



Dave Yost • Auditor of State

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
LAKE COUNTY**

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Dave Yost • Auditor of State

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

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

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Mentor Exempted Village School District, Lake County, Ohio, (the District) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 15, 2016.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

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

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

Dave Yost
Auditor of State
Columbus, Ohio

December 15, 2016



Dave Yost • Auditor of State

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

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

To the Board of Education:

Report on Compliance for the Major Federal Program

We have audited the Mentor Exempted Village School District's (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the Mentor Exempted Village School District's major federal program for the year ended June 30, 2016. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal program.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on the Major Federal Program

In our opinion, the Mentor Exempted Village School District, Lake County, Ohio, complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2016.

Report on Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the District's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Mentor Exempted Village School District, Lake County, Ohio, (the District) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 15, 2016. We conducted our audit to opine on the District's basic financial statements as a whole. The accompanying federal awards expenditures schedule presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Dave Yost
Auditor of State
Columbus, Ohio

December 15, 2016

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**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
LAKE COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2016**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal CFDA Number	Total Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE		
<i>Passed Through Ohio Department of Education:</i>		
<i>Child Nutrition Cluster:</i>		
School Breakfast Program	10.553	\$209,943
National School Lunch Program	10.555	868,550
National School Lunch Program - Non-Cash Assistance	10.555	177,401
Total - National School Lunch Program		<u>1,045,951</u>
Total U.S. Department of Agriculture/Child Nutrition Cluster		1,255,894
U.S. DEPARTMENT OF EDUCATION:		
<i>Passed Through Ohio Department of Education:</i>		
<i>Special Education Cluster:</i>		
Special Education: Grants to States	84.027	194,984
Total - Special Education: Grants to States		<u>1,525,389</u>
Special Education Preschool Grants	84.173	5,315
Total - Special Education: Preschool Grants		<u>36,570</u>
Total - Special Education Cluster		<u>41,885</u>
Total - Special Education Cluster		1,762,258
Title I Grant to Local Educational Agencies	84.010	101,104
Total- Title I Grants to Local Educational Agencies		<u>565,853</u>
Total- Title I Grants to Local Educational Agencies		666,957
Career and Technical Education - Basic Grants to States	84.048	19,656
Total - Career and Technical Education - Basic Grants to States		<u>313,034</u>
Total - Career and Technical Education - Basic Grants to States		332,690
English Language Acquisition State Grants	84.365	1,772
Total - English Language Acquisition State Grants		<u>21,069</u>
Total - English Language Acquisition State Grants		22,841
Improving Teacher Quality State Grants	84.367	122,552
Total - Improving Teacher Quality State Grants		<u>2,210</u>
Total - Improving Teacher Quality State Grants		<u>247,883</u>
Total - Improving Teacher Quality State Grants		<u>372,645</u>
Total U.S. Department of Education		<u>3,157,391</u>
Total		<u>\$4,413,285</u>

The accompanying notes are an integral part of this schedule.

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
LAKE COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED JUNE 30, 2016**

NOTE A – BASIS OF PRESENTATION

The accompanying Federal Awards Expenditures Schedule (the Schedule) includes the federal award activity of the Mentor Exempted Village School District, Lake County, Ohio, (the District) under programs of the federal government for the year ended June 30, 2016. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C - CHILD NUTRITION CLUSTER

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

NOTE D – FOOD DONATION PROGRAM

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

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
LAKE COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2016**

1. SUMMARY OF AUDITOR'S RESULTS

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

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016



The Cornerstone of the Community

Mentor Exempted Village School District
Mentor, Ohio

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Introductory Section



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Mentor Exempted Village School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2016
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Administration Building

Matthew J. Miller
Superintendent

Daniel L. Wilson
Chief Financial Officer

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

December 15, 2016

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

It is our privilege to present to you the Comprehensive Annual Financial Report (CAFR) of the Mentor Exempted Village School District (“School District”) for the fiscal year ended June 30, 2016. This CAFR enables the School District to comply with the Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38 which requires school districts reporting on a GAAP basis to file an unaudited annual report with the Auditor of State within 150 days of fiscal year end.

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

The Ohio Auditor of State’s office has issued an unmodified opinion on the Mentor Exempted Village School District’s financial statements for the fiscal year ended June 30, 2016. The Independent Auditor’s Report is located at the front of the financial section of this report.

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

Profile of School District

The Mentor Exempted Village School District is the twenty-fifth largest of the 611 school districts in the State of Ohio and the second largest of nine school districts in Lake County. The School District provided education to 7,624 students in grades kindergarten through twelve during the 2015-2016 school year. Additionally, the School District provides preschool and after school services to a number of students. The Mentor Exempted Village School District is located in northeastern Ohio, approximately 25 miles east of downtown Cleveland and covers over 35 square miles.

The Mentor Exempted Village School District serves the cities of Mentor and Mentor-on-the-Lake, and portions of the Village of Kirtland Hills, Chardon Township and Concord Township. The School District operates one high school, three middle schools, nine elementary schools and the Dr. Jacqueline A. Hoynes School, home of the Cardinal Autism Resource and Education School (C.A.R.E.S.).

The students enrolled in the Mentor Exempted Village School District attended classes in the following School District owned buildings during 2015-2016:

- Mentor High School, constructed in 1965 with additions and renovations in 1993, 2008, and 2015 provides instruction for students in grades nine through twelve.
- Memorial Middle School, constructed in 1922 with additions and renovations in 1930 and 1990, provides instruction for students in grades six through eight.
- Ridge Middle School, constructed in 1963, provides instruction for students in grades six through eight.
- Shore Middle School, constructed in 1949 with additions and renovations in 1972, provides instruction for students in grades six through eight.
- Bellflower Elementary School, constructed in 1973, provides instruction for students in grades kindergarten through five.
- Brentmoor Elementary School, constructed in 1954 with additions and renovations in 1966 and 2011, provides instruction for students in grades pre-kindergarten through five.
- Fairfax Elementary School, constructed in 1967, provides instruction for students in grades pre-kindergarten through five.
- Garfield Elementary School, constructed in 1938 with additions and renovations in 1965, provides instruction for students in grades kindergarten through five.
- Dr. Jacqueline A. Hoynes School (formerly Headlands Elementary School), constructed in 1954 with additions and renovations in 1964 and 2011, the Cardinal Autism Resource School for autistic students in grades kindergarten through twelve.
- Hopkins Elementary School, constructed in 1960 with additions and renovations in 1989, provides instruction for students in grades kindergarten through five.
- Lake Elementary School, constructed in 1969, provides instruction for students in grades kindergarten through five.
- Orchard Hollow Elementary School, constructed in 1969 with additions and renovations in 1973, provides instruction for students in grades kindergarten through five.
- Sterling Morton Elementary School, constructed in 1961 with additions and renovations in 1964, provides instruction for students in grades kindergarten through five.

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

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

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

High School The School District has one comprehensive high school serving 2,578 students in grades nine through twelve. It is accredited by the North Central Association of Colleges and Schools and by the Ohio Board of Education. Students select from a wide array of courses and electives from basic academic core subjects to advanced placement coursework, which offer the student the opportunity to do college level work. The Career Technical Program also offers the opportunity for students to pursue career objectives while in high school including the opportunity to earn college credit through the completion of college courses. Mentor High School continues to offer a full extracurricular program of sports, clubs and service groups. Students excel in all areas and benefit from a well-rounded preparation that allows them to be successful in whatever career path they choose.

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

Transportation The transportation system of the Mentor Exempted Village School District exceeds the State's minimum standards and allows kindergarten through twelfth grade students to ride. The School District maintains a fleet of buses for this purpose and has additional vehicles to transport physically challenged students. A computer program assigns students to the appropriate bus route. Parents and students are informed by mail of appropriate bus number, time and location of street pick-up to school and drop-off for the return trip home. Annually, the Ohio Department of Education measures transportation efficiency. The School District was recognized as providing the most efficient transportation services in Lake County during the 2015-2016 school year.

Certified Staff The average experience of the certificated staff is 12.6 years and 80.2 percent of the teaching staff have at least a master's degree. Textbook authors, doctorates, nationally known speakers and recognized experts in specific fields of study are among the School District's teachers and administrators. A blend of experienced staff along with new teachers offers students of the Mentor Exempted Village School District one of the strongest faculties in the area.

Economic Condition and Outlook

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

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

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

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

Long-Term Financial Planning

The theme of the 2015-2016 fiscal year was "Sustaining Our Evolution". This year's theme reflects the following budgetary dynamics:

- The economy continues to take away over \$2,000,000 in annual investment income
- Annual income began exceeding annual expenses in 2012-2013
- Pursue new local tax revenue in 2016
- Instructional technology is becoming less expensive than traditional spending
- State education policy continues to move State subsidies away from our District to vouchers and community schools

The diligence of the School District in managing long-term plans has become evident in that the 2004 emergency levy, originally planned to support four fiscal years of spending, has funded twelve years of budgets. This is especially noteworthy in that the State average life of a new levy is four years. The 2015-2016 budget expenditures decreased 4.65 percent from the prior year. The community recognized the prudent fiscal management of the School District and the successful use of managing long term plans and passed a new 4.9 mill operating levy which was the first new levy request in twelve years. The School District will begin collections on this levy in fiscal year 2017.

Relevant Financial Policies

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

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

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

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

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

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

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

Major Initiatives

Overview During the 2015-2016 school year, Mentor Schools was responsible for the education of more than 7,600 students enrolled in pre-kindergarten through twelfth grade from the City of Mentor and the surrounding communities of Mentor-on-the-Lake, Concord Township, and Kirtland Hills. Our School District operated nine elementary schools, three middle schools, one high school, and a state-of-the-art, specialized school for children with autism. Our top priority in all of our schools is to provide a safe learning environment where children can grow academically, socially, and emotionally.

Our main focus in meeting that goal is to give our students with a wide variety of opportunities at every grade level both in and out of the classroom. Our students have an abundance of course offerings to choose from to meet their academic requirements as well as dozens of clubs and athletic opportunities available to them. At the high school, for example, the program of studies consists of more than 200 course options, including college or honors level, Advanced Placement (AP), career technical education, art, music and numerous elective online classes. We realize all of our students are different and have different needs, so having an array of opportunities helps us individualize each student's experience and provide a well-rounded education.

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

Balanced Learning and 1:1 Device Initiative Students in grades 6 through 12 each had a device to use in school and at home during the 2015-2016 school year as part of the School District's balanced learning approach to academics. Mentor Schools provides a balanced education for students by focusing on high quality instruction that meets the needs of today's diverse learners. Our teachers work hard to create a classroom environment that fosters success and will ultimately encourage each student to become enrolled, enlisted or employed after high school.

Straight A Fund Grant (Implementation Year 2) The 2015-2016 school year was the second year of implementation for Mentor Schools' Straight A Fund grant. As the largest grant ever earned in the School District's history, the Straight A grant provided funds for the following projects: renovating the Mentor High School media center, now called The Hub; building a 16,000 square foot professional development center called Paradigm; renovating 62 Mentor High School classrooms; and providing MacBooks for all students in grades 9-12. Our staff worked diligently on professional development to be ready for 2,600 MacBooks to be deployed to students for use in school and at home. Access to this technology allows our teachers to implement innovative lessons that will better meet the individual needs of each of our learners as we work toward our goal of encouraging students to become enrolled, enlisted or employed after high school.

League of Innovative Schools Mentor Schools is a contributing member of the prestigious, nationwide League of Innovative Schools. Our School District was accepted into the League of Innovative Schools as one of only two school districts in Ohio.

Open Educational Resources Mentor Schools Superintendent Matthew Miller delivered a TEDx Talk in May 2016 on the topic of Open Educational Resources and why our School District believes all students should have access to high quality learning materials anywhere and anytime. You can watch Mr. Miller's TEDx Talk by visiting our website www.mentorschools.net.

AASA The Mentor Schools Superintendent is also a member of AASA, the School Superintendents Association, a consortium that provides school district leaders the opportunity to work together to gain insight and take action into emerging and successful models of best practices using digital media in support of engaging and effective learning experiences.

National Recognition Mentor Schools is focused on providing high quality instruction to meet the needs of today's diverse learners. Our School District has been recognized at a national level for how our teachers have worked to infuse technology into our classrooms to reach that goal. Previously, Mentor Schools was selected as one of only two districts nationwide to host a National School Boards Association (NSBA) Education Technology Site Visit to showcase the innovative instructional practices happening in our schools, and our educators have been asked to present on their work at conferences and symposiums across the state and country. That included one of our students and administrators giving a presentation at the annual NSBA Conference, which draws thousands of school officials each year. It was called Jordyn's Story: How Technology Tools Support All Students. Additionally, in 2015-2016 a fourth Mentor Schools team member, Superintendent Mr. Miller, earned a spot on the National School Boards Association's 20 to Watch Education Technology Leaders list.

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

Major Academic Achievements in 2015-2016

- Mentor High School offered more than 215 courses for students during the 2015-2016 school year, and each of our three middle schools had more than 55 courses available for students.
- Elementary school curriculum focused on the core subjects of English language arts, math, science, and social studies. Elementary students also had the opportunity to take four related arts classes (art, physical education, music, and technology) once a week.
- Advanced Placement:
 - During the 2015-2016 school year, Mentor High School increased its College Board Advanced Placement courses offerings for students to include 22 options: American Government, Art History, Biology, Calculus AB, Calculus BC, Chemistry, Computer Science, English, Environmental Science, European History, Fine Arts, French, German, Human Geography,

Macro Economics, Micro Economics, Physics, Psychology, Seminar, Spanish, Statistics, and U.S. History.

- 4,300 Mentor High School students took 863 AP exams during the 2015-2016 school year as a part of the courses listed above.
- 313 students scored a 3 or higher on one or more of the AP exams taken.
- Dual Credit: Eight dual credit courses were offered to Mentor High students in conjunction with Lakeland Community College for the 2015-2016 school year, including Math, English, Intro to Humanities, Intro to Psychology, Effective Public Speaking and Government.
- College Credit Plus (CCP) Students had the opportunity to take CCP courses to earn up to 30 college credits for the year, while simultaneously earning high school credit.
- Career Technical Education High school students could apply to take one of 25 Career Technical programs offered through the Lake Shore Compact during last school year. Each program is a two year course where students gain valuable experience working in a hands-on-real-world environment in a field they are interested in pursuing for their professional careers.
- 652 Mentor High School seniors earned their high school diploma, and 161 of those graduates earned an honors diploma.
- Of the Class of 2016 graduates, 487 planned to go on to 72 different colleges or universities pursuing two or four year programs; 8 were registered for vocational or trade schools; 13 were joining the military; and 103 were entering the workforce.
- 125 members of the Class of 2016 graduated with Summa Cum Laude honors, meaning they maintained a cumulative Grade Point Average (GPA) of 3.8 or higher. An additional 69 Graduated Magna Cum Laude.
- 82 members of the Mentor High School Class of 2016 graduated with a 4.0 or Higher cumulative Grade Point Average.
- 16 Mentor High School seniors earned recognition from the National Merit Program. Four seniors were named National Merit finalists, one was named a semifinalist and 11 were named commended students.
- Two Mentor High School seniors earned the perfect ACT score of 36. (Less than one-tenth of one percent of students who take the ACT achieves the top composite score.)
- 138 seniors earned college credit while still in high school and 10 of those students earned their Associate's Degree.
- 40 students were recognized by the Advanced Placement (AP) Scholar Program. 16 became AP Scholars, 12 AP Scholars with Honors, 11 AP Scholars with Distinction and 1 National AP Scholar.
- 11 seniors took a distance learning Calculus 3 course, the first year it was offered.
- The class of 2016 spent more than 15,570 hours providing community service to various causes.
- Close to 1,000 students took an online course, either required or elective.
- 80.2 percent of our teachers have earned a Master's Degree or higher as part of their continuing education. Dozens more are currently working toward their Master's Degree.
- Nearly 100 percent of our teachers are considered to be Highly Qualified Teachers, or HQT. HQT is a qualification at the federal level as determined by the Office of Public Instruction in Washington, D.C.
- Our Information Technology (IT) team managed several thousand devices for students and staff to use during the 2015-2016 school year, including: 3,000 MacBooks; 2,500 iPads; 2,200 Chromebooks; and 1,300 desktop computers.
- Students at all levels (elementary, middle and high school) have the opportunity to participate in student government through student council and other activities where officers are elected.
- Students at the elementary school level can participate in afterschool activities, such as Just Run and Art Club, to name a few.
- Five members of the Mentor High School Speech and Debate Team qualified for the 2016 OHSSL State Tournament, one student traveled to Salt Lake City as one of six finalists for the National Speech and Debate Association's Student of the Year award, and our coach was inducted into the OHSSL Speech and Debate Coaches Hall of Fame.
- Our students have the opportunity to attend various field trips including an 8th grade trip to Washington, D.C.

- 110 Mentor High School students are members of the National Honor Society and more than 150 middle school students are members of the National Junior Honor Society.
- Student Ambassadors are chosen at the elementary and middle school level to set a positive example and work with peers to accomplish school goals. Students can also participate in Safety Patrol at all of our elementary schools.
- At the high school level, students have 40 different clubs and activities available in which to participate.
- At the middle school level, students have approximately 15 clubs and activities available in which to participate.
- The high school has four specialized clubs and activities aimed at raising awareness surrounding mental health awareness and bullying issues. They are: CARDS (Caring And Respect Determine Success), PRIDE, GAHTAH (Give A Hand, Take A Hand) and Friends of Rachel.
- GAHTAH Club aims to raise awareness of mental health issues.
- Each of the middle schools also has a Friends of Rachel club for students to spread a message of kindness and compassion throughout the school and community.
- Mentor High School students lead the Sparkle Cheerleaders program, also known as Mentor Sparkles. Sparkles is an inclusion cheerleading squad where students with special needs work with their typically-developing peers to root for the Cardinals at various games and events throughout the school year.
- Fine Arts accomplishments:
 - All elementary school students are enrolled in art and music classes that are taught by certified art and music teachers.
 - All middle school students have the opportunity to take art and music classes through the Program of Studies.
 - More than 1,000 Mentor High School students took at least one art or music class during the 2015-2016 school year.
 - All elementary art students beginning in Kindergarten have digital portfolios. The practice of using digital portfolios continues into middle school and high school.
 - MHS students earned first, second and third place honors from the 2016 Congressional Art Competition. The winning artwork is now displayed in Washington, D.C.
 - MHS students earned silver keys, gold keys and a silver medal in the National Scholastic Art and Writing Awards.
 - MHS fine art students participate in the Memory Project, a nonprofit organization that invites art teachers and their students to create portraits for youth around the world who have faced substantial challenges, such as neglect, abuse, loss of parents, and extreme poverty as examples.
 - MHS student artwork is currently representing our School District in the first annual House of Representatives exhibit in Columbus.
 - Elementary, middle and high school students participate in the PTA Reflections Program earning State awards.
 - Middle school students have the opportunity to embark in a studio experience of the visual arts by taking fine art at the middle school level.
 - MHS art students have the opportunity to take Honors and AP art courses as well as a variety of introductory classes, including: Ceramics; Digital Photography; Drawing Jewelry/Metalsmithing; Painting and Printmaking.
 - Thousands of community members attend our School District's annual art shows. Student artwork is placed on display from all levels at the various events.
 - MHS Fighting Cardinal Marching Band members were selected to perform in the Macy's Thanksgiving Day Parade in New York City.
 - MHS band members performed in honors ensembles all across the Cleveland area.
 - MHS band members were selected to perform in the National Association for Music Education National Honors Band and the OMEA All State Honors Ensembles in 2015-2016.
 - The Mentor High School Symphony Orchestra earned an Excellent Rating last school year at the State Orchestra Contest. The Symphony Orchestra was 74 members strong.
 - The Mentor High School Mannheim Chamber Orchestra also received an Excellent Rating at the State Orchestra Contest in 2016. The Mannheim Orchestra had 33 students performing.

