,004</b>    | <b>0</b>  |
| <b>Operation and maintenance of plant:</b>          |                           |                   |   |
| Salaries and wages                                  | 3,222,895                 | 3,222,895         | 0   |
| Fringe benefits                                     | 1,104,720                 | 1,104,720         | 0   |
| Contract services                                   | 2,882,285                 | 2,882,285         | 0   |
| Supplies  | 610,390                   | 610,390           | 0   |
| Equipment   | 6,213                     | 6,213             | 0   |
| Other   | 37,097                    | 37,097            | 0   |
| <b>Total operation and<br/>maintenance of plant</b> | <b>7,863,600</b>          | <b>7,863,600</b>  | <b>0</b>  |
| <b>Pupil transportation:</b>                        |                           |                   |   |
| Salaries and wages                                  | 2,532,743                 | 2,532,743         | 0   |
| Fringe benefits                                     | 834,260                   | 834,260           | 0   |
| Contract services                                   | 229,227                   | 229,227           | 0   |
| Supplies  | 648,856                   | 648,856           | 0   |
| Equipment   | 269,465                   | 269,465           | 0   |
| <b>Total pupil transportation</b>                   | <b>4,514,551</b>          | <b>4,514,551</b>  | <b>0</b>  |
| <b>Central:</b>                                     |                           |                   |   |
| Salaries and wages                                  | 314,818                   | 314,818           | 0   |
| Fringe benefits                                     | 82,956                    | 82,956            | 0   |
| Contract services                                   | 251,887                   | 251,887           | 0   |
| Supplies  | 154,054                   | 154,054           | 0   |
| Equipment   | 84,236                    | 84,236            | 0   |
| Other   | 53,945                    | 53,945            | 0   |
| <b>Total central</b>                                | <b>941,896</b>            | <b>941,896</b>    | <b>0</b>  |
| <b>Total support services</b>                       | <b>27,395,110</b>         | <b>27,391,795</b> | <b>3,315</b>                                    |
| <b>Community services:</b>                          |                           |                   |   |
| Salaries and wages                                  | 60,980                    | 60,980            | 0   |
| Fringe benefits                                     | 17,246                    | 17,246            | 0   |
| <b>Total community services</b>                     | <b>78,226</b>             | <b>78,226</b>     | <b>0</b>  |



**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances  
 Budget (Non-GAAP) and Actual -  
 General Fund  
 Year Ended June 30, 2001

|   | <b>Revised<br/>Budget</b> | <b>Actual</b> | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|---|---------------------------|---------------|---|
| Extracurricular activities:   |                           |               |   |
| Salaries and wages  | 827,276                   | 827,276       | 0   |
| Fringe benefits   | 149,847                   | 149,847       | 0   |
| Contract services   | 2,131                     | 2,131         | 0   |
| Supplies  | 26,405                    | 26,405        | 0   |
| Equipment   | 15,000                    | 15,000        | 0   |
| Other   | 1,610                     | 1,610         | 0   |
|   | <hr/>                     | <hr/>         | <hr/>   |
| Total extracurricular activities  | 1,022,269                 | 1,022,269     | 0   |
|   | <hr/>                     | <hr/>         | <hr/>   |
| Total expenditures  | 73,945,679                | 73,942,364    | 3,315   |
|   | <hr/>                     | <hr/>         | <hr/>   |
| Excess (deficiency) of revenues over (under) expenditures                                     | (4,106,827)               | (3,369,108)   | 737,719   |
| Other financing sources (uses):   |                           |               |   |
| Advance/transfers in  | 602,669                   | 602,669       | 0   |
| Other sources   | 333,409                   | 333,409       | 0   |
| Advances/transfers out  | (1,643,431)               | (1,643,431)   | 0   |
| Other uses  | (262)                     | (262)         | 0   |
|   | <hr/>                     | <hr/>         | <hr/>   |
| Total other financing sources (uses)  | (707,615)                 | (707,615)     | 0   |
|   | <hr/>                     | <hr/>         | <hr/>   |
| Excess (deficiency) of revenues and other sources<br>over (under) expenditures and other uses | (4,814,442)               | (4,076,723)   | 737,719   |
| Fund balance, beginning of year   | 3,788,157                 | 3,788,157     | 0   |
| Expenditures against prior year's encumbrances  | 1,026,285                 | 1,026,285     | 0   |
|   | <hr/>                     | <hr/>         | <hr/>   |
| Fund balance, end of year   | \$0                       | 737,719       | \$737,719                                       |
|   | <hr/> <hr/>               | <hr/> <hr/>   | <hr/> <hr/>                                     |

## MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

### SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for revenues from specified sources which legally, or otherwise, are restricted to expenditures for specific purposes. A description of the District's Special Revenue Funds follows:

**Other Grants** -- A fund used to account for the proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specified purposes.

**Athletic Fund** -- Consists of those programs which have student participation in the activity but do not have student management of the programs - Athletics.

**Career Development OVEP** -- A fund provided to account for monies received and expended in conjunction with vocational education.

**Early Childhood Education** -- This fund is used for Preschool enrichment by identifying and individualizing programming for the young gifted student.

**Management Information Systems** -- A fund provided for hardware and software development, or other costs associated with the requirements of the management information system. (Senate Bill 140)

**Miscellaneous State Grants** -- A fund used to account for various monies received from state agencies, which are not classified elsewhere.

**Education for Economic Security** -- The fund is used to strengthen instruction in science, mathematics, modern foreign languages, English, the arts, and computer learning.

**Title VI-B Special Education** -- The purpose of this federal program is 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.

**Vocational Education** -- The fund is used for the development of vocational education programs in the following categories: secondary, post-secondary, adult, disadvantaged and handicapped persons, exemplary programs, cooperative education, construction of area vocational schools, ancillary services, research, advisory committees, and work-study projects.

## MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

### SPECIAL REVENUE FUNDS

**Venture Capital Grant** -- The fund is used to account for monies received from the State for the purpose of promoting reform in teaching and learning, improvement of the professional development of educators, improvements in the quality of schools as organizations, and developing ways to bring it all together to achieve and sustain high performance.

**Professional Development Block Grant** -- This fund is used to provide assistance in development of inservice programs.

**Preschool Grant for the Handicapped** -- The purpose of this fund is to address the improvement and expansion of services for handicapped children ages 3-5 years.

**Miscellaneous Federal Grants** -- A fund used to account for various monies received from federal agencies, which are not classified elsewhere.

**Auxiliary Services Fund** -- A fund used to account for monies, which provide services and materials to pupils attending non-public schools within the district. During Fiscal 2001 Lake Catholic (ADM 905) St. Gabriel (ADM 675) and St. Mary (ADM 451) received \$492.21/student.

**Head Start Disability** -- A fund to distribute monies to Head Start agencies to expand their programs to serve more eligible children, including to lease additional classroom space, to acquire materials, to pay license fees, and to hire and train Head Start agency staff.

**Textbook/Instructional Material** -- A fund provided by the state for textbooks, instructional software, instructional materials, and any other materials the district deems to be helpful in providing appropriate instruction to students in the following subject areas: reading, writing, mathematics, science and citizenship.

**SchoolNet Professional Development** -- A fund provided to account for a limited number of professional development subsidy grants.

**Title I** -- The purpose of this federal program is to provide financial assistance to state and local educational agencies to meet the special needs of educationally deprived children.

**Chapter II** -- This fund accounts for federal revenues which support the implementation of a variety of programs such as computer education, gifted and talented programs, and inservice and staff development.

**Drug-Free School Grant** -- To provide financial assistance for programs of drug abuse education and prevention.

## MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

### SPECIAL REVENUE FUNDS

**OhioReads Classroom Grant** – A fund used to improve the reading skills of Ohio's K-4th grade students so they can pass the Fourth Grade Reading Proficiency Test.

**E-Rate Reimbursement** – A fund used to account for a federal grant which is paid directly to the telecommunication service provider.

**ONenet Ohio Program** – A fund provided to account 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.

**Summer Intervention** -- A fund used to account for summer intervention services satisfying criteria defined in division (E) of section 3313.608 of the Revised Code.

**Disability Access Grant** -- A fund used for reading, including extended day, extended year, after school, Saturday and/or summer school for kindergarten through third grade students. This includes the ability to pay for transportation and other related expenses.

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
 Combining Balance Sheet -  
 All Special Revenue Funds  
 June 30, 2001  
 (With Comparative Totals for 2000)

|                                       | <b>OTHER<br/>GRANTS</b> | <b>ATHLETIC</b> | <b>CAREER<br/>DEVELOPMENT<br/>OVEP</b> | <b>EARLY<br/>CHILDHOOD<br/>EDUCATION</b> | <b>MANAGEMENT<br/>INFORMATION<br/>SYSTEMS</b> |
|---------------------------------------|-------------------------|-----------------|--|--|---|
| <b>ASSETS</b>                         |                         |                 |  |  |   |
| Equity in pooled cash and investments | \$457,980               | 88,027          | 2,142                                  | 239                                      | 97,492  |
| Accounts receivable - other           | 0                       | 0               | 0                                      | 0  | 0   |
| Prepaid items                         | 0                       | 0               | 0                                      | 0  | 0   |
| Due from other funds                  | 0                       | 0               | 0                                      | 0  | 0   |
| Total assets                          | <u>\$457,980</u>        | <u>88,027</u>   | <u>2,142</u>                           | <u>239</u>                               | <u>97,492</u>                                 |
| <b>LIABILITIES</b>                    |                         |                 |  |  |   |
| Accounts payable                      | \$141,397               | 0               | 0                                      | 0  | 0   |
| Accrued wages and benefits            | 0                       | 0               | 0                                      | 0  | 0   |
| Pension obligation payable            | 0                       | 0               | 0                                      | 0  | 0   |
| Due to other governments              | 0                       | 0               | 0                                      | 0  | 0   |
| Due to other funds                    | 80,000                  | 0               | 27,642                                 | 0  | 0   |
| Total liabilities                     | <u>221,397</u>          | <u>0</u>        | <u>27,642</u>                          | <u>0</u>                                 | <u>0</u>                                      |
| <b>FUND EQUITY (DEFICIT)</b>          |                         |                 |  |  |   |
| Fund balances (deficits)              |                         |                 |  |  |   |
| Reserved for encumbrances             | 316,344                 | 69,632          | 2,142                                  | 0  | 0   |
| Unreserved-undesignated               | (79,761)                | 18,395          | (27,642)                               | 239                                      | 97,492  |
| Total fund balances (deficits)        | <u>236,583</u>          | <u>88,027</u>   | <u>(25,500)</u>                        | <u>239</u>                               | <u>97,492</u>                                 |
| Total liabilities and fund balances   | <u>\$457,980</u>        | <u>88,027</u>   | <u>2,142</u>                           | <u>239</u>                               | <u>97,492</u>                                 |

(continued)

| MISCELLANEOUS<br>STATE<br>GRANTS | EDUCATION FOR<br>ECONOMIC<br>SECURITY | TITLE VI-B<br>SPECIAL<br>EDUCATION | VOCATIONAL<br>EDUCATION | VENTURE<br>CAPITAL<br>GRANT | PROFESSIONAL<br>DEVELOPMENT | PRESCHOOL<br>GRANT FOR<br>HANDICAPPED | MISCELLANEOUS<br>FEDERAL<br>GRANTS |
|----------------------------------|---------------------------------------|------------------------------------|-------------------------|-----------------------------|-----------------------------|---------------------------------------|------------------------------------|
| 88,385                           | 2,788                                 | 107,336                            | 81,996                  | 42                          | 19,290                      | 43,191                                | 21,649                             |
| 0                                | 405                                   | 0                                  | 0                       | 0                           | 0                           | 0                                     | 0                                  |
| 0                                | 0                                     | 5,067                              | 0                       | 0                           | 0                           | 0                                     | 0                                  |
| 0                                | 0                                     | 0                                  | 0                       | 0                           | 0                           | 0                                     | 0                                  |
| <u>88,385</u>                    | <u>3,193</u>                          | <u>112,403</u>                     | <u>81,996</u>           | <u>42</u>                   | <u>19,290</u>               | <u>43,191</u>                         | <u>21,649</u>                      |
| 0                                | 0                                     | 4,100                              | 0                       | 0                           | 0                           | 6,796                                 | 472                                |
| 0                                | 0                                     | 49,630                             | 0                       | 0                           | 1,551                       | 0                                     | 7,576                              |
| 0                                | 0                                     | 9,146                              | 0                       | 0                           | 309                         | 0                                     | 1,511                              |
| 2,582                            | 0                                     | 31,249                             | 4,000                   | 0                           | 2,216                       | 37,275                                | 8,276                              |
| 0                                | 0                                     | 0                                  | 0                       | 0                           | 0                           | 0                                     | 0                                  |
| <u>2,582</u>                     | <u>0</u>                              | <u>94,125</u>                      | <u>4,000</u>            | <u>0</u>                    | <u>4,076</u>                | <u>44,071</u>                         | <u>17,835</u>                      |
| 706                              | 1,563                                 | 64,645                             | 75,292                  | 0                           | 4,325                       | 0                                     | 87                                 |
| 85,097                           | 1,630                                 | (46,367)                           | 2,704                   | 42                          | 10,889                      | (880)                                 | 3,727                              |
| <u>85,803</u>                    | <u>3,193</u>                          | <u>18,278</u>                      | <u>77,996</u>           | <u>42</u>                   | <u>15,214</u>               | <u>(880)</u>                          | <u>3,814</u>                       |
| <u>88,385</u>                    | <u>3,193</u>                          | <u>112,403</u>                     | <u>81,996</u>           | <u>42</u>                   | <u>19,290</u>               | <u>43,191</u>                         | <u>21,649</u>                      |

(continued)

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
 Combining Balance Sheet -  
 All Special Revenue Funds  
 June 30, 2001  
 (With Comparative Totals for 2000)

|                                       | AUXILIARY<br>SERVICES | HEAD<br>START<br>DISABILITY | TEXTBOOK<br>INSTRUCTIONAL<br>MATERIAL | SCHOOLNET<br>PROFESSIONAL<br>DEVELOPMENT | TITLE I         |
|---------------------------------------|-----------------------|-----------------------------|---------------------------------------|--|-----------------|
| <b>ASSETS</b>                         |                       |                             |                                       |  |                 |
| Equity in pooled cash and investments | 126,074               | 7,523                       | 0                                     | 7,076                                    | 29,664          |
| Accounts receivable - other           | 72                    | 0                           | 0                                     | 0  | 0               |
| Prepaid items                         | 0                     | 0                           | 0                                     | 0  | 0               |
| Due from other funds                  | 0                     | 0                           | 0                                     | 0  | 0               |
| Total assets                          | <u>126,146</u>        | <u>7,523</u>                | <u>0</u>                              | <u>7,076</u>                             | <u>29,664</u>   |
| <b>LIABILITIES</b>                    |                       |                             |                                       |  |                 |
| Accounts payable                      | 0                     | 0                           | 0                                     | 0  | 0               |
| Accrued wages and benefits            | 0                     | 0                           | 0                                     | 0  | 37,707          |
| Pension obligation payable            | 0                     | 0                           | 0                                     | 0  | 7,524           |
| Due to other governments              | 31,301                | 6,804                       | 0                                     | 0  | 0               |
| Due to other funds                    | 0                     | 0                           | 0                                     | 0  | 42,000          |
| Total liabilities                     | <u>31,301</u>         | <u>6,804</u>                | <u>0</u>                              | <u>0</u>                                 | <u>87,231</u>   |
| <b>FUND EQUITY (DEFICIT)</b>          |                       |                             |                                       |  |                 |
| Fund balances (deficits)              |                       |                             |                                       |  |                 |
| Reserved for encumbrances             | 79,040                | 719                         | 0                                     | 140                                      | 29,550          |
| Unreserved-undesignated               | 15,805                | 0                           | 0                                     | 6,936                                    | (87,117)        |
| Total fund balances (deficits)        | <u>94,845</u>         | <u>719</u>                  | <u>0</u>                              | <u>7,076</u>                             | <u>(57,567)</u> |
| Total liabilities and fund balances   | <u>126,146</u>        | <u>7,523</u>                | <u>0</u>                              | <u>7,076</u>                             | <u>29,664</u>   |

(continued)

| CHAPTER II      | DRUG FREE SCHOOL GRANT | OHIOREADS GRANT | E-RATE REIMBURSEMENT GRANT | ONEnet OHIO PROGRAM | SUMMER INTERVENTION | DISABILITY ACCESS GRANT | 2001 TOTALS        | 2000 TOTALS        |
|-----------------|------------------------|-----------------|----------------------------|---------------------|---------------------|-------------------------|--------------------|--------------------|
| 25,193          | 7,600                  | 66,890          | 5,480                      | 48,000              | 22,068              | 16,458                  | \$1,372,583        | \$2,300,053        |
| 0               | 8,000                  | 0               | 0                          | 0                   | 0                   | 0                       | 8,477              | 1,151              |
| 0               | 0                      | 0               | 0                          | 0                   | 0                   | 0                       | 5,067              | 0                  |
| 0               | 0                      | 0               | 0                          | 0                   | 0                   | 0                       | 0                  | 44,101             |
| <u>25,193</u>   | <u>15,600</u>          | <u>66,890</u>   | <u>5,480</u>               | <u>48,000</u>       | <u>22,068</u>       | <u>16,458</u>           | <u>\$1,386,127</u> | <u>\$2,345,305</u> |
| 0               | 0                      | 0               | 0                          | 0                   | 0                   | 0                       | \$152,765          | \$207,775          |
| 0               | 0                      | 0               | 0                          | 0                   | 0                   | 0                       | 96,464             | 105,453            |
| 0               | 0                      | 0               | 0                          | 0                   | 0                   | 0                       | 18,490             | 0                  |
| 29,700          | 34,173                 | 0               | 0                          | 0                   | 0                   | 5,915                   | 193,491            | 95,811             |
| 33,000          | 0                      | 0               | 0                          | 0                   | 0                   | 0                       | 182,642            | 384,566            |
| <u>62,700</u>   | <u>34,173</u>          | <u>0</u>        | <u>0</u>                   | <u>0</u>            | <u>0</u>            | <u>5,915</u>            | <u>643,852</u>     | <u>793,605</u>     |
| 0               | 79                     | 49,355          | 4,082                      | 0                   | 0                   | 0                       | 697,701            | 1,388,456          |
| (37,507)        | (18,652)               | 17,535          | 1,398                      | 48,000              | 22,068              | 10,543                  | 44,574             | 163,244            |
| <u>(37,507)</u> | <u>(18,573)</u>        | <u>66,890</u>   | <u>5,480</u>               | <u>48,000</u>       | <u>22,068</u>       | <u>10,543</u>           | <u>742,275</u>     | <u>1,551,700</u>   |
| <u>25,193</u>   | <u>15,600</u>          | <u>66,890</u>   | <u>5,480</u>               | <u>48,000</u>       | <u>22,068</u>       | <u>16,458</u>           | <u>\$1,386,127</u> | <u>\$2,345,305</u> |



MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -  
All Special Revenue Funds  
Year Ended June 30, 2001  
(With Comparative Totals for 2000)

|   | OTHER<br>GRANTS | ATHLETIC | CAREER<br>DEVELOPMENT<br>OVEP | EARLY<br>CHILDHOOD<br>EDUCATION | MANAGEMENT<br>INFORMATION<br>SYSTEMS |
|---|-----------------|----------|-------------------------------|---------------------------------|--------------------------------------|
| <b>Revenues</b>   |                 |          |                               |                                 |                                      |
| Earnings on investments   | \$0             | 624      | 0                             | 0                               | 0                                    |
| Intergovernmental   | 416,260         | 0        | 2,292                         | 0                               | 40,176                               |
| Extracurricular activities  | 0               | 227,311  | 0                             | 0                               | 0                                    |
| Refund of prior year expenditures   | 0               | 2,717    | 0                             | 0                               | 0                                    |
| Miscellaneous revenue   | 0               | 14,246   | 0                             | 0                               | 0                                    |
| Total revenues  | 416,260         | 244,898  | 2,292                         | 0                               | 40,176                               |
| <b>Expenditures</b>   |                 |          |                               |                                 |                                      |
| <b>Current</b>  |                 |          |                               |                                 |                                      |
| Instruction   | 1,049,625       | 0        | 25,253                        | 0                               | 4,675                                |
| Support Services  |                 |          |                               |                                 |                                      |
| Pupil   | 0               | 0        | 0                             | 0                               | 0                                    |
| Instructional staff   | 0               | 0        | 0                             | 0                               | 0                                    |
| Administration  | 0               | 0        | 0                             | 0                               | 0                                    |
| Business  | 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                               | 3,486                                |
| Community Services  | 0               | 0        | 0                             | 0                               | 0                                    |
| Extracurricular Activities  | 0               | 313,522  | 0                             | 0                               | 0                                    |
| Refund of prior year receipts   | 0               | 0        | 1,113                         | 0                               | 0                                    |
| Total expenditures  | 1,049,625       | 313,522  | 26,366                        | 0                               | 8,161                                |
| Excess (deficiency) of revenues<br>over (under) expenditures                                  | (633,365)       | (68,624) | (24,074)                      | 0                               | 32,015                               |
| <b>Other financing sources (uses)</b>   |                 |          |                               |                                 |                                      |
| Operating transfers in  | 0               | 75,000   | 44,101                        | 0                               | 0                                    |
| Operating transfers out   | 0               | 0        | (6,045)                       | 0                               | 0                                    |
| Total other financing sources (uses)  | 0               | 75,000   | 38,056                        | 0                               | 0                                    |
| Excess (deficiency) of revenues and other sources<br>over (under) expenditures and other uses | (633,365)       | 6,376    | 13,982                        | 0                               | 32,015                               |
| Fund balance (deficit), beginning of year   | 869,948         | 81,651   | (39,482)                      | 239                             | 65,477                               |
| Fund balance (deficit), end of year   | \$236,583       | 88,027   | (25,500)                      | 239                             | 97,492                               |