- MHS orchestra students had the opportunity to play alongside world class musicians from City Music Cleveland during a special performance last spring. You can watch the performance by visiting our Cardinal TV YouTube channel.
- 178 elementary and middle school students participated in the 2016 Summer Music Program.
- Elementary students have the opportunity in fifth grade to learn a band or orchestra instrument.
- In addition to instrumental lessons, fifth grade band and orchestra students perform in many building concerts and an All-City Festival concert, in which all schools combine for a performance.
- The Mentor High School Concert Women's Choir received a Superior (I) rating at the OMEA State Level Adjudicated 2016 Event in Class AA, the highest classification.
- The Mentor High School Concert Mixed Choir also received a Superior (I) rating at the OMEA State Level Adjudicated 2016 Event in Class AA. This made Mentor High one of only eight schools in the State to have two choirs receive a Superior Rating in Class AA.
- Seven Mentor High School students were selected for 2016 Ohio Music Education All-State Ensembles, and one Mentor student was accepted into the National Association for Music Education All-National Honor Choir in Nashville, Tennessee.
- Mentor Schools offers more than a dozen holiday concerts free to the public in December each year at the Mentor Fine Arts Center.
- During the 2015-2016 school year, the Mentor Top 25 Show Choir celebrated its 51st year of entertaining our community. The Mentor Top 25 was the first high school show choir in the State of Ohio and has spent the past 51years performing throughout northeastern Ohio, the United States, and many countries around the world. 2015-2016 included a successful performance and educational tour in Nashville, Tennessee. Additionally, some Mentor Schools middle school students have the opportunity to also participate in show choir through Shoreline Signers.
- Talented Mentor High School students perform a fall play and spring musical each year. The 2015-2016 shows were The Laramie Project and Mary Poppins.
- Students received five awards from the Mentor Rotary for their work in Mary Poppins, including Best Musical - the fourth year in a row the honor was bestowed to the program. The Laramie Project received the Lorek Award for Excellence.
- Each of our middle schools runs a theatre or drama club program for students to participate in as well.

Awards and Acknowledgements

Awards

GFOA Certificate of Achievement The Government Finance Officers Association in the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Mentor Exempted Village School District for its comprehensive annual financial report for the 11th consecutive year for the fiscal year ended June 30, 2015. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting.

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

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

National School Boards Association 20 to Watch Award Mentor Schools Superintendent Matthew Miller was named to the National School Boards Association's 20 to Watch Education Technology Leaders. This is a prestigious honor recognizing only 20 leaders from across the country for their ability to inspire colleagues to explore and embrace innovative technology solutions and instructional strategies that contribute to high-quality learning experiences for all students.

#FutureReady As a part of Mentor Schools' commitment to the Future Ready (#FutureReady) schools program with the U.S. Department of Education, Superintendent Matthew Miller was selected as one of only ten superintendents from across the country to present at the Open Education symposium at the White House. There, Mentor Schools was acknowledged for becoming one of the first #GoOpen ambassador school districts.

Apple Distinguished School Award Ridge Middle School was named an Apple Distinguished School. Apple selectively recognizes outstanding schools and programs worldwide for innovation, leadership, and educational excellence. The award is given based on success of a school implementing Five Best Practices to sustain a meaningful one-to-one implementation. The best practices are: Visionary Leadership; Innovative Teaching and Learning; Ongoing Professional Learning; Compelling Evidence of Success; and Flexible Learning Environment.

Speech and Debate Hall of Fame Inductee Mentor High School teacher and speech and debate coach Amy Roediger was inducted into the Ohio High School Speech League Coaches' Hall of Fame for 2016.

Golden Apple Award Mentor High School teacher Carissa Richards received the Brigham Young University Golden Apple Award for the Cleveland Chapter. The Golden Apple award was created to recognize teachers who demonstrate excellence in teaching, mentoring and guiding youth in Northeast Ohio. The award is chosen based off of student nominations.

Acknowledgements

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

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

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

Respectfully submitted,



Daniel L. Wilson
Chief Financial Officer



Matthew J. Miller.
Superintendent

Mentor Exempted Village School District

Principal Officials

June 30, 2016

Board of Education

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

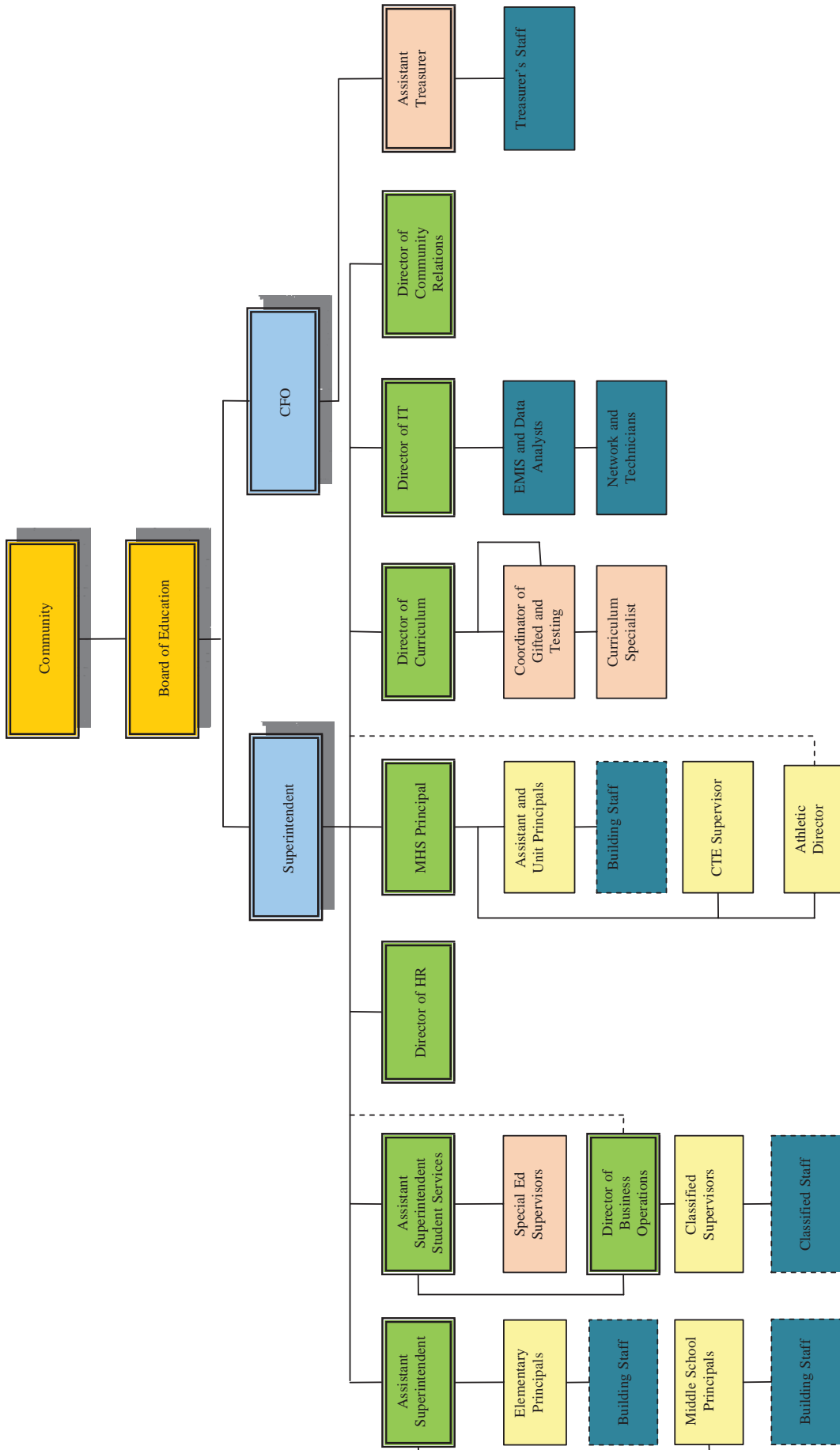
Superintendent

Matthew J. Miller

Chief Financial Officer

Mr. Daniel L. Wilson

Mentor Exempted Village School District Organizational Chart





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Mentor Exempted Village School District
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO



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

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

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

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Mentor Exempted Village School District, Lake County, Ohio, (the District), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Mentor Exempted Village School District, Lake County, Ohio, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted to opine on the District's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2016, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

Dave Yost
Auditor of State
Columbus, Ohio

December 15, 2016



The state-of-the-art technology at Paradigm makes it easy for a presenter to broadcast to an array of screens all throughout the facility to share information.

Mentor Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
Unaudited*

The discussion and analysis of the Mentor Exempted Village School District's (the "School District") financial performance provides an overview of the School District's financial activities for the fiscal year ended June 30, 2016. The intent of this discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the transmittal letter, basic financial statements and the notes to the basic financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2016 were as follows:

- ❖ In total, net position of governmental activities increased \$7,791,174, which represents a 14 percent increase from fiscal year 2015.
- ❖ Total general revenues of governmental activities accounted for \$93,318,653 in revenue or 86.51 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions and capital grants and contributions accounted for \$14,555,171 or 13.49 percent of total revenues of \$107,873,824.
- ❖ The School District had \$100,082,650 in expenses related to governmental activities. Of these expenses, only \$14,555,171 was offset by program specific charges for services, operating and capital grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$93,318,653 were able to provide for these programs resulting in an increase of net position of governmental activities from (\$55,624,390) to (\$47,833,216).
- ❖ The School District's major governmental fund was the general fund. The general fund had \$98,623,294 in revenues and \$92,437,393 in expenditures. The general fund's balance increased \$5,763,592 from \$47,980,661 to \$53,744,253.

Using this Comprehensive Annual Financial Report (CAFR)

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

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

Mentor Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
Unaudited*

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While these statements contain information about the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2016?" The statement of net position and the statement of activities answer this question. These statements include all non-fiduciary assets and liabilities using the accrual basis of accounting, similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

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

Reporting the School District's Most Significant Funds

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

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

Mentor Exempted Village School District

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2016

Unaudited

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

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

The School District as a Whole

Recall that the statement of net position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for fiscal year 2016 compared to fiscal year 2015:

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Assets						
Current and Other Assets	\$149,141,704	\$139,339,402	\$1,614,849	\$602,318	\$150,756,553	\$139,941,720
Capital Assets, Net	25,338,670	22,626,852	620,802	648,786	25,959,472	23,275,638
<i>Total Assets</i>	<u>174,480,374</u>	<u>161,966,254</u>	<u>2,235,651</u>	<u>1,251,104</u>	<u>176,716,025</u>	<u>163,217,358</u>
Deferred Outflows of Resources						
Pension	13,436,552	9,473,522	1,322,948	245,367	14,759,500	9,718,889
Liabilities						
Current Liabilities	12,891,286	16,412,599	233,504	152,376	13,124,790	16,564,975
Long-Term Liabilities:						
Due Within One Year	1,246,090	1,271,371	30,373	0	1,276,463	1,271,371
Due In More Than One Year:						
Net Pension Liability	140,481,505	130,056,481	4,724,654	3,177,720	145,206,159	133,234,201
Other Amounts	4,972,023	4,816,172	22,455	0	4,994,478	4,816,172
<i>Total Liabilities</i>	<u>159,590,904</u>	<u>152,556,623</u>	<u>5,010,986</u>	<u>3,330,096</u>	<u>164,601,890</u>	<u>155,886,719</u>
Deferred Inflows of Resources						
Property Taxes	61,448,215	50,974,947	0	0	61,448,215	50,974,947
Pension	14,711,023	23,532,596	251,858	555,419	14,962,881	24,088,015
<i>Total Deferred Inflows of Resources</i>	<u>76,159,238</u>	<u>74,507,543</u>	<u>251,858</u>	<u>555,419</u>	<u>76,411,096</u>	<u>75,062,962</u>
Net Position						
Net Investment in Capital Assets	24,742,961	20,659,639	620,802	648,786	25,363,763	21,308,425
Restricted for:						
Capital Projects	1,408,363	1,583,300	0	0	1,408,363	1,583,300
Debt Service	0	11	0	0	0	11
Other Purposes	1,741,642	6,039,333	0	0	1,741,642	6,039,333
Unrestricted (Deficit)	(75,726,182)	(83,906,673)	(2,325,047)	(3,037,830)	(78,051,229)	(86,944,503)
<i>Total Net Position</i>	<u>(\$47,833,216)</u>	<u>(\$55,624,390)</u>	<u>(\$1,704,245)</u>	<u>(\$2,389,044)</u>	<u>(\$49,537,461)</u>	<u>(\$58,013,434)</u>

Mentor Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
Unaudited*

The net pension liability (NPL) is the largest single liability reported by the School District at June 30, 2016 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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

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

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

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

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

Mentor Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2016
Unaudited

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

Overall, net position increased by \$8,475,973 during fiscal year 2016. In order to further understand what makes up the changes in net position for the current year, the following table gives further details regarding the results of activities for the current year. Table 2 shows total revenues, expenses and changes in net position for fiscal year 2016 and 2015.

Table 2
Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Program Revenues						
Charges for Services and Sales	\$6,095,835	\$5,231,162	\$3,272,289	\$2,536,666	\$9,368,124	\$7,767,828
Operating Grants and Contributions	8,319,670	22,132,284	0	0	8,319,670	22,132,284
Capital Grants and Contributions	139,666	582,572	0	0	139,666	582,572
<i>Total Program Revenues</i>	<u>14,555,171</u>	<u>27,946,018</u>	<u>3,272,289</u>	<u>2,536,666</u>	<u>17,827,460</u>	<u>30,482,684</u>
General Revenues						
Property Taxes	61,377,764	63,229,824	0	0	61,377,764	63,229,824
Grants and Entitlements	29,175,056	28,800,536	0	0	29,175,056	28,800,536
Payment in Lieu of Taxes	1,304,929	1,171,884	0	0	1,304,929	1,171,884
Investment Earnings	469,354	242,800	0	0	469,354	242,800
Unrestricted Contributions and Donations	60,575	60,215	0	0	60,575	60,215
Gain on Sale of Capital Assets	0	26,259	0	0	0	26,259
Miscellaneous	930,975	601,917	0	0	930,975	601,917
<i>Total General Revenues</i>	<u>93,318,653</u>	<u>94,133,435</u>	<u>0</u>	<u>0</u>	<u>93,318,653</u>	<u>94,133,435</u>
<i>Total Revenues</i>	<u>107,873,824</u>	<u>122,079,453</u>	<u>3,272,289</u>	<u>2,536,666</u>	<u>111,146,113</u>	<u>124,616,119</u>
Program Expenses						
Instruction:						
Regular	39,889,091	47,686,630	0	0	39,889,091	47,686,630
Special	14,198,108	14,261,426	0	0	14,198,108	14,261,426
Vocational	2,066,776	2,053,430	0	0	2,066,776	2,053,430
Adult/Continuing	1,598	1,653	0	0	1,598	1,653
Student Intervention	149,374	152,730	0	0	149,374	152,730
Support Services						
Pupils	5,638,049	5,713,690	0	0	5,638,049	5,713,690
Instructional Staff	6,130,131	4,974,475	0	0	6,130,131	4,974,475
Board of Education	121,393	101,051	0	0	121,393	101,051
Administration	5,276,526	6,419,801	0	0	5,276,526	6,419,801
Fiscal	2,819,889	2,759,563	0	0	2,819,889	2,759,563
Business	593,946	580,374	0	0	593,946	580,374
Operation and Maintenance of Plant	9,423,648	10,218,945	0	0	9,423,648	10,218,945
Pupil Transportation	6,007,113	6,207,664	0	0	6,007,113	6,207,664
Central	869,171	956,647	0	0	869,171	956,647
Operation of						
Non-Instructional Services	2,141,108	2,061,460	0	0	2,141,108	2,061,460
Operation of Food Service	2,660,668	2,442,507	0	0	2,660,668	2,442,507
Extracurricular Activities	2,090,434	2,011,173	0	0	2,090,434	2,011,173
Interest and Fiscal Charges	5,627	9,214	0	0	5,627	9,214
Cardinal Autism Resource and Education School	0	0	2,483,893	1,661,959	2,483,893	1,661,959
Treasury Management Services	0	0	103,597	64,463	103,597	64,463
<i>Total Program Expenses</i>	<u>100,082,650</u>	<u>108,612,433</u>	<u>2,587,490</u>	<u>1,726,422</u>	<u>102,670,140</u>	<u>110,338,855</u>
<i>Change in Net Position</i>	<u>7,791,174</u>	<u>13,467,020</u>	<u>684,799</u>	<u>810,244</u>	<u>8,475,973</u>	<u>14,277,264</u>
Net Position Beginning of Year	<u>(55,624,390)</u>	<u>(69,091,410)</u>	<u>(2,389,044)</u>	<u>(3,199,288)</u>	<u>(58,013,434)</u>	<u>(72,290,698)</u>
Net Position End of Year	<u>(\$47,833,216)</u>	<u>(\$55,624,390)</u>	<u>(\$1,704,245)</u>	<u>(\$2,389,044)</u>	<u>(\$49,537,461)</u>	<u>(\$58,013,434)</u>

Mentor Exempted Village School District

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2016

Unaudited

Governmental Activities

The School District's governmental activities net position increased by \$7,791,174. Program revenues of \$14,555,171 and general revenues of \$93,318,653 were sufficient to offset total governmental expenses of \$100,082,650. An increase in net position is mainly due to reductions in program expenses offsetting an overall decrease in revenues.

The primary source of revenue for governmental activities is derived from property taxes. This revenue source represents 56.90 percent of total governmental revenue.

Instruction and support services comprise 56.26 and 36.85 percent, respectively, of governmental program expenses. Interest expense was less than one percent. Interest expense was attributable to the outstanding notes for various projects. Overall, governmental program expenses decreased \$8,529,783, mainly due to a decrease in regular instruction as a result of decreased personnel costs.

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

Table 3
Total and Net Cost of Program Services
Governmental Activities

	2016		2015	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction:				
Regular	\$39,889,091	(\$38,088,899)	\$47,686,630	(\$33,574,966)
Special	14,198,108	(10,437,822)	14,261,426	(10,234,261)
Vocational	2,066,776	(1,789,521)	2,053,430	(1,775,931)
Adult/Continuing	1,598	(1,598)	1,653	(1,653)
Student Intervention	149,374	(6,167)	152,730	(22,985)
Support Services:				
Pupils	5,638,049	(4,483,856)	5,713,690	(4,802,718)
Instructional Staff	6,130,131	(5,445,135)	4,974,475	(3,599,730)
Board of Education	121,393	(117,657)	101,051	(98,674)
Administration	5,276,526	(4,766,688)	6,419,801	(5,330,759)
Fiscal	2,819,889	(2,716,177)	2,759,563	(2,648,323)
Business	593,946	(574,849)	580,374	(565,767)
Operation and Maintenance of Plant	9,423,648	(9,180,729)	10,218,945	(9,405,960)
Pupil Transportation	6,007,113	(5,658,821)	6,207,664	(6,038,899)
Central	869,171	(735,472)	956,647	(821,947)
Operation of Non-Instructional Services	2,141,108	(133,157)	2,061,460	(294,916)
Operation of Food Service	2,660,668	91,768	2,442,507	(4,483)
Extracurricular Activities	2,090,434	(1,477,072)	2,011,173	(1,435,229)
Interest and Fiscal Charges	5,627	(5,627)	9,214	(9,214)
Total	\$100,082,650	(\$85,527,479)	\$108,612,433	(\$80,666,415)

The dependence upon tax revenues during fiscal year 2016 for governmental activities is apparent, as 85.46 percent of 2016 governmental activities are supported through taxes and other general revenues. The School District's taxpayers, as a whole, are by far the primary support for the School District's students.

Mentor Exempted Village School District

*Management's Discussion and Analysis
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Unaudited*

Business-Type Activities

During fiscal year 2016, the School District operated a business-type activity for the Cardinal Autism Resource and Education School (C.A.R.E.S.). The School District advanced money to this fund from the general fund for the renovation and furnishing of the Dr. Jacqueline A. Hoynes (formerly Headlands Elementary School), as well as other start-up capital purchases. The C.A.R.E.S. fund has returned 100 percent of the original advance. The major revenue source for this fund is tuition and fees. The School District also operated a business-type activity for treasury management services. The School District is providing accounting services to other school districts. The major revenue source for this fund is charges for services for the amounts invoiced to other school districts.

The School District's Funds

The School District's governmental funds (as presented on the balance sheet on page 18) reported a combined fund balance of \$56,101,512, which is more than last year's fund balance of \$53,546,496 by \$2,555,016.

General Fund

The general fund is the chief operating fund of the School District. At the end of the current fiscal year, total fund balance for the general fund was \$53,744,253, of which \$84,415 was nonspendable because of inventory, \$4,123,714 was assigned to support services, contracts and fiscal year 2017 appropriations, and \$49,536,124 was unassigned. The general fund balance increased by \$5,763,592, mainly due to lower than budgeted salary and benefit spending.

General Fund Budgeting Highlights

The School District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant fund to be budgeted is the main operating fund of the School District, the general fund. Board of Education policy establishes the general fund level of control at the first two levels of function and the first level of object. All other funds are controlled at the fund level.

The Lake County Budget Commission approved original and final estimated resources in the amount of \$93,683,721, not including carryover balances. In an effort to control expenses and preserve carryover balances, the School District budgeted \$93,683,721 in revenues. Actual revenues for fiscal year 2016 exceeded the School District's final budgeted revenues by 5.91 percent. This can be primarily attributed to higher than certified property tax collections and higher than budgeted intergovernmental revenue.

General fund original appropriations were \$105,295,995, which included carryover encumbrances. Final appropriations were \$105,295,995, which also included carryover encumbrances. The actual expenditures for fiscal year 2016 totaled \$98,315,420, which was \$6,980,575 less than the final budget appropriations. The difference is due to prudent spending by the Board of Education, Superintendent, and Chief Financial Officer primarily in the area of salaries and benefits.

Mentor Exempted Village School District
Management's Discussion and Analysis
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Unaudited

Capital Assets and Debt Administration

Capital Assets

Table 4 shows fiscal year 2016 balances compared to 2015:

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

	Governmental Activities		Business-Type Activities	
	2016	2015	2016	2015
Land	\$465,776	\$465,776	\$0	\$0
Construction in Progress	826,133	4,894,916	0	0
Land Improvements	2,710,632	1,901,598	0	0
Buildings and Improvements	16,888,616	11,652,753	591,924	624,608
Furniture and Fixtures	2,970,791	2,277,099	28,878	24,178
Vehicles	1,476,722	1,434,710	0	0
<i>Total Capital Assets</i>	<u>\$25,338,670</u>	<u>\$22,626,852</u>	<u>\$620,802</u>	<u>\$648,786</u>

Acquisitions for governmental activities totaled \$11,149,972 which included \$6,514,706 of outstanding projects completed during fiscal year 2016, as well as \$2,445,923 of new projects started in fiscal year 2016. Depreciation of governmental activities totaled \$1,761,097 for the fiscal year. Detailed information regarding capital asset activities is included in the notes to the financial statements (Note 11).

Debt

At June 30, 2016, the School District had no outstanding long-term debt and short-term debt of \$390,000. Detailed information regarding short-term notes payables activity and long-term obligation activity is included in the notes to the financial statements (Notes 12 and 13, respectively).

The debt limit of the School District as of June 30, 2016 was \$155,877,494. The amount of debt subject to the debt limit was \$390,000, leaving an overall debt margin of \$155,487,494.

Current Financial Related Activities

The theme for the fiscal year 2016 budget was “Sustaining Our Evolution.” Our plan for executing the theme was detailed in the September 8, 2015 annual appropriations document and noted that we were continuing to manage to our long term plans. The theme is in recognition of the following:

- The economy continues to take away over \$2,000,000 in annual investment income;
- A continuation of current general fund annual income exceeding current general fund annual expenses which began in fiscal year 2013;
- Pursue new local revenue in 2016;
- Instructional technology is becoming less expensive than traditional instructional spending;
- A continuation of current State education policy to move State subsidies away from our School District to vouchers and community schools.

Mentor Exempted Village School District

*Management's Discussion and Analysis
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We utilized the five year forecasting system, a five year staffing plan, the enrollment projections, the resources of the Citizens Financial Advisory Committee and the Citizen Audit Committee, and most importantly, our strategic plan. The fiscal year 2016 budget included a continuation of a major budget priority. The priority was to refocus a portion of the traditional textbook and instructional materials budget to support the current and expanding balanced learning program. The Board of Education's oversight of the fiscal management throughout the past year and the Superintendents' prudent management of staffing levels were major factors in the success we have achieved in managing the budget.

The Board of Education, the Superintendent and Chief Financial Officer continued to relentlessly pursue cost reductions without sacrificing the quality of the School District's educational programs. The following fiscal management beliefs were utilized in the fiscal year 2016 budget:

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

Overall, the fiscal year 2016 original general fund budget was an increase of 3.3 percent over actual fiscal year 2015 expenditures and 1.03 percent from the fiscal year 2015 budget. The budget was \$4,169,595 less than projected in the five year fiscal projections.

The success of basing the financial management on long term plans and prudent spending has cushioned the impact of the current weak economy and protected our high quality educational programs. The last new local property tax levy was approved in August 2004. That new tax revenue was to fund the next four budgets. Currently, the Chief Financial Officer has projected that the 2004 levy will fund fourteen budgets.

Contacting the School District's Financial Management

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



Each of the three main rooms in Paradigm can hold 50-100 people very comfortably in a collaborative setting with plenty of workspace for everyone. This makes it easy for whole group work to transition quickly and smoothly into small group work and back when needed.

Mentor Exempted Village School District

Statement of Net Position

June 30, 2016

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$76,249,620	\$1,880,093	\$78,129,713
Accounts Receivable	118,013	0	118,013
Accrued Interest Receivable	138,044	0	138,044
Intergovernmental Receivable	1,441,941	20,723	1,462,664
Internal Balances	285,967	(285,967)	0
Inventory Held for Resale	33,245	0	33,245
Materials and Supplies Inventory	103,966	0	103,966
Property Taxes Receivable	69,560,219	0	69,560,219
Payment in Lieu of Taxes Receivable	1,210,689	0	1,210,689
Nondepreciable Capital Assets	1,291,909	0	1,291,909
Depreciable Capital Assets, Net	24,046,761	620,802	24,667,563
<i>Total Assets</i>	<u>174,480,374</u>	<u>2,235,651</u>	<u>176,716,025</u>
Deferred Outflows of Resources			
Pension	13,436,552	1,322,948	14,759,500
Liabilities			
Accounts Payable	645,790	2,419	648,209
Contracts Payable	198,209	0	198,209
Accrued Wages and Benefits	8,719,035	178,377	8,897,412
Retainage Payable	7,500	0	7,500
Intergovernmental Payable	1,510,517	52,708	1,563,225
Matured Compensated Absences Payable	46,207	0	46,207
Accrued Interest Payable	430	0	430
Notes Payable	390,000	0	390,000
Claims Payable	1,373,598	0	1,373,598
Long-Term Liabilities:			
Due Within One Year	1,246,090	30,373	1,276,463
Due In More Than One Year:			
Net Pension Liability (See Note 14)	140,481,505	4,724,654	145,206,159
Other Amounts Due In More Than One Year	4,972,023	22,455	4,994,478
<i>Total Liabilities</i>	<u>159,590,904</u>	<u>5,010,986</u>	<u>164,601,890</u>
Deferred Inflows of Resources			
Property Taxes	61,448,215	0	61,448,215
Pension	14,711,023	251,858	14,962,881
<i>Total Deferred Inflows of Resources</i>	<u>76,159,238</u>	<u>251,858</u>	<u>76,411,096</u>
Net Position			
Net Investment in Capital Assets	24,742,961	620,802	25,363,763
Restricted for:			
Capital Projects	1,408,363	0	1,408,363
Food Service Operations	155,167	0	155,167
Other Grants	331,396	0	331,396
Athletics	94,641	0	94,641
Other Purposes	1,160,438	0	1,160,438
Unrestricted (Deficit)	<u>(75,726,182)</u>	<u>(2,325,047)</u>	<u>(78,051,229)</u>
<i>Total Net Position</i>	<u>(\$47,833,216)</u>	<u>(\$1,704,245)</u>	<u>(\$49,537,461)</u>

See accompanying notes to the basic financial statements

Mentor Exempted Village School District

Statement of Activities

For the Fiscal Year Ended June 30, 2016

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
Current:				
Instruction:				
Regular	\$39,889,091	\$1,545,315	\$254,877	\$0
Special	14,198,108	406,883	3,353,403	0
Vocational	2,066,776	60,180	217,075	0
Adult/Continuing	1,598	0	0	0
Student Intervention	149,374	4,652	138,555	0
Support Services:				
Pupils	5,638,049	793,143	361,050	0
Instructional Staff	6,130,131	232,365	452,631	0
Board of Education	121,393	3,736	0	0
Administration	5,276,526	195,032	314,806	0
Fiscal	2,819,889	103,480	232	0
Business	593,946	19,097	0	0
Operation and Maintenance of Plant	9,423,648	238,735	4,184	0
Pupil Transportation	6,007,113	183,521	25,105	139,666
Central	869,171	106,246	27,453	0
Operation of Non-Instructional Services	2,141,108	2,729	2,005,222	0
Operation of Food Service	2,660,668	1,679,047	1,073,389	0
Extracurricular Activities	2,090,434	521,674	91,688	0
Interest and Fiscal Charges	5,627	0	0	0
<i>Total Governmental Activities</i>	<u>100,082,650</u>	<u>6,095,835</u>	<u>8,319,670</u>	<u>139,666</u>
Business-Type Activities				
Cardinal Autism Resource and Education School	2,483,893	3,078,826	0	0
Treasury Management Services	103,597	193,463	0	0
<i>Total Business-Type Activities</i>	<u>2,587,490</u>	<u>3,272,289</u>	<u>0</u>	<u>0</u>
<i>Total</i>	<u>\$102,670,140</u>	<u>\$9,368,124</u>	<u>\$8,319,670</u>	<u>\$139,666</u>

General Revenues

Property Taxes Levied for:

General Purposes

Capital Outlay

Grants and Entitlements not Restricted to Specific Programs

Payment in Lieu of Taxes

Investment Earnings

Unrestricted Contributions and Donations

Miscellaneous

Total General Revenues

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Businnes-Type Activities	Total
(\$38,088,899)	\$0	(\$38,088,899)
(10,437,822)	0	(10,437,822)
(1,789,521)	0	(1,789,521)
(1,598)	0	(1,598)
(6,167)	0	(6,167)
(4,483,856)	0	(4,483,856)
(5,445,135)	0	(5,445,135)
(117,657)	0	(117,657)
(4,766,688)	0	(4,766,688)
(2,716,177)	0	(2,716,177)
(574,849)	0	(574,849)
(9,180,729)	0	(9,180,729)
(5,658,821)	0	(5,658,821)
(735,472)	0	(735,472)
(133,157)	0	(133,157)
91,768	0	91,768
(1,477,072)	0	(1,477,072)
(5,627)	0	(5,627)
(85,527,479)	0	(85,527,479)
0	594,933	594,933
0	89,866	89,866
0	684,799	684,799
(\$85,527,479)	\$684,799	(\$84,842,680)
60,534,623	0	60,534,623
843,141	0	843,141
29,175,056	0	29,175,056
1,304,929	0	1,304,929
469,354	0	469,354
60,575	0	60,575
930,975	0	930,975
93,318,653	0	93,318,653
7,791,174	684,799	8,475,973
(55,624,390)	(2,389,044)	(58,013,434)
(\$47,833,216)	(\$1,704,245)	(\$49,537,461)

Mentor Exempted Village School District

Balance Sheet

Governmental Funds

June 30, 2016

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets			
Equity in Pooled Cash and			
Cash Equivalents	\$56,615,810	\$3,536,029	\$60,151,839
Accounts Receivable	115,417	2,596	118,013
Accrued Interest Receivable	106,860	31,184	138,044
Intergovernmental Receivable	412,123	1,029,818	1,441,941
Interfund Receivable	644,121	0	644,121
Inventory Held for Resale	0	33,245	33,245
Materials and Supplies Inventory	84,415	19,551	103,966
Property Taxes Receivable	68,656,292	903,927	69,560,219
Payment in Lieu of Taxes Receivable	1,210,689	0	1,210,689
<i>Total Assets</i>	<u>\$127,845,727</u>	<u>\$5,556,350</u>	<u>\$133,402,077</u>
Liabilities			
Accounts Payable	\$408,753	\$215,457	\$624,210
Contracts Payable	0	198,209	198,209
Accrued Wages and Benefits	8,383,547	335,488	8,719,035
Matured Compensated Absences Payable	46,207	0	46,207
Interfund Payable	0	358,154	358,154
Intergovernmental Payable	1,299,663	210,854	1,510,517
Retainage Payable	0	7,500	7,500
Accrued Interest Payable	0	430	430
Notes Payable	0	390,000	390,000
<i>Total Liabilities</i>	<u>10,138,170</u>	<u>1,716,092</u>	<u>11,854,262</u>
Deferred Inflows of Resources			
Unavailable Revenue	3,300,779	697,309	3,998,088
Property Taxes	60,662,525	785,690	61,448,215
<i>Total Deferred Inflows of Resources</i>	<u>63,963,304</u>	<u>1,482,999</u>	<u>65,446,303</u>
Fund Balances			
Nonspendable	84,415	19,551	103,966
Restricted	0	2,079,366	2,079,366
Committed	0	265,675	265,675
Assigned	4,123,714	0	4,123,714
Unassigned	49,536,124	(7,333)	49,528,791
<i>Total Fund Balances</i>	<u>53,744,253</u>	<u>2,357,259</u>	<u>56,101,512</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$127,845,727</u>	<u>\$5,556,350</u>	<u>\$133,402,077</u>

See accompanying notes to the basic financial statements

Mentor Exempted Village School District
*Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 June 30, 2016*

Total Governmental Fund Balances	\$56,101,512
 <i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	25,338,670
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds.	
Delinquent Property Taxes	1,996,840
Intergovernmental	666,565
Tuition and Fees	100,851
Charges for Services	3,473
Rentals	13,829
Payment in Lieu of Taxes	1,210,689
Miscellaneous	<u>5,841</u>
Total	3,998,088
The internal service funds are used by management to charge the costs of insurance and workers' compensation to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	
Net Position	13,161,938
Claims Payable	<u>1,540,665</u>
Total	14,702,603
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Claims Payable	(1,540,665)
Compensated Absences	<u>(4,677,448)</u>
Total	(6,218,113)
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:	
Deferred Outflows - Pension	13,436,552
Net Pension Liability	(140,481,505)
Deferred Inflows - Pension	<u>(14,711,023)</u>
Total	<u>(141,755,976)</u>
<i>Net Position of Governmental Activities</i>	<u><u>(\$47,833,216)</u></u>

See accompanying notes to the basic financial statements

Mentor Exempted Village School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2016

	General	Other Governmental Funds	Total Governmental Funds
Revenues			
Property Taxes	\$61,783,371	\$861,008	\$62,644,379
Intergovernmental	31,272,159	5,973,501	37,245,660
Interest	423,457	20,034	443,491
Tuition and Fees	2,454,337	702,551	3,156,888
Extracurricular Activities	522,923	372,244	895,167
Contributions and Donations	60,575	226,847	287,422
Charges for Services	102,012	1,681,643	1,783,655
Rentals	83,111	75,058	158,169
Payment in Lieu of Taxes	1,210,689	0	1,210,689
Miscellaneous	710,660	267,360	978,020
<i>Total Revenues</i>	<u>98,623,294</u>	<u>10,180,246</u>	<u>108,803,540</u>
Expenditures			
Current:			
Instruction:			
Regular	40,590,979	1,553,559	42,144,538
Special	13,503,385	1,556,761	15,060,146
Vocational	1,816,006	319,396	2,135,402
Student Intervention	155,293	0	155,293
Support Services:			
Pupils	5,107,153	907,150	6,014,303
Instructional Staff	5,805,578	498,850	6,304,428
Board of Education	124,705	1,000	125,705
Administration	5,282,262	526,366	5,808,628
Fiscal	2,944,270	53,224	2,997,494
Business	640,342	0	640,342
Operation and Maintenance of Plant	7,987,090	1,387,155	9,374,245
Pupil Transportation	5,807,907	28,631	5,836,538
Central	972,488	17,049	989,537
Operation of Non-Instructional Services	75,277	2,167,097	2,242,374
Operation of Food Service	0	2,764,189	2,764,189
Extracurricular Activities	1,624,603	497,713	2,122,316
Capital Outlay	55	1,527,364	1,527,419
Debt Service:			
Interest and Fiscal Charges	0	5,627	5,627
<i>Total Expenditures</i>	<u>92,437,393</u>	<u>13,811,131</u>	<u>106,248,524</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>6,185,901</u>	<u>(3,630,885)</u>	<u>2,555,016</u>
Other Financing Sources (Uses)			
Transfers In	0	422,309	422,309
Transfers Out	(422,309)	0	(422,309)
<i>Total Other Financing Sources (Uses)</i>	<u>(422,309)</u>	<u>422,309</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	5,763,592	(3,208,576)	2,555,016
<i>Fund Balances Beginning of Year</i>	<u>47,980,661</u>	<u>5,565,835</u>	<u>53,546,496</u>
<i>Fund Balances End of Year</i>	<u>\$53,744,253</u>	<u>\$2,357,259</u>	<u>\$56,101,512</u>

See accompanying notes to the basic financial statements

Mentor Exempted Village School District
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2016*

Net Change in Fund Balances - Total Governmental Funds \$2,555,016

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which capital outlay exceeded depreciation in the current period.