(continued)

| MISCELLANEOUS<br>STATE<br>GRANTS | EDUCATION FOR<br>ECONOMIC<br>SECURITY | TITLE VI-B<br>SPECIAL<br>EDUCATION | VOCATIONAL<br>EDUCATION | VENTURE<br>CAPITAL<br>GRANT | PROFESSIONAL<br>DEVELOPMENT | PRESCHOOL<br>GRANT<br>FOR<br>HANDICAPPED | MISCELLANEOUS<br>FEDERAL<br>GRANTS |
|----------------------------------|---------------------------------------|------------------------------------|-------------------------|-----------------------------|-----------------------------|--|------------------------------------|
| 0                                | 405                                   | 0                                  | 0                       | 0                           | 0                           | 0  | 0                                  |
| 122,012                          | 38,233                                | 1,234,377                          | 301,607                 | 0                           | 39,130                      | 115,897                                  | 89,138                             |
| 0                                | 0                                     | 0                                  | 0                       | 0                           | 0                           | 0  | 0                                  |
| 0                                | 0                                     | 0                                  | 0                       | 0                           | 0                           | 0  | 0                                  |
| 0                                | 0                                     | 0                                  | 0                       | 0                           | 0                           | 0  | 0                                  |
| 122,012                          | 38,638                                | 1,234,377                          | 301,607                 | 0                           | 39,130                      | 115,897                                  | 89,138                             |
| 56,905                           | 3,091                                 | 86,477                             | 79,720                  | 0                           | 19,191                      | 28,662                                   | 90,606                             |
| 0                                | 0                                     | 216,800                            | 90,328                  | 0                           | 1,169                       | 4,709                                    | 301                                |
| 0                                | 44,278                                | 84,538                             | 42,522                  | 0                           | 23,740                      | 27,160                                   | 5,382                              |
| 0                                | 0                                     | 696,519                            | 27,624                  | 0                           | 5,747                       | 43,139                                   | 0                                  |
| 0                                | 0                                     | 8,257                              | 0                       | 0                           | 0                           | 0  | 0                                  |
| 0                                | 0                                     | 6,488                              | 0                       | 0                           | 0                           | 0  | 0                                  |
| 0                                | 0                                     | 0                                  | 18,429                  | 0                           | 0                           | 0  | 0                                  |
| 2,582                            | 0                                     | 0                                  | 63,280                  | 0                           | 0                           | 0  | 0                                  |
| 10,291                           | 0                                     | 61,490                             | 0                       | 0                           | 0                           | 0  | 0                                  |
| 0                                | 0                                     | 0                                  | 4,000                   | 0                           | 0                           | 0  | 0                                  |
| 1,045                            | 0                                     | 0                                  | 0                       | 0                           | 0                           | 0  | 2,523                              |
| 70,823                           | 47,369                                | 1,160,569                          | 325,903                 | 0                           | 49,847                      | 103,670                                  | 98,812                             |
| 51,189                           | (8,731)                               | 73,808                             | (24,296)                | 0                           | (10,717)                    | 12,227                                   | (9,674)                            |
| 0                                | 0                                     | 0                                  | 0                       | 0                           | 0                           | 0  | 0                                  |
| 0                                | 0                                     | 0                                  | (44,101)                | 0                           | 0                           | 0  | 0                                  |
| 0                                | 0                                     | 0                                  | (44,101)                | 0                           | 0                           | 0  | 0                                  |
| 51,189                           | (8,731)                               | 73,808                             | (68,397)                | 0                           | (10,717)                    | 12,227                                   | (9,674)                            |
| 34,614                           | 11,924                                | (55,530)                           | 146,393                 | 42                          | 25,931                      | (13,107)                                 | 13,488                             |
| 85,803                           | 3,193                                 | 18,278                             | 77,996                  | 42                          | 15,214                      | (880)                                    | 3,814                              |

(continued)

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -  
All Special Revenue Funds  
Year Ended June 30, 2001  
(With Comparative Totals for 2000)

|   | AUXILIARY<br>SERVICES | HEAD<br>START<br>DISABILITY | TEXTBOOK<br>INSTRUCTIONAL<br>MATERIAL | SCHOOLNET<br>PROFESSIONAL<br>DEVELOPMENT | TITLE I         | CHAPTER II      |
|---|-----------------------|-----------------------------|---------------------------------------|--|-----------------|-----------------|
| <b>Revenues</b>   |                       |                             |                                       |  |                 |                 |
| Earnings on investments   | 9,652                 | 0                           | 0                                     | 0  | 0               | 0               |
| Intergovernmental   | 1,046,048             | 10,000                      | 0                                     | 12,000                                   | 237,529         | 35,945          |
| Extracurricular activities  | 0                     | 0                           | 0                                     | 0  | 0               | 0               |
| Refund of prior year expenditures   | 0                     | 0                           | 0                                     | 0  | 0               | 0               |
| Miscellaneous revenue   | 0                     | 0                           | 0                                     | 0  | 0               | 0               |
| <b>Total revenues</b>   | <b>1,055,700</b>      | <b>10,000</b>               | <b>0</b>                              | <b>12,000</b>                            | <b>237,529</b>  | <b>35,945</b>   |
| <b>Expenditures</b>   |                       |                             |                                       |  |                 |                 |
| <b>Current</b>  |                       |                             |                                       |  |                 |                 |
| Instruction   | 0                     | 0                           | 326,337                               | 0  | 249,612         | 49,006          |
| Support Services  |                       |                             |                                       |  |                 |                 |
| Pupil   | 0                     | 0                           | 0                                     | 0  | 10,858          | 72,285          |
| Instructional staff   | 0                     | 444                         | 0                                     | 4,477                                    | 0               | 4,785           |
| Administration  | 0                     | 9,088                       | 0                                     | 947                                      | 0               | 0               |
| Business  | 0                     | 0                           | 0                                     | 0  | 0               | 0               |
| Operation and maintenance of plant  | 0                     | 0                           | 0                                     | 0  | 0               | 0               |
| Pupil transportation  | 0                     | 0                           | 0                                     | 0  | 0               | 0               |
| Central   | 0                     | 0                           | 0                                     | 0  | 0               | 0               |
| Community Services  | 1,004,604             | 0                           | 0                                     | 0  | 0               | 13,986          |
| Extracurricular Activities  | 0                     | 0                           | 0                                     | 0  | 0               | 0               |
| Refund of prior year receipts   | 0                     | 0                           | 0                                     | 0  | 0               | 22,988          |
| <b>Total expenditures</b>   | <b>1,004,604</b>      | <b>9,532</b>                | <b>326,337</b>                        | <b>5,424</b>                             | <b>260,470</b>  | <b>163,050</b>  |
| Excess (deficiency) of revenues<br>over (under) expenditures                                  | 51,096                | 468                         | (326,337)                             | 6,576                                    | (22,941)        | (127,105)       |
| <b>Other financing sources (uses)</b>   |                       |                             |                                       |  |                 |                 |
| Operating transfers in  | 0                     | 0                           | 0                                     | 0  | 0               | 0               |
| Operating transfers out   | 0                     | 0                           | 0                                     | 0  | 0               | 0               |
| <b>Total other financing sources (uses)</b>   | <b>0</b>              | <b>0</b>                    | <b>0</b>                              | <b>0</b>                                 | <b>0</b>        | <b>0</b>        |
| Excess (deficiency) of revenues and other sources<br>over (under) expenditures and other uses | 51,096                | 468                         | (326,337)                             | 6,576                                    | (22,941)        | (127,105)       |
| Fund balance (deficit), beginning of year   | 43,749                | 251                         | 326,337                               | 500                                      | (34,626)        | 89,598          |
| <b>Fund balance (deficit), end of year</b>  | <b>94,845</b>         | <b>719</b>                  | <b>0</b>                              | <b>7,076</b>                             | <b>(57,567)</b> | <b>(37,507)</b> |

(continued)

| DRUG FREE<br>SCHOOL<br>GRANT | OHIOREADS<br>GRANT | E-RATE<br>REIMBURSEMENT | ONEnet<br>OHIO PROGRAM | SUMMER<br>INTERVENTION | DISABILITY<br>ACCESS<br>GRANT | 2001<br>TOTALS | 2000<br>TOTALS |
|------------------------------|--------------------|-------------------------|------------------------|------------------------|-------------------------------|----------------|----------------|
| 0                            | 0                  | 0                       | 0                      | 0                      | 0                             | \$10,681       | \$11,443       |
| 50,691                       | 229,168            | 0                       | 48,000                 | 22,068                 | 69,700                        | 4,161,422      | 3,927,159      |
| 0                            | 0                  | 0                       | 0                      | 0                      | 0                             | 227,311        | 228,910        |
| 0                            | 0                  | 0                       | 0                      | 0                      | 0                             | 2,717          | 6,960          |
| 0                            | 0                  | 0                       | 0                      | 0                      | 0                             | 14,246         | 31,567         |
| 50,691                       | 229,168            | 0                       | 48,000                 | 22,068                 | 69,700                        | 4,416,377      | 4,206,039      |
| 12,505                       | 151,920            | 0                       | 0                      | 0                      | 54,630                        | 2,288,215      | 1,102,850      |
| 34,213                       | 0                  | 0                       | 0                      | 0                      | 0                             | 430,663        | 655,851        |
| 0                            | 0                  | 0                       | 0                      | 0                      | 0                             | 237,326        | 176,825        |
| 0                            | 0                  | 0                       | 0                      | 0                      | 0                             | 783,064        | 821,817        |
| 0                            | 0                  | 0                       | 0                      | 0                      | 0                             | 8,257          | 8,015          |
| 0                            | 0                  | 11,727                  | 0                      | 0                      | 0                             | 18,215         | 62,741         |
| 0                            | 0                  | 0                       | 0                      | 0                      | 4,527                         | 22,956         | 17,060         |
| 0                            | 0                  | 0                       | 0                      | 0                      | 0                             | 69,348         | 10,660         |
| 0                            | 0                  | 0                       | 0                      | 0                      | 0                             | 1,090,371      | 942,090        |
| 0                            | 0                  | 0                       | 0                      | 0                      | 0                             | 317,522        | 330,082        |
| 0                            | 0                  | 0                       | 0                      | 0                      | 0                             | 27,669         | 7,547          |
| 46,718                       | 151,920            | 11,727                  | 0                      | 0                      | 59,157                        | 5,293,606      | 4,135,538      |
| 3,973                        | 77,248             | (11,727)                | 48,000                 | 22,068                 | 10,543                        | (877,229)      | 70,501         |
| 0                            | 0                  | 0                       | 0                      | 0                      | 0                             | 119,101        | 132,624        |
| 0                            | 0                  | 0                       | 0                      | 0                      | 0                             | (50,146)       | 0              |
| 0                            | 0                  | 0                       | 0                      | 0                      | 0                             | 68,955         | 132,624        |
| 3,973                        | 77,248             | (11,727)                | 48,000                 | 22,068                 | 10,543                        | (808,274)      | 203,125        |
| (22,546)                     | (10,358)           | 17,207                  | 0                      | 0                      | 0                             | 1,551,700      | 1,348,575      |
| (18,573)                     | 66,890             | 5,480                   | 48,000                 | 22,068                 | 10,543                        | \$743,426      | \$1,551,700    |

(continued)

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 Other Grants Fund  
 Year Ended June 30, 2001

|  | <b>Revised<br/>Budget</b> | <b>Actual</b>      | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|--------------------|---|
| <b>Revenues:</b>   |                           |                    |   |
| Intergovernmental  | \$671,867                 | 417,411            | (\$254,456)                                     |
| Total revenues   | <u>671,867</u>            | <u>417,411</u>     | <u>(254,456)</u>                                |
| <b>Expenditures:</b>   |                           |                    |   |
| <b>Instruction</b>   |                           |                    |   |
| Supplies and materials   | 1,683,767                 | 1,429,247          | 254,520   |
| Equipment  | 28,985                    | 28,810             | 175   |
| Total expenditures   | <u>1,712,752</u>          | <u>1,458,057</u>   | <u>254,695</u>                                  |
| Deficiency of revenue<br>under expenditures                                  | <u>(1,040,885)</u>        | <u>(1,040,646)</u> | <u>239</u>                                      |
| <b>Other financing sources (uses):</b>                                       |                           |                    |   |
| Advances/transfers in  | 80,000                    | 80,000             | 0   |
| Advances/transfers out   | <u>(245,000)</u>          | <u>(245,000)</u>   | <u>0</u>  |
| Total other financing sources (uses)   | <u>(165,000)</u>          | <u>(165,000)</u>   | <u>0</u>  |
| Deficiency of revenue and other sources<br>under expenditures and other uses | <u>(1,205,885)</u>        | <u>(1,205,646)</u> | <u>239</u>                                      |
| Fund balance, beginning of year  | 73                        | 73                 | 0   |
| Expenditures against prior year encumbrances                                 | 1,205,812                 | 1,205,812          | 0   |
| Fund balance (deficit), end of year  | <u>\$0</u>                | <u>239</u>         | <u>\$239</u>                                    |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 Athletic Fund  
 Year Ended June 30, 2001

|   | <b>Revised<br/>Budget</b> | <b>Actual</b>    | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|---|---------------------------|------------------|---|
| <b>Revenues:</b>  |                           |                  |   |
| Earnings on investments   | \$757                     | 624              | (\$133)   |
| Extracurricular activities  | 275,776                   | 227,311          | (48,465)  |
| Contributions   | 17,283                    | 14,246           | (3,037)   |
| <b>Total revenues</b>   | <b>293,816</b>            | <b>242,181</b>   | <b>(51,635)</b>                                 |
| <b>Expenditures:</b>  |                           |                  |   |
| <b>Extracurricular</b>  |                           |                  |   |
| Salaries  | 11,320                    | 10,371           | 949   |
| Benefits  | 251                       | 104              | 147   |
| Contract services   | 138,141                   | 94,898           | 43,243  |
| Supplies and materials  | 130,712                   | 112,094          | 18,618  |
| Equipment   | 32,273                    | 31,215           | 1,058   |
| Other   | 149,968                   | 143,953          | 6,015   |
| <b>Total extracurricular</b>  | <b>462,665</b>            | <b>392,635</b>   | <b>70,030</b>                                   |
| <b>Total expenditures</b>   | <b>462,665</b>            | <b>392,635</b>   | <b>70,030</b>                                   |
| Excess (deficiency) of revenue<br>over (under) expenditures                                   | <b>(168,849)</b>          | <b>(150,454)</b> | 18,395  |
| <b>Other financing sources</b>  |                           |                  |   |
| Advances/transfers in   | 75,000                    | 75,000           | 0   |
| Other sources   | 2,717                     | 2,717            | 0   |
| <b>Total other financing sources</b>  | <b>77,717</b>             | <b>77,717</b>    | <b>0</b>  |
| Excess (deficiency) of revenues and other sources<br>over (under) expenditures and other uses | <b>(91,132)</b>           | <b>(72,737)</b>  | 18,395  |
| Fund balance, beginning of year   | 32,562                    | 32,562           | 0   |
| Expenditures against prior year encumbrances  | 58,570                    | 58,570           | 0   |
| <b>Fund balance, end of year</b>  | <b>\$0</b>                | <b>18,395</b>    | <b>\$18,395</b>                                 |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
**Schedule of Revenues, Expenditures, and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Career Development OVEP Fund**  
**Year Ended June 30, 2001**

|  | <b>Revised<br/>Budget</b> | <b>Actual</b> | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|---------------|---|
| <b>Revenues:</b>   |                           |               |   |
| Intergovernmental  | \$29,934                  | 2,292         | (\$27,642)                                      |
| <b>Total revenues</b>  | <b>29,934</b>             | <b>2,292</b>  | <b>(27,642)</b>                                 |
| <b>Expenditures:</b>   |                           |               |   |
| <b>Instruction</b>   |                           |               |   |
| Equipment  | 31,765                    | 31,765        | 0   |
| Other  | 119                       | 119           | 0   |
| <b>Total expenditures</b>  | <b>31,884</b>             | <b>31,884</b> | <b>0</b>  |
| Deficiency of revenue<br>under expenditures  | (1,950)                   | (29,592)      | (27,642)  |
| <b>Other financing sources (uses):</b>   |                           |               |   |
| Advances / transfers in  | 27,642                    | 27,642        | 0   |
| Advances / transfers out   | (33,686)                  | (6,044)       | 27,642  |
| Other uses   | (1,113)                   | (1,113)       | 0   |
| <b>Total other financing sources (uses)</b>  | <b>(7,157)</b>            | <b>20,485</b> | <b>27,642</b>                                   |
| Excess (deficiency) of revenue and other sources<br>over (under) expenditures and other uses | (9,107)                   | (9,107)       | 0   |
| Fund balance, beginning of year  | 4,530                     | 4,530         | 0   |
| Expenditures against prior year encumbrances   | 4,577                     | 4,577         | 0   |
| <b>Fund balance, end of year</b>   | <b>\$0</b>                | <b>0</b>      | <b>\$0</b>                                      |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 Early Childhood Education Fund  
 Year Ended June 30, 2001

|  | <b>Revised<br/>Budget</b> | <b>Actual</b> | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|---------------|---|
| Revenues:  |                           |               |   |
| Intergovernmental  | \$0                       | 0             | \$0   |
| Total revenues   | <u>0</u>                  | <u>0</u>      | <u>0</u>  |
| Expenditures:  |                           |               |   |
| Instruction  |                           |               |   |
| Contract services  | 0                         | 0             | 0   |
| Total expenditures   | <u>0</u>                  | <u>0</u>      | <u>0</u>  |
| Excess of revenue<br>over expenditures   | 0                         | 0             | 0   |
| Other financing uses:  |                           |               |   |
| Advances / transfers out   | <u>(234)</u>              | <u>0</u>      | <u>234</u>                                      |
| Total other financing uses   | <u>(234)</u>              | <u>0</u>      | <u>234</u>                                      |
| Excess (deficiency) of revenue and other sources<br>over (under) expenditures and other uses | (234)                     | 0             | 234   |
| Fund balance, beginning of year  | 240                       | 240           | 0   |
| Expenditures against prior year encumbrances   | (1)                       | (1)           | 0   |
| Fund balance, end of year  | <u>\$5</u>                | <u>239</u>    | <u>\$234</u>                                    |



MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 Management Information Systems Fund  
 Year Ended June 30, 2001

|  | <b>Revised<br/>Budget</b> | <b>Actual</b> | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|---------------|---|
| Revenues:  |                           |               |   |
| Intergovernmental  | \$10,605                  | 40,176        | \$29,571  |
| Total revenues   | <u>10,605</u>             | <u>40,176</u> | <u>29,571</u>                                   |
| Expenditures:  |                           |               |   |
| Instruction  |                           |               |   |
| Supplies and materials                                       | 4,716                     | 4,675         | 41  |
| Equipment  | 56,816                    | 0             | 56,816  |
| Total instruction  | <u>61,532</u>             | <u>4,675</u>  | <u>56,857</u>                                   |
| Support services   |                           |               |   |
| Supplies and materials                                       |                           |               | 0   |
| Equipment  | 14,550                    | 3,486         | 11,064  |
| Total support services                                       | <u>14,550</u>             | <u>3,486</u>  | <u>11,064</u>                                   |
| Total expenditures   | <u>76,082</u>             | <u>8,161</u>  | <u>67,921</u>                                   |
| Excess (deficiency) of revenues<br>over (under) expenditures | (65,477)                  | 32,015        | 97,492  |
| Fund balance, beginning of year                              | 65,479                    | 65,479        | 0   |
| Expenditures against prior year encumbrances                 | (2)                       | (2)           | 0   |
| Fund balance, end of year                                    | <u>\$0</u>                | <u>97,492</u> | <u>\$97,492</u>                                 |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
**Schedule of Revenues, Expenditures, and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Miscellaneous State Grants Fund**  
**Year Ended June 30, 2001**

|  | <b>Revised<br/>Budget</b> | <b>Actual</b> | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|---------------|---|
| <b>Revenues:</b>   |                           |               |   |
| Intergovernmental  | \$57,373                  | 93,670        | \$36,297  |
| <b>Total revenues</b>  | <b>57,373</b>             | <b>93,670</b> | <b>36,297</b>                                   |
| <b>Expenditures:</b>   |                           |               |   |
| <b>Instruction</b>   |                           |               |   |
| Salaries   | 18,806                    | 18,806        | 0   |
| Benefits   | 2,599                     | 2,599         | 0   |
| Contract services  | 7,822                     | 3,939         | 3,883   |
| Supplies and materials   | 58,443                    | 13,934        | 44,509  |
| Equipment  | 35,828                    | 35,810        | 18  |
| Other  | 224                       | 213           | 11  |
| <b>Total instruction</b>   | <b>123,722</b>            | <b>75,301</b> | <b>48,421</b>                                   |
| <b>Community service</b>   |                           |               |   |
| Contract services  | 10,670                    | 10,291        | 379   |
| <b>Total community service</b>   | <b>10,670</b>             | <b>10,291</b> | <b>379</b>                                      |
| <b>Total expenditures</b>  | <b>134,392</b>            | <b>85,592</b> | <b>48,800</b>                                   |
| Excess (deficiency) of revenues<br>over (under) expenditures                                 | (77,019)                  | 8,078         | 85,097  |
| <b>Other financing sources (uses):</b>   |                           |               |   |
| Advances / transfer in   | 28,342                    | 28,342        | 0   |
| Other uses   | (1,044)                   | (1,044)       | 0   |
| <b>Total other financing sources (uses)</b>  | <b>27,298</b>             | <b>27,298</b> | <b>0</b>  |
| Excess (deficiency) of revenue and other sources<br>over (under) expenditures and other uses | (49,721)                  | 35,376        | 85,097  |
| Fund balance, beginning of year  | 3,328                     | 3,328         | 0   |
| Expenditures against prior year encumbrances   | 46,393                    | 46,393        | 0   |
| <b>Fund balance, end of year</b>   | <b>\$0</b>                | <b>85,097</b> | <b>\$85,097</b>                                 |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 Education for Economic Security Fund  
 Year Ended June 30, 2001

|  | <b>Revised<br/>Budget</b> | <b>Actual</b> | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|---------------|---|
| <b>Revenues:</b>   |                           |               |   |
| Intergovernmental  | \$74,047                  | 38,233        | (\$35,814)                                      |
| Total revenues   | <u>74,047</u>             | <u>38,233</u> | <u>(35,814)</u>                                 |
| <b>Expenditures:</b>   |                           |               |   |
| <b>Instruction</b>   |                           |               |   |
| Salaries   | 13,640                    | 125           | 13,515  |
| Benefits   | 3,167                     | 1,497         | 1,670   |
| Supplies and materials                                       | 7,844                     | 1,846         | 5,998   |
| Total instruction  | <u>24,651</u>             | <u>3,468</u>  | <u>21,183</u>                                   |
| <b>Support services</b>                                      |                           |               |   |
| Salaries   | 23,337                    | 15,491        | 7,846   |
| Benefits   | 3,805                     | 1,837         | 1,968   |
| Contract services  | 12,687                    | 8,742         | 3,945   |
| Supplies and materials                                       | 21,867                    | 19,770        | 2,097   |
| Total support services                                       | <u>61,696</u>             | <u>45,840</u> | <u>15,856</u>                                   |
| Total expenditures   | <u>86,347</u>             | <u>49,308</u> | <u>37,039</u>                                   |
| Excess (deficiency) of revenues<br>over (under) expenditures | (12,300)                  | (11,075)      | 1,225   |
| Fund balance, beginning of year                              | 10,230                    | 10,230        | 0   |
| Expenditures against prior year encumbrances                 | 2,070                     | 2,070         | 0   |
| Fund balance, end of year                                    | <u>\$0</u>                | <u>1,225</u>  | <u>\$1,225</u>                                  |

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 Title VI-B Special Education Fund  
 Year Ended June 30, 2001

|  | <u>Revised<br/>Budget</u> | <u>Actual</u>    | <u>Variance<br/>Favorable<br/>(Unfavorable)</u> |
|--|---------------------------|------------------|---|
| Revenues:  |                           |                  |   |
| Intergovernmental  | \$1,635,613               | 1,234,377        | (\$401,236)                                     |
| Total revenues   | <u>1,635,613</u>          | <u>1,234,377</u> | <u>(401,236)</u>                                |
| Expenditures:  |                           |                  |   |
| Instruction  |                           |                  |   |
| Salaries   | 12,614                    | 3,184            | 9,430   |
| Contract services  | 30,970                    | 25,293           | 5,677   |
| Supplies and materials   | 62,319                    | 51,366           | 10,953  |
| Equipment  | 32,553                    | 28,148           | 4,405   |
| Total instruction  | <u>138,456</u>            | <u>107,991</u>   | <u>30,465</u>                                   |
| Support services   |                           |                  |   |
| Salaries   | 821,790                   | 676,080          | 145,710   |
| Benefits   | 283,626                   | 181,997          | 101,629   |
| Contract services  | 261,363                   | 183,816          | 77,547  |
| Supplies and materials   | 82,039                    | 29,670           | 52,369  |
| Equipment  | 19,554                    | 13,382           | 6,172   |
| Total support services   | <u>1,468,372</u>          | <u>1,084,945</u> | <u>383,427</u>                                  |
| Community service  |                           |                  |   |
| Contract services  | 61,490                    | 61,490           | 0   |
| Total community service  | <u>61,490</u>             | <u>61,490</u>    | <u>0</u>  |
| Total expenditures   | <u>1,668,318</u>          | <u>1,254,426</u> | <u>413,892</u>                                  |
| Excess (deficiency) of revenues<br>over (under) expenditures                                 | (32,705)                  | (20,049)         | 12,656  |
| Other financing sources (uses):  |                           |                  |   |
| Advances / transfers out   | (46,000)                  | (46,000)         | 0   |
| Total other financing sources (uses)   | <u>(46,000)</u>           | <u>(46,000)</u>  | <u>0</u>  |
| Excess (deficiency) of revenue and other sources<br>over (under) expenditures and other uses | (78,705)                  | (66,049)         | 12,656  |
| Fund balance, beginning of year  | 391                       | 391              | 0   |
| Expenditures against prior year encumbrances   | 78,320                    | 78,320           | 0   |
| Fund balance, end of year  | <u>\$6</u>                | <u>12,662</u>    | <u>\$12,656</u>                                 |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 Vocational Education Fund  
 Year Ended June 30, 2001

|  | <b>Revised<br/>Budget</b> | <b>Actual</b>    | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|------------------|---|
| Revenues:  |                           |                  |   |
| Intergovernmental  | \$352,488                 | 301,607          | (\$50,881)                                      |
| Total revenues   | <u>352,488</u>            | <u>301,607</u>   | <u>(50,881)</u>                                 |
| Expenditures:  |                           |                  |   |
| Instruction  |                           |                  |   |
| Salaries   | 90,590                    | 55,000           | 35,590  |
| Contract services  | 19,041                    | 19,041           | 0   |
| Supplies and materials                                       | 1,464                     | 1,464            | 0   |
| Other  | 8,865                     | 8,865            | 0   |
| Total instruction  | <u>119,960</u>            | <u>84,370</u>    | <u>35,590</u>                                   |
| Support services   |                           |                  |   |
| Salaries   | 87,160                    | 74,831           | 12,329  |
| Benefits   | 18,939                    | 18,856           | 83  |
| Contract services  | 132,516                   | 130,282          | 2,234   |
| Supplies and materials                                       | 49,731                    | 48,752           | 979   |
| Equipment  | 53,982                    | 51,612           | 2,370   |
| Total support services                                       | <u>342,328</u>            | <u>324,333</u>   | <u>17,995</u>                                   |
| Extracurricular activities                                   |                           |                  |   |
| Contract services  | 4,000                     | 4,000            | 0   |
| Total extracurricular activities                             | <u>4,000</u>              | <u>4,000</u>     | <u>0</u>  |
| Total expenditures   | <u>466,288</u>            | <u>412,703</u>   | <u>53,585</u>                                   |
| Excess (deficiency) of revenues<br>over (under) expenditures | <u>(113,800)</u>          | <u>(111,096)</u> | <u>2,704</u>                                    |
| Fund balance, beginning of year                              | 24,476                    | 24,476           | 0   |
| Expenditures against prior year encumbrances                 | 89,324                    | 89,324           | 0   |
| Fund balance, end of year                                    | <u>\$0</u>                | <u>2,704</u>     | <u>\$2,704</u>                                  |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
**Schedule of Revenues, Expenditures, and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Venture Capital Fund**  
**Year Ended June 30, 2001**

|  | <b>Revised<br/>Budget</b> | <b>Actual</b> | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|---------------|---|
| Revenues:  |                           |               |   |
| Intergovernmental  | \$0                       | 0             | \$0   |
| Total revenues   | <u>0</u>                  | <u>0</u>      | <u>0</u>  |
| Expenditures:  |                           |               |   |
| Instruction  |                           |               |   |
| Contract services  | 0                         | 0             | 0   |
| Supplies and materials                                       | 41                        | 0             | 41  |
| Equipment  | 0                         | 0             | 0   |
| Other  | 0                         | 0             | 0   |
| Total instruction  | <u>41</u>                 | <u>0</u>      | <u>41</u>                                       |
| Total expenditures   | <u>41</u>                 | <u>0</u>      | <u>41</u>                                       |
| Excess (deficiency) of revenues<br>over (under) expenditures | (41)                      | 0             | 41  |
| Fund balance, beginning of year                              | 39                        | 39            | 0   |
| Expenditures against prior year encumbrances                 | 3                         | 3             | 0   |
| Fund balance, end of year                                    | <u>\$1</u>                | <u>42</u>     | <u>\$41</u>                                     |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 Professional Development Fund  
 Year Ended June 30, 2001

|  | <b>Revised<br/>Budget</b> | <b>Actual</b> | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|---------------|---|
| Revenues:  |                           |               |   |
| Intergovernmental  | \$39,130                  | 39,130        | \$0   |
| Total revenues   | <u>39,130</u>             | <u>39,130</u> | <u>0</u>  |
| Expenditures:  |                           |               |   |
| Instruction  |                           |               |   |
| Salaries   | 7,070                     | 7,070         | 0   |
| Benefits   | 35                        | 35            | 0   |
| Contract services  | 19,227                    | 18,525        | 702   |
| Supplies and materials                                       | 353                       | 353           | 0   |
| Total instruction  | <u>26,685</u>             | <u>25,983</u> | <u>702</u>                                      |
| Support services   |                           |               |   |
| Salaries   | 26,597                    | 15,830        | 10,767  |
| Benefits   | 4,700                     | 3,726         | 974   |
| Contract services  | 9,636                     | 9,570         | 66  |
| Supplies and materials                                       | 3,362                     | 3,121         | 241   |
| Other  | 450                       | 450           | 0   |
| Total support services                                       | <u>44,745</u>             | <u>32,697</u> | <u>12,048</u>                                   |
| Total expenditures   | <u>71,430</u>             | <u>58,680</u> | <u>12,750</u>                                   |
| Excess (deficiency) of revenues<br>over (under) expenditures | (32,300)                  | (19,550)      | 12,750  |
| Fund balance, beginning of year                              | 8,934                     | 8,934         | 0   |
| Expenditures against prior year encumbrances                 | 23,366                    | 23,366        | 0   |
| Fund balance, end of year                                    | <u>\$0</u>                | <u>12,750</u> | <u>\$12,750</u>                                 |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 Preschool Grant for the Handicapped Fund  
 Year Ended June 30, 2001

|  | <b>Revised<br/>Budget</b> | <b>Actual</b>   | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|-----------------|---|
| <b>Revenues:</b>   |                           |                 |   |
| Intergovernmental  | \$171,851                 | 115,897         | (\$55,954)                                      |
| <b>Total revenues</b>  | <b>171,851</b>            | <b>115,897</b>  | <b>(55,954)</b>                                 |
| <b>Expenditures:</b>   |                           |                 |   |
| <b>Instruction</b>   |                           |                 |   |
| Contract services  | 13,998                    | 9,854           | 4,144   |
| Supplies and materials   | 23,716                    | 19,002          | 4,714   |
| Equipment  | 3,700                     | 2,623           | 1,077   |
| <b>Total instruction</b>   | <b>41,414</b>             | <b>31,479</b>   | <b>9,935</b>                                    |
| <b>Support services</b>  |                           |                 |   |
| Salaries   | 76,028                    | 37,028          | 39,000  |
| Benefits   | 20,436                    | 13,436          | 7,000   |
| Contract services  | 23,358                    | 23,085          | 273   |
| Supplies and materials   | 289                       | 289             | 0   |
| Equipment  | 4,178                     | 4,178           | 0   |
| <b>Total support services</b>  | <b>124,289</b>            | <b>78,016</b>   | <b>46,273</b>                                   |
| <b>Total expenditures</b>  | <b>165,703</b>            | <b>109,495</b>  | <b>56,208</b>                                   |
| Excess (deficiency) of revenues<br>over (under) expenditures                                 | 6,148                     | 6,402           | 254   |
| <b>Other financing uses:</b>   |                           |                 |   |
| Advances / transfer out  | (14,694)                  | (14,694)        | 0   |
| <b>Total other financing sources</b>   | <b>(14,694)</b>           | <b>(14,694)</b> | <b>0</b>  |
| Excess (deficiency) of revenue and other sources<br>over (under) expenditures and other uses | (8,546)                   | (8,292)         | 254   |
| Fund deficit, beginning of year  | (1)                       | (1)             | 0   |
| Expenditures against prior year encumbrances   | 8,548                     | 8,548           | 0   |
| <b>Fund balance, end of year</b>   | <b>\$1</b>                | <b>255</b>      | <b>\$254</b>                                    |



**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 Miscellaneous Federal Grants Fund  
 Year Ended June 30, 2001

|  | <b>Revised<br/>Budget</b> | <b>Actual</b>  | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|----------------|---|
| <b>Revenues:</b>   |                           |                |   |
| Intergovernmental  | \$192,573                 | 89,138         | (\$103,435)                                     |
| <b>Total revenues</b>  | <b>192,573</b>            | <b>89,138</b>  | <b>(103,435)</b>                                |
| <b>Expenditures:</b>   |                           |                |   |
| <b>Instruction</b>   |                           |                |   |
| Salaries   | 136,561                   | 59,654         | 76,907  |
| Benefits   | 44,072                    | 22,188         | 21,884  |
| Contract services  | 17,682                    | 3,464          | 14,218  |
| <b>Total instruction</b>   | <b>198,315</b>            | <b>85,306</b>  | <b>113,009</b>                                  |
| <b>Support services</b>  |                           |                |   |
| Salaries   | 8,026                     | 4,805          | 3,221   |
| Benefits   | 576                       | 576            | 0   |
| Contract services  | 319                       | 319            | 0   |
| Supplies and materials   | 220                       | 201            | 19  |
| <b>Total support services</b>  | <b>9,141</b>              | <b>5,901</b>   | <b>3,240</b>                                    |
| <b>Total expenditures</b>  | <b>207,456</b>            | <b>91,207</b>  | <b>116,249</b>                                  |
| Excess (deficiency) of revenues<br>over (under) expenditures                                 | (14,883)                  | (2,069)        | 12,814  |
| <b>Other financing uses:</b>   |                           |                |   |
| Other uses   | (2,523)                   | (2,523)        | 0   |
| <b>Total other financing uses</b>  | <b>(2,523)</b>            | <b>(2,523)</b> | <b>0</b>  |
| Excess (deficiency) of revenue and other sources<br>over (under) expenditures and other uses | (17,406)                  | (4,592)        | 12,814  |
| Fund balance, beginning of year  | 15,468                    | 15,468         | 0   |
| Expenditures against prior year encumbrances   | 1,938                     | 1,938          | 0   |
| <b>Fund balance, end of year</b>   | <b>\$0</b>                | <b>12,814</b>  | <b>\$12,814</b>                                 |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 Auxiliary Services Fund  
 Year Ended June 30, 2001

|  | <b>Revised<br/>Budget</b> | <b>Actual</b>    | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|------------------|---|
| <b>Revenues:</b>   |                           |                  |   |
| Earnings on investments                                      | \$9,370                   | 9,580            | \$210   |
| Intergovernmental  | 1,023,073                 | 1,046,048        | 22,975  |
| <b>Total revenues</b>  | <b>1,032,443</b>          | <b>1,055,628</b> | <b>23,185</b>                                   |
| <b>Expenditures:</b>   |                           |                  |   |
| <b>Community service</b>                                     |                           |                  |   |
| Salaries   | 23,219                    | 23,219           | 0   |
| Contract services  | 809,140                   | 808,216          | 924   |
| Supplies and materials                                       | 342,355                   | 342,355          | 0   |
| Equipment  | 24,999                    | 24,999           | 0   |
| <b>Total community service</b>                               | <b>1,199,713</b>          | <b>1,198,789</b> | <b>924</b>                                      |
| <b>Total expenditures</b>                                    | <b>1,199,713</b>          | <b>1,198,789</b> | <b>924</b>                                      |
| Excess (deficiency) of revenues<br>over (under) expenditures | (167,270)                 | (143,161)        | 24,109  |
| Fund balance, beginning of year                              | 21,299                    | 21,299           | 0   |
| Expenditures against prior year encumbrances                 | 145,971                   | 145,971          | 0   |
| <b>Fund balance, end of year</b>                             | <b>\$0</b>                | <b>24,109</b>    | <b>\$24,109</b>                                 |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
**Schedule of Revenues, Expenditures, and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**Head Start Disabilities Grant Fund**  
**Year Ended June 30, 2001**

|  | <b>Revised<br/>Budget</b> | <b>Actual</b> | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|---------------|---|
| Revenues:                                    |                           |               |   |
| Intergovernmental                            | \$10,000                  | 10,000        | \$0   |
| Total revenues                               | <u>10,000</u>             | <u>10,000</u> | <u>0</u>  |
| Expenditures:                                |                           |               |   |
| Support services                             |                           |               |   |
| Benefits                                     | 6,803                     | 6,803         | 0   |
| Contract services                            | 3,115                     | 3,115         | 0   |
| Supplies and materials                       | 444                       | 444           | 0   |
| Total support services                       | <u>10,362</u>             | <u>10,362</u> | <u>0</u>  |
| Total expenditures                           | <u>10,362</u>             | <u>10,362</u> | <u>0</u>  |
| Deficiency of revenue under expenditures     | (362)                     | (362)         | 0   |
| Fund balance, beginning of year              | 252                       | 252           | 0   |
| Expenditures against prior year encumbrances | 110                       | 110           | 0   |
| Fund balance, end of year                    | <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 Basis) and Actual -  
 Textbook Instructional Material Fund  
 Year Ended June 30, 2001

|  | <b>Revised<br/>Budget</b> | <b>Actual</b>   | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|-----------------|---|
| Revenues:                                    |                           |                 |   |
| Intergovernmental                            | \$0                       | 0               | \$0   |
| Total revenues                               | <u>0</u>                  | <u>0</u>        | <u>0</u>  |
| Expenditures:                                |                           |                 |   |
| Instruction                                  |                           |                 |   |
| Supplies and materials                       | 326,337                   | 326,337         | 0   |
| Total instruction                            | <u>326,337</u>            | <u>326,337</u>  | <u>0</u>  |
| Total expenditures                           | <u>326,337</u>            | <u>326,337</u>  | <u>0</u>  |
| Deficiency of revenue under expenditures     | (326,337)                 | (326,337)       | 0   |
| Fund balance, beginning of year              | 326,337                   | 326,337         | 0   |
| Expenditures against prior year encumbrances | 0                         | 0               | 0   |
| Fund balance, end of year                    | <u><u>\$0</u></u>         | <u><u>0</u></u> | <u><u>\$0</u></u>                               |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
**Schedule of Revenues, Expenditures, and Changes**  
**In Fund Balance - Budget (Non-GAAP Basis) and Actual -**  
**SchoolNet Professional Development Fund**  
**Year Ended June 30, 2001**

|  | <b>Revised<br/>Budget</b> | <b>Actual</b> | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|---------------|---|
| Revenues:  |                           |               |   |
| Intergovernmental  | \$12,000                  | 12,000        | \$0   |
| Total revenues   | <u>12,000</u>             | <u>12,000</u> | <u>0</u>  |
| Expenditures:  |                           |               |   |
| Instruction  |                           |               |   |
| Supplies and materials                                       | 500                       | 0             | 500   |
| Total instruction  | <u>500</u>                | <u>0</u>      | <u>500</u>                                      |
| Support services   |                           |               |   |
| Contract services  | 11,716                    | 5,280         | 6,436   |
| Supplies and materials                                       | 284                       | 284           | 0   |
| Total support services                                       | <u>12,000</u>             | <u>5,564</u>  | <u>6,436</u>                                    |
| Total expenditures   | <u>12,500</u>             | <u>5,564</u>  | <u>6,936</u>                                    |
| Excess (deficiency) of revenues<br>over (under) expenditures | (500)                     | 6,436         | 6,936   |
| Fund balance, beginning of year                              | 500                       | 500           | 0   |
| Expenditures against prior year encumbrances                 | 0                         | 0             | 0   |
| Fund balance, end of year                                    | <u>\$0</u>                | <u>6,936</u>  | <u>\$6,936</u>                                  |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 Title I Fund  
 Year Ended June 30, 2001

|  | <b>Revised<br/>Budget</b> | <b>Actual</b>  | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|----------------|---|
| <b>Revenues:</b>   |                           |                |   |
| Intergovernmental  | \$368,660                 | 237,529        | (\$131,131)                                     |
| <b>Total revenues</b>  | <b>368,660</b>            | <b>237,529</b> | <b>(131,131)</b>                                |
| <b>Expenditures:</b>   |                           |                |   |
| <b>Instruction</b>   |                           |                |   |
| Salaries   | 239,730                   | 187,549        | 52,181  |
| Benefits   | 63,917                    | 49,010         | 14,907  |
| Contract services  | 5,600                     | 3,297          | 2,303   |
| Supplies and materials   | 20,492                    | 4,910          | 15,582  |
| Equipment  | 10,000                    | 5,769          | 4,231   |
| <b>Total instruction</b>   | <b>339,739</b>            | <b>250,535</b> | <b>89,204</b>                                   |
| <b>Support services</b>  |                           |                |   |
| Salaries   | 27,405                    | 27,405         | 0   |
| Benefits   | 3,500                     | 3,459          | 41  |
| <b>Total support services</b>  | <b>30,905</b>             | <b>30,864</b>  | <b>41</b>                                       |
| <b>Total expenditures</b>  | <b>370,644</b>            | <b>281,399</b> | <b>89,245</b>                                   |
| Excess (deficiency) of revenue<br>over (under) expenditures                                  | (1,984)                   | (43,870)       | (41,886)  |
| <b>Other financing sources (uses):</b>   |                           |                |   |
| Advances / transfers in  | 42,000                    | 42,000         | 0   |
| Advances / transfers out   | (42,000)                  | 0              | 42,000  |
| <b>Total other financing sources (uses)</b>  | <b>0</b>                  | <b>42,000</b>  | <b>42,000</b>                                   |
| Excess (deficiency) of revenue and other sources<br>over (under) expenditures and other uses | (1,984)                   | (1,870)        | 114   |
| Fund balance, beginning of year  | 1,983                     | 1,983          | 0   |
| Expenditures against prior year encumbrances   | 1                         | 1              | 0   |
| <b>Fund balance, end of year</b>   | <b>\$0</b>                | <b>114</b>     | <b>\$114</b>                                    |