Capital Outlay	4,635,266
Depreciation	<u>(1,761,097)</u>

Total	2,874,169
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Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (162,351)

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

Delinquent Property Taxes	(1,218,004)
Intergovernmental	113,274
Tuition and Fees	94,389
Charges for Services	(1,262)
Rentals	8,829
Payment in Lieu of Taxes	94,240
Miscellaneous	<u>(47,056)</u>

Total	(955,590)
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Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. 7,752,881

Except for amounts reported as deferred inflows/outflows, changes in the net position liability are reported as pension expense in the statement of activities. (5,393,302)

Compensated absences expense reported in the statement of activities, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. 219,830

The internal service funds used by management are not reported in the district-wide statements of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities. 900,521

Change in Net Position of Governmental Activities \$7,791,174

See accompanying notes to the basic financial statements

Mentor Exempted Village School District
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$64,482,367	\$59,126,100	\$63,188,586	\$4,062,486
Intergovernmental	23,992,936	30,541,327	31,150,736	609,409
Interest	70,781	146,000	358,752	212,752
Tuition and Fees	1,292,709	1,717,000	2,016,748	299,748
Extracurricular Activities	263,683	337,440	349,167	11,727
Contributions and Donations	0	0	45	45
Charges for Services	103,822	125,000	100,351	(24,649)
Rentals	56,855	70,000	64,020	(5,980)
Payment in Lieu of Taxes	1,210,689	1,210,689	1,210,689	0
Miscellaneous	186,214	333,000	697,664	364,664
<i>Total Revenues</i>	91,660,056	93,606,556	99,136,758	5,530,202
Expenditures				
Current:				
Instruction:				
Regular	45,626,274	44,580,128	41,323,743	3,256,385
Special	16,170,657	16,181,961	14,958,770	1,223,191
Vocational	2,850,953	2,747,302	2,398,215	349,087
Student Intervention	191,956	233,156	176,787	56,369
Support Services:				
Pupils	5,662,198	5,662,198	5,122,519	539,679
Instructional Staff	4,509,471	5,930,671	5,804,626	126,045
Board of Education	183,723	168,380	149,310	19,070
Administration	5,614,883	5,977,595	5,804,783	172,812
Fiscal	3,252,432	3,189,208	3,105,163	84,045
Business	623,180	661,826	651,517	10,309
Operation and Maintenance of Plant	9,368,543	9,219,200	8,845,160	374,040
Pupil Transportation	8,012,922	7,563,100	6,893,682	669,418
Central	909,615	1,048,736	998,331	50,405
Operation of Non-Instructional Services	77,876	79,269	74,752	4,517
Extracurricular Activities	1,477,698	1,543,911	1,514,209	29,702
<i>Total Expenditures</i>	104,532,381	104,786,641	97,821,567	6,965,074
<i>Excess of Revenues Over (Under) Expenditures</i>	(12,872,325)	(11,180,085)	1,315,191	12,495,276
Other Financing Sources (Uses)				
Advances In	275,000	275,000	275,000	0
Advances Out	(50,000)	0	0	0
Transfers In	10,000	10,000	0	(10,000)
Transfers Out	(741,450)	(537,190)	(521,689)	15,501
<i>Total Other Financing Sources (Uses)</i>	(506,450)	(252,190)	(246,689)	5,501
<i>Net Change in Fund Balance</i>	(13,378,775)	(11,432,275)	1,068,502	12,500,777
<i>Fund Balance Beginning of Year</i>	47,288,717	47,288,717	47,288,717	0
Prior Year Encumbrances Appropriated	3,434,799	3,434,799	3,434,799	0
<i>Fund Balance End of Year</i>	\$37,344,741	\$39,291,241	\$51,792,018	\$12,500,777

See accompanying notes to the basic financial statements

Mentor Exempted Village School District

Statement of Fund Net Position

Proprietary Funds

June 30, 2016

	Business Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Cardinal Autism Resource and Education School	Non-Major Treasury Management Services	Total	
Assets				
<i>Current Assets:</i>				
Equity in Pooled Cash and Cash Equivalents	\$1,581,989	\$298,104	\$1,880,093	\$16,097,781
Intergovernmental Receivable	20,723	0	20,723	0
<i>Total Current Assets</i>	1,602,712	298,104	1,900,816	16,097,781
<i>Non-Current Assets:</i>				
Capital Assets, Net	620,802	0	620,802	0
<i>Total Assets</i>	2,223,514	298,104	2,521,618	16,097,781
Deferred Outflows of Resources				
Pension	1,322,948	0	1,322,948	0
Liabilities				
<i>Current Liabilities:</i>				
Accounts Payable	2,419	0	2,419	21,580
Accrued Wages and Benefits	178,377	0	178,377	0
Interfund Payable	285,967	0	285,967	0
Intergovernmental Payable	52,708	0	52,708	0
Compensated Absences	30,373	0	30,373	0
Claims Payable	0	0	0	1,461,707
<i>Total Current Liabilities</i>	549,844	0	549,844	1,483,287
<i>Long-Term Liabilities (net of current portion):</i>				
Net Pension Liability	4,724,654	0	4,724,654	0
Compensated Absences	22,455	0	22,455	0
Claims Payable	0	0	0	1,452,556
<i>Total Long-Term Liabilities</i>	4,747,109	0	4,747,109	1,452,556
<i>Total Liabilities</i>	5,296,953	0	5,296,953	2,935,843
Deferred Inflows of Resources				
Pension	251,858	0	251,858	0
Net Position				
Investment in Capital Assets	620,802	0	620,802	0
Unrestricted (Deficit)	(2,623,151)	298,104	(2,325,047)	13,161,938
<i>Total Net Position</i>	(\$2,002,349)	\$298,104	(\$1,704,245)	\$13,161,938

See accompanying notes to the basic financial statements

Mentor Exempted Village School District

*Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2016*

	Business Type Activities - Enterprise Funds			
	Cardinal Autism Resource and Education School	Non-Major Treasury Management Services	Total	Governmental Activities - Internal Service Funds
Operating Revenues				
Charges for Services	\$11,112	\$193,463	\$204,575	\$16,098,072
Tuition and Fees	3,067,714	0	3,067,714	0
Miscellaneous	0	0	0	11
<i>Total Operating Revenues</i>	3,078,826	193,463	3,272,289	16,098,083
Operating Expenses				
Salaries and Wages	1,257,556	64,592	1,322,148	18,706
Fringe Benefits	846,220	35,401	881,621	8,029
Purchased Services	291,447	2,890	294,337	60,486
Materials and Supplies	43,395	714	44,109	0
Claims	0	0	0	15,073,997
Other	1,906	0	1,906	62,207
Depreciation	43,369	0	43,369	0
<i>Total Operating Expenses</i>	2,483,893	103,597	2,587,490	15,223,425
<i>Operating Income (Loss)</i>	594,933	89,866	684,799	874,658
Non-Operating Income (Expense)				
Interest	0	0	0	25,863
<i>Change in Net Position</i>	594,933	89,866	684,799	900,521
<i>Net Position Beginning of Year</i>	(2,597,282)	208,238	(2,389,044)	12,261,417
<i>Net Position End of Year</i>	(\$2,002,349)	\$298,104	(\$1,704,245)	\$13,161,938

See accompanying notes to the basic financial statements

Mentor Exempted Village School District

Statement of Cash Flows

Proprietary Funds

For the Fiscal Year Ended June 30, 2016

	Business Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Cardinal Autism Resource and Education School	Non-Major Treasury Management Services	Total	
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash Received from Charges for Services	\$0	\$193,463	\$193,463	\$0
Cash Received from Tuition and Fees	3,067,714	0	3,067,714	0
Cash Received from Interfund Services Provided	0	0	0	16,430,051
Cash Received from Other	0	0	0	11
Cash Payments for Salaries	(1,257,556)	(64,592)	(1,322,148)	(18,706)
Cash Payments for Employee Benefits	(553,165)	(35,401)	(588,566)	(8,029)
Cash Payments for Goods and Services	(332,223)	(3,604)	(335,827)	(60,531)
Cash Payments for Claims	0	0	0	(14,600,698)
Cash Payments for Other	(1,906)	0	(1,906)	(62,207)
<i>Net Cash Provided by (Used for) Operating Activities</i>	922,864	89,866	1,012,730	1,679,891
Cash Flows from Noncapital Financing Activities				
Advances Out	(275,000)	0	(275,000)	0
Cash Flows from Capital and Related Financing Activities				
Payments for Capital Acquisitions	(15,385)		(15,385)	0
Cash Flows from Investing Activities				
Interest	0	0	0	25,863
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	632,479	89,866	722,345	1,705,754
<i>Cash and Cash Equivalents Beginning of Year</i>	949,510	208,238	1,157,748	14,392,027
<i>Cash and Cash Equivalents End of Year</i>	<u>\$1,581,989</u>	<u>\$298,104</u>	<u>\$1,880,093</u>	<u>\$16,097,781</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used for) by Operating Activities				
Operating Income (Loss)	\$594,933	\$89,866	\$684,799	\$874,658
Depreciation	43,369	0	43,369	0
<i>Adjustments:</i>				
(Increase)/Decrease in Assets:				
Intergovernmental Receivable	(11,112)	0	(11,112)	78,831
Interfund Receivable	0	0	0	253,148
Deferred Outflows of Resources - Pension	292,922	0	292,922	0
Increase/(Decrease) in Liabilities:				
Accounts Payable	416	0	416	21,580
Accrued Wages and Benefits	58,474	0	58,474	0
Interfund Payable	(4,074)	0	(4,074)	0
Intergovernmental Payable	22,238	0	22,238	(91,936)
Net Pension	24,136	0	24,136	0
Compensated Absences	52,828	0	52,828	0
Claims Payable	0	0	0	543,610
Deferred Inflows of Resources - Pension	(151,266)	0	(151,266)	0
<i>Total Adjustments</i>	284,562	0	284,562	805,233
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$922,864</u>	<u>\$89,866</u>	<u>\$1,012,730</u>	<u>\$1,679,891</u>

See accompanying notes to the basic financial statements

Mentor Exempted Village School District
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2016

Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$246,153</u>
Liabilities	
Due to Students	\$244,580
Due to Others	<u>1,573</u>
<i>Total Liabilities</i>	<u>\$246,153</u>

See accompanying notes to the basic financial statements



There are plenty of places around Paradigm with seating for small, impromptu group work and meetings.

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2016

Note 1 - Description of the School District and Reporting Entity

The Mentor Exempted Village School District (the School District) operates under a locally elected five member Board form of government and provides educational services as mandated by State and federal agencies. The Board of Education controls the School District's 13 public instructional facilities including one building housing the Cardinal Autism Resource and Education School (C.A.R.E.S.), one high school, three middle schools and nine elementary schools.

The School District is located east of Cleveland, Ohio and serves primarily residences of Lake County and a small section of Geauga County. The School District's population is drawn primarily from the cities of Mentor and Mentor-on-the-Lake while also serving sections of the Village of Kirtland Hills, Concord Township and Chardon Township. The School District is staffed by 374 classified employees, 535 certificated teaching personnel, and 44 administrators who provide services to 7,624 students and other community members.

Reporting Entity

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

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

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

The School District participates in two jointly governed organizations and one related organization. These organizations are the Ohio Schools' Council Association, the Northeast Ohio Network for Educational Technology and the Mentor Public Library. These organizations are presented in Notes 18 and 20 to the basic financial statements.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

Note 2 - Summary of Significant Accounting Policies

The financial statements of the School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the School District's accounting policies are described as follows.

Basis of Presentation

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

Government-wide Financial Statements The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service funds is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type.

The statement of net position presents the financial condition of the governmental and business-type activities of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business-type activity is self-financing or draws from the general revenues of the School District.

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

Fund Accounting

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

Governmental Funds Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid.

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*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

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

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

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

Proprietary Funds Proprietary funds reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as enterprise or internal service.

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

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

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

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

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

Measurement Focus

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

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e.,

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*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and the statements presented for the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

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

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

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

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for pension. The deferred outflows of resources related to pension are explained in Note 14.

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*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the School District, deferred inflows of resources include property taxes, pensions, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2016, but which were levied to finance fiscal year 2017 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the School District, unavailable revenue includes delinquent property taxes, intergovernmental grants, payments in lieu of taxes, tuition and fees, rentals, charges for services, and miscellaneous revenue. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Pension of Governmental Activities on page 19. Deferred inflows of resources related to pension are reported on the government-wide statement of net position (See Note 14).

Pensions

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

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

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

Budgetary Data

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and set annual limits on expenditures plus encumbrances at a level of control selected by the Board. Board of Education policy establishes the general fund level of control at the first two levels of function and the first level of object. All other funds are controlled at the fund level. The Chief Financial Officer has been given the authority to allocate appropriations to the function and object levels within all funds but the general fund.

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

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

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

Cash and Cash Equivalents

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

During fiscal year 2016, investments were limited to commercial paper and federal home loan mortgage corporation notes, federal home loan bank bonds and federal national mortgage association notes. Commercial paper is reported at amortized cost as it is a highly liquid debt instrument with a remaining maturity at the time of purchase of less than one year. Other investments are reported at fair value which is based on quoted market prices. Nonnegotiable certificates of deposits are reported at cost.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2016 amounted to \$423,457, which includes \$18,306 assigned from other School District funds.

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

Inventory

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

Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The School District was able to estimate the historical cost for the initial reporting of assets by backtrending (i.e., estimating the current replacement cost of the asset to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year.) Donated capital assets are recorded at their acquisition values as of the date received. The School District maintains a capitalization threshold of five thousand dollars. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

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

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

Interfund Balances

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

Compensated Absences

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

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

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

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employee will be paid.

Accrued Liabilities and Long-term Obligations

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

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*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

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

Internal Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Transfers between governmental activities are eliminated on the government wide financial statements. Internal events that are allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Interfund payments for services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenue/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Net Position

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

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

Fund Balance

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

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

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

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*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by the School District Board of Education. In the general fund, assigned amounts represent intended uses established by policies of the School District Board of Education or a School District official delegated that authority by resolution by State statute. State statute authorizes the Chief Financial Officer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The School District Board assigned fund balance for support services and to cover a gap between revenue and appropriations in fiscal year 2017's appropriated budget.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

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

Operating Revenues and Expenses

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

Estimates

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

Note 3 – Change in Accounting Principle

For fiscal year 2016, the School District implemented Governmental Accounting Standards Board (GASB) Statement No. 72, "Fair Value Measurement and Application," GASB Statement No 73, "Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68,

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

and Amendments to Certain Provisions of GASB Statements 67 and 68,” GASB Statement No. 76, “The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments,” and GASB Statement No. 82, “Pension Issues an Amendment of GASB Statements No. 67, No. 68 and No. 73.”

GASB Statement No. 72 addresses accounting and financial reporting issues related to fair value measurements. This Statement provides guidance for determining a fair value measurement for financial reporting purposes for applying fair value to certain investments and disclosures related to all fair value measurements. These changes were incorporated in the School District’s fiscal year 2016 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 73 establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68. The implementation of this GASB pronouncement did not result in any changes to the School District’s financial statements.

GASB Statement No. 76 identifies-in the context of the current governmental financial reporting environment-the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with generally accepted accounting principles (GAAP) and the framework for selecting those principles. The implementation of this GASB pronouncement did not result in any changes to the School District’s financial statements.

GASB Statement No. 82 improves consistency in the application of pension accounting. These changes were incorporated in the School District’s fiscal year 2016 financial statements; however, there was no effect on beginning net position/fund balance.

Note 4 – Accountability and Compliance

Accountability

The Title I special revenue fund had a deficit fund balance of \$7,333 at fiscal year-end. The deficit was caused by the recognition of expenditures on a modified accrual basis of accounting which is substantially greater than the expenditures recognized on a cash basis. The general fund is liable for any deficit in this fund and provides transfers when cash is required, not when accruals occur.

Compliance

The following funds had original appropriations in excess of original estimated resources as reported on the Official Certificate of Estimated Resources at June 30, 2016, contrary to Ohio Revised Code Section 5705.39:

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2016

Fund	Estimated Resources	Appropriations	Variance
Food Service Fund	\$2,947,211	\$3,516,920	(\$569,709)
Rotary Special Services Fund	123,905	150,358	(26,453)
Rotary Fund	755,606	879,991	(124,385)
Athletics and Music Fund	512,718	643,857	(131,139)
Auxiliary Services Fund	2,084,107	2,162,714	(78,607)
Title III Fund	42,504	45,185	(2,681)
Preschool Grant Fund	61,516	61,540	(24)
Classroom Reduction Fund	392,874	503,243	(110,369)
Uniform School Supplies Fund	280,151	334,264	(54,113)
Public School Support Fund	437,528	485,883	(48,355)

These budgetary violations were the result of an oversight between the County and the School District. The violations were corrected by year end and management has indicated that appropriations will be closely monitored to prevent any future violations.

Note 5 - Fund Balances

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

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

Fund Balances	General	Other Governmental Funds	Total
<i>Nonspendable:</i>			
Inventory	\$84,415	\$19,551	\$103,966
<i>Restricted for:</i>			
Food Service Operations	0	290,981	290,981
Scholarship Awards	0	88,902	88,902
Driver's Training	0	331,396	331,396
Athletics and Music	0	94,641	94,641
Auxiliary Services	0	85,656	85,656
Technology Improvement	0	12,096	12,096
Clean Diesel Buses	0	17,329	17,329
Paradigm Project	0	72,347	72,347
Vocational Education	0	6,253	6,253
Special Instruction	0	53,505	53,505
Classroom Reduction	0	38,641	38,641
Capital Improvement	0	987,619	987,619
<i>Total Restricted</i>	\$0	\$2,079,366	\$2,079,366

(continued)

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

Fund Balances	General	Other Governmental Funds	Total
<i>Committed to:</i>			
Summer School	\$0	\$82,103	\$82,103
Adult Education	0	26	26
We Care Program	0	183,546	183,546
<i>Total Committed</i>	<u>0</u>	<u>265,675</u>	<u>265,675</u>
<i>Assigned to:</i>			
Support Services	192,450	0	192,450
Purchases on Order:			
Instruction	1,914,407	0	1,914,407
Support Services	2,009,895	0	2,009,895
Extracurricular	6,962	0	6,962
<i>Total Assigned</i>	<u>4,123,714</u>	<u>0</u>	<u>4,123,714</u>
<i>Unassigned (Deficit)</i>	<u>49,536,124</u>	<u>(7,333)</u>	<u>49,528,791</u>
<i>Total Fund Balances</i>	<u>\$53,744,253</u>	<u>\$2,357,259</u>	<u>\$56,101,512</u>

Note 6 - Budgetary Basis of Accounting

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Advances In and Advances Out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
3. Investments are reported at cost (budget) rather than fair value (GAAP).
4. Unrecorded cash, which consists of unrecorded interest, is not reported by the School District on the budget basis operating statements, but is reported on the GAAP basis operating statements.
5. Budgetary revenues and expenditures of the uniform school supplies and public school support funds are reclassified to the general fund for GAAP reporting.
6. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
7. Encumbrances are treated as expenditures (budget) rather than as restricted, committed or assigned fund balance (GAAP).

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

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

	Net Change in Fund Balance
	<u>General</u>
GAAP Basis	\$5,763,592
Net Adjustment for Revenue Accruals	(41,241)
Advances In	275,000
Beginning Fair Value Adjustment for Investments	10,331
Ending Fair Value Adjustment for Investments	(59,409)
Beginning Unrecorded Cash	24,725
Ending Unrecorded Cash	(11,546)
Perspective Differences:	
Uniform School Supplies	74,979
Public School Support	(13,453)
Net Adjustment for Expenditure Accruals	(586,083)
Encumbrances	<u>(4,368,393)</u>
Budget Basis	<u>\$1,068,502</u>

Note 7 - Deposits and Investments

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

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

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

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;

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*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

4. Bonds and other obligations of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2);
7. The State Treasurer's investment pool (STAR Ohio); and
8. Commercial paper and bankers acceptances if training requirements have been met.

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

Deposits

Custodial Credit Risk. Custodial credit risk for deposits is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$37,470,475 of the School District's bank balance of \$58,116,168 was uninsured and uncollateralized. Although the collateral securities were held by the pledging financial institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the School District to a successful claim by the FDIC.

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

Investments

Investments are reported at fair value except for commercial paper which is reported at amortized cost. As of June 30, 2016, the School District had the following investments:

Measurement/Investment	Measurement Amount	Maturity	Standard & Poor's Rating	Percent of Total Investments
Amortized Cost:				
Commercial Paper	\$12,698,332	Less than six months	N/A	62.87%
Fair Value:				
Federal Home Loan Mortgage Corporation Notes	4,000,000	Less than two years	AA+	19.80
Federal Home Loan Mortgage Corporation Notes	1,500,000	Less than three years	AA+	7.43
Federal Home Loan Bank Bonds	998,750	Less than two years	AA+	4.95
Federal National Mortgage Association Notes	1,000,000	Less than three years	AA+	4.95
Total Investments	<u>\$20,197,082</u>			

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the School District's recurring fair value measurements as of June 30, 2016. All of the School District's investments measured at fair value are valued using quoted market prices (Level 1 inputs). The School District's commercial paper is measured at amortized cost as it is a highly liquid debt instrument with a remaining maturity at the time of purchase of less than one year.

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

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

Note 8 – Property Taxes

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

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar year 2016 represents collections of calendar year 2015 taxes. Real property taxes received in calendar year 2016 were levied after April 1, 2015, on the assessed value listed as of January 1, 2015, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2016 represents collections of calendar year 2015 taxes. Public utility real and tangible personal property taxes received in calendar year 2016 became a lien December 31, 2014, were levied after April 1, 2015 and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Lake County and Geauga County. The County Auditors periodically advance to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2016, are available to finance fiscal year 2016 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility property and personal property taxes which are measurable as of June 30, 2016 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources – property taxes.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

The amount available as an advance at June 30, 2016, was \$6,027,671 in the general fund and \$87,493 in the permanent improvement capital projects fund. The amount available as an advance at June 30, 2015, was \$7,432,886 in the general fund and \$111,111 in the permanent improvement capital projects fund.

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

The assessed values upon which fiscal year 2016 taxes were collected are:

	2015 Second Half Collections		2016 First Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$1,622,118,090	96.46%	\$1,672,621,800	96.57%
Public Utility Personal	59,466,890	3.54	59,350,360	3.43
Total	\$1,681,584,980	100.00%	\$1,731,972,160	100.00%
Full Tax Rate per \$1,000 of assessed valuation	\$77.42		\$77.16	

Note 9 - Receivables

Receivables at June 30, 2016, consisted of accounts, accrued interest, intergovernmental grants, property taxes, and payments in lieu of taxes. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables, except for delinquent property taxes, are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

Intergovernmental Receivables	Amounts
Governmental Activities:	
Special Education, Part B-IDEA Grant	\$392,706
School Employee Retirement System	223,354
Title I	203,245
Straight A Grant	160,289
Students with Disabilities Grant	110,000
Title II-A	74,793
Conneaut City School District	69,622
Beachwood City School District	56,286
Mentor Public Library	40,014
Mill Creek Township	28,750
Title III	23,487
Carl Perkins Grant	21,797
ECSE - IDEA Grant	17,832
Dublin Local School District	12,414
Parent Mentor Grant	3,908
Riverside Local School District	2,459
Lake County	717
Ohio Department of Education	268
<i>Total Governmental Activities</i>	<u>1,441,941</u>
Business-Type Activity:	
School Employee Retirement System	20,723
Total	<u><u>\$1,462,664</u></u>

Mentor Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2016

Payments in Lieu of Taxes

According to State law, the School District has established several tax incremental financing districts within the School District under which the School District has granted property tax exemptions and agreed to construct certain infrastructure improvements. The property owners have agreed to make payments to the School District to help pay the costs of the infrastructure improvements. The amount of those payments generally reflects all or a portion of the property taxes which the property owners would have paid if the property had not been declared exempt. The property owners' contractual promise to make these payments in lieu of taxes generally continues until the costs of the improvement have been paid or the agreement expires, whichever occurs first. Future development by these owners or others may result in subsequent agreements to make payments in lieu of taxes and may therefore spread the costs of the improvements to a larger number of property owners.

Note 10 - Interfund Transfers and Balances

Interfund Transfers

During the year, the general fund made transfers to other governmental funds in the amount of \$422,309 to move unrestricted balances to support programs and projects accounted for in other funds, and to move resources as debt payments came due.

Interfund Balances

Interfund balances at June 30, 2016, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting records and (3) payments between funds are made. All advances are expected to be re-paid within one year.

	Interfund Receivable
Interfund Payable	General
Other Governmental Funds	\$358,154
Major Enterprise Funds	285,967
<i>Total</i>	<u>\$644,121</u>

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

Note 11 – Capital Assets

Governmental fund capital asset activity for the fiscal year ended June 30, 2016, was as follows:

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
Capital Assets Not Being Depreciated				
Land	\$465,776	\$0	\$0	\$465,776
Construction in Progress	4,894,916	2,445,923	(6,514,706)	826,133
<i>Total Capital Assets Not Being Depreciated</i>	<u>5,360,692</u>	<u>2,445,923</u>	<u>(6,514,706)</u>	<u>1,291,909</u>
Capital Assets Being Depreciated				
Land Improvements	5,231,893	1,051,869	0	6,283,762
Buildings and Improvements	41,150,629	6,091,542	0	47,242,171
Furniture, Fixtures and Equipment	10,866,427	1,151,754	(5,249)	12,012,932
Vehicles	6,774,622	408,884	(1,604,660)	5,578,846
<i>Total Capital Assets Being Depreciated</i>	<u>64,023,571</u>	<u>8,704,049</u>	<u>(1,609,909)</u>	<u>71,117,711</u>
Less: Accumulated Depreciation				
Land Improvements	(3,330,295)	(242,835)	0	(3,573,130)
Buildings and Improvements	(29,497,876)	(855,679)	0	(30,353,555)
Furniture, Fixtures and Equipment	(8,589,328)	(456,179)	3,366	(9,042,141)
Vehicles	(5,339,912)	(206,404)	1,444,192	(4,102,124)
<i>Total Accumulated Depreciation</i>	<u>(46,757,411)</u>	<u>(1,761,097) *</u>	<u>1,447,558</u>	<u>(47,070,950)</u>
<i>Capital Assets Being Depreciated, Net</i>	<u>17,266,160</u>	<u>6,942,952</u>	<u>(162,351)</u>	<u>24,046,761</u>
<i>Governmental Activities Capital Assets, Net</i>	<u>\$22,626,852</u>	<u>\$9,388,875</u>	<u>(\$6,677,057)</u>	<u>\$25,338,670</u>

*Depreciation expense was charged to governmental functions as follows:

Instruction	
Regular	\$389,891
Special	835
Vocational	23,011
Student Intervention	1,598
Support Services	
Pupils	1,083
Instructional Staff	177,407
Board of Education	1,325
Administration	39,370
Fiscal	725
Business	3,157
Operation and Maintenance of Plant	738,642
Pupil Transportation	236,676
Central	17,574
Operation of Food Service	41,825
Extracurricular Activities	87,978
Total Depreciation Expense	<u>\$1,761,097</u>

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

Business type capital asset activity for the fiscal year ended June 30, 2016, was as follows:

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
Capital Assets Being Depreciated				
Buildings and Improvements	\$1,247,986	\$5,390	\$0	\$1,253,376
Furniture, Fixtures and Equipment	268,495	9,995	0	278,490
<i>Total Capital Assets Being Depreciated</i>	<u>1,516,481</u>	<u>15,385</u>	<u>0</u>	<u>1,531,866</u>
Less: Accumulated Depreciation				
Buildings and Improvements	(623,378)	(38,074)	0	(661,452)
Furniture, Fixtures and Equipment	(244,317)	(5,295)	0	(249,612)
<i>Total Accumulated Depreciation</i>	<u>(867,695)</u>	<u>(43,369)</u>	<u>0</u>	<u>(911,064)</u>
<i>Business-Type Activities Capital Assets, Net</i>	<u>\$648,786</u>	<u>(\$27,984)</u>	<u>\$0</u>	<u>\$620,802</u>

Note 12 – Fund Obligations

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

	Outstanding July 1, 2015	Additions	Deletions	Outstanding June 30, 2016
0.98% 2015 School Improvement Notes				
- Maturing May 27, 2016	\$585,000	\$0	\$585,000	\$0
1.15% 2016 School Improvement Notes				
- Maturing May 26, 2017	0	390,000	0	390,000
<i>Total School Improvement Notes</i>	<u>\$585,000</u>	<u>\$390,000</u>	<u>\$585,000</u>	<u>\$390,000</u>

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

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

Note 13 – Long-Term Obligations

Changes in long-term obligations of the School District during fiscal year 2016 were as follows:

	Principal Outstanding July 1, 2015	Additions	Deductions	Principal Outstanding June 30, 2016	Amount Due in One Year
Governmental Activities:					
Workers Compensation Claims	\$1,190,265	\$662,957	(\$312,557)	\$1,540,665	\$88,109
Compensated Absences	4,897,278	948,209	(1,168,039)	4,677,448	1,157,981
Net Pension Liability:					
SERS	23,274,145	1,161,989	0	24,436,134	0
STRS	106,782,336	9,263,035	0	116,045,371	0
<i>Total Governmental Activities</i>					
<i>Long-Term Liabilities</i>	<u>\$136,144,024</u>	<u>\$12,036,190</u>	<u>(\$1,480,596)</u>	<u>\$146,699,618</u>	<u>\$1,246,090</u>
Business-Type Activities:					
Compensated Absences	\$0	\$52,828	\$0	\$52,828	\$30,373
Net Pension Liability:					
SERS	1,430,393	836,803	0	2,267,196	0
STRS	1,747,327	710,131	0	2,457,458	0
<i>Total Business-Type Activities</i>					
<i>Long-Term Liabilities</i>	<u>\$3,177,720</u>	<u>\$1,599,762</u>	<u>\$0</u>	<u>\$4,777,482</u>	<u>\$30,373</u>

Workers' compensation claims will be paid from the workers' compensation internal service fund. Compensated absences will be paid from the general fund and the food service, special rotary, title VI-B, and title I special revenue funds and the CARES enterprise fund. The School District pays obligations related to employee compensation from the fund benefitting from their service. See Note 14 for additional information related to net pension liability.

The debt limit of the School District as of June 30, 2016 was \$155,877,494. The amount of debt subject to the debt limit was \$390,000, leaving an overall debt margin of \$155,487,494.

Note 14 - Defined Benefit Pension Plans

Net Pension Liability

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

Mentor Exempted Village School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

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

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

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

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

Plan Description - School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

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

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

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

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

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2016, the allocation to pension, death benefits, and Medicare B was 14 percent. No allocation was made to the Health Care Fund.

The School District's contractually required contribution to SERS was \$1,985,250 for fiscal year 2016. Of this amount \$105,739 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

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

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

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. With certain exceptions, the basic benefit is increased each year by two percent of the original base benefit. For members retiring August 1, 2013, or later, the first two percent is paid on the fifth anniversary of the retirement benefit. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 25 years of service, or 30 years of service regardless of age. Age and service requirements for retirement will increase effective August 1, 2015, and will continue to increase periodically until they reach age 60 with 35 years of service or age 65 with five year of service on August 1, 2026.

The DC Plan allows members to place all their member contributions and 9.5 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 11 percent of the 12 percent member rate goes to the DC Plan and 1 percent goes to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of services. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50.

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

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit that apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2016, plan members were required to contribute 13 percent of their annual covered salary. Effective July 1, 2016, the statutory maximum employee contribution rate was increased one percent to 14 percent. The School District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2016 contribution rates were equal to the statutory maximum rates.

The School District's contractually required contribution to STRS was \$6,061,894 for fiscal year 2016. Of this amount \$967,857 is reported as an intergovernmental payable.

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

The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Net Pension Liability			
Prior Measurement Date	0.48814100%	0.44619334%	
Proportion of the Net Pension Liability			
Current Measurement Date	<u>0.46797890%</u>	<u>0.42878209%</u>	
Change in Proportionate Share	<u>-0.02016210%</u>	<u>-0.01741125%</u>	
Proportionate Share of the Net			
Pension Liability	\$26,703,330	\$118,502,829	\$145,206,159
Pension Expense	\$1,420,931	\$4,432,427	\$5,853,358

At June 30, 2016, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$429,973	\$5,402,234	\$5,832,207
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	511,130	369,019	880,149
School District contributions subsequent to the measurement date	<u>1,985,250</u>	<u>6,061,894</u>	<u>8,047,144</u>
Total Deferred Outflows of Resources	<u>\$2,926,353</u>	<u>\$11,833,147</u>	<u>\$14,759,500</u>
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	\$884,768	\$8,522,594	\$9,407,362
Changes in Proportionate Share and Difference between School District contributions and proportionate share of contributions	<u>1,361,474</u>	<u>4,194,045</u>	<u>5,555,519</u>
Total Deferred Inflows of Resources	<u>\$2,246,242</u>	<u>\$12,716,639</u>	<u>\$14,962,881</u>

\$8,047,144 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ending June 30:	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2017	(\$592,982)	(\$2,879,525)	(\$3,472,507)
2018	(592,982)	(2,879,525)	(3,472,507)
2019	(595,018)	(2,879,525)	(3,474,543)
2020	<u>475,843</u>	<u>1,693,189</u>	<u>2,169,032</u>
Total	<u>(\$1,305,139)</u>	<u>(\$6,945,386)</u>	<u>(\$8,250,525)</u>

Mentor Exempted Village School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Actuarial Assumptions - SERS

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

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

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

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

Wage Inflation	3.25 percent
Future Salary Increases, including inflation	4.00 percent to 22 percent
COLA or Ad Hoc COLA	3 percent
Investment Rate of Return	7.75 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal

For post-retirement mortality, the table used in evaluating allowances to be paid is the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables are used for the period after disability retirement.

The most recent experience study was completed June 30, 2010.

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

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	1.00 %	0.00 %
US Stocks	22.50	5.00
Non-US Stocks	22.50	5.50
Fixed Income	19.00	1.50
Private Equity	10.00	10.00
Real Assets	10.00	5.00
Multi-Asset Strategies	<u>15.00</u>	7.50
 Total	 <u>100.00 %</u>	

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

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.75 percent, as well as what each plan’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.75 percent), or one percentage point higher (8.75 percent) than the current rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
School District's proportionate share of the net pension liability	\$37,027,923	\$26,703,330	\$18,009,171

Actuarial Assumptions - STRS

The total pension liability in the June 30, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

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

Actuarial assumptions used in the June 30, 2015, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

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

Asset Class	Target Allocation	10 Year Expected Nominal Rate of Return *
Domestic Equity	31.00 %	8.00 %
International Equity	26.00	7.85
Alternatives	14.00	8.00
Fixed Income	18.00	3.75
Real Estate	10.00	6.75
Liquidity Reserves	1.00	3.00
Total	100.00 %	

* 10 year annualized geometric nominal returns include the real rate of return and inflation of 2.5 percent.

Discount Rate The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2015. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS’ fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2015. Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2015.

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
School District's proportionate share of the net pension liability	\$164,609,367	\$118,502,829	\$79,512,875

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

Note 15 - Postemployment Benefits

School Employees Retirement System

Health Care Plan Description - The School District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 45 purposes, this plan is considered a cost-sharing, multiple-employer, defined benefit other postemployment benefit (OPEB) plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans as well as a prescription drug program. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Health care is financed through a combination of employer contributions and retiree premiums, copays and deductibles on covered health care expenses, investment returns, and any funds received as a result of SERS' participation in Medicare programs. Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2016, no allocation of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, prorated according to service credit earned. For fiscal year 2016, this amount was \$23,000. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2016, the School District's surcharge obligation was \$302,066.

The School District's contributions for health care for the fiscal years ended June 30, 2016, 2015, and 2014 were \$0, \$114,703, and \$205,673, respectively. The full amount has been contributed for fiscal years 2016, 2015 and 2014.

State Teachers Retirement System (STRS)

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

Funding Policy - Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For the fiscal years ended June 30, 2016 and June 30, 2015, STRS Ohio did not allocate any employer contributions to post-employment health care. For the fiscal year ended June 30, 2014, one percent of covered payroll was allocated to post-employment health care. The School District's contributions for health care for the fiscal years ended June 30, 2016, 2015 and 2014 were \$0, \$0 and \$462,074, respectively. The full amount has been contributed for 2016, 2015 and 2014.

Note 16 - Other Employee Benefits

Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty-five days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers do not earn vacation time. Each employee earns sick leave at the rate of one and one-fourth days per month. The total accumulation of sick leave during any year shall not, however, exceed fifteen days. Upon retirement, classified employees will be paid thirty five percent of their total unused accumulated sick leave. Teachers will be paid one fourth of the total sick leave accumulation, up to a maximum accumulation of 75 days. Administrators will be paid a total of seventy-three days, not based on unused sick leave, upon retirement. An employee receiving such payment must meet the retirement provisions set by STRS or SERS. The liability of unpaid severance, in the amount of \$4,730,276 has been included as long-term liabilities on the statement of net position. This obligation will ultimately be paid from the fund which the employee was paid.

Note 17 - Contingencies

Grants

The School District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2016, if applicable, cannot be determined at this time.

School Foundation

School District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Effective for fiscal year 2015, traditional school districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the School District, which can extend past the fiscal year-end. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2016 Foundation funding for the School District; therefore, the financial statement impact is not determinable at this time. ODE and management believe this will result in either a receivable to or liability of the School District.

Mentor Exempted Village School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Litigation

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

Note 18 - Related Organization

The Mentor Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the Mentor Exempted Village School District Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the School District for operational subsidies. Although the School District does serve as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Mentor Public Library, Fiscal Officer, at 8215 Mentor Avenue, Mentor, Ohio 44060.

Note 19 - Risk Management

Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2016, the School District had the following insurance coverage:

<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage</u>
Catlin Indemnity Company	Buildings and Contents	\$209,236,013
	General Liability	
	Per Occurance	1,000,000
	In Aggregate	2,000,000
	Errors and Omissions	
	Per Inquiry	1,000,000
	Commercial Auto Coverage	
	Each Accident	1,000,000
	Uninsured Motorists	1,000,000
	Employee Benefits	
	Each Employee	1,000,000
	Aggregate	3,000,000
	Employers Stop Loss	
	Each Employee	1,000,000
Aggregate	2,000,000	
Violent Response	1,000,000	
Catlin Indemnity Company	Commercial Umbrella	10,000,000
Chartis-Illinois National Insurance Company	Security and Privacy Liability	2,000,000
	Regulatory Action Sublimit of Liability	1,000,000
	Event Management	500,000

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

Mentor Exempted Village School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016

Worker's Compensation

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

Incurred but not reported claims and premium of \$1,540,665 have been accrued as a liability at June 30, 2016, based on an estimate by Compensable Benefits. Of this amount, \$88,109 is due within one year. The claims liability reported in the workers' compensation internal service fund at June 30, 2016, is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claims adjustment expenses.