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 Chapter II Fund  
 Year Ended June 30, 2001

|  | <u>Revised<br/>Budget</u> | <u>Actual</u>   | <u>Variance<br/>Favorable<br/>(Unfavorable)</u> |
|--|---------------------------|-----------------|---|
| Revenues:  |                           |                 |   |
| Intergovernmental  | \$148,430                 | 35,945          | (\$112,485)                                     |
| Total revenues   | <u>148,430</u>            | <u>35,945</u>   | <u>(112,485)</u>                                |
| Expenditures:  |                           |                 |   |
| Instruction  |                           |                 |   |
| Salaries   | 54,439                    | 15,998          | 38,441  |
| Supplies and materials   | 27,548                    | 27,548          |   |
| Total instruction  | <u>81,987</u>             | <u>43,546</u>   | <u>38,441</u>                                   |
| Support services   |                           |                 |   |
| Salaries   | 107,132                   | 77,070          | 30,062  |
| Total support services   | <u>107,132</u>            | <u>77,070</u>   | <u>30,062</u>                                   |
| Community service  |                           |                 |   |
| Contract services  | 12,291                    | 4,162           | 8,129   |
| Supplies and materials   | 2,918                     | 2,189           | 729   |
| Equipment  | 10,710                    | 7,635           | 3,075   |
| Total community service  | <u>25,919</u>             | <u>13,986</u>   | <u>11,933</u>                                   |
| Total expenditures   | <u>215,038</u>            | <u>134,602</u>  | <u>80,436</u>                                   |
| Deficiency of revenue under expenditures   | <u>(66,608)</u>           | <u>(98,657)</u> | <u>(32,049)</u>                                 |
| Other financing sources (uses):  |                           |                 |   |
| Advances / transfers in  | 33,000                    | 33,000          | 0   |
| Advances / transfers out   | (33,000)                  | 0               | 33,000  |
| Other uses   | (22,988)                  | (22,988)        | 0   |
| Total other financing sources (uses)   | <u>(22,988)</u>           | <u>10,012</u>   | <u>33,000</u>                                   |
| Excess (deficiency) of revenue and other sources<br>over (under) expenditures and other uses | <u>(89,596)</u>           | <u>(88,645)</u> | <u>951</u>                                      |
| Fund balance, beginning of year  | 87,383                    | 87,383          | 0   |
| Expenditures against prior year encumbrances   | 2,215                     | 2,215           | 0   |
| Fund balance, end of year  | <u>\$2</u>                | <u>953</u>      | <u>\$951</u>                                    |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 Drug Free School Grant Fund  
 Year Ended June 30, 2001

|  | <b>Revised<br/>Budget</b> | <b>Actual</b>   | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|-----------------|---|
| Revenues:  |                           |                 |   |
| Intergovernmental  | \$70,772                  | 42,691          | (\$28,081)                                      |
| Total revenues   | <u>70,772</u>             | <u>42,691</u>   | <u>(28,081)</u>                                 |
| Expenditures:  |                           |                 |   |
| Instruction  |                           |                 |   |
| Salaries   | 1,150                     | 1,150           | 0   |
| Benefits   | 1,110                     | 259             | 851   |
| Contract services  | 10,910                    | 10,883          | 27  |
| Supplies and materials   | 1,000                     | 450             | 550   |
| Total instruction  | <u>14,170</u>             | <u>12,742</u>   | <u>1,428</u>                                    |
| Support services   |                           |                 |   |
| Salaries   | 34,213                    | 40              | 34,173  |
| Total support services   | <u>34,213</u>             | <u>40</u>       | <u>34,173</u>                                   |
| Total expenditures   | <u>48,383</u>             | <u>12,782</u>   | <u>35,601</u>                                   |
| Excess of revenue over expenditures  | <u>22,389</u>             | <u>29,909</u>   | <u>7,520</u>                                    |
| Other financing sources (uses):  |                           |                 |   |
| Advances / transfers out   | (29,371)                  | (29,371)        | 0   |
| Total other financing sources (uses)   | <u>(29,371)</u>           | <u>(29,371)</u> | <u>0</u>  |
| Excess (deficiency) of revenue and other sources<br>over (under) expenditures and other uses | (6,982)                   | 538             | 7,520   |
| Fund balance, beginning of year  | 6,774                     | 6,774           | 0   |
| Expenditures against prior year encumbrances   | 209                       | 209             | 0   |
| Fund balance, end of year  | <u>\$1</u>                | <u>7,521</u>    | <u>\$7,520</u>                                  |



**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 OhioReads Fund  
 Year Ended June 30, 2001

|  | <b>Revised<br/>Budget</b> | <b>Actual</b>  | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|----------------|---|
| <b>Revenues:</b>   |                           |                |   |
| Intergovernmental  | \$224,293                 | 224,293        | \$0   |
| <b>Total revenues</b>  | <b>224,293</b>            | <b>224,293</b> | <b>0</b>  |
| <b>Expenditures:</b>   |                           |                |   |
| <b>Instruction</b>   |                           |                |   |
| Salaries   | 63,753                    | 50,770         | 12,983  |
| Contract services  | 19,728                    | 16,725         | 3,003   |
| Supplies and materials   | 138,290                   | 136,896        | 1,394   |
| Equipment  | 2,021                     | 1,964          | 57  |
| Other  | 746                       | 648            | 98  |
| <b>Total instruction</b>   | <b>224,538</b>            | <b>207,003</b> | <b>17,535</b>                                   |
| <b>Total expenditures</b>  | <b>224,538</b>            | <b>207,003</b> | <b>17,535</b>                                   |
| Excess (deficiency) of revenue<br>over (under) expenditures                                  | (245)                     | 17,290         | 17,535  |
| <b>Other financing sources (uses):</b>   |                           |                |   |
| Advances / transfers in  | 4,875                     | 4,875          | 0   |
| Other uses   | (5,400)                   | (5,400)        | 0   |
| <b>Total other financing sources</b>   | <b>(525)</b>              | <b>(525)</b>   | <b>0</b>  |
| Excess (deficiency) of revenue and other sources<br>over (under) expenditures and other uses | (770)                     | 16,765         | 17,535  |
| Fund balance, beginning of year  | 84                        | 84             | 0   |
| Expenditures against prior year encumbrances   | 686                       | 686            | 0   |
| <b>Fund balance, end of year</b>   | <b>\$0</b>                | <b>17,535</b>  | <b>\$17,535</b>                                 |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 E-Rate Reimbursement Fund  
 Year Ended June 30, 2001

|   | <b>Revised<br/>Budget</b> | <b>Actual</b>   | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|---|---------------------------|-----------------|---|
| Revenues:   |                           |                 |   |
| Intergovernmental   | \$0                       | 0               | \$0   |
| Total revenues  | <u>0</u>                  | <u>0</u>        | <u>0</u>  |
| Expenditures:   |                           |                 |   |
| Support services  |                           |                 |   |
| Contract services   | 21,082                    | 19,684          | 1,398   |
| Other   | 500                       | 500             | 0   |
| Total support services                                      | <u>21,582</u>             | <u>20,184</u>   | <u>1,398</u>                                    |
| Total expenditures  | <u>21,582</u>             | <u>20,184</u>   | <u>1,398</u>                                    |
| Excess (deficiency) of revenue<br>over (under) expenditures | <u>(21,582)</u>           | <u>(20,184)</u> | <u>1,398</u>                                    |
| Fund balance, beginning of year                             | 9,457                     | 9,457           | 0   |
| Expenditures against prior year encumbrances                | 12,125                    | 12,125          | 0   |
| Fund balance, end of year                                   | <u>\$0</u>                | <u>1,398</u>    | <u>\$1,398</u>                                  |

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 ONenet Ohio Program  
 Year Ended June 30, 2001

|  | <b>Revised<br/>Budget</b> | <b>Actual</b> | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|---------------|---|
| Revenues:                                    |                           |               |   |
| Intergovernmental                            | \$0                       | 48,000        | \$48,000  |
| Total revenues                               | <u>0</u>                  | <u>48,000</u> | <u>48,000</u>                                   |
| Expenditures:                                |                           |               |   |
| Instruction                                  |                           |               |   |
| Supplies and materials                       | 0                         | 0             | 0   |
| Total instruction                            | <u>0</u>                  | <u>0</u>      | <u>0</u>  |
| Support services                             |                           |               |   |
| Contract services                            | 0                         | 0             | 0   |
| Supplies and materials                       | 0                         | 0             | 0   |
| Total support services                       | <u>0</u>                  | <u>0</u>      | <u>0</u>  |
| Total expenditures                           | <u>0</u>                  | <u>0</u>      | <u>0</u>  |
| Excess of revenue over expenditures          | 0                         | 48,000        | 48,000  |
| Fund balance, beginning of year              | 0                         | 0             | 0   |
| Expenditures against prior year encumbrances | 0                         | 0             | 0   |
| Fund balance, end of year                    | <u>\$0</u>                | <u>48,000</u> | <u>\$48,000</u>                                 |

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 Summer Intervention  
 Year Ended June 30, 2001

|  | <b>Revised<br/>Budget</b> | <b>Actual</b> | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|---------------|---|
| Revenues:                                    |                           |               |   |
| Intergovernmental                            | \$0                       | 22,068        | \$22,068  |
| Total revenues                               | <u>0</u>                  | <u>22,068</u> | <u>22,068</u>                                   |
| Expenditures:                                |                           |               |   |
| Instruction                                  |                           |               |   |
| Supplies and materials                       | 0                         | 0             | 0   |
| Total instruction                            | <u>0</u>                  | <u>0</u>      | <u>0</u>  |
| Support services                             |                           |               |   |
| Contract services                            | 0                         | 0             | 0   |
| Supplies and materials                       | 0                         | 0             | 0   |
| Total support services                       | <u>0</u>                  | <u>0</u>      | <u>0</u>  |
| Total expenditures                           | <u>0</u>                  | <u>0</u>      | <u>0</u>  |
| Excess of revenue over expenditures          | 0                         | 22,068        | 22,068  |
| Fund balance, beginning of year              | 0                         | 0             | 0   |
| Expenditures against prior year encumbrances | 0                         | 0             | 0   |
| Fund balance, end of year                    | <u>\$0</u>                | <u>22,068</u> | <u>\$22,068</u>                                 |

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 Disability Access Grant  
 Year Ended June 30, 2001

|  | <b>Revised<br/>Budget</b> | <b>Actual</b> | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|---------------|---|
| Revenues:                                    |                           |               |   |
| Intergovernmental                            | \$69,700                  | 69,700        | \$0   |
| Total revenues                               | <u>69,700</u>             | <u>69,700</u> | <u>0</u>  |
| Expenditures:                                |                           |               |   |
| Instruction                                  |                           |               |   |
| Salaries                                     | 44,000                    | 42,251        | 1,749   |
| Benefits                                     | 6,798                     | 6,233         | 565   |
| Contract services                            | 5,902                     | 0             | 5,902   |
| Supplies and materials                       | 8,098                     | 5,991         | 2,107   |
| Total instruction                            | <u>64,798</u>             | <u>54,475</u> | <u>10,323</u>                                   |
| Support services                             |                           |               |   |
| Contract services                            | 4,902                     | 4,527         | 375   |
| Total support services                       | <u>4,902</u>              | <u>4,527</u>  | <u>375</u>                                      |
| Total expenditures                           | <u>69,700</u>             | <u>59,002</u> | <u>10,698</u>                                   |
| Excess of revenue over expenditures          | 0                         | 10,698        | 10,698  |
| Fund balance, beginning of year              | 0                         | 0             | 0   |
| Expenditures against prior year encumbrances | 0                         | 0             | 0   |
| Fund balance, end of year                    | <u>\$0</u>                | <u>10,698</u> | <u>\$10,698</u>                                 |

## **MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**

### **DEBT SERVICE FUND**

The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the government is obligated in some manner for the payment. It is also used to account for the accumulation of resources and payment of general obligation notes payable, as required by Ohio Law.

Since there is only one Debt Service Fund and the level of budgetary control is not greater than that presented in the Combined Financial Statements, no additional financial statements are presented here.

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
**Comparative Balance Sheet -**  
**Debt Service Fund**  
**June 30, 2001 and 2000**

|                                       | <b>2001</b> | <b>2000</b> |
|---------------------------------------|-------------|-------------|
| <b>ASSETS</b>                         |             |             |
| Equity in pooled cash and investments | \$810,304   | \$894,225   |
| Taxes receivable - current            | 1,705,994   | 1,195,777   |
| Accounts receivable                   | 5,186       | 0           |
| Total assets                          | \$2,521,484 | \$2,090,002 |
| <b>LIABILITIES</b>                    |             |             |
| Deferred revenue                      |             |             |
| Taxes                                 | \$1,705,994 | \$1,195,777 |
| Total liabilities                     | 1,705,994   | 1,195,777   |
| <b>FUND BALANCES</b>                  |             |             |
| Reserved for debt                     | 815,490     | 894,225     |
| Total fund balances                   | 815,490     | 894,225     |
| Total liabilities and fund equity     | \$2,521,484 | \$2,090,002 |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
**Comparative Statements of Revenues, Expenditures and**  
**Changes in Fund Balances -**  
**Debt Service Fund**  
**For The Years Ended June 30, 2001 and 2000**

|  | <b>2001</b>             | <b>2000</b>             |
|--|-------------------------|-------------------------|
| Revenues   |                         |                         |
| Taxes  | \$1,576,727             | \$1,672,397             |
| Earnings on investments  | 5,186                   | 0                       |
| Intergovernmental  | 177,068                 | 191,894                 |
| Total revenues   | <u>1,758,981</u>        | <u>1,864,291</u>        |
| Expenditures   |                         |                         |
| Current  |                         |                         |
| Support services   |                         |                         |
| Fiscal   | 15,691                  | 19,754                  |
| Debt service   |                         |                         |
| Principal  | 416,507                 | 442,945                 |
| Interest   | <u>1,403,518</u>        | <u>1,382,050</u>        |
| Total expenditures   | <u>1,835,716</u>        | <u>1,844,749</u>        |
| Excess (deficiency) of revenue<br>over (under) expenditures                                  | (76,735)                | 19,542                  |
| Other financing sources (uses)   |                         |                         |
| Operating transfers out  | <u>(2,000)</u>          | <u>0</u>                |
| Excess (deficiency) of revenue and other sources<br>over (under) expenditures and other uses | (78,735)                | 19,542                  |
| Fund balance, beginning of year  | 894,225                 | 874,683                 |
| Fund balance, end of year  | <u><u>\$815,490</u></u> | <u><u>\$894,225</u></u> |



## MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

### CAPITAL PROJECT FUNDS

Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings or additions to existing buildings, or for major renovation projects. A description of the District's Capital Projects Funds follows:

**Permanent Improvement** -- Fund established from revenue received from sale of Board owned property and the transfer of board funds. One mill permanent improvement levy renewal passed in 1998 began to generate funds for this District starting in 1999 and will continue for 5 years. The funds will be used for acquisition, construction, or improvement of the District's facilities.

**Building** -- A fund used to account for receipts and expenditures related to all special bond funds in the District. All proceeds from the sale of bonds, notes, or certificate of indebtedness, except premium and accrued interest, must be paid into this fund. Expenditures recorded here represent the costs for acquiring capital facilities including real property.

**Replacement** -- A fund provided to account for monies used in the rebuilding, restoration, repair or improvement of property which has been totally or partially destroyed from any cause. Such property may have become unfit for use, necessitating its demolition in whole or in part, and require repair or restoration before it can again be used.

**SchoolNet Plus** -- The purpose of this fund is to increase the academic levels of each Ohio K-4 student.

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

Combining Balance Sheet -

All Capital Project Funds

June 30, 2001

(With Comparative Totals for 2000)

|                                       | <b>PERMANENT<br/>IMPROVEMENT<br/>FUND</b> | <b>BUILDING<br/>FUND</b> | <b>REPLACEMENT<br/>FUND</b> | <b>SCHOOLNET<br/>PLUS<br/>FUND</b> | <b>2001<br/>TOTALS</b> | <b>2000<br/>TOTALS</b> |
|---------------------------------------|---|--------------------------|-----------------------------|------------------------------------|------------------------|------------------------|
| <b>ASSETS</b>                         |   |                          |                             |                                    |                        |                        |
| Equity in pooled cash and investments | \$459,719                                 | 30                       | 27                          | 160,552                            | \$620,328              | \$289,949              |
| Taxes receivable - current            | 989,711                                   | 0                        | 0                           | 0                                  | 989,711                | 922,571                |
| Total assets                          | <u>\$1,449,430</u>                        | <u>30</u>                | <u>27</u>                   | <u>160,552</u>                     | <u>\$1,610,039</u>     | <u>\$1,212,520</u>     |
| <b>LIABILITIES</b>                    |   |                          |                             |                                    |                        |                        |
| Accounts payable                      | \$136,266                                 | 0                        | 0                           | 0                                  | \$136,266              | \$46,497               |
| Due to other funds                    | 160,000                                   | 0                        | 0                           | 0                                  | 160,000                | 186,000                |
| Deferred revenue                      |   |                          |                             |                                    |                        |                        |
| Taxes                                 | 989,711                                   | 0                        | 0                           | 0                                  | 989,711                | 922,571                |
| Bond anticipation notes               | 0   | 1,000,000                | 0                           | 0                                  | 1,000,000              | 1,250,000              |
| Total liabilities                     | <u>1,285,977</u>                          | <u>1,000,000</u>         | <u>0</u>                    | <u>0</u>                           | <u>2,285,977</u>       | <u>2,405,068</u>       |
| <b>FUND BALANCES</b>                  |   |                          |                             |                                    |                        |                        |
| Reserved for encumbrances             | 109,227                                   | 1,000,000                | 0                           | 111,514                            | 1,220,741              | 1,441,522              |
| Unreserved-undesignated (deficit)     | 54,226                                    | (1,999,970)              | 27                          | 49,038                             | (1,896,679)            | (2,634,070)            |
| Total fund balances (deficits)        | <u>163,453</u>                            | <u>(999,970)</u>         | <u>27</u>                   | <u>160,552</u>                     | <u>(675,938)</u>       | <u>(1,192,548)</u>     |
| Total liabilities and fund balances   | <u>\$1,449,430</u>                        | <u>30</u>                | <u>27</u>                   | <u>160,552</u>                     | <u>\$1,610,039</u>     | <u>\$1,212,520</u>     |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances -  
 All Capital Project Funds  
 Year Ended June 30, 2001  
 (With Comparative Totals for 2000)