Changes in the fund's claims liability amounts for 2015 and 2016 were:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2015	\$1,332,061	\$142,736	\$284,532	\$1,190,265
2016	1,190,265	662,957	312,557	1,540,665

Employee Insurance Benefits

The School District offers medical, prescription drug and dental insurance to employees through a self-insurance internal service fund. Anthem Blue Cross Blue Shield serves as the School District's third party administrator. The School District's monthly premiums are paid to the fiscal agent who in turn pays the claims on the School District's behalf. A specific excess loss coverage (stop-loss) insurance policy covers claims in excess of \$125,000 per employee, per year. The claims liability of \$1,373,598 reported in the internal service fund at June 30, 2016, is based on an estimate by the third party administrator and is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claims adjustment expenses. Management's expectation is the claims liabilities will be paid within one year.

Changes in the fund's claims liability amounts for 2015 and 2016 was:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2015	\$1,297,792	\$15,143,875	\$15,261,279	\$1,180,388
2016	1,180,388	14,481,351	14,288,141	1,373,598

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

Note 20 - Jointly Governed Organizations

Ohio Schools' Council Association The Ohio Schools Council Association (Council) is a jointly governed organization among 196 school districts. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying an annual participation fee. Each school district member superintendent serves as a representative of the Assembly. The degree of control exercised by any participating school district is limited to its representation of the Assembly. The Assembly elects five of the Council's Board members and the remaining four are representatives of the Greater Cleveland School Superintendents' Association. The Council operates under a nine-member Board of Directors (the Board). The Board is the policy making authority of the Council. The Board meets monthly from September through June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. In fiscal year 2016, the School District paid \$4,251 to the Council. Financial information can be obtained by contacting William Zelei, the Executive Director of the Ohio Schools Council at 6393 Oak Tree Boulevard, Suite 377, Independence, Ohio 44131.

The School District participates in the natural gas purchase program. This program allows the School District to purchase natural gas at reduced rates. Compass Energy has been selected as the new supplier and program manager for the period from April 1, 2016 through March 31, 2019. There are currently 154 participants in the program. The participants make monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). Districts that paid more in estimated billings than their actual billings are issued credits on future billings in September until the credits are exhausted and districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

The School District also participates in the Council's current electric purchase program. Currently, 251 school districts have joined the OSC electricity discount program, Power for Schools. The Program provides a fixed price rate for electricity supplied by First Energy Solutions of \$0.0602 per kwh for the generation of electricity which cannot be increased until June 2017 meter reading. School districts are not charged a fee by OSC to participate in this program. School districts pay the utility (Ohio Edison, Toledo Edison or Cleveland Electric Illuminating Co.) directly and receive a discount for the fixed price of generation.

Northeast Ohio Network for Educational Technology The Northeast Ohio Network for Educational Technology (NEONET) is the computer service organization or Data Acquisition Site (DAS) used by the School District. NEONET is a jointly governed organization among twenty-nine members. The Summit County Educational Service Center acts as the fiscal agent for the consortium. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The Board of Directors consists of member district superintendents and treasurers. The manager/director is a permanent, non-voting member of the board of directors. Each school district's control is limited to its representation on the board. The Board of Directors exercise total control over the operations of the association including budgeting, appropriating, contracting and designating management. All association revenues are generated from charges for services and State funding. Payments to NEONET are made from the general fund. During the current fiscal year, the School District paid \$130,969 to NEONET for payroll services. Financial information can be obtained by writing to the Summit County Educational Service Center, 700 Graham Road, Cuyahoga Falls, OH 44221.

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

Note 21 - Set Asides

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

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

	<u>Capital Improvements</u>
Set-Aside Balance as of June 30, 2015	\$0
Current Year Set-aside Requirement	1,330,575
Offsets	(931,369)
Qualifying Disbursements	<u>(1,415,616)</u>
Total	<u><u>(\$1,016,410)</u></u>
Set-aside Balance Carried Forward to Future Fiscal Years	<u><u>\$0</u></u>
Set-aside Balance as of June, 30 2016	<u><u>\$0</u></u>

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

Note 22 – Significant Commitments

Contractual Commitments

At June 30, 2016, the School District’s significant contractual commitments consisted of:

<u>Project</u>	<u>Contract Amount</u>	<u>Amount Paid to Date</u>	<u>Remaining Contract</u>
Professional Development Center - Thendesign	\$128,346	\$82,000	\$46,346
Bailey Communications VOIP Project	354,676	0	354,676
Security Integration	47,210	15,000	32,210
Total	<u><u>\$530,232</u></u>	<u><u>\$97,000</u></u>	<u><u>\$433,232</u></u>

Mentor Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2016*

Encumbrances

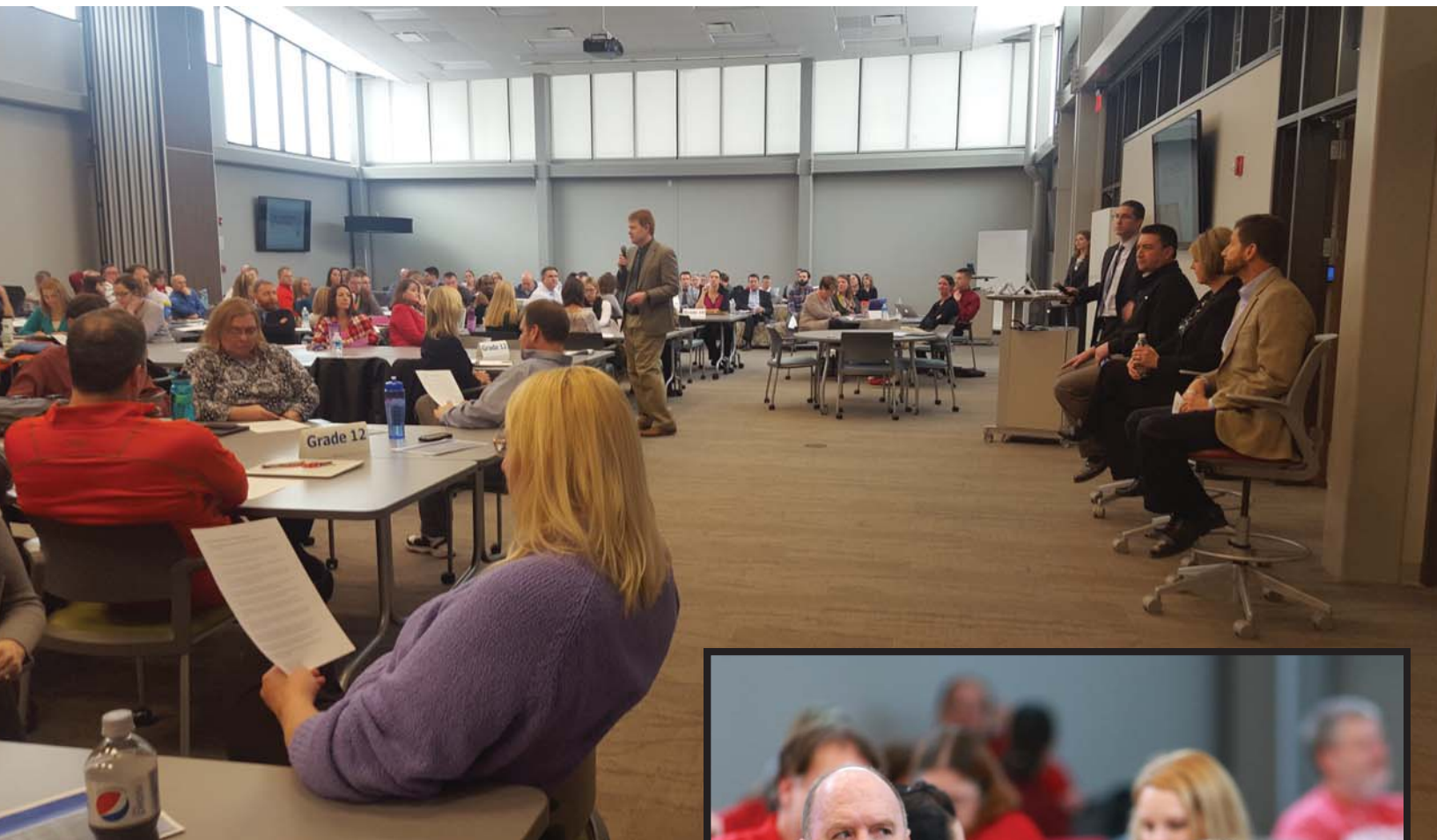
Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At fiscal year end the amount of encumbrances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

Governmental Funds:

General Fund	\$4,368,393
Other Governmental Funds	<u>1,106,918</u>
Total Governmental	<u><u>\$5,475,311</u></u>

Proprietary Funds:

CARES Fund	\$511,113
Nonmajor Enterprise Funds	1,101
Internal Service Funds	<u>163,355</u>
Total Proprietary	<u><u>\$675,569</u></u>



When Paradigm's main rooms are opened up into one big area, there is enough space for the entire Mentor High School faculty to come together. This allowed for implementation of a new, once-a-month professional development plan.

Required Supplementary Information

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

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

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

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

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

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

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

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

Mentor Exempted Village School District

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

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution	\$1,985,250	\$1,916,353	\$1,906,262	\$1,873,099
Contributions in relation to the contractually required contribution	<u>(1,985,250)</u>	<u>(1,916,353)</u>	<u>(1,906,262)</u>	<u>(1,873,099)</u>
Contribution deficiency (excess)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
School District covered payroll	\$14,180,357	\$14,539,856	\$13,753,694	\$13,533,952
Contributions as a percentage of covered payroll	14.00%	13.18%	13.86%	13.84%

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$1,830,426	\$1,694,334	\$1,763,769	\$1,269,067	\$1,248,688	\$1,286,683
<u>(1,830,426)</u>	<u>(1,694,334)</u>	<u>(1,763,769)</u>	<u>(1,269,067)</u>	<u>(1,248,688)</u>	<u>(1,286,683)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
\$13,609,115	\$13,479,189	\$13,026,359	\$12,897,022	\$12,715,764	\$12,047,594
13.45%	12.57%	13.54%	9.84%	9.82%	10.68%

Mentor Exempted Village School District

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

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution	\$6,061,894	\$6,547,440	\$5,901,461	\$6,034,833
Contributions in relation to the contractually required contribution	<u>(6,061,894)</u>	<u>(6,547,440)</u>	<u>(5,901,461)</u>	<u>(6,034,833)</u>
Contribution deficiency (excess)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
School District covered payroll	\$43,299,243	\$46,767,429	\$45,395,854	\$46,421,792
Contributions as a percentage of covered payroll	14.00%	14.00%	13.00%	13.00%

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$6,064,863	\$5,891,217	\$5,832,661	\$5,970,059	\$6,106,514	\$5,735,442
<u>(6,064,863)</u>	<u>(5,891,217)</u>	<u>(5,832,661)</u>	<u>(5,970,059)</u>	<u>(6,106,514)</u>	<u>(5,735,442)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
\$46,652,792	\$45,317,054	\$44,866,623	\$45,923,531	\$46,973,185	\$44,118,785
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%



The spaces at Paradigm can be turned into a banquet-hall environment to host community events, as well as school events. This is a photo from the Mentor Area Chamber of Commerce's January luncheon, which featured the topic: The State of the Schools, with Superintendent Matthew Miller as the keynote speaker.

Combining and Individual Fund Statements and Schedules

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(continued)

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

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

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

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

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

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

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

Nonmajor Debt Service Fund

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

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

Nonmajor Capital Projects Fund

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

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

Mentor Exempted Village School District

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2016

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$2,228,117	\$1,307,912	\$3,536,029
Accounts Receivable	2,596	0	2,596
Accrued Interest Receivable	28,934	2,250	31,184
Intergovernmental Receivable	1,029,818	0	1,029,818
Inventory Held for Resale	33,245	0	33,245
Materials and Supplies Inventory	19,551	0	19,551
Property Taxes Receivable	0	903,927	903,927
<i>Total Assets</i>	<u>\$3,342,261</u>	<u>\$2,214,089</u>	<u>\$5,556,350</u>
Liabilities			
Accounts Payable	\$195,851	\$19,606	\$215,457
Contracts Payable	198,209	0	198,209
Accrued Wages and Benefits	335,488	0	335,488
Interfund Payable	358,154	0	358,154
Intergovernmental Payable	210,854	0	210,854
Retainage Payable	7,500	0	7,500
Accrued Interest Payable	0	430	430
Notes Payable	0	390,000	390,000
<i>Total Liabilities</i>	<u>1,306,056</u>	<u>410,036</u>	<u>1,716,092</u>
Deferred Inflows of Resources			
Unavailable Revenue	666,565	30,744	697,309
Property Taxes	0	785,690	785,690
<i>Total Deferred Inflows of Resources</i>	<u>666,565</u>	<u>816,434</u>	<u>1,482,999</u>
Fund Balances			
Nonspendable	19,551	0	19,551
Restricted	1,091,747	987,619	2,079,366
Committed	265,675	0	265,675
Unassigned (Deficit)	(7,333)	0	(7,333)
<i>Total Fund Balances</i>	<u>1,369,640</u>	<u>987,619</u>	<u>2,357,259</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$3,342,261</u>	<u>\$2,214,089</u>	<u>\$5,556,350</u>

Mentor Exempted Village School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2016

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues				
Property Taxes	\$0	\$0	\$861,008	\$861,008
Intergovernmental	5,833,835	0	139,666	5,973,501
Interest	16,386	0	3,648	20,034
Tuition and Fees	702,551	0	0	702,551
Extracurricular Activities	372,244	0	0	372,244
Contributions and Donations	226,847	0	0	226,847
Charges for Services	1,681,643	0	0	1,681,643
Rentals	75,058	0	0	75,058
Miscellaneous	33,603	0	233,757	267,360
<i>Total Revenues</i>	<u>8,942,167</u>	<u>0</u>	<u>1,238,079</u>	<u>10,180,246</u>
Expenditures				
Current:				
Instruction:				
Regular	1,553,559	0	0	1,553,559
Special	1,556,761	0	0	1,556,761
Vocational	319,396	0	0	319,396
Support Services:				
Pupils	907,150	0	0	907,150
Instructional Staff	498,850	0	0	498,850
Board of Education	1,000	0	0	1,000
Administration	526,366	0	0	526,366
Fiscal	37,703	0	15,521	53,224
Operation and Maintenance of Plant	4,721	0	1,382,434	1,387,155
Pupil Transportation	28,631	0	0	28,631
Central	17,049	0	0	17,049
Operation of Non-Instructional Services	2,167,097	0	0	2,167,097
Operation of Food Service	2,764,189	0	0	2,764,189
Extracurricular Activities	497,713	0	0	497,713
Capital Outlay	1,527,364	0	0	1,527,364
Debt Service:				
Interest and Fiscal Charges	0	11	5,616	5,627
<i>Total Expenditures</i>	<u>12,407,549</u>	<u>11</u>	<u>1,403,571</u>	<u>13,811,131</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(3,465,382)	(11)	(165,492)	(3,630,885)
Other Financing Sources (Uses)				
Transfers In	181,620	0	240,689	422,309
<i>Net Change in Fund Balances</i>	(3,283,762)	(11)	75,197	(3,208,576)
<i>Fund Balances Beginning of Year</i>	<u>4,653,402</u>	<u>11</u>	<u>912,422</u>	<u>5,565,835</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$1,369,640</u>	<u>\$0</u>	<u>\$987,619</u>	<u>\$2,357,259</u>

Mentor Exempted Village School District

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2016

	Food Service	Special Trust	Rotary Special Services	Adult Education
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$340,288	\$88,874	\$87,834	\$26
Accounts Receivable				
Accrued Interest Receivable	607	28	0	0
Intergovernmental Receivable	18,776	0	0	0
Inventory Held for Resale	33,245	0	0	0
Materials and Supplies Inventory	19,551	0	0	0
<i>Total Assets</i>	<u>\$412,467</u>	<u>\$88,902</u>	<u>\$87,834</u>	<u>\$26</u>
Liabilities				
Accounts Payable	\$320	\$0	\$346	\$0
Contracts Payable	0	0	0	0
Accrued Wages and Benefits	67,954	0	0	0
Interfund Payable	0	0	0	0
Intergovernmental Payable	33,661	0	5,385	0
Retainage Payable	0	0	0	0
<i>Total Liabilities</i>	<u>101,935</u>	<u>0</u>	<u>5,731</u>	<u>0</u>
Deferred Inflows of Resources				
Unavailable Revenue	0	0	0	0
Fund Balances				
Nonspendable	19,551	0	0	0
Restricted	290,981	88,902	0	0
Committed	0	0	82,103	26
Unassigned (Deficit)	0	0	0	0
<i>Total Fund Balances</i>	<u>310,532</u>	<u>88,902</u>	<u>82,103</u>	<u>26</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$412,467</u>	<u>\$88,902</u>	<u>\$87,834</u>	<u>\$26</u>

<u>Rotary</u>	<u>Other Grants</u>	<u>Athletics and Music</u>	<u>Auxiliary Services</u>	<u>OneNet Data Communications</u>
\$188,736	\$307,458	\$99,128	\$610,991	\$12,096
	2,596	0	0	0
0	21,342	0	6,957	0
929	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>\$189,665</u>	<u>\$331,396</u>	<u>\$99,128</u>	<u>\$617,948</u>	<u>\$12,096</u>
\$1,134	\$0	\$4,287	\$103,289	\$0
0	0	0	37,588	0
3,064	0	0	0	0
0	0	0	358,154	0
1,921	0	200	33,261	0
0	0	0	0	0
<u>6,119</u>	<u>0</u>	<u>4,487</u>	<u>532,292</u>	<u>0</u>
0	0	0	0	0
0	0	0	0	0
0	331,396	94,641	85,656	12,096
183,546	0	0	0	0
0	0	0	0	0
<u>183,546</u>	<u>331,396</u>	<u>94,641</u>	<u>85,656</u>	<u>12,096</u>
<u>\$189,665</u>	<u>\$331,396</u>	<u>\$99,128</u>	<u>\$617,948</u>	<u>\$12,096</u>

(continued)

Mentor Exempted Village School District

Combining Balance Sheet

Nonmajor Special Revenue Funds (continued)

June 30, 2016

	<u>Straight A</u>	<u>Miscellaneous State Grants</u>	<u>Title VI-B</u>	<u>Carl Perkins Grant</u>
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$391,717	\$15,259	\$29,617	\$23,472
Accounts Receivable	0	0	0	0
Accrued Interest Receivable	0	0	0	0
Intergovernmental Receivable	160,289	114,343	394,327	21,797
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$552,006</u>	<u>\$129,602</u>	<u>\$423,944</u>	<u>\$45,269</u>
Liabilities				
Accounts Payable	\$68,597	\$0	\$1,477	\$15,601
Contracts Payable	160,621	0	0	0
Accrued Wages and Benefits	0	1,607	147,387	9,999
Interfund Payable	0	0	0	0
Intergovernmental Payable	96,831	787	24,015	3,099
Retainage Payable	7,500	0	0	0
<i>Total Liabilities</i>	<u>333,549</u>	<u>2,394</u>	<u>172,879</u>	<u>28,699</u>
Deferred Inflows of Resources				
Unavailable Revenue	<u>146,110</u>	<u>109,879</u>	<u>205,609</u>	<u>10,317</u>
Fund Balances				
Nonspendable	0	0	0	0
Restricted	72,347	17,329	45,456	6,253
Committed	0	0	0	0
Unassigned (Deficit)	0	0	0	0
<i>Total Fund Balances</i>	<u>72,347</u>	<u>17,329</u>	<u>45,456</u>	<u>6,253</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$552,006</u>	<u>\$129,602</u>	<u>\$423,944</u>	<u>\$45,269</u>