|  | <b>PERMANENT<br/>IMPROVEMENT<br/>FUND</b> | <b>BUILDING<br/>FUND</b> | <b>REPLACEMENT<br/>FUND</b> | <b>SCHOOLNET<br/>PLUS<br/>FUND</b> | <b>2001<br/>TOTALS</b> | <b>2000<br/>TOTALS</b> |
|--|---|--------------------------|-----------------------------|------------------------------------|------------------------|------------------------|
| Revenues:  |   |                          |                             |                                    |                        |                        |
| Taxes  | \$939,654                                 | 0                        | 0                           | 0                                  | \$939,654              | \$907,980              |
| Earnings on investments  | 3,502                                     | 0                        | 0                           | 0                                  | 3,502                  | 6,988                  |
| Intergovernmental  | 97,080                                    | 0                        | 0                           | 324,361                            | 421,441                | 95,744                 |
| Miscellaneous revenue  | 125                                       | 0                        | 0                           | 0                                  | 125                    | 22,862                 |
| Total revenues   | <u>1,040,361</u>                          | <u>0</u>                 | <u>0</u>                    | <u>324,361</u>                     | <u>1,364,722</u>       | <u>1,033,574</u>       |
| Expenditures:  |   |                          |                             |                                    |                        |                        |
| Current  |   |                          |                             |                                    |                        |                        |
| Instruction  | 37,941                                    | 0                        | 0                           | 224,879                            | 262,820                | 52,885                 |
| Support services   |   |                          |                             |                                    |                        |                        |
| Pupil  | 0   | 0                        | 0                           | 0                                  | 0                      | 23,062                 |
| Administration   | 0   | 0                        | 0                           | 0                                  | 0                      | 2,354                  |
| Fiscal   | 86,816                                    | 0                        | 0                           | 0                                  | 86,816                 | 11,588                 |
| Business   | 56,907                                    | 0                        | 0                           | 0                                  | 56,907                 | 0                      |
| Operation and maintenance of plant   | 773,754                                   | 0                        | 0                           | 0                                  | 773,754                | 1,291,760              |
| Pupil transportation   | 525                                       | 0                        | 0                           | 0                                  | 525                    | 80,919                 |
| Central  | 24,775                                    | 0                        | 0                           | 0                                  | 24,775                 | 0                      |
| Food service   | 350                                       | 0                        | 0                           | 0                                  | 350                    | 222                    |
| Debt service interest  | 0   | 58,842                   | 0                           | 0                                  | 58,842                 | 0                      |
| Total expenditures   | <u>981,068</u>                            | <u>58,842</u>            | <u>0</u>                    | <u>224,879</u>                     | <u>1,264,789</u>       | <u>1,462,790</u>       |
| Excess (deficiency) of revenues<br>over (under) expenditures                                 | <u>59,293</u>                             | <u>(58,842)</u>          | <u>0</u>                    | <u>99,482</u>                      | <u>99,933</u>          | <u>(429,216)</u>       |
| Other financing sources  |   |                          |                             |                                    |                        |                        |
| Operating transfers in   | 30,000                                    | 308,842                  | 0                           | 0                                  | 338,842                | 250,000                |
| Inception of capital lease   | 77,835                                    | 0                        | 0                           | 0                                  | 77,835                 | 1,269                  |
| Total other financing sources  | <u>107,835</u>                            | <u>308,842</u>           | <u>0</u>                    | <u>0</u>                           | <u>416,677</u>         | <u>251,269</u>         |
| Excess (deficiency) of revenue and other sources<br>over (under) expenditures and other uses | 167,128                                   | 250,000                  | 0                           | 99,482                             | 516,610                | (177,947)              |
| Fund balance (deficit), beginning of year  | (3,675)                                   | (1,249,970)              | 27                          | 61,070                             | (1,192,548)            | (1,014,601)            |
| Fund balance (deficit), end of year  | <u>\$163,453</u>                          | <u>(999,970)</u>         | <u>27</u>                   | <u>160,552</u>                     | <u>(\$675,938)</u>     | <u>(\$1,192,548)</u>   |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 Permanent Improvement Fund  
 Year Ended June 30, 2001

|  | <b>Revised<br/>Budget</b> | <b>Actual</b>    | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|------------------|---|
| <b>Revenues:</b>   |                           |                  |   |
| Taxes  | \$811,014                 | 939,654          | \$128,640                                       |
| Earnings on investments  | 3,502                     | 3,502            | 0   |
| Intergovernmental  | 97,080                    | 97,080           | 0   |
| Miscellaneous revenue  | 125                       | 125              | 0   |
| <b>Total revenues</b>  | <b>911,721</b>            | <b>1,040,361</b> | <b>128,640</b>                                  |
| <b>Expenditures:</b>   |                           |                  |   |
| <b>Current:</b>  |                           |                  |   |
| <b>Instruction:</b>  |                           |                  |   |
| Regular instruction  | 2,240                     | 2,240            | 0   |
| Other instruction  | 42,928                    | 42,928           | 0   |
| <b>Support services:</b>   |                           |                  |   |
| Fiscal   | 8,981                     | 8,981            | 0   |
| Business   | 56,907                    | 56,907           | 0   |
| Operation and maintenance of plant   | 901,218                   | 895,161          | 6,057   |
| Pupil transportation   | 1,133                     | 1,093            | 40  |
| Central  | 24,775                    | 24,775           | 0   |
| Community services   | 350                       | 350              | 0   |
| <b>Total expenditures</b>  | <b>1,038,532</b>          | <b>1,032,435</b> | <b>6,097</b>                                    |
| Excess (deficiency) of revenue<br>over (under) expenditures                                  | <b>(126,811)</b>          | 7,926            | 134,737   |
| <b>Other financing sources (uses):</b>   |                           |                  |   |
| Advances / transfers in  | 85,293                    | 190,000          | 104,707   |
| Advances / transfers out   | <b>(186,000)</b>          | <b>(186,000)</b> | 0   |
| <b>Total other financing sources (uses)</b>  | <b>(100,707)</b>          | 4,000            | 104,707   |
| Excess (deficiency) of revenue and other sources<br>over (under) expenditures and other uses | <b>(227,518)</b>          | 11,926           | 239,444   |
| Fund balance, beginning of year  | 4                         | 4                | 0   |
| Expenditures against prior year encumbrances   | 227,517                   | 227,517          | 0   |
| <b>Fund balance, end of year</b>   | <b>\$3</b>                | <b>239,447</b>   | <b>\$239,444</b>                                |

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 Building Fund  
 Year Ended June 30, 2001

|   | <b>Revised<br/>Budget</b> | <b>Actual</b> | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|---|---------------------------|---------------|---|
| Revenues:   |                           |               |   |
| Earnings on investments                                     | \$0                       | 0             | \$0   |
| Miscellaneous revenue                                       | 0                         | 0             | 0   |
| <b>Total revenues</b>                                       | <b>0</b>                  | <b>0</b>      | <b>0</b>  |
| Expenditures:   |                           |               |   |
| Current:  |                           |               |   |
| Support service   | 5                         | 0             | 5   |
| Extracurricular activities                                  | 25                        | 0             | 25  |
| <b>Total expenditures</b>                                   | <b>30</b>                 | <b>0</b>      | <b>30</b>                                       |
| Excess (deficiency) of revenue<br>over (under) expenditures | (30)                      | 0             | 30  |
| Fund balance, beginning of year                             | 27                        | 27            | 0   |
| Expenditures against prior year encumbrances                | 3                         | 3             | 0   |
| <b>Fund balance, end of year</b>                            | <b>\$0</b>                | <b>30</b>     | <b>\$30</b>                                     |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 Replacement Fund  
 Year Ended June 30, 2001

|  | <b>Revised<br/>Budget</b> | <b>Actual</b> | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|--|---------------------------|---------------|---|
| <b>Revenues:</b>                             |                           |               |   |
| Earnings on investments                      | \$0                       | 0             | \$0   |
| <b>Total revenues</b>                        | <b>0</b>                  | <b>0</b>      | <b>0</b>  |
| <b>Expenditures:</b>                         |                           |               |   |
| <b>Current</b>                               |                           |               |   |
| Support services                             |                           |               |   |
| Pupil transportation                         | 27                        | 0             | 27  |
| <b>Total expenditures</b>                    | <b>27</b>                 | <b>0</b>      | <b>27</b>                                       |
| Deficiency of revenue under expenditures     | (27)                      | 0             | (27)  |
| Fund balance, beginning of year              | 28                        | 28            | 0   |
| Expenditures against prior year encumbrances | (1)                       | (1)           | 0   |
| <b>Fund balance, end of year</b>             | <b>\$0</b>                | <b>27</b>     | <b>(\$27)</b>                                   |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Schedule of Revenues, Expenditures, and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -  
 Schoolnet Plus Fund  
 Year Ended June 30, 2001

|   | <b>Revised<br/>Budget</b> | <b>Actual</b>        | <b>Variance<br/>Favorable<br/>(Unfavorable)</b> |
|---|---------------------------|----------------------|---|
| <b>Revenues:</b>  |                           |                      |   |
| Intergovernmental   | \$324,361                 | 324,361              | \$0   |
| Total revenues  | <u>324,361</u>            | <u>324,361</u>       | <u>0</u>  |
| <b>Expenditures:</b>  |                           |                      |   |
| <b>Current:</b>   |                           |                      |   |
| Instruction   | 250,732                   | 241,694              | 9,038   |
| Support services  |                           |                      |   |
| Central   | 136,000                   | 96,000               | 40,000  |
| Total expenditures  | <u>386,732</u>            | <u>337,694</u>       | <u>49,038</u>                                   |
| Excess (deficiency) of revenue<br>over (under) expenditures | (62,371)                  | (13,333)             | 49,038  |
| Fund balance, beginning of year                             | 51,005                    | 51,005               | 0   |
| Expenditures against prior year encumbrances                | 11,366                    | 11,366               | 0   |
| Fund balance, end of year                                   | <u><u>\$0</u></u>         | <u><u>49,038</u></u> | <u><u>\$49,038</u></u>                          |

## MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

### ENTERPRISE FUNDS

Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private sector businesses where the intent is that the expense (including depreciation) of providing goods or services primarily or solely to the general public be financed or recovered primarily through user charges. A description of the District's Enterprise Funds follows:

**Food Service** -- A fund used to record financial transactions related to food service operations.

**Uniform School Supply** -- A rotary fund provided under the authority of Section 3313.811, Ohio Revised Code, for the purchase and sale of school supplies as adopted by the Board of Education for use in the schools of the district.

**Rotary Fund** -- A fund provided to account for income and expenses made in connection with goods and services provided by a school district.

**Adult Education Fund** -- A fund provided to account for monies received and expended in connection with adult education classes.

**Recreation Fund** -- A fund provided to account for monies received and expended in connection with a Community Recreation Program.



MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
Combining Balance Sheet -  
All Enterprise Funds  
June 30, 2001  
(With Comparative Totals for 2000)

|   | <u>FOOD<br/>SERVICE</u> | <u>UNIFORM<br/>SUPPLY</u> | <u>ROTARY</u> | <u>ADULT<br/>EDUCATION</u> | <u>RECREATION<br/>FUND</u> | <u>2001<br/>TOTALS</u> | <u>2000<br/>TOTALS</u> |
|---|-------------------------|---------------------------|---------------|----------------------------|----------------------------|------------------------|------------------------|
| <b>ASSETS</b>                                 |                         |                           |               |                            |                            |                        |                        |
| Equity in pooled cash and investments         | \$662,045               | 220,129                   | 56,106        | 584                        | 16,107                     | \$954,971              | \$860,962              |
| Accounts receivable                           | 52,286                  | 0                         | 0             | 0                          | 0                          | 52,286                 | 72,746                 |
| Materials and supplies inventories            | 47,442                  | 0                         | 0             | 0                          | 0                          | 47,442                 | 55,172                 |
| Fixed assets, net of accumulated depreciation | 193,291                 | 0                         | 0             | 0                          | 3,086                      | 196,377                | 162,327                |
| Total assets                                  | <u>\$955,064</u>        | <u>220,129</u>            | <u>56,106</u> | <u>584</u>                 | <u>19,193</u>              | <u>\$1,251,076</u>     | <u>\$1,151,207</u>     |
| <b>LIABILITIES</b>                            |                         |                           |               |                            |                            |                        |                        |
| Accounts payable                              | \$34,562                | 32,604                    | 0             | 0                          | 0                          | \$67,166               | \$65,832               |
| Accrued wages and benefits                    | 50,353                  | 0                         | 44,978        | 0                          | 0                          | 95,331                 | 166,467                |
| Pension obligation payable                    | 9,689                   | 0                         | 8,975         | 0                          | 0                          | 18,664                 | 0                      |
| Due to other funds                            | 0                       | 0                         | 0             | 0                          | 0                          | 0                      | 70,146                 |
| Due to other governments                      | 0                       | 0                         | 580           | 0                          | 0                          | 580                    | 32,857                 |
| Total liabilities                             | <u>94,604</u>           | <u>32,604</u>             | <u>54,533</u> | <u>0</u>                   | <u>0</u>                   | <u>181,741</u>         | <u>335,302</u>         |
| <b>FUND EQUITY</b>                            |                         |                           |               |                            |                            |                        |                        |
| Retained earnings - unreserved                | <u>860,460</u>          | <u>187,525</u>            | <u>1,573</u>  | <u>584</u>                 | <u>19,193</u>              | <u>1,069,335</u>       | <u>815,905</u>         |
| Total fund equity                             | <u>860,460</u>          | <u>187,525</u>            | <u>1,573</u>  | <u>584</u>                 | <u>19,193</u>              | <u>1,069,335</u>       | <u>815,905</u>         |
| Total liabilities and fund equity             | <u>\$955,064</u>        | <u>220,129</u>            | <u>56,106</u> | <u>584</u>                 | <u>19,193</u>              | <u>\$1,251,076</u>     | <u>\$1,151,207</u>     |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Combining Statement of Revenues, Expenses, and Changes in Retained Earnings -  
 All Enterprise Funds  
 Year Ended June 30, 2001  
 (With Comparative Totals for 2000)

|  | <u>FOOD<br/>SERVICE</u> | <u>UNIFORM<br/>SCHOOL<br/>SUPPLY</u> | <u>ROTARY</u>   | <u>ADULT<br/>EDUCATION</u> | <u>RECREATION<br/>FUND</u> | <u>2001<br/>TOTALS</u> | <u>2000<br/>TOTALS</u> |
|--|-------------------------|--------------------------------------|-----------------|----------------------------|----------------------------|------------------------|------------------------|
| Operating revenues                               |                         |                                      |                 |                            |                            |                        |                        |
| Tuition and fees                                 | \$0                     | 291,247                              | 109,111         | 11,251                     | 0                          | \$411,609              | \$418,959              |
| Sales  | 1,808,976               | 0                                    | 0               | 0                          | 0                          | 1,808,976              | 1,741,978              |
| Charges for services                             | 0                       | 40,348                               | 2,389           | 0                          | 260,763                    | 303,500                | 274,565                |
| Total operating revenues                         | <u>1,808,976</u>        | <u>331,595</u>                       | <u>111,500</u>  | <u>11,251</u>              | <u>260,763</u>             | <u>2,524,085</u>       | <u>2,435,502</u>       |
| Operating expenses                               |                         |                                      |                 |                            |                            |                        |                        |
| Salaries and wages                               | 775,428                 | 0                                    | 84,496          | 5,887                      | 0                          | 865,811                | 837,064                |
| Fringe benefits                                  | 289,521                 | 0                                    | 0               | 1,184                      | 0                          | 290,705                | 364,632                |
| Contractual services                             | 71,839                  | 0                                    | 4,900           | 5,857                      | 198,838                    | 281,434                | 356,293                |
| Materials and supplies                           | 997,059                 | 305,481                              | 0               | 1,098                      | 1,926                      | 1,305,564              | 1,446,716              |
| Other expenses                                   | 21,169                  | 1,793                                | 43,337          | 0                          | 21,564                     | 87,863                 | 26,398                 |
| Depreciation                                     | 30,213                  | 0                                    | 0               | 0                          | 624                        | 30,837                 | 26,637                 |
| Total operating expenses                         | <u>2,185,229</u>        | <u>307,274</u>                       | <u>132,733</u>  | <u>14,026</u>              | <u>222,952</u>             | <u>2,862,214</u>       | <u>3,057,740</u>       |
| Operating income (loss)                          | <u>(376,253)</u>        | <u>24,321</u>                        | <u>(21,233)</u> | <u>(2,775)</u>             | <u>37,811</u>              | <u>(338,129)</u>       | <u>(622,238)</u>       |
| Non-operating revenues (expenses)                |                         |                                      |                 |                            |                            |                        |                        |
| Grant revenue                                    | 439,585                 | 0                                    | 0               | 0                          | 0                          | 439,585                | 430,580                |
| Interest   | 39,874                  | 0                                    | 0               | 0                          | 0                          | 39,874                 | 29,801                 |
| Proceeds from sale of assets                     | 2,500                   | 0                                    | 0               | 0                          | 0                          | 2,500                  | 1,600                  |
| Other non-operating expenses                     | 0                       | 0                                    | (400)           | 0                          | 0                          | (400)                  | 0                      |
| Total non-operating revenues (expenses)          | <u>481,959</u>          | <u>0</u>                             | <u>(400)</u>    | <u>0</u>                   | <u>0</u>                   | <u>481,559</u>         | <u>461,981</u>         |
| Net income (loss)<br>before operating transfers  | 105,706                 | 24,321                               | (21,633)        | (2,775)                    | 37,811                     | 143,430                | (160,257)              |
| Operating transfer-in                            | <u>0</u>                | <u>105,000</u>                       | <u>0</u>        | <u>5,000</u>               | <u>0</u>                   | <u>110,000</u>         | <u>110,288</u>         |
| Net income (loss)                                | 105,706                 | 129,321                              | (21,633)        | 2,225                      | 37,811                     | 253,430                | (49,969)               |
| Retained earnings (deficit)<br>beginning of year | 754,754                 | 58,204                               | 23,206          | (1,641)                    | (18,618)                   | 815,905                | 865,874                |
| Retained earnings end of year                    | <u>\$860,460</u>        | <u>187,525</u>                       | <u>1,573</u>    | <u>584</u>                 | <u>19,193</u>              | <u>\$1,069,335</u>     | <u>\$815,905</u>       |

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
 COMBINING STATEMENT OF CASH FLOWS -  
 All Enterprise Funds  
 For The Year Ended June 30, 2001  
 (With Comparative Totals for 2000)

|  | <u>FOOD<br/>SERVICE</u> | <u>UNIFORM<br/>SUPPLY</u> | <u>ROTARY</u> | <u>ADULT<br/>EDUCATION</u> | <u>RECREATION<br/>FUND</u> | <u>2001<br/>TOTALS</u> | <u>2000<br/>TOTALS</u> |
|--|-------------------------|---------------------------|---------------|----------------------------|----------------------------|------------------------|------------------------|
| Cash flows from operating activities:  |                         |                           |               |                            |                            |                        |                        |
| Operating income (loss)  | (\$376,253)             | 24,321                    | (21,233)      | (2,775)                    | 37,811                     | (\$338,129)            | (\$622,238)            |
| Adjustments to reconcile operating income<br>(loss) to net cash provided by<br>(used in) operating activities: |                         |                           |               |                            |                            |                        |                        |
| Depreciation   | 30,213                  | 0                         | 0             | 0                          | 624                        | 30,837                 | 26,637                 |
| (Increase) decrease in:  |                         |                           |               |                            |                            |                        |                        |
| Accounts receivable  | 20,460                  | 0                         | 0             | 0                          | 0                          | 20,460                 | 2,471                  |
| Materials and supplies inventory   | 7,730                   | 0                         | 0             | 0                          | 0                          | 7,730                  | (1,924)                |
| Increase (decrease) in:  |                         |                           |               |                            |                            |                        |                        |
| Accounts payable   | (21,993)                | 26,363                    | (2,988)       | (48)                       | 0                          | 1,334                  | 53,654                 |
| Accrued wages and benefits   | (55,870)                | 0                         | (9,022)       | (6,244)                    | 0                          | (71,136)               | 74,411                 |
| Pension obligation payable   | 9,689                   | 0                         | 8,975         | 0                          | 0                          | 18,664                 | 0                      |
| Due to other governments   | (32,517)                | (1,063)                   | 580           | 0                          | 723                        | (32,277)               | (229)                  |
| Due to other funds   | 0                       | (29,000)                  | 0             | 0                          | (41,146)                   | (70,146)               | 70,146                 |
| Total adjustments  | (42,288)                | (3,700)                   | (2,455)       | (6,292)                    | (39,799)                   | (94,534)               | 225,166                |
| Net cash provided by (used in) operating activities  | (418,541)               | 20,621                    | (23,688)      | (9,067)                    | (1,988)                    | (432,663)              | (397,072)              |
| Cash flows from noncapital financing activities:   |                         |                           |               |                            |                            |                        |                        |
| Operating grants received  | 439,585                 | 0                         | 0             | 0                          | 0                          | 439,585                | 430,580                |
| Proceeds from sale of assets   | 2,500                   | 0                         | 0             | 0                          | 0                          | 2,500                  | 1,600                  |
| Operating transfers - in   | 0                       | 105,000                   | 0             | 5,000                      | 0                          | 110,000                | 110,288                |
| Other non-operating  | 0                       | 0                         | (400)         | 0                          | 0                          | (400)                  | 0                      |
| Net cash provided by (used in)<br>noncapital financing activities  | 442,085                 | 105,000                   | (400)         | 5,000                      | 0                          | 551,685                | 542,468                |
| Cash flows from capital and related<br>financing activities:   |                         |                           |               |                            |                            |                        |                        |
| Acquisition and construction of capital assets   | (64,887)                | 0                         | 0             | 0                          | 0                          | (64,887)               | (14,449)               |
| Cash flows from investing activities:  |                         |                           |               |                            |                            |                        |                        |
| Interest received  | 39,874                  | 0                         | 0             | 0                          | 0                          | 39,874                 | 29,801                 |
| Net increase (decrease) in cash and cash equivalents   | (1,469)                 | 125,621                   | (24,088)      | (4,067)                    | (1,988)                    | 94,009                 | 160,748                |
| Cash and cash equivalents at beginning of year   | 663,514                 | 94,508                    | 80,194        | 4,651                      | 18,095                     | 860,962                | 700,214                |
| Cash and cash equivalents at end of year   | \$662,045               | 220,129                   | 56,106        | 584                        | 16,107                     | \$954,971              | \$860,962              |

## MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

### INTERNAL SERVICE FUND

The Internal Service Fund is used to account for the financing of services provided by one department to other departments of the government or to other Districts on a cost reimbursement basis. A description of the District's Internal Service Fund follows:

**Special Rotary Fund** -- A fund provided to carry out a cycle of operations. The fund has been established for the Elementary Camp Program, We Care Program, Special Education Program involving excess cost billings to participating districts and, also, as of July 1, 1982, we have been required to use this fund for certain monies previously handled under student activity accounts.

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
**Comparative Balance Sheet -**  
**Internal Service Fund**  
**June 30, 2001 and 2000**

|  | <b>2001</b> | <b>2000</b> |
|--|-------------|-------------|
| <b>ASSETS</b>                                |             |             |
| Accounts receivable                          | \$44,647    | \$3,332     |
| Due from other funds                         | 903,622     | 1,001,073   |
| Due from other governments                   | 2,305,415   | 1,652,080   |
| Fixed assets net of accumulated depreciation | 112,749     | 112,389     |
| <br>   |             |             |
| Total assets                                 | \$3,366,433 | \$2,768,874 |
| <br><b>LIABILITIES</b>                       |             |             |
| Accounts payable                             | \$5,088     | \$37,189    |
| Accrued wages and benefits                   | 182,868     | 256,841     |
| Pension obligation payable                   | 36,489      | 10,118      |
| Due to other governments                     | 13,892      | 88          |
| Due to other funds                           | 1,700,162   | 1,536,158   |
| Total liabilities                            | 1,938,499   | 1,840,394   |
| <br><b>FUND EQUITY</b>                       |             |             |
| Retained earnings                            | 1,427,934   | 928,480     |
| Total fund equity                            | 1,427,934   | 928,480     |
| Total liabilities and fund equity            | \$3,366,433 | \$2,768,874 |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
**Comparative Statements of Revenues, Expenses and Changes**  
**in Retained Earnings -**  
**Internal Service Fund**  
**For The Years Ended June 30, 2001 and 2000**

|                                     | <u>2001</u>        | <u>2000</u>        |
|-------------------------------------|--------------------|--------------------|
| Operating revenues                  |                    |                    |
| Tuition and fees                    | \$3,568,502        | \$2,201,630        |
| Sales                               | 301,795            | 323,180            |
| Charges for services                | 674,777            | 711,745            |
|                                     |                    |                    |
| Total operating revenues            | <u>4,545,074</u>   | <u>3,236,555</u>   |
|                                     |                    |                    |
| Operating expenses                  |                    |                    |
| Salaries and wages                  | 2,006,075          | 1,845,624          |
| Fringe benefits                     | 382,965            | 525,717            |
| Contractual services                | 2,008,432          | 1,468,440          |
| Materials and supplies              | 123,386            | 241,966            |
| Other expenses                      | 270,629            | 287,913            |
| Depreciation                        | 23,538             | 21,102             |
|                                     |                    |                    |
| Total operating expenses            | <u>4,815,025</u>   | <u>4,390,762</u>   |
|                                     |                    |                    |
| Operating loss                      | <u>(269,951)</u>   | <u>(1,154,207)</u> |
|                                     |                    |                    |
| Non-operating revenues (expenses)   |                    |                    |
| Grant revenue                       | 87,477             | 85,547             |
| Earnings on investments             | 3,076              | 528                |
| Other non-operating expenses        | (2,644)            | 0                  |
|                                     |                    |                    |
| Total non-operating revenues        | <u>87,909</u>      | <u>86,075</u>      |
|                                     |                    |                    |
| Net loss before operating transfers | <u>(182,042)</u>   | <u>(1,068,132)</u> |
|                                     |                    |                    |
| Operating transfers in              | 681,496            | 738,208            |
| Operating transfers out             | 0                  | (500)              |
|                                     |                    |                    |
| Net income (loss)                   | 499,454            | (330,424)          |
|                                     |                    |                    |
| Retained earnings beginning of year | 928,480            | 1,258,904          |
|                                     |                    |                    |
| Retained earnings, end of year      | <u>\$1,427,934</u> | <u>\$928,480</u>   |

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

Comparative Statement of Cash Flows -

Internal Service Fund

For The Year Ended June 30, 2001 and 2000

|  | 2001        | 2000          |
|--|-------------|---------------|
| Cash flows from operating activities:  |             |               |
| Operating loss   | (\$269,951) | (\$1,154,207) |
| Adjustments to reconcile operating loss<br>to net cash used in operating activities: |             |               |
| Depreciation   | 23,538      | 21,102        |
| (Increase) decrease in:  |             |               |
| Accounts receivable  | (41,315)    | 120,348       |
| Due from other governments   | (653,335)   | (393,403)     |
| Due from other funds   | 97,451      | 0             |
| Increase (decrease) in:  |             |               |
| Accounts payable   | (32,101)    | 13,821        |
| Accrued wages and benefits   | (73,973)    | 14,133        |
| Pension obligation payable   | 26,371      | 5,139         |
| Due to other governments   | 13,804      | (7,183)       |
| Due to other funds   | 164,004     | 578,746       |
| Total adjustments  | (475,556)   | 352,703       |
| Net cash used in operating activities  | (745,507)   | (801,504)     |
| Cash flows from noncapital financing activities:                                     |             |               |
| Operating grants received  | 87,477      | 85,547        |
| Operating transfers-in   | 681,496     | 738,208       |
| Operating transfers-out  | 0           | (500)         |
| Other non-operating  | (2,644)     | 0             |
| Net cash provided by noncapital financing activities                                 | 766,329     | 823,255       |
| Cash flows from capital and related financing activities:                            |             |               |
| Acquisition and construction of capital assets                                       | (23,898)    | (22,279)      |
| Cash flows from investing activities:  |             |               |
| Interest received  | 3,076       | 528           |
| Net increase in cash and cash equivalents  | 0           | 0             |
| Cash and cash equivalents at beginning of year                                       | 0           | 0             |
| Cash and cash equivalents at end of year   | \$0         | \$0           |

## MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

### FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets when a governmental unit is functioning either as a trustee or an agent for another party. Because the governmental unit is functioning in a fiduciary capacity, the authority to employ, dispose of, or otherwise use the assets is determined not by a legislative body or oversight board but by the public laws and private agreements that created the trustee or agency relationship.

#### Expendable Trust Fund

**Special Trust Funds** -- This fund is used to account for money and property held in trust by a school system for individuals, government entities, or non-public organizations.

#### Agency Funds

**Student Activity Funds** -- Those student activity programs which have student participation in the activity and have students involved in the management of the programs.

**Employee Benefits Funds** -- A fund provided to account for monies received from Employee Benefits self-insurance funds of school districts forming an insurance pool for Employee Benefits.



**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
 Combining Balance Sheet -  
 All Expendable Trust and Agency Funds  
 June 30, 2001  
 (With Comparative Totals for 2000)

|                                       | <b>AGENCY FUNDS</b>            |                                   |                              |                        |                        |
|---------------------------------------|--------------------------------|-----------------------------------|------------------------------|------------------------|------------------------|
|                                       | <b>SPECIAL<br/>TRUST FUNDS</b> | <b>STUDENT<br/>ACTIVITY FUNDS</b> | <b>EMPLOYEE<br/>BENEFITS</b> | <b>2001<br/>TOTALS</b> | <b>2000<br/>TOTALS</b> |
| <b>ASSETS</b>                         |                                |                                   |                              |                        |                        |
| Equity in pooled cash and investments | \$304,711                      | 399,923                           | 4,724,916                    | \$5,429,550            | \$4,945,387            |
| Accounts receivable                   | 4,024                          | 0                                 | 15,164                       | 19,188                 | 0                      |
| Total assets                          | \$308,735                      | 399,923                           | 4,740,080                    | \$5,448,738            | \$4,945,387            |
| <b>LIABILITIES</b>                    |                                |                                   |                              |                        |                        |
| Accounts payable                      | \$0                            | 17,624                            | 18,881                       | \$36,505               | \$36,153               |
| Due to other governments              | 0                              | 0                                 | 1,201,533                    | 1,201,533              | 1,688,483              |
| Due to other funds                    | 0                              | 0                                 | 1,362,956                    | 1,362,956              | 1,302,500              |
| Due to students                       | 0                              | 382,299                           | 0                            | 382,299                | 319,344                |
| Claims payable                        | 0                              | 0                                 | 2,156,710                    | 2,156,710              | 1,364,748              |
| Total liabilities                     | 0                              | 399,923                           | 4,740,080                    | 5,140,003              | 4,711,228              |
| <b>FUND EQUITY</b>                    |                                |                                   |                              |                        |                        |
| Fund balances                         |                                |                                   |                              |                        |                        |
| Reserved for encumbrances             | 57,322                         | 0                                 | 0                            | 57,322                 | 50,356                 |
| Unreserved - undesignated             | 251,413                        | 0                                 | 0                            | 251,413                | 183,803                |
| Total fund balances                   | 308,735                        | 0                                 | 0                            | 308,735                | 234,159                |
| Total liabilities and fund balances   | \$308,735                      | 399,923                           | 4,740,080                    | \$5,448,738            | \$4,945,387            |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
**Comparative Statements of Revenues, Expenditures and**  
**Changes in Fund Balances -**  
**Expendable Trust Fund**  
**For The Fiscal Years Ended June 30, 2001 and 2000**

|  | <b>2001</b> | <b>2000</b> |
|--|-------------|-------------|
| <b>Revenues</b>  |             |             |
| Sales  | \$105,312   | \$105,270   |
| Earnings on investments  | 1,864       | 637         |
| Extracurricular activities   | 23,208      | 18,873      |
| Contributions  | 232,435     | 190,893     |
| Refund of prior year expenditures  | 0           | 11,059      |
| Total revenues   | 362,819     | 326,732     |
| <b>Expenditures</b>  |             |             |
| <b>Current</b>   |             |             |
| Instruction  | 67,205      | 76,639      |
| Support services   |             |             |
| Pupil  | 14,859      | 11,475      |
| Instructional staff  | 33,967      | 30,879      |
| Administration   | 2,391       | 3,974       |
| Central  | 63,001      | 47,062      |
| Food service operation   | 87,415      | 77,399      |
| Extracurricular activities   | 18,560      | 14,329      |
| Refund of prior year receipts  | 832         | 944         |
| Total expenditures   | 288,230     | 262,701     |
| Excess (deficiency) of revenues<br>over (under) expenditures                                 | 74,589      | 64,031      |
| <b>Other financing sources (uses)</b>  |             |             |
| Operating transfers out  | (13)        | 0           |
| Total other financing sources (uses)   | (13)        | 0           |
| Excess (deficiency) of revenue and other sources<br>over (under) expenditures and other uses | 74,576      | 64,031      |
| Fund balance, beginning of year  | 234,159     | 170,128     |
| Fund balance, end of year  | \$308,735   | \$234,159   |

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
Combining Statement of Changes in Assets and Liabilities -  
Agency Fund  
For The Year Ended June 30, 2001

|                                       | <b>Beginning<br/>Balance<br/>07/01/00</b> | <b>Additions</b>  | <b>Deletions</b>  | <b>Ending<br/>Balance<br/>06/30/01</b> |
|---------------------------------------|---|-------------------|-------------------|--|
| <b>STUDENT ACTIVITY FUNDS</b>         |   |                   |                   |  |
| <b>ASSETS</b>                         |   |                   |                   |  |
| Equity in pooled cash and investments | \$341,514                                 | 934,260           | 875,851           | \$399,923                              |
| Total assets                          | <u>\$341,514</u>                          | <u>934,260</u>    | <u>875,851</u>    | <u>\$399,923</u>                       |
| <b>LIABILITIES</b>                    |   |                   |                   |  |
| Accounts payable                      | \$22,170                                  | 17,624            | 22,170            | \$17,624                               |
| Due to students                       | 319,344                                   | 916,636           | 853,681           | 382,299                                |
| Total liabilities                     | <u>\$341,514</u>                          | <u>934,260</u>    | <u>875,851</u>    | <u>\$399,923</u>                       |
| <b>EMPLOYEE BENEFITS FUNDS</b>        |   |                   |                   |  |
| <b>ASSETS</b>                         |   |                   |                   |  |
| Equity in pooled cash and investments | \$4,354,667                               | 14,570,102        | 14,199,853        | \$4,724,916                            |
| Accounts receivable                   | 0   | 15,164            | 0                 | 15,164                                 |
| Total assets                          | <u>\$4,354,667</u>                        | <u>14,585,266</u> | <u>14,199,853</u> | <u>\$4,740,080</u>                     |
| <b>LIABILITIES</b>                    |   |                   |                   |  |
| Accounts payable                      | \$0                                       | 18,881            | 0                 | \$18,881                               |
| Due to other governments              | 1,687,419                                 | 1,201,533         | 1,687,419         | 1,201,533                              |
| Due to other funds                    | 1,302,500                                 | 1,362,956         | 1,302,500         | 1,362,956                              |
| Claims payable                        | 1,364,748                                 | 12,001,896        | 11,209,934        | 2,156,710                              |
| Total liabilities                     | <u>\$4,354,667</u>                        | <u>14,585,266</u> | <u>14,199,853</u> | <u>\$4,740,080</u>                     |
| <b>ALL AGENCY FUNDS</b>               |   |                   |                   |  |
| <b>ASSETS</b>                         |   |                   |                   |  |
| Equity in pooled cash and investments | \$4,696,181                               | 15,519,526        | 15,075,704        | \$5,140,003                            |
| Total assets                          | <u>\$4,696,181</u>                        | <u>15,519,526</u> | <u>15,075,704</u> | <u>\$5,140,003</u>                     |
| <b>LIABILITIES</b>                    |   |                   |                   |  |
| Accounts payable                      | \$22,170                                  | 36,505            | 22,170            | \$36,505                               |
| Due to other governments              | 1,687,419                                 | 1,201,533         | 1,687,419         | 1,201,533                              |
| Due to other funds                    | 1,302,500                                 | 1,362,956         | 1,302,500         | 1,362,956                              |
| Due to students                       | 319,344                                   | 916,636           | 853,681           | 382,299                                |
| Claims payable                        | 1,364,748                                 | 12,001,896        | 11,209,934        | 2,156,710                              |
| Total liabilities                     | <u>\$4,696,181</u>                        | <u>15,519,526</u> | <u>15,075,704</u> | <u>\$5,140,003</u>                     |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**

**GENERAL FIXED ASSETS ACCOUNT GROUP**

This group of accounts is used to account for all sites, buildings, equipment and vehicles not used in the operations of the Proprietary Funds.

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
SCHEDULE OF GENERAL FIXED ASSETS  
BY FUNCTION AND TYPE  
JUNE 30, 2001

| <b><u>Function</u></b>                          | <b><u>Land and<br/>Improvements</u></b> | <b><u>Buildings</u></b> | <b><u>Vehicles</u></b> | <b><u>Furniture<br/>and Equipment</u></b> | <b><u>Total</u></b> |
|---|---|-------------------------|------------------------|---|---------------------|
| Instruction                                     | \$725,721                               | 29,222,278              | 0                      | 12,224,635                                | \$42,172,634        |
| Support Services:                               |   |                         |                        |   |                     |
| Administration                                  | 0                                       | 471,425                 | 0                      | 1,909,410                                 | 2,380,835           |
| Operations and maintenance<br>of plant services | 0                                       | 882,333                 | 0                      | 1,329,143                                 | 2,211,476           |
| Pupil transportation                            | 0                                       | 1,106,212               | 4,459,571              | 475,990                                   | 6,041,773           |
| Extracurricular activities                      | 0                                       | 1,592,408               | 0                      | 222,413                                   | 1,814,821           |
| Total general fixed assets                      | <u>\$725,721</u>                        | <u>33,274,656</u>       | <u>4,459,571</u>       | <u>16,161,591</u>                         | <u>\$54,621,539</u> |

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
 SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS  
 BY FUNCTION  
 FOR THE YEAR ENDED  
 JUNE 30, 2001

| <u>Function</u>                                 | <u>General Fixed<br/>Assets<br/>June 30, 2000</u> | <u>Increases</u> | <u>Decreases</u> | <u>General Fixed<br/>Assets<br/>June 30, 2001</u> |
|---|---|------------------|------------------|---|
| Instruction                                     | \$41,884,959                                      | 302,148          | 14,473           | \$42,172,634                                      |
| Support Services:                               |   |                  |                  |   |
| Administration                                  | 2,123,374   | 265,801          | 8,340            | 2,380,835   |
| Operations and maintenance<br>of plant services | 1,921,464   | 290,012          | 0                | 2,211,476   |
| Pupil transportation                            | 5,846,573   | 195,200          | 0                | 6,041,773   |
| Extracurricular activities                      | 1,723,267   | 91,554           | 0                | 1,814,821   |
| Total general fixed assets                      | <u>\$53,499,637</u>                               | <u>1,144,715</u> | <u>22,813</u>    | <u>\$54,621,539</u>                               |

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
 SCHEDULE OF CHANGES IN GENERAL  
 FIXED ASSETS BY SOURCE  
 JUNE 30, 2001

|   |              |
|---|--------------|
| General fixed assets  |              |
| Land and improvements   | \$725,721    |
| Buildings   | 33,274,656   |
| Vehicles  | 4,459,571    |
| Furniture and equipment   | 16,161,591   |
| Total general fixed assets  | \$54,621,539 |
| Investments in general fixed assets, including acquisitions<br>and disposals made after June 30, 1999 |              |
| General Fund  | \$942,578    |
| Capital Projects Funds  | 1,132,342    |
| Special Revenue Funds   | 229,973      |
| Expendable Trust Funds  | 20,589       |
|   | 2,325,482    |
| Acquisitions prior to June 30, 1999   | 52,296,057   |
| Total investment in general fixed assets  | \$54,621,539 |

**STATISTICAL  
SECTION**



**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
**General Fund - Expenditures and Other Uses -**  
**Last Ten Years (1)**  
**(Unaudited)**

**Year Ended June 30**

|                             | <b>2001</b>         | <b>2000</b>         | <b>1999</b>         | <b>1998</b>         | <b>1997</b>         | <b>1996</b>         | <b>1995</b>         | <b>1994</b>         | <b>1993</b>         | <b>1992</b>         |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Expenditures                |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Instructional Staff         | \$52,434,261        | \$49,888,750        | \$48,814,644        | \$44,379,280        | \$42,461,201        | \$39,730,709        | \$40,127,479        | \$37,298,342        | \$35,045,654        | \$36,134,601        |
| Board of Education Services | 614,501             | 501,619             | 452,184             | 443,515             | 502,075             | 477,207             | 469,059             | 449,744             | 450,975             | 466,773             |
| Administration Services     | 4,168,180           | 3,993,159           | 4,286,549           | 3,987,373           | 3,810,039           | 3,133,921           | 3,753,592           | 3,595,948           | 3,321,249           | 3,128,912           |
| Fiscal Services             | 1,639,639           | 1,604,864           | 1,540,286           | 1,321,966           | 1,117,029           | 1,126,747           | 1,060,877           | 1,123,693           | 948,008             | 1,109,226           |
| Business Services           | 608,986             | 518,860             | 496,820             | 464,579             | 461,529             | 496,366             | 616,370             | 530,293             | 520,844             | 392,389             |
| Operation & Maintenance     | 7,552,704           | 6,740,570           | 6,397,565           | 6,471,654           | 5,660,774           | 5,576,331           | 5,754,487           | 5,744,015           | 5,290,001           | 5,182,327           |
| Pupil Transportation        | 4,365,855           | 4,002,300           | 4,009,118           | 3,450,259           | 3,118,878           | 3,042,095           | 3,398,761           | 2,907,777           | 2,566,657           | 3,044,327           |
| Central Support Services    | 797,597             | 670,483             | 683,873             | 865,654             | 485,377             | 410,800             | 472,296             | 408,974             | 310,236             | 453,505             |
| Community Services          | 78,896              | 75,307              | 70,978              | 66,874              | 74,449              | 61,582              | 56,768              | 55,670              | 10,727              | 8,718               |
| Extracurricular Activities  | 1,022,948           | 906,986             | 1,020,920           | 924,638             | 866,678             | 854,019             | 809,438             | 766,229             | 701,849             | 681,290             |
| Capital Outlay              | 0                   | 200,667             | 362,235             | 780,865             | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   |
| Non-Program Services        | 0                   | 50,418              | 68,933              | 84,764              | 101,814             | 187,918             | 104,031             | 0                   | 0                   | 0                   |
| Other financing uses        | 1,300,789           | 1,230,620           | 1,549,475           | 1,475,738           | 1,469,290           | 1,212,210           | 1,077,207           | 4,478,305           | 613,713             | 425,922             |
| <b>Total Expenditures</b>   | <b>\$74,584,356</b> | <b>\$70,384,603</b> | <b>\$69,753,580</b> | <b>\$64,717,159</b> | <b>\$60,129,133</b> | <b>\$56,309,905</b> | <b>\$57,700,365</b> | <b>\$57,358,990</b> | <b>\$49,779,913</b> | <b>\$51,027,990</b> |