<u>Title III</u>	<u>Title I</u>	<u>Preschool Grant</u>	<u>Classroom Reduction</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$1,391	\$154	\$289	\$30,787	\$2,228,117
0	0	0	0	2,596
0	0	0	0	28,934
23,487	203,245	17,832	74,793	1,029,818
0	0	0	0	33,245
0	0	0	0	19,551
<u>\$24,878</u>	<u>\$203,399</u>	<u>\$18,121</u>	<u>\$105,580</u>	<u>\$3,342,261</u>
\$542	\$0	\$0	\$258	\$195,851
0	0	0	0	198,209
0	102,402	570	2,505	335,488
0	0	0	0	358,154
0	9,110	701	1,883	210,854
0	0	0	0	7,500
<u>542</u>	<u>111,512</u>	<u>1,271</u>	<u>4,646</u>	<u>1,306,056</u>
<u>23,487</u>	<u>99,220</u>	<u>9,650</u>	<u>62,293</u>	<u>666,565</u>
0	0	0	0	19,551
849	0	7,200	38,641	1,091,747
0	0	0	0	265,675
0	(7,333)	0	0	(7,333)
<u>849</u>	<u>(7,333)</u>	<u>7,200</u>	<u>38,641</u>	<u>1,369,640</u>
<u>\$24,878</u>	<u>\$203,399</u>	<u>\$18,121</u>	<u>\$105,580</u>	<u>\$3,342,261</u>

Mentor Exempted Village School District
*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2016*

	Food Service	Special Trust	Rotary Special Services	Adult Education	Rotary
Revenues					
Intergovernmental	\$1,073,389	\$0	\$0	\$0	\$929
Interest	1,035	72	0	0	0
Tuition and Fees	0	0	60,555	0	641,996
Extracurricular Activities	0	0	0	0	54,765
Contributions and Donations	0	57,720	0	0	15,910
Charges for Services	1,679,047	0	0	0	0
Rentals	0	0	0	0	0
Miscellaneous	0	0	4,000	0	0
<i>Total Revenues</i>	<u>2,753,471</u>	<u>57,792</u>	<u>64,555</u>	<u>0</u>	<u>713,600</u>
Expenditures					
Current:					
Instruction:					
Regular	0	20,371	56,099	0	20,466
Special	0	4,363	0	0	0
Vocational	0	0	75,121	0	0
Support Services:					
Pupils	0	0	0	0	648,981
Instructional Staff	0	0	0	0	0
Board of Education	0	1,000	0	0	0
Administration	0	0	0	0	0
Fiscal	27,771	0	0	0	9,932
Operation and Maintenance of Plant	0	0	0	0	0
Pupil Transportation	0	1,464	0	0	0
Central	0	3,965	0	0	0
Operation of Non-Instructional Services	0	0	0	162	0
Operation of Food Service	2,764,189	0	0	0	0
Extracurricular Activities	0	55,044	0	0	28,115
Capital Outlay	0	0	0	0	0
<i>Total Expenditures</i>	<u>2,791,960</u>	<u>86,207</u>	<u>131,220</u>	<u>162</u>	<u>707,494</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(38,489)	(28,415)	(66,665)	(162)	6,106
Other Financing Sources					
Transfers In	0	0	80,000	0	57,000
<i>Net Change in Fund Balances</i>	(38,489)	(28,415)	13,335	(162)	63,106
<i>Fund Balances Beginning of Year</i>	<u>349,021</u>	<u>117,317</u>	<u>68,768</u>	<u>188</u>	<u>120,440</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$310,532</u>	<u>\$88,902</u>	<u>\$82,103</u>	<u>\$26</u>	<u>\$183,546</u>

Other Grants	Athletics and Music	Auxiliary Services	OneNet Data Communications	Straight A
\$0	\$0	\$1,859,573	\$21,600	\$113,317
15,279	0	0	0	0
0	0	0	0	0
0	317,479	0	0	0
100,000	53,217	0	0	0
2,596	0	0	0	0
75,058	0	0	0	0
29,603	0	0	0	0
<u>222,536</u>	<u>370,696</u>	<u>1,859,573</u>	<u>21,600</u>	<u>113,317</u>
8,782	0	0	0	1,447,841
0	0	0	0	0
0	0	11	0	0
0	0	0	0	0
82,768	0	0	0	59,976
0	0	0	0	0
0	0	0	0	105,522
0	0	0	0	0
4,721	0	0	0	0
12,396	0	0	0	0
3,574	0	0	9,510	0
0	0	1,851,407	0	0
0	0	0	0	0
593	413,961	0	0	0
0	0	0	0	1,505,491
<u>112,834</u>	<u>413,961</u>	<u>1,851,418</u>	<u>9,510</u>	<u>3,118,830</u>
109,702	(43,265)	8,155	12,090	(3,005,513)
<u>0</u>	<u>44,620</u>	<u>0</u>	<u>0</u>	<u>0</u>
109,702	1,355	8,155	12,090	(3,005,513)
<u>221,694</u>	<u>93,286</u>	<u>77,501</u>	<u>6</u>	<u>3,077,860</u>
<u>\$331,396</u>	<u>\$94,641</u>	<u>\$85,656</u>	<u>\$12,096</u>	<u>\$72,347</u>

(continued)

Mentor Exempted Village School District
*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances*
Nonmajor Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2016

	Miscellaneous State Grants	Title VI-B	Carl Perkins Grant	Title III
Revenues				
Intergovernmental	\$36,045	\$1,483,500	\$299,487	\$22,460
Interest	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Contributions and Donations	0	0	0	0
Charges for Services	0	0	0	0
Rentals	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>36,045</u>	<u>1,483,500</u>	<u>299,487</u>	<u>22,460</u>
Expenditures				
Current:				
Instruction:				
Regular	0	0	0	0
Special	0	908,114	0	14,044
Vocational	0	0	244,264	0
Support Services:				
Pupils	24,946	146,883	50,458	4,162
Instructional Staff	0	106,956	22,645	3,514
Board of Education	0	0	0	0
Administration	0	372,292	16,470	0
Fiscal	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	0	14,771	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	166,791	0	0
Operation of Food Service	0	0	0	0
Extracurricular Activities	0	0	0	0
Capital Outlay	0	21,873	0	0
<i>Total Expenditures</i>	<u>24,946</u>	<u>1,722,909</u>	<u>348,608</u>	<u>21,720</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	11,099	(239,409)	(49,121)	740
Other Financing Sources				
<i>Transfers In</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	11,099	(239,409)	(49,121)	740
<i>Fund Balances Beginning of Year</i>	<u>6,230</u>	<u>284,865</u>	<u>55,374</u>	<u>109</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$17,329</u>	<u>\$45,456</u>	<u>\$6,253</u>	<u>\$849</u>

Title I	Preschool Grant	Classroom Reduction	Total Nonmajor Special Revenue Funds
\$550,532	\$33,541	\$339,462	\$5,833,835
0	0	0	16,386
0	0	0	702,551
0	0	0	372,244
0	0	0	226,847
0	0	0	1,681,643
0	0	0	75,058
0	0	0	33,603
550,532	33,541	339,462	8,942,167
0	0	0	1,553,559
619,778	10,462	0	1,556,761
0	0	0	319,396
0	31,720	0	907,150
6,940	0	216,051	498,850
0	0	0	1,000
32,082	0	0	526,366
0	0	0	37,703
0	0	0	4,721
0	0	0	28,631
0	0	0	17,049
8,964	0	139,773	2,167,097
0	0	0	2,764,189
0	0	0	497,713
0	0	0	1,527,364
667,764	42,182	355,824	12,407,549
(117,232)	(8,641)	(16,362)	(3,465,382)
0	0	0	181,620
(117,232)	(8,641)	(16,362)	(3,283,762)
109,899	15,841	55,003	4,653,402
(\$7,333)	\$7,200	\$38,641	\$1,369,640



The flexible furniture in Paradigm allows for a quick reconfiguration of the space to accommodate an event's specific purpose. When collaboration area isn't necessary, more than 300 people can easily fit into Paradigm. This photo is an example of using chairs-in-rows for a community meeting, where tables were not necessary.

Combining Statements - Internal Service Funds

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

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

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

Mentor Exempted Village School District

Combining Statement of Fund Net Position

Internal Service Funds

June 30, 2016

	<u>Employee Benefits</u>	<u>Workers' Compensation</u>	<u>Total Internal Service Funds</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	<u>\$12,365,606</u>	<u>\$3,732,175</u>	<u>\$16,097,781</u>
Liabilities			
<i>Current Liabilities</i>			
Accounts Payable	21,580	0	21,580
Claims Payable	<u>1,373,598</u>	<u>88,109</u>	<u>1,461,707</u>
<i>Total Current Liabilities</i>	1,395,178	88,109	1,483,287
<i>Long-Term Liabilities (net of current portion)</i>			
Claims Payable	<u>0</u>	<u>1,452,556</u>	<u>1,452,556</u>
<i>Total Liabilities</i>	<u>1,395,178</u>	<u>1,540,665</u>	<u>2,935,843</u>
Net Position			
Unrestricted	<u>\$10,970,428</u>	<u>\$2,191,510</u>	<u>\$13,161,938</u>

Mentor Exempted Village School District
*Combining Statement of Revenues,
Expenses and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2016*

	Employee Benefits	Workers' Compensation	Total Internal Service Funds
Operating Revenues			
Charges for Services	\$15,725,874	\$372,198	\$16,098,072
Miscellaneous	0	11	11
<i>Total Operating Revenues</i>	<u>15,725,874</u>	<u>372,209</u>	<u>16,098,083</u>
Operating Expenses			
Salaries and Wages	15,758	2,948	18,706
Fringe Benefits	8,029	0	8,029
Purchased Services	60,486	0	60,486
Claims	14,481,351	592,646	15,073,997
Other	0	62,207	62,207
<i>Total Operating Expenses</i>	<u>14,565,624</u>	<u>657,801</u>	<u>15,223,425</u>
<i>Operating Income (Loss)</i>	1,160,250	(285,592)	874,658
Non-Operating Income (Expense)			
Interest	16,818	9,045	25,863
<i>Change in Net Position</i>	1,177,068	(276,547)	900,521
<i>Net Position Beginning of Year</i>	<u>9,793,360</u>	<u>2,468,057</u>	<u>12,261,417</u>
<i>Net Position End of Year</i>	<u><u>\$10,970,428</u></u>	<u><u>\$2,191,510</u></u>	<u><u>\$13,161,938</u></u>

Mentor Exempted Village School District
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2016

	<u>Employee Benefits</u>	<u>Workers' Compensation</u>	<u>Total Internal Service Funds</u>
<i>Increase (Decrease) in Cash and Cash Equivalents</i>			
Cash Flows from Operating Activities			
Cash Received from Interfund			
Services Provided	\$15,804,705	\$625,346	\$16,430,051
Cash Received from Other	0	11	11
Cash Payments for Salaries	(15,758)	(2,948)	(18,706)
Cash Payments for Employee Benefits	(8,029)	0	(8,029)
Cash Payments for Goods and Services	(38,906)	(21,625)	(60,531)
Cash Payments for Claims	(14,288,141)	(312,557)	(14,600,698)
Cash Payments for Other	0	(62,207)	(62,207)
	<u>1,453,871</u>	<u>226,020</u>	<u>1,679,891</u>
<i>Net Cash Provided by Operating Activities</i>			
Cash Flows from Investing Activities			
Interest	16,818	9,045	25,863
	<u>1,470,689</u>	<u>235,065</u>	<u>1,705,754</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>			
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>10,894,917</u>	<u>3,497,110</u>	<u>14,392,027</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$12,365,606</u>	<u>\$3,732,175</u>	<u>\$16,097,781</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Operating Income (Loss)	\$1,160,250	(\$285,592)	\$874,658
<i>Adjustments:</i>			
<i>(Increase)/Decrease in Assets:</i>			
Intergovernmental Receivable	78,831	0	78,831
Interfund Receivable	0	253,148	253,148
<i>Increase (Decrease) in Liabilities:</i>			
Accounts Payable	21,580	0	21,580
Intergovernmental Payable	0	(91,936)	(91,936)
Claims Payable	193,210	350,400	543,610
	<u>293,621</u>	<u>511,612</u>	<u>805,233</u>
<i>Total Adjustments</i>			
<i>Net Cash Provided by Operating Activities</i>	<u>\$1,453,871</u>	<u>\$226,020</u>	<u>\$1,679,891</u>

Combining Statements – Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. The District has no trust funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

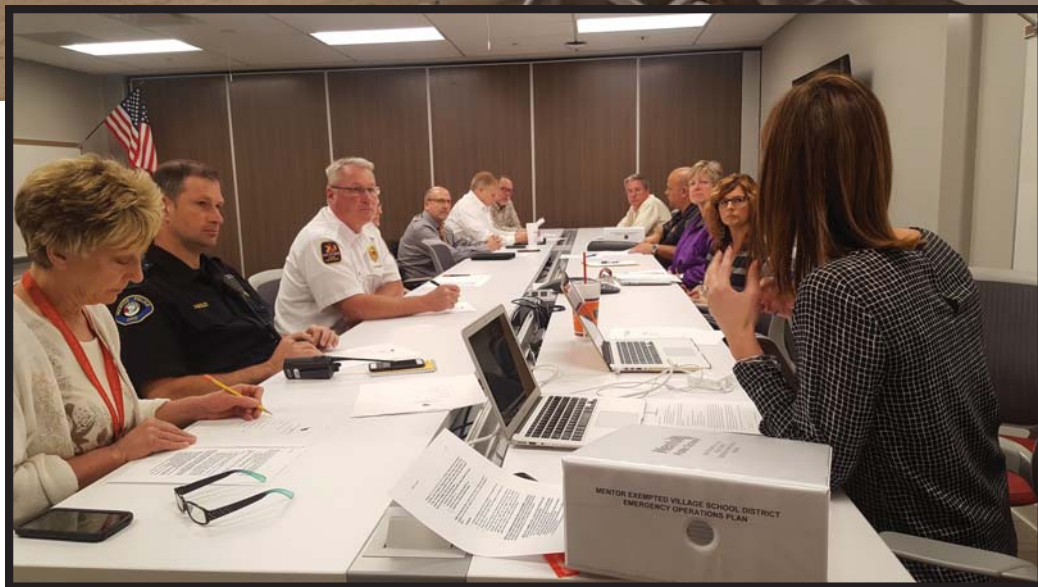
Agency Funds

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

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

Mentor Exempted Village School District
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2016

	Balance July 1, 2015	Additions	Reductions	Balance June 30, 2016
<i>Student Activities Fund</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$264,037	\$289,134	\$308,591	\$244,580
Liabilities				
Due to Students	\$264,037	\$289,134	\$308,591	\$244,580
<i>District Agency Fund</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$13,073	\$48,971	\$60,471	\$1,573
Liabilities				
Due to Others	\$13,073	\$48,971	\$60,471	\$1,573
<i>Total Agency Funds</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$277,110	\$338,105	\$369,062	\$246,153
Liabilities				
Due to Students	\$264,037	\$289,134	\$308,591	\$244,580
Due to Others	13,073	48,971	60,471	1,573
<i>Total Liabilities</i>	\$277,110	\$338,105	\$369,062	\$246,153



Paradigm Room 5 has a 20-person table that is great for collaboration among a medium-sized group, and users can easily broadcast their devices to the TVs in the room for sharing of ideas.

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

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
General Fund
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$64,482,367	\$59,126,100	\$63,188,586	\$4,062,486
Intergovernmental	23,992,936	30,541,327	31,150,736	609,409
Interest	70,781	146,000	358,752	212,752
Tuition and Fees	1,292,709	1,717,000	2,016,748	299,748
Extracurricular Activities	263,683	337,440	349,167	11,727
Contributions and Donations	0	0	45	45
Charges for Services	103,822	125,000	100,351	(24,649)
Rentals	56,855	70,000	64,020	(5,980)
Payment in Lieu of Taxes	1,210,689	1,210,689	1,210,689	0
Miscellaneous	186,214	333,000	697,664	364,664
<i>Total Revenues</i>	91,660,056	93,606,556	99,136,758	5,530,202
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	29,938,809	28,534,484	26,912,125	1,622,359
Fringe Benefits	10,932,287	10,651,795	9,505,578	1,146,217
Purchased Services	3,028,690	2,972,341	2,522,925	449,416
Materials and Supplies	1,414,946	1,376,320	1,352,561	23,759
Capital Outlay	249,120	984,034	980,099	3,935
Other	62,422	61,154	50,455	10,699
<i>Total Regular</i>	45,626,274	44,580,128	41,323,743	3,256,385
Special:				
Salaries and Wages	7,805,787	7,805,787	7,334,636	471,151
Fringe Benefits	4,080,056	4,081,358	3,634,070	447,288
Purchased Services	4,277,153	4,287,153	3,989,964	297,189
Materials and Supplies	1,103	1,103	100	1,003
Capital Outlay	6,558	6,560	0	6,560
<i>Total Special</i>	16,170,657	16,181,961	14,958,770	1,223,191
Vocational:				
Salaries and Wages	1,119,013	1,119,013	918,425	200,588
Fringe Benefits	415,582	416,621	331,862	84,759
Purchased Services	1,247,177	1,141,747	1,078,240	63,507
Materials and Supplies	37,474	42,269	42,071	198
Capital Outlay	24,757	22,384	22,364	20
Other	6,950	5,268	5,253	15
<i>Total Vocational</i>	\$2,850,953	\$2,747,302	\$2,398,215	\$349,087

(continued)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Student Intervention:				
Salaries and Wages	\$28,000	\$63,200	\$36,025	\$27,175
Fringe Benefits	4,505	10,505	6,086	4,419
Purchased Services	92,023	105,571	85,253	20,318
Materials and Supplies	63,511	49,963	49,423	540
Capital Outlay	3,917	3,917	0	3,917
Total Student Intervention	191,956	233,156	176,787	56,369
 Total Instruction	 64,839,840	 63,742,547	 58,857,515	 4,885,032
Support Services:				
Pupils:				
Salaries and Wages	3,932,666	3,932,666	3,608,476	324,190
Fringe Benefits	1,685,265	1,685,265	1,481,815	203,450
Purchased Services	29,528	27,528	19,906	7,622
Materials and Supplies	11,907	13,907	12,322	1,585
Capital Outlay	2,832	2,832	0	2,832
Total Pupils	5,662,198	5,662,198	5,122,519	539,679
Instructional Staff:				
Salaries and Wages	2,679,545	3,536,545	3,536,538	7
Fringe Benefits	1,084,732	1,345,908	1,253,820	92,088
Purchased Services	566,769	579,204	554,115	25,089
Materials and Supplies	153,131	167,648	162,559	5,089
Capital Outlay	24,174	301,246	297,474	3,772
Other	1,120	120	120	0
Total Instructional Staff	4,509,471	5,930,671	5,804,626	126,045
Board of Education:				
Salaries and Wages	15,000	15,000	13,125	1,875
Fringe Benefits	3,976	3,901	2,383	1,518
Purchased Services	30,090	62,222	54,121	8,101
Materials and Supplies	1,393	1,393	461	932
Capital Outlay	10,360	5,360	5,045	315
Other	122,904	80,504	74,175	6,329
Total Board of Education	\$183,723	\$168,380	\$149,310	\$19,070