SOURCE: School District Financial Records

(1) GAAP basis

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
**General Fund - Revenues and Other Financing Sources -**  
**Last Ten Years (1)**  
**(Unaudited)**

Year Ended June 30

|  | <u>2001</u>         | <u>2000</u>         | <u>1999</u>         | <u>1998</u>         | <u>1997</u>         | <u>1996</u>         | <u>1995</u>         | <u>1994</u>         | <u>1993</u>         | <u>1992</u>         |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Taxes                                    | \$48,042,371        | \$46,640,454        | \$46,881,050        | \$46,071,361        | \$41,147,629        | \$37,356,211        | \$38,288,012        | \$35,812,618        | \$32,178,444        | \$30,127,019        |
| Tuition and fees                         | 195,240             | 206,366             | 163,254             | 194,011             | 190,352             | 190,745             | 44,966              | 125,717             | 800,271             | 890,271             |
| Earnings on investments                  | 743,950             | 701,218             | 562,731             | 408,005             | 247,071             | 231,226             | 206,453             | 154,549             | 137,264             | 137,395             |
| Intergovernmental                        | 21,531,337          | 21,367,997          | 21,390,073          | 20,330,654          | 18,699,863          | 19,160,209          | 18,787,128          | 17,694,705          | 16,999,131          | 16,068,294          |
| Refund of Prior Year Expenditures        | 333,595             | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   |
| Miscellaneous revenue from local sources | 86,642              | 280,673             | 504,318             | 801,218             | 308,016             | 438,064             | 269,826             | 407,034             | 662,745             | 99,778              |
| Other financing sources                  | 322,532             | 10,787              | 10,163              | 15,664              | 14,038              | 8,994               | 0                   | 11,413              | 7,566               | 38,086              |
| <b>TOTAL</b>                             | <u>\$71,255,667</u> | <u>\$69,207,495</u> | <u>\$69,511,589</u> | <u>\$67,820,913</u> | <u>\$60,606,969</u> | <u>\$57,385,449</u> | <u>\$57,596,385</u> | <u>\$54,206,036</u> | <u>\$50,785,421</u> | <u>\$47,360,843</u> |

Source: School Districts Financial Records

(1) GAAP basis

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
**Property Tax Levies and Collections**  
**Real and Tangible Personal Property**  
**Last Ten Calendar Years**  
**(Unaudited)**

| <b>Collection Year</b> | <b>Current Levy (2)</b> | <b>Current Tax Collections</b> | <b>Percent Collected</b> | <b>Delinquent Tax Collections</b> | <b>Delinquent Taxes As A Percent Of Collected</b> |
|------------------------|-------------------------|--------------------------------|--------------------------|-----------------------------------|---|
| 2000                   | \$56,704,322            | \$55,441,703                   | 97.77                    | \$1,262,619                       | 2.28  |
| 1999                   | 56,626,512              | 54,995,114                     | 97.12                    | 1,631,398                         | 2.97  |
| 1998                   | 49,280,143              | 48,117,168                     | 97.64                    | 1,162,974                         | 2.42  |
| 1997                   | 48,182,502              | 47,087,957                     | 97.73                    | 1,094,546                         | 2.32  |
| 1996                   | 41,817,576              | 41,035,072                     | 98.13                    | 782,504                           | 1.91  |
| 1995                   | 36,418,241              | 35,525,994                     | 97.55                    | 892,247                           | 2.51  |
| 1994                   | 34,816,674              | 33,859,457                     | 97.25                    | 957,217                           | 2.83  |
| 1993                   | 32,217,145              | 30,516,014                     | 94.72                    | 1,894,365                         | 6.21  |
| 1992                   | 31,992,656              | 31,613,349                     | 98.81                    | 735,433                           | 2.33  |
| 1991                   | 25,738,767              | 24,094,060                     | 93.61                    | 897,171                           | 3.72  |

SOURCE : Lake County Auditor - Data is presented on a calendar year basis, consistent with the County Auditor's method of maintaining the information.

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
**Assessed and Estimated Actual Value of Taxable Property -**  
**Last Ten Calendar Years**  
**(Unaudited)**

| <b>Tax Year/<br/>Collection Year</b> | <b>Agricultural<br/>&amp; Residential<br/>Real Estate</b> | <b>Other<br/>Real Estate</b> | <b>Public<br/>Utility<br/>Personal</b> | <b>Tangible<br/>Personal</b> | <b>Total<br/>Assessed<br/>Valuation</b> | <b>Estimated<br/>Actual<br/>Value</b> | <b>Ratio</b> |
|--------------------------------------|---|------------------------------|--|------------------------------|---|---------------------------------------|--------------|
| 2000 / 2001                          | \$1,055,582,340   | \$339,022,600                | \$51,031,770                           | \$180,385,071                | \$1,626,021,781                         | \$4,718,846,384                       | 34.46        |
| 1999 / 2000                          | 939,282,020   | 289,716,690                  | 53,714,800                             | 175,243,944                  | \$1,457,957,454                         | 4,266,111,950                         | 34.18        |
| 1998 / 1999                          | 921,590,470   | 286,149,770                  | 57,296,770                             | 156,299,500                  | 1,421,336,510                           | 4,133,196,170                         | 34.39        |
| 1997 / 1998                          | 908,504,040   | 271,254,030                  | 55,926,310                             | 151,200,048                  | 1,386,884,428                           | 4,005,621,308                         | 34.62        |
| 1996 / 1997                          | 767,359,710   | 250,903,590                  | 57,392,890                             | 144,752,054                  | 1,220,408,244                           | 3,505,681,780                         | 34.81        |
| 1995 / 1996                          | 753,671,650   | 236,676,120                  | 57,895,210                             | 127,189,351                  | 1,175,432,331                           | 3,396,274,262                         | 34.61        |
| 1994 / 1995                          | 736,052,460   | 221,889,530                  | 60,700,710                             | 115,665,542                  | 1,134,308,242                           | 3,260,394,732                         | 34.79        |
| 1993 / 1994                          | 641,916,770   | 205,011,690                  | 59,894,180                             | 105,566,298                  | 1,012,388,938                           | 2,904,215,241                         | 34.86        |
| 1992 / 1993                          | 623,045,220   | 202,259,250                  | 59,894,180                             | 104,610,936                  | 989,809,586                             | 2,837,058,099                         | 34.89        |
| 1991 / 1992                          | 603,879,710   | 202,243,530                  | 59,002,850                             | 106,670,224                  | 971,796,314                             | 2,773,263,422                         | 35.04        |

Source: Lake County Auditor - Data is presented on a calendar year basis, consistent with the County Auditor's method of maintaining the information.

Real Property - Assessed value represents 35.0% of actual value.

Tangible Personal Property - Tax year 1983 begins a 1% reduction of assessed valuation for 10 year period. Prior to 1983 property was appraised at 35% of true value.

Public Utility - Personal - Assessed value represents 100% of true value.

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
Property Tax Rates - Direct and Overlapping Rates  
(per \$1,000 Assessed Valuation)  
Last Ten Calendar Years  
(Unaudited)

| Tax Year/<br>Collection<br>Year |                       | Concord<br>Township | City of<br>Mentor | City of<br>Willoughby | Mentor-on<br>the-Lake | Village Of<br>Kirtland<br>Hills | Chardon<br>Township (a) | School | Debt Service<br>Included in Total Levy |                  | Total |
|---------------------------------|-----------------------|---------------------|-------------------|-----------------------|-----------------------|---------------------------------|-------------------------|--------|--|------------------|-------|
|                                 |                       |                     |                   |                       |                       |                                 |                         |        | Lake<br>County                         | Geauga<br>County |       |
| 2000 / 2001                     | Municipality/Township | 9.40                | 4.50              | 6.91                  | 24.00                 | 23.00                           | 7.70                    |        |  |                  |       |
|                                 | School                | 66.84               | 66.84             | 66.84                 | 66.84                 | 66.84                           | 66.84                   |        |  |                  |       |
|                                 | Library District      | 0.63                | 0.63              | 0.63                  | 0.63                  | 0.63                            | 0.63                    |        |  |                  |       |
|                                 | County                | 15.70               | 15.70             | 15.70                 | 15.70                 | 15.70                           | 15.70                   |        |  |                  |       |
|                                 | TOTAL                 | 92.57               | 87.67             | 90.08                 | 107.17                | 106.17                          | 90.87                   | 1.14   | 0.00                                   | 0.00             | 1.14  |
| 1999 / 2000                     | Municipality/Township | 9.40                | 4.50              | 7.19                  | 24.00                 | 23.00                           | 7.70                    |        |  |                  |       |
|                                 | School                | 66.87               | 66.87             | 66.87                 | 66.87                 | 66.87                           | 66.87                   |        |  |                  |       |
|                                 | Library District      | 0.63                | 0.63              | 0.63                  | 0.63                  | 0.63                            | 0.63                    |        |  |                  |       |
|                                 | County                | 15.70               | 15.70             | 15.70                 | 15.70                 | 15.70                           | 9.50                    |        |  |                  |       |
|                                 | TOTAL                 | 92.60               | 87.70             | 90.39                 | 107.20                | 106.20                          | 84.70                   | 1.17   | 0.00                                   | 0.00             | 1.17  |
| 1998 / 1999                     | Municipality/Township | 9.40                | 4.50              | 7.19                  | 24.00                 | 23.00                           | 7.70                    |        |  |                  |       |
|                                 | School                | 67.21               | 67.21             | 67.21                 | 67.21                 | 67.21                           | 67.21                   |        |  |                  |       |
|                                 | Library District      | 0.63                | 0.63              | 0.63                  | 0.63                  | 0.63                            | 0.63                    |        |  |                  |       |
|                                 | County                | 15.60               | 15.60             | 15.60                 | 15.60                 | 15.60                           | 9.50                    |        |  |                  |       |
|                                 | TOTAL                 | 92.84               | 87.94             | 90.63                 | 107.44                | 106.44                          | 85.04                   | 1.51   | 0.00                                   | 0.00             | 1.51  |
| 1997 / 1998                     | Municipality/Township | 9.40                | 6.00              | 6.29                  | 24.00                 | 23.00                           | 7.70                    |        |  |                  |       |
|                                 | School                | 67.21               | 67.21             | 67.21                 | 67.21                 | 67.21                           | 67.21                   |        |  |                  |       |
|                                 | Library District      | 0.50                | 0.50              | 0.50                  | 0.50                  | 0.50                            | 0.50                    |        |  |                  |       |
|                                 | County                | 14.10               | 14.10             | 14.10                 | 14.10                 | 14.10                           | 9.50                    |        |  |                  |       |
|                                 | TOTAL                 | 91.21               | 87.81             | 88.10                 | 105.81                | 104.81                          | 84.91                   | 1.51   | 0.00                                   | 0.00             | 1.51  |
| 1996 / 1997                     | Municipality/Township | 9.40                | 6.05              | 6.55                  | 24.00                 | 23.00                           | 7.70                    |        |  |                  |       |
|                                 | School                | 67.45               | 67.45             | 67.45                 | 67.45                 | 67.45                           | 67.45                   |        |  |                  |       |
|                                 | Library District      | 0.50                | 0.50              | 0.50                  | 0.50                  | 0.50                            | 0.50                    |        |  |                  |       |
|                                 | County                | 14.00               | 14.00             | 14.00                 | 14.00                 | 14.00                           | 9.70                    |        |  |                  |       |
|                                 | TOTAL                 | 91.35               | 88.00             | 88.50                 | 105.95                | 104.95                          | 85.35                   | 1.75   | 0.00                                   | 0.00             | 1.75  |
| 1995 / 1996                     | Municipality/Township | 9.40                | 6.05              | 6.55                  | 19.50                 | 23.00                           | 7.70                    |        |  |                  |       |
|                                 | School                | 62.95               | 62.95             | 62.95                 | 62.95                 | 62.95                           | 62.95                   |        |  |                  |       |
|                                 | Library District      | 0.50                | 0.50              | 0.50                  | 0.50                  | 0.50                            | 0.50                    |        |  |                  |       |
|                                 | County                | 14.00               | 14.00             | 14.00                 | 14.00                 | 14.00                           | 9.70                    |        |  |                  |       |
|                                 | TOTAL                 | 86.85               | 83.50             | 84.00                 | 96.95                 | 100.45                          | 80.85                   | 1.75   | 0.00                                   | 0.30             | 2.05  |
| 1994 / 1995                     | Municipality/Township | 9.40                | 6.10              | 6.55                  | 19.50                 | 23.00                           | 7.70                    |        |  |                  |       |
|                                 | School                | 62.95               | 62.95             | 62.95                 | 62.95                 | 62.95                           | 62.95                   |        |  |                  |       |
|                                 | Library District      | 0.50                | 0.50              | 0.50                  | 0.50                  | 0.50                            | 0.50                    |        |  |                  |       |
|                                 | County                | 14.00               | 14.00             | 14.00                 | 14.00                 | 14.00                           | 8.70                    |        |  |                  |       |
|                                 | TOTAL                 | 86.85               | 83.55             | 84.00                 | 96.95                 | 100.45                          | 79.85                   | 1.75   | 0.00                                   | 0.30             | 2.05  |
| 1993 / 1994                     | Municipality/Township | 9.40                | 6.15              | 6.55                  | 19.50                 | 23.00                           | 7.70                    |        |  |                  |       |
|                                 | School                | 63.24               | 63.24             | 63.24                 | 63.24                 | 63.24                           | 63.24                   |        |  |                  |       |
|                                 | Library District      | 0.50                | 0.50              | 0.50                  | 0.50                  | 0.50                            | 0.50                    |        |  |                  |       |
|                                 | County                | 13.90               | 13.90             | 13.90                 | 13.90                 | 13.90                           | 8.70                    |        |  |                  |       |
|                                 | TOTAL                 | 87.04               | 83.79             | 84.19                 | 97.14                 | 100.64                          | 80.14                   | 2.04   | 0.00                                   | 0.30             | 2.34  |
| 1992 / 1993                     | Municipality/Township | 9.40                | 6.10              | 6.55                  | 19.50                 | 23.00                           | 7.70                    |        |  |                  |       |
|                                 | School                | 63.24               | 63.24             | 63.24                 | 63.24                 | 63.24                           | 63.24                   |        |  |                  |       |
|                                 | Library District      | 0.50                | 0.50              | 0.50                  | 0.50                  | 0.50                            | 0.50                    |        |  |                  |       |
|                                 | County                | 13.90               | 13.90             | 13.90                 | 13.90                 | 13.90                           | 8.70                    |        |  |                  |       |
|                                 | TOTAL                 | 87.04               | 83.74             | 84.19                 | 97.14                 | 100.64                          | 80.14                   | 2.04   | 0.00                                   | 0.30             | 2.34  |
| 1991 / 1992                     | Municipality/Township | 7.00                | 6.40              | 6.55                  | 19.60                 | 23.00                           | 7.70                    |        |  |                  |       |
|                                 | School                | 58.81               | 58.81             | 58.81                 | 58.81                 | 58.81                           | 58.81                   |        |  |                  |       |
|                                 | Library District      | 0.50                | 0.50              | 0.50                  | 0.50                  | 0.50                            | 0.50                    |        |  |                  |       |
|                                 | County                | 12.70               | 12.70             | 12.70                 | 12.70                 | 12.70                           | 8.85                    |        |  |                  |       |
|                                 | TOTAL                 | 79.01               | 78.41             | 78.56                 | 91.61                 | 95.01                           | 75.86                   | 2.51   | 0.00                                   | 0.55             | 3.06  |

SOURCE: Lake and Geauga County Auditors - Data is presented on a calendar year basis consistent with the County Auditor's method of maintaining the information.

(a) Located in Geauga County

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
**Ratio of Net General Bonded Debt to Assessed Value**  
**and Net Bonded Debt Per Capita**  
**Last Ten Years**  
**(Unaudited)**

| <b>Year</b> | <b>Gross General Bonded Debt</b> | <b>Less Debt Service Fund</b> | <b>Net General Bonded Debt</b> | <b>Assessed Value</b> | <b>Population (1)</b> | <b>Ratio of Net Debt to Assessed Value</b> | <b>Net Debt Per Capita</b> |
|-------------|----------------------------------|-------------------------------|--------------------------------|-----------------------|-----------------------|--|----------------------------|
| 2001        | \$13,316,399                     | \$815,490                     | \$12,500,909                   | \$1,626,021,781       | 58,405                | 0.77%                                      | \$214                      |
| 2000        | 13,732,906                       | 894,225                       | 12,838,681                     | 1,457,957,454         | 56,889                | 0.88%                                      | 226                        |
| 1999        | 14,175,851                       | 874,683                       | 13,301,168                     | 1,421,336,510         | 58,026                | 0.94%                                      | 229                        |
| 1998        | 14,659,687                       | 619,696                       | 14,039,991                     | 1,386,884,428         | 61,080                | 1.01%                                      | 230                        |
| 1997        | 15,679,687                       | 213,226                       | 15,466,461                     | 1,220,408,244         | 61,282                | 1.27%                                      | 252                        |
| 1996        | 16,664,687                       | 5,529                         | 16,659,158                     | 1,175,432,331         | 61,989                | 1.42%                                      | 269                        |
| 1995        | 18,224,687                       | 364,351                       | 17,860,336                     | 1,135,842,572         | 61,834                | 1.57%                                      | 289                        |
| 1994        | 19,694,687                       | 822,526                       | 18,872,161                     | 1,012,388,938         | 61,131                | 1.86%                                      | 309                        |
| 1993        | 20,734,687                       | 850,783                       | 19,883,904                     | 989,809,586           | 60,003                | 2.01%                                      | 331                        |
| 1992        | 21,610,000                       | 679,080                       | 20,930,920                     | 971,796,314           | 59,145                | 2.15%                                      | 354                        |

(1) SOURCE: Ohio Department of Taxation

1993 Estimated Population Increased by 1.35%, which reflects same increase as student enrollment growth for the 1992 / 1993 school year.  
1994 Estimated Population Increased by 1.88%, which reflects same increase as student enrollment growth for the 1993 / 1994 school year.  
1995 Estimated Population Increased by 1.15%, which reflects same increase as student enrollment growth for the 1994 / 1995 school year.  
1996 Estimated Population Increased by 0.24%, which reflects same increase as student enrollment growth for the 1995 / 1996 school year.  
1997 Estimated Population Decreased by 1.14%, which reflects same increase as student enrollment growth for the 1996 / 1997 school year.  
1998 Estimated Population Decreased by 0.33%, which reflects same increase as student enrollment growth for the 1997 / 1998 school year.  
1999 Estimated Population Decreased by 5%, which reflects same increase as student enrollment growth for the 1998 / 1999 school year.  
2000 Estimated Population Decreased by 1.96%, which reflects same increase as student enrollment growth for the 1999 / 2000 school year.  
2001 Estimated Population Increased by 2.66%, which reflects the population growth of Mentor and Mentor-on-the-Lake census report.

**MENTOR EXEMPTED VILLAGE  
SCHOOL DISTRICT**

**Computation of Legal Debt Margin  
For the Year Ended June 30, 2001  
(Unaudited)**

|  |            |                             |
|--|------------|-----------------------------|
| Assessed Valuation   |            | <u>\$1,626,021,781</u>      |
| Overall Direct Debt Limitation:  |            |                             |
| Direct debt limitation   |            |                             |
| 9% of assessed valuation   |            | \$146,341,960               |
| Gross indebtedness (all bonds and tax<br>anticipation notes outstanding) | 13,316,399 |                             |
| Less debt exempt from limitation   | <u>0</u>   |                             |
| Debt subject to 9% limitation  |            | (13,316,399)                |
| Legal debt margin within 9% limitation                                   |            | <u><u>\$133,025,561</u></u> |
| Unvoted Direct Debt Limitation:  |            |                             |
| Unvoted debt limitation  |            |                             |
| 0.1% of assessed valuation   |            | \$1,626,022                 |
| Amount available in Debt Service Fund<br>related to unvoted debt         | \$0        |                             |
| Gross indebtedness authorized by the Board                               |            |                             |
| Less: debt exempt from limitation  | <u>0</u>   |                             |
| Debt subject to 0.1% limitation  |            | 0                           |
| Legal debt margin within 0.1% limitation                                 |            | <u><u>\$1,626,022</u></u>   |
| Energy Conservation Measure Limitation                                   |            |                             |
| Unvoted debt limitation  |            |                             |
| 0.9% of assessed valuation   |            | \$14,634,196                |
| Amount available in Debt Service Fund<br>related to unvoted debt         | 815,490    |                             |
| Gross indebtedness authorized by the Board                               |            |                             |
| Less: debt exempt from limitation  | <u>0</u>   |                             |
| Debt subject to 0.9% limitation  |            | (815,490)                   |
| Legal debt margin within 0.9% limitation                                 |            | <u><u>\$13,818,706</u></u>  |

SOURCE: Lake County Auditor

Ohio Bond Law established a limit of 9% for voted debt;  
1/10th of 1% for unvoted debt; and,  
9/10th of 1% for energy conservation measure debt.

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**

**Computation of Direct and Overlapping Debt -  
General Obligation  
As of December 31, 2000  
(Unaudited)**

| <b>Jurisdiction</b>          | <b>General<br/>Obligation<br/>Debt<br/>Outstanding</b> | <b>Percentage<br/>Applicable To<br/>School<br/>District (1)</b> | <b>Amount<br/>Applicable To<br/>School<br/>District</b> |
|------------------------------|--|---|---|
| Mentor Exempted Village S.D. | \$13,316,399   | 100.00%   | \$13,316,399  |
| City of Mentor               | 21,531,765   | 82.30%  | 17,720,643  |
| City of Mentor-on-the-Lake   | 470,000  | 7.08%   | 33,276  |
| Lake County                  | 11,080,000   | 25.74%  | 2,851,992   |
| Geauga County                | 540,067  | 0.10%   | 540   |
| <b>Total</b>                 | <u><u>\$46,938,231</u></u>                             |   | <u><u>\$33,922,850</u></u>                              |

Source: Lake and Geauga County Auditors - Data is presented on a calendar year basis, consistent with the County Auditor's method of maintaining the information.

(1) Percentages were determined by dividing the assessed valuation of the political subdivision by the total assessed valuation, which includes all overlapping valuation. The valuations used were for the 2001 collection year.



**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
**Ratio of Annual Debt Service Expenditures for**  
**General Bonded Debt to Total General Fund Expenditures -**  
**Last Ten Years**  
**(Unaudited)**

| <b>Year (1)</b> | <b>Principal</b> | <b>Interest</b> | <b>Total<br/>Debt<br/>Service</b> | <b>Total<br/>General Fund<br/>Expenditures</b> | <b>Ratio of Debt<br/>Service to<br/>General Fund<br/>Expenditures<br/>(Percentage)</b> |
|-----------------|------------------|-----------------|-----------------------------------|--|--|
| 2001            | \$1,666,507      | \$1,462,360     | \$3,128,867                       | \$74,584,356                                   | 4.20%  |
| 2000            | 1,942,945        | 1,432,468       | 3,375,413                         | 70,384,603                                     | 4.80%  |
| 1999            | 2,233,836        | 1,417,137       | 3,650,973                         | 69,753,580                                     | 5.23%  |
| 1998            | 3,020,000        | 799,315         | 3,819,315                         | 64,717,159                                     | 5.90%  |
| 1997            | 3,785,000        | 945,603         | 4,730,603                         | 60,129,133                                     | 7.87%  |
| 1996            | 4,860,000        | 1,079,759       | 5,939,759                         | 56,309,905                                     | 10.55%   |
| 1995            | 4,570,000        | 1,081,174       | 5,651,174                         | 57,700,365                                     | 9.79%  |
| 1994            | 6,290,000        | 1,124,526       | 7,414,526                         | 57,358,990                                     | 12.93%   |
| 1993            | 1,250,000        | 1,312,881       | 2,562,881                         | 49,779,913                                     | 5.15%  |
| 1992            | 605,000          | 1,339,473       | 1,944,473                         | 51,027,990                                     | 3.81%  |

SOURCE: School District financial records

(1) 2001, 2000, 1999, 1998, 1997, 1996 payments include bonds and notes

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT**  
**Property Value, Construction and Bank Deposits -**  
**Last Ten Fiscal Years**  
**(Unaudited)**

| <b>Fiscal Year</b> | <b>Number of Commercial Units</b> | <b>Construction Value (a)</b> | <b>Number of Residential Units (a)</b> | <b>Construction Value (a)</b> | <b>Lake County Bank Deposits (b)</b> | <b>Tax Valuation Residential Agriculture (c)</b> | <b>Commercial Other (c)</b> | <b>Total Assets</b> |
|--------------------|-----------------------------------|-------------------------------|--|-------------------------------|--------------------------------------|--|-----------------------------|---------------------|
| 2000 / 2001        | 12                                | \$13,225,000                  | 82                                     | \$16,232,180                  | \$61,942,764,000                     | \$1,055,582,340                                  | \$570,439,441               | \$1,626,021,781     |
| 1999 / 2000        | 11                                | 17,378,000                    | 117                                    | 23,725,985                    | 57,816,942,000                       | 939,282,020                                      | 518,675,434                 | 1,457,957,454       |
| 1998 / 1999        | 12                                | 15,078,600                    | 139                                    | 26,604,085                    | 58,904,596,000                       | 921,590,470                                      | 499,746,040                 | 1,421,336,510       |
| 1997 / 1998        | 12                                | 10,169,455                    | 166                                    | 31,586,070                    | 53,941,971,000                       | 908,504,040                                      | 478,380,388                 | 1,386,884,428       |
| 1996 / 1997        | 13                                | 6,005,000                     | 190                                    | 33,557,135                    | 27,068,211,000                       | 767,359,710                                      | 453,048,534                 | 1,220,408,244       |
| 1995 / 1996        | 12                                | 5,131,000                     | 169                                    | 26,788,600                    | 22,458,573,000                       | 753,671,650                                      | 421,760,681                 | 1,175,432,331       |
| 1994 / 1995        | 15                                | 6,885,000                     | 219                                    | 34,699,230                    | 20,885,453,000                       | 736,052,460                                      | 399,790,112                 | 1,135,842,572       |
| 1993 / 1994        | 14                                | 14,295,000                    | 226                                    | 31,031,135                    | 21,009,421,000                       | 641,916,770                                      | 370,472,168                 | 1,012,388,938       |
| 1992 / 1993        | 9                                 | 6,290,000                     | 216                                    | 28,774,300                    | 19,379,280,000                       | 623,045,220                                      | 366,764,366                 | 989,809,586         |
| 1991 / 1992        | 8                                 | 2,084,000                     | 281                                    | 32,669,055                    | 18,392,243,000                       | 603,879,710                                      | 367,916,604                 | 971,796,314         |

**SOURCE:**

- (a) Mentor City Building Department
- (b) Federal Reserve Bank of Cleveland (total demand, time and savings deposits) for Lake County, Ohio Banks at December 31
- (c) Lake County Auditor

**MENTOR EXEMPTED VILLAGE  
SCHOOL DISTRICT**

**Principal Property Taxpayers -  
Real Estate Tax  
December 31, 2000  
(Unaudited)**

| <u>Name of Taxpayer</u>      | <u>Nature of Business</u> | <u>Assessed<br/>Valuation (1)</u> | <u>Percent of total<br/>Assessed Value (2)</u> |
|------------------------------|---------------------------|-----------------------------------|--|
| DeBartolo Realty Partnership | Shopping Center           | \$ 20,163,060                     | 1.45   |
| Steris Corporation           | Medical Equipment Mfg     | 7,510,120                         | 0.54   |
| Points East                  | Retail Sales              | 6,151,250                         | 0.44   |
| Euclid Clinic Foundation     | Medical                   | 4,005,170                         | 0.29   |
| Deepwood North Co.           | Condominiums              | 3,584,460                         | 0.26   |
| First Interstate             | Holding Company           | 3,446,690                         | 0.25   |
| Brown, James A.              | Automobile Dealership     | 3,430,730                         | 0.25   |
| Mentor Commons Limited       | Retail Sales              | 3,343,650                         | 0.24   |
| Royal Appliance Mfg. Co.     | Appliance Manufacturer    | 3,262,290                         | 0.23   |
| Lincoln Electric Co.         | Welding Equipment         | 3,198,160                         | 0.23   |
| <b>TOTAL</b>                 |                           | <u>\$ 58,095,580</u>              | <u>4.18</u>                                    |

SOURCE: Lake County Auditor

(1) Assessed values are for the 2000 collection year.

(2) Total Assessed Real Estate Valuation is \$1,394,604,940

**MENTOR EXEMPTED VILLAGE  
SCHOOL DISTRICT**

**Principal Property Taxpayers -  
Tangible Personal Property Tax  
December 31, 2000  
(Unaudited)**

| <u>Name of Taxpayer</u>      | <u>Nature of Business</u> | <u>Assessed<br/>Valuation (1)</u> | <u>Percent of total<br/>Assessed Value (2)</u> |
|------------------------------|---------------------------|-----------------------------------|--|
| Lincoln Electric Company     | Welding Equipment         | \$8,669,520                       | 4.81   |
| Nupro Company                | Manufacturing             | 7,783,400                         | 4.31   |
| Avery Dennison Corp          | Adhesive Labels           | 5,263,800                         | 2.92   |
| Jim Brown Chevrolet Inc.     | Automobile Dealership     | 4,466,220                         | 2.48   |
| Worthington Precision Metals | Mfg of Parts & Components | 3,887,100                         | 2.15   |
| Polychem Corp                | Plastic Strapping         | 3,434,840                         | 1.90   |
| Wiseco Piston Co.            | High Performance Pistons  | 3,166,400                         | 1.76   |
| Higbee Co                    | Retail Department Store   | 2,945,180                         | 1.63   |
| Steris Corporation           | Medical Equipment Mfg     | 2,859,090                         | 1.58   |
| Royal Appliance Mfg Co.      | Appliance Manufacturer    | 2,845,950                         | 1.58   |
|                              | TOTAL                     | \$45,321,500                      | 25.12  |

SOURCE: Lake County Auditor

(1) Assessed values are for the 2000 collection year.

(2) Total Assessed Personal Property Valuation is \$180,385,071

**MENTOR EXEMPTED VILLAGE  
SCHOOL DISTRICT**

**Principal Property Taxpayers -  
Public Utility Tax  
December 31, 2000  
(Unaudited)**

| <b>Name of Taxpayer</b>                 | <b>Nature of Business</b> | <b>Assessed Valuation (3)</b> | <b>Percentage of Valuation</b> |
|---|---------------------------|-------------------------------|--------------------------------|
| Cleveland Electric Illuminating Co. (1) | Electricity               | \$29,724,310                  | 1.83                           |
| Ohio Bell Telephone Co. (2)             | Telephone                 | 11,593,910                    | 0.71                           |
| Consumer Ohio Water                     | Water                     | 9,308,050                     | 0.57                           |
| East Ohio Gas Company                   | Natural Gas               | 3,715,010                     | 0.23                           |
| Total                                   |                           | \$54,341,280                  | 3.34                           |

(1) Subsidiary of Centerior Energy Corporation

(2) Subsidiary of Ameritech

(3) Total Assessed Valuation is \$1,626,021,781

**MENTOR EXEMPTED VILLAGE  
SCHOOL DISTRICT**

**Enrollment Statistics  
Last Ten Years  
(Unaudited)**

| <u>Year (1)</u> | <u>General Fund<br/>Expenditures</u> | <u>Average<br/>Daily<br/>Membership (2)</u> | <u>Per<br/>Pupil Cost (3)</u> |
|-----------------|--------------------------------------|---|-------------------------------|
| Fiscal 2001     | \$74,584,356                         | 10,272                                      | \$7,261                       |
| Fiscal 2000     | 70,384,603                           | 10,261                                      | 6,859                         |
| Fiscal 1999     | 69,753,580                           | 10,466                                      | 6,665                         |
| Fiscal 1998     | 64,717,159                           | 11,018                                      | 5,874                         |
| Fiscal 1997     | 60,129,133                           | 11,055                                      | 5,439                         |
| Fiscal 1996     | 56,309,905                           | 11,182                                      | 5,036                         |
| Fiscal 1995     | 57,700,365                           | 11,154                                      | 5,173                         |
| Fiscal 1994     | 57,358,990                           | 11,028                                      | 5,201                         |
| Fiscal 1993     | 49,779,913                           | 10,825                                      | 4,599                         |
| Fiscal 1992     | 51,027,990                           | 10,670                                      | 4,782                         |

SOURCE: School District financial records

(1) Fiscal Year - July - June

(2) Average Daily Membership includes all full time kindergarten students

(3) Per Pupil Cost = General Fund Expenditures / Average Daily Membership

**MENTOR EXEMPTED VILLAGE  
SCHOOL DISTRICT**

**Certified Staff Education and Experience  
June 30, 2001  
(Unaudited)**

| <b>Degree</b>              | <b>Number<br/>of Staff</b> | <b>Percent<br/>of Total</b> |
|----------------------------|----------------------------|-----------------------------|
| Non Degree                 | 3                          | 0.44                        |
| Bachelor's Degree          | 83                         | 12.17                       |
| Bachelor's + 15 Hours      | 102                        | 14.96                       |
| Master's Degree            | 179                        | 26.25                       |
| Master's Degree + 15 Hours | 117                        | 17.16                       |
| Master's + 30 Hours        | 61                         | 8.94                        |
| Master's + 45 Hours        | 132                        | 19.35                       |
| Doctorate Degree (Ph.D.)   | 5                          | 0.73                        |
| Total                      | 682                        | 100.00                      |

| <b>Years of Experience</b> | <b>Number<br/>of Staff</b> | <b>Percent<br/>of Total</b> |
|----------------------------|----------------------------|-----------------------------|
| 0 - 5 Years                | 126                        | 18.48                       |
| 6 - 10 Years               | 105                        | 15.39                       |
| 11 and over                | 451                        | 66.13                       |
| Total                      | 682                        | 100.00                      |

SOURCE: School District Personnel Records  
(Excludes Administrators and Psychologists)

**MENTOR EXEMPTED VILLAGE  
SCHOOL DISTRICT**

**Student Demographic Information  
June 30, 2001  
(Unaudited)**

| <u>Grade</u> | <u>Total (1)</u> |
|--------------|------------------|
| Preschool    | 118              |
| K            | 636              |
| 1            | 683              |
| 2            | 730              |
| 3            | 734              |
| 4            | 798              |
| 5            | 812              |
| 6            | 851              |
| 7            | 821              |
| 8            | 888              |
| 9            | 785              |
| 10           | 837              |
| 11           | 777              |
| 12           | 802              |
|              | <u>10,272</u>    |

**STUDENT DATA (2)**

| <u>GRADE</u>                                 | <u>ENROLLMENT</u> | <u>PERCENT</u> |
|--|-------------------|----------------|
| Elementary (Pre-6)                           | 5,362             | 52.20          |
| Secondary (High School, Junior High Schools) | 4,910             | 47.80          |
| Total  | <u>10,272</u>     | <u>100.00</u>  |

| <u>Ethnic</u>                  | <u>Total</u> | <u>Percent</u> |
|--------------------------------|--------------|----------------|
| Caucasian                      | 10,039       | 97.73          |
| Asian American                 | 90           | 0.88           |
| Black American                 | 77           | 0.75           |
| Hispanic/Latino                | 49           | 0.48           |
| American Indian/Alaskan Native | 5            | 0.05           |
| Multi - Racial                 | 12           | 0.12           |

**MALE/FEMALE RATIO (2)**

| <u>GRADE</u>           | <u>MALE</u> | <u>FEMALE</u> |
|------------------------|-------------|---------------|
| Elementary & Secondary | 5,266       | 5,006         |
| PERCENT                | 51.27       | 48.73         |

(1) Ohio Department of Education, Division of Information Management Services  
(2) School District Records



**MENTOR EXEMPTED VILLAGE  
SCHOOL DISTRICT  
BUILDING PERMITS  
Last Ten Calendar Years  
(Unaudited)**

| <u>Year</u> | <u>NUMBER</u> | <u>Value of<br/>Building<br/>Permits Issued</u> |
|-------------|---------------|---|
| 2000        | 2,773         | \$67,992,590                                    |
| 1999        | 2,180         | 101,108,667                                     |
| 1998        | 2,232         | 122,313,391                                     |
| 1997        | 1,996         | 90,142,361                                      |
| 1996        | 1,865         | 87,314,175                                      |
| 1995        | 1,857         | 66,297,183                                      |
| 1994        | 1,849         | 81,074,563                                      |
| 1993        | 1,747         | 85,328,460                                      |
| 1992        | 1,653         | 71,826,534                                      |
| 1991        | 1,775         | 55,769,951                                      |

SOURCE: CITY OF MENTOR -  
DEPARTMENT OF BUILDING AND ENGINEERING

**MENTOR EXEMPTED VILLAGE  
SCHOOL DISTRICT**

**Ten Largest Employers  
December 31, 2000  
(Unaudited)**

| <b>Name of Employer</b>    | <b>Nature of Activity<br/>or Business</b> | <b>Approximate<br/>Number<br/>of Employees</b> |
|----------------------------|---|--|
| Mentor Exempted Village SD | Public Education                          | 1,202  |
| City of Mentor             | Municipal Government                      | 768  |
| Steris Corporation         | Manufacturing                             | 700  |
| Lincoln Electric Co.       | Welding Equipment                         | 515  |
| Deepwood Industries        | Social Services                           | 500  |
| Tri Delta Industries       | Industrial Controls                       | 470  |
| Super K-Mart               | Discount Retail Center                    | 400  |
| Sears, Roebuck & Co.       | Retail Department Store                   | 375  |
| Mag-Nif, Co.               | Automation                                | 350  |
| J.C. Penny Co.             | Retail Department Store                   | 310  |

SOURCE: City of Mentor, Department of Community Development

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
SCHEDULE OF INSURANCE POLICIES IN FORCE  
AS OF JUNE 30, 2001  
(Unaudited)**

| <b>COMPANY</b>               | <b>POLICY NUMBER</b> | <b>POLICY PERIOD</b>     | <b>DETAILS OF COVERAGE</b>   | <b>LIABILITY LIMITS</b>   | <b>DEDUCTIBLE</b>                  | <b>ANNUAL PREMIUM</b>          |
|------------------------------|----------------------|--------------------------|--|---|------------------------------------|--------------------------------|
| Indiana Insurance            | CBP 9357016          | 10/01/2000<br>10/01/2001 | Boiler and Machinery   | \$10,000,000  | \$500                              | \$6,362                        |
| Fidelity & Deposit Companies | CCP97259972          | 10/01/2000<br>10/01/2001 | Crime Policy   | 5,000 Forgery<br>15,000 Theft Inside<br>15,000 Theft Outside<br>50,000 Public Employees Dishonesty Coverage | 500<br>500                         | 1,510                          |
| Nationwide Insurance         | EGL0007447           | 05/29/2001<br>05/29/2002 | Liability  | 1,000,000 /Occurrence<br>5,000,000 /Aggregate   |                                    | 42,860                         |
| Nationwide Insurance         | EUL0007447           | 05/29/2001<br>05/29/2002 | Commercial Umbrella Liability  | 1,000,000 /Occurrence<br>1,000,000 /Aggregate   | 10,000                             | 12,695                         |
| Indiana Insurance            | CBP 9357016          | 10/01/2000<br>10/01/2001 | Buildings, Contents and Audio Visual<br><br>Musical Instruments<br><br>Contents, Equipment | 147,316,169<br>191,759<br><br>1,015,440<br><br>52,834   | 1,000<br>100<br><br>100<br><br>100 | 49,934<br><br>1,651<br><br>160 |
| Indiana Insurance            | CBP 9357016          | 10/01/2000<br>10/01/2001 | Electronic Data Processing (Blanket)<br><br>In Transit                                     | 6,597,116<br><br>10,000   | 1,000<br><br>500                   | 2,610<br><br>0                 |
| Indiana Insurance            | CBP 9357016          | 10/01/2000<br>10/01/2001 | Bus Fleet<br><br>Medical   | 1,000,000 /Combined Single Limit<br><br>5,000 Each Person   | Comprehensive 100/Auto             |                                |

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT  
SCHEDULE OF INSURANCE POLICIES IN FORCE  
AS OF JUNE 30, 2001  
(Unaudited)**

| <b>COMPANY</b>    | <b>POLICY NUMBER</b> | <b>POLICY PERIOD</b>     | <b>DETAILS OF COVERAGE</b>                  | <b>LIABILITY LIMITS</b>            | <b>DEDUCTIBLE</b>  | <b>ANNUAL PREMIUM</b> |
|-------------------|----------------------|--------------------------|---|------------------------------------|--|-----------------------|
|                   |                      |                          | Uninsured Motorist                          | 1,000,000                          | Collision<br>250/Auto<br>500 Maximum<br>Per Loss                                       |                       |
|                   |                      |                          | Physical Damage                             |                                    | Comprehensive<br>100<br>Collision<br>250   | 34,400                |
|                   |                      |                          | Hired and Non-owned Car<br>Garage Liability | 1,000,000                          |  | 361                   |
| Indiana Insurance | CBP 9357016          | 10/01/2000<br>10/01/2001 | Garage Keepers<br>Legal Liability           | 15,000 /Vehicle<br>75,000 Max/Loss | Comprehensive<br>100/Auto<br>500/Max/Loss<br><br>Collision<br>250/Auto<br>500/Max/Loss | 538                   |
| Indiana Insurance | IM 9403502           | 05/31/2001<br>05/31/2002 | Auxiliary Service Mobile Units              | All Risk                           | 250  | 3,845                 |
| Peerless Ins.     | M25162               | 01/01/2001<br>01/01/2002 | Public Official Bond Treasurer              | 50,000                             |  | 245                   |



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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800-282-0370  
Facsimile 614-466-4490

**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  
MARCH 21, 2002**