(continued)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Administration:				
Salaries and Wages	\$3,621,770	\$4,014,770	\$4,014,628	\$142
Fringe Benefits	1,694,913	1,686,125	1,570,591	115,534
Purchased Services	211,345	205,345	158,763	46,582
Materials and Supplies	23,785	19,285	14,202	5,083
Capital Outlay	11,734	5,734	4,359	1,375
Other	51,336	46,336	42,240	4,096
Total Administration	5,614,883	5,977,595	5,804,783	172,812
Fiscal:				
Salaries and Wages	839,583	887,583	882,006	5,577
Fringe Benefits	446,933	446,933	378,954	67,979
Purchased Services	663,172	640,789	634,696	6,093
Materials and Supplies	17,161	14,367	12,861	1,506
Capital Outlay	9,687	23,287	22,374	913
Other	1,275,896	1,176,249	1,174,272	1,977
Total Fiscal	3,252,432	3,189,208	3,105,163	84,045
Business:				
Salaries and Wages	399,385	423,885	423,533	352
Fringe Benefits	208,296	222,409	213,372	9,037
Purchased Services	3,407	3,440	2,926	514
Materials and Supplies	1,364	4,860	4,860	0
Capital Outlay	5,971	2,475	2,475	0
Other	4,757	4,757	4,351	406
Total Business	623,180	661,826	651,517	10,309
Operation and Maintenance of Plant:				
Salaries and Wages	3,418,645	3,418,645	3,303,063	115,582
Fringe Benefits	1,840,028	1,840,010	1,697,727	142,283
Purchased Services	3,371,725	3,252,663	3,146,258	106,405
Materials and Supplies	483,817	442,752	440,854	1,898
Capital Outlay	232,328	242,229	234,358	7,871
Other	22,000	22,901	22,900	1
Total Operation and Maintenance of Plant	\$9,368,543	\$9,219,200	\$8,845,160	\$374,040

(continued)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Pupil Transportation:				
Salaries and Wages	\$3,201,400	\$3,201,400	\$2,866,219	\$335,181
Fringe Benefits	1,715,651	1,716,825	1,503,479	213,346
Purchased Services	1,110,589	1,097,533	988,103	109,430
Materials and Supplies	1,546,805	1,161,805	1,151,934	9,871
Capital Outlay	438,098	385,158	383,893	1,265
Other	379	379	54	325
Total Pupil Transportation	8,012,922	7,563,100	6,893,682	669,418
Central:				
Salaries and Wages	172,357	181,357	181,220	137
Fringe Benefits	128,728	128,053	121,899	6,154
Purchased Services	510,669	670,124	633,254	36,870
Materials and Supplies	21,953	17,588	14,111	3,477
Capital Outlay	57,436	33,142	31,376	1,766
Other	18,472	18,472	16,471	2,001
Total Central	909,615	1,048,736	998,331	50,405
Total Support Services	38,136,967	39,420,914	37,375,091	2,045,823
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	52,305	52,305	48,600	3,705
Fringe Benefits	25,571	26,771	25,959	812
Other	0	193	193	0
Total Operation of Non-Instructional Services	77,876	79,269	74,752	4,517
Extracurricular Activities:				
Academic Oriented Activities:				
Salaries and Wages	230,254	267,754	267,606	148
Fringe Benefits	38,131	40,731	40,247	484
Purchased Services	35,987	35,163	33,659	1,504
Materials and Supplies	7,791	6,991	6,457	534
Capital Outlay	5,040	5,040	4,648	392
Other	5,388	6,588	6,359	229
Total Academic Oriented Activities	322,591	362,267	358,976	3,291
Occupation Oriented Activities:				
Salaries and Wages	2,579	2,704	2,687	17
Fringe Benefits	345	545	409	136
Total Occupation Oriented Activities	\$2,924	\$3,249	\$3,096	\$153

(continued)

Mentor Exempted Village School District
*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2016*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Athletic Oriented Activities:				
Salaries and Wages	\$821,762	\$821,762	\$808,505	\$13,257
Fringe Benefits	190,502	189,213	178,726	10,487
Purchased Services	0	27,501	27,500	1
	1,012,264	1,038,476	1,014,731	23,745
Total Athletic Oriented Activities				
School and Public Service Co-Curricular Activities:				
Salaries and Wages	112,888	112,888	111,812	1,076
Fringe Benefits	27,031	27,031	25,594	1,437
	139,919	139,919	137,406	2,513
Total School and Public Service Co-Curricular Activities				
Total Extracurricular Activities	1,477,698	1,543,911	1,514,209	29,702
<i>Total Expenditures</i>	104,532,381	104,786,641	97,821,567	6,965,074
<i>Excess of Revenues Over (Under) Expenditures</i>	(12,872,325)	(11,180,085)	1,315,191	12,495,276
Other Financing Sources (Uses)				
Advances In	275,000	275,000	275,000	0
Advances Out	(50,000)	0	0	0
Transfers In	10,000	10,000	0	(10,000)
Transfers Out	(741,450)	(537,190)	(521,689)	15,501
	(506,450)	(252,190)	(246,689)	5,501
<i>Total Other Financing Sources (Uses)</i>				
<i>Net Change in Fund Balance</i>	(13,378,775)	(11,432,275)	1,068,502	12,500,777
<i>Fund Balance Beginning of Year</i>	47,288,717	47,288,717	47,288,717	0
Prior Year Encumbrances Appropriated	3,434,799	3,434,799	3,434,799	0
<i>Fund Balance End of Year</i>	\$37,344,741	\$39,291,241	\$51,792,018	\$12,500,777

Mentor Exempted Village School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP) and Actual
Cardinal Autism Resource and Education School Fund
For the Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Tuition and Fees	\$2,100,000	\$2,900,000	\$3,067,714	\$167,714
Expenses				
Salaries and Wages	1,337,368	1,537,249	1,458,229	79,020
Fringe Benefits	627,562	653,097	643,406	9,691
Purchased Services	488,917	471,124	471,014	110
Materials and Supplies	71,738	67,991	64,914	3,077
Capital Outlay	2,780	31,810	31,810	0
Other	26,921	1,975	1,975	0
<i>Total Expenses</i>	<u>2,555,286</u>	<u>2,763,246</u>	<u>2,671,348</u>	<u>91,898</u>
<i>Excess of Revenues Over (Under) Expenses Before Advances</i>	(455,286)	136,754	396,366	259,612
Advances Out	<u>(275,000)</u>	<u>(275,000)</u>	<u>(275,000)</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	(730,286)	(138,246)	121,366	259,612
<i>Fund Equity Beginning of Year</i>	560,810	560,810	560,810	0
Prior Year Encumbrances Appropriated	<u>388,700</u>	<u>388,700</u>	<u>388,700</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$219,224</u>	<u>\$811,264</u>	<u>\$1,070,876</u>	<u>\$259,612</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$988,287	\$1,363,500	\$1,045,546	(\$317,954)
Interest	254	350	714	364
Charges for Services	1,481,459	2,032,031	1,679,047	(352,984)
<i>Total Revenues</i>	<u>2,470,000</u>	<u>3,395,881</u>	<u>2,725,307</u>	<u>(670,574)</u>
Expenditures				
Support Services:				
Fiscal:				
Other	35,081	35,081	27,771	7,310
Operation of Food Service:				
Salaries and Wages	1,003,023	1,057,068	988,347	68,721
Fringe Benefits	820,459	829,962	780,775	49,187
Purchased Services	69,821	71,421	35,449	35,972
Materials and Supplies	1,508,536	1,661,136	941,064	720,072
Capital Outlay	80,000	80,000	4,825	75,175
<i>Total Operation of Food Service</i>	<u>3,481,839</u>	<u>3,699,587</u>	<u>2,750,460</u>	<u>949,127</u>
<i>Total Expenditures</i>	<u>3,516,920</u>	<u>3,734,668</u>	<u>2,778,231</u>	<u>956,437</u>
<i>Excess of Revenues Under Expenditures</i>	(1,046,920)	(338,787)	(52,924)	285,863
Other Financing Sources				
Advances In	100,000	100,000	0	(100,000)
<i>Net Change in Fund Balance</i>	(946,920)	(238,787)	(52,924)	185,863
<i>Fund Balance Beginning of Year</i>	138,424	138,424	138,424	0
Prior Year Encumbrances Appropriated	238,787	238,787	238,787	0
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$569,709)</u>	<u>\$138,424</u>	<u>\$324,287</u>	<u>\$185,863</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Special Trust Fund
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Interest	\$0	\$0	\$51	\$51
Extracurricular Activities	11,043	17,500	0	(17,500)
Contributions and Donations	58,957	93,435	57,720	(35,715)
<i>Total Revenues</i>	<u>70,000</u>	<u>110,935</u>	<u>57,771</u>	<u>(53,164)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	1,952	1,952	1,952	0
Fringe Benefits	408	408	408	0
Purchased Services	500	500	500	0
Materials and Supplies	10,249	22,664	19,222	3,442
Capital Outlay	1,000	2,245	1,245	1,000
Total Regular	<u>14,109</u>	<u>27,769</u>	<u>23,327</u>	<u>4,442</u>
Special:				
Purchased Services	258	1,810	1,809	1
Materials and Supplies	764	1,649	1,363	286
Other	372	1,771	1,450	321
Total Special	<u>1,394</u>	<u>5,230</u>	<u>4,622</u>	<u>608</u>
Total Instruction	<u>15,503</u>	<u>32,999</u>	<u>27,949</u>	<u>5,050</u>
Support Services:				
Instructional Staff:				
Purchased Services	\$4,400	\$4,400	\$0	\$4,400

(continued)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Special Trust Fund (continued)
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Board of Education:				
Other	\$10,000	\$10,000	\$1,000	\$9,000
Administration:				
Purchased Services	155	155	0	155
Pupil Transportation:				
Purchased Services	1,504	2,890	2,587	303
Central:				
Purchased Services	3,500	3,500	0	3,500
Materials and Supplies	2,787	2,787	847	1,940
Other	11,502	11,503	4,162	7,341
Total Central	17,789	17,790	5,009	12,781
Total Support Services	33,848	35,235	8,596	26,639
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	228	228	0	228
Materials and Supplies	628	628	628	0
Total Operation of Non-Instructional Services	856	856	628	228
Extracurricular Activities:				
Academic Oriented Activities:				
Purchased Services	0	2,000	2,000	0
Other	47,000	49,750	20,250	29,500
Total Academic Oriented Activities	47,000	51,750	22,250	29,500
Sports Oriented Activities:				
Purchased Services	0	500	500	0
Materials and Supplies	28,425	34,425	26,794	7,631
Other	2,725	3,225	1,500	1,725
Total Sports Oriented Activities	\$31,150	\$38,150	\$28,794	\$9,356

(continued)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Special Trust Fund (continued)
For the Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
School and Public Service				
Co-Curricular Activities:				
Purchased Services	\$0	\$2,050	\$1,625	\$425
Materials and Supplies	960	215	0	215
Other	16,663	17,013	4,733	12,280
	<u>17,623</u>	<u>19,278</u>	<u>6,358</u>	<u>12,920</u>
Total School and Public Service				
Co-Curricular Activities	<u>17,623</u>	<u>19,278</u>	<u>6,358</u>	<u>12,920</u>
Total Extracurricular Activities	<u>95,773</u>	<u>109,178</u>	<u>57,402</u>	<u>51,776</u>
<i>Total Expenditures</i>	<u>145,980</u>	<u>178,268</u>	<u>94,575</u>	<u>83,693</u>
<i>Excess of Revenues Under Expenditures</i>	(75,980)	(67,333)	(36,804)	30,529
Other Financing Uses				
Transfers Out	<u>(333)</u>	<u>(333)</u>	<u>0</u>	<u>333</u>
<i>Net Change in Fund Balance</i>	(76,313)	(67,666)	(36,804)	30,862
<i>Fund Balance Beginning of Year</i>	105,375	105,375	105,375	0
Prior Year Encumbrances Appropriated	<u>12,170</u>	<u>12,170</u>	<u>12,170</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$41,232</u></u>	<u><u>\$49,879</u></u>	<u><u>\$80,741</u></u>	<u><u>\$30,862</u></u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Rotary Special Services Fund
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Tuition and Fees	\$50,000	\$83,000	\$60,555	(\$22,445)
Miscellaneous	0	0	4,000	4,000
<i>Total Revenues</i>	<u>50,000</u>	<u>83,000</u>	<u>64,555</u>	<u>(18,445)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	54,458	54,458	46,672	7,786
Fringe Benefits	9,600	9,600	7,275	2,325
Purchased Services	300	300	0	300
Materials and Supplies	1,700	1,700	0	1,700
Other	4,300	4,300	2,796	1,504
Total Regular	<u>70,358</u>	<u>70,358</u>	<u>56,743</u>	<u>13,615</u>
Vocational:				
Purchased Services	3,000	5,000	4,977	23
Materials and Supplies	13,700	14,920	13,740	1,180
Capital Outlay	58,300	56,300	55,591	709
Other	5,000	3,780	3,771	9
Total Vocational	<u>80,000</u>	<u>80,000</u>	<u>78,079</u>	<u>1,921</u>
<i>Total Expenditures</i>	<u>150,358</u>	<u>150,358</u>	<u>134,822</u>	<u>15,536</u>
<i>Excess of Revenues Under Expenditures</i>	(100,358)	(67,358)	(70,267)	(6,909)
Other Financing Sources				
Transfers In	0	0	80,000	80,000
<i>Net Change in Fund Balance</i>	(100,358)	(67,358)	9,733	73,091
<i>Fund Balance Beginning of Year</i>	73,705	73,705	73,705	0
Prior Year Encumbrances Appropriated	200	200	200	0
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$26,453)</u>	<u>\$6,547</u>	<u>\$83,638</u>	<u>\$73,091</u>

Mentor Exempted Village School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Adult Education Fund
 For the Fiscal Year Ended June 30, 2016*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	<u>188</u>	<u>188</u>	<u>162</u>	<u>26</u>
<i>Net Change in Fund Balance</i>	(188)	(188)	(162)	26
<i>Fund Balance Beginning of Year</i>	<u>188</u>	<u>188</u>	<u>188</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$26</u></u>	<u><u>\$26</u></u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Rotary Fund
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Tuition and Fees	\$442,520	\$576,375	\$641,996	\$65,621
Extracurricular Activities	77,167	100,509	55,566	(44,943)
Contributions and Donations	44,300	57,700	15,910	(41,790)
<i>Total Revenues</i>	<u>563,987</u>	<u>734,584</u>	<u>713,472</u>	<u>(21,112)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	26,400	25,400	16,478	8,922
Fringe Benefits	4,556	4,556	2,621	1,935
Materials and Supplies	1,400	1,400	1,395	5
Total Instruction	<u>32,356</u>	<u>31,356</u>	<u>20,494</u>	<u>10,862</u>
Support Services:				
Pupils:				
Salaries and Wages	415,201	415,201	379,184	36,017
Fringe Benefits	136,104	136,104	131,344	4,760
Purchased Services	83,612	83,612	73,063	10,549
Materials and Supplies	102,206	102,206	72,067	30,139
Capital Outlay	3,850	3,850	850	3,000
Other	10,522	11,522	4,576	6,946
Total Pupils	<u>751,495</u>	<u>752,495</u>	<u>661,084</u>	<u>91,411</u>
Fiscal:				
Other	<u>10,000</u>	<u>10,000</u>	<u>9,932</u>	<u>68</u>
Total Support Services	<u>\$761,495</u>	<u>\$762,495</u>	<u>\$671,016</u>	<u>\$91,479</u>

(continued)

Mentor Exempted Village School District
*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Rotary Fund (continued)*
For the Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Extracurricular Activities:				
School and Public Service Co-Curricular Activities:				
Purchased Services	\$13,105	\$13,105	\$4,585	\$8,520
Materials and Supplies	550	550	0	550
Other	66,904	76,906	23,647	53,259
Total Extracurricular Activities	<u>80,559</u>	<u>90,561</u>	<u>28,232</u>	<u>62,329</u>
<i>Total Expenditures</i>	<u>874,410</u>	<u>884,412</u>	<u>719,742</u>	<u>164,670</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(310,423)</u>	<u>(149,828)</u>	<u>(6,270)</u>	<u>143,558</u>
Other Financing Sources (Uses)				
Transfers In	66,013	66,013	57,000	(9,013)
Transfers Out	(5,581)	(7,110)	0	7,110
<i>Total Other Financing Sources (Uses)</i>	<u>60,432</u>	<u>58,903</u>	<u>57,000</u>	<u>(1,903)</u>
<i>Net Change in Fund Balance</i>	(249,991)	(90,925)	50,730	141,655
<i>Fund Balance Beginning of Year</i>	114,123	114,123	114,123	0
Prior Year Encumbrances Appropriated	<u>11,483</u>	<u>11,483</u>	<u>11,483</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>(\$124,385)</u></u>	<u><u>\$34,681</u></u>	<u><u>\$176,336</u></u>	<u><u>\$141,655</u></u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Other Grants Fund
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Interest	\$0	\$0	\$280	\$280
Contributions and Donations	29,474	50,000	100,000	50,000
Charges for Services	97,472	165,350	0	(165,350)
Rentals	53,054	90,000	77,018	(12,982)
Miscellaneous	0	0	29,603	29,603
<i>Total Revenues</i>	<u>180,000</u>	<u>305,350</u>	<u>206,901</u>	<u>(98,449)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	0	2,700	2,600	100
Fringe Benefits	0	451	411	40
Purchased Services	750	4,750	4,000	750
Materials and Supplies	25,000	25,000	0	25,000
Capital Outlay	12,601	12,601	6,058	6,543
Other	0	314	314	0
Total Instruction	<u>38,351</u>	<u>45,816</u>	<u>13,383</u>	<u>32,433</u>
Support Services:				
Instructional Staff:				
Purchased Services	2,300	2,300	0	2,300
Materials and Supplies	1,000	1,000	0	1,000
Capital Outlay	4,000	4,000	0	4,000
Other	63,000	62,686	0	62,686
Total Instructional Staff	<u>70,300</u>	<u>69,986</u>	<u>0</u>	<u>69,986</u>
Administration:				
Purchased Services	141,156	139,587	74,838	64,749
Materials and Supplies	23,747	23,747	11,167	12,580
Other	35,648	30,648	21,889	8,759
Total Administration	<u>200,551</u>	<u>193,982</u>	<u>107,894</u>	<u>86,088</u>
Operation and Maintenance of Plant:				
Capital Outlay	<u>\$5,000</u>	<u>\$5,000</u>	<u>\$4,721</u>	<u>\$279</u>

(continued)

Mentor Exempted Village School District
*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Other Grants Fund (continued)*
For the Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Pupil Transportation:				
Purchased Services	\$20,820	\$20,820	\$12,424	\$8,396
Central:				
Other	344	3,609	3,574	35
Total Support Services	297,015	293,397	128,613	164,784
Extracurricular Activities:				
Academic Oriented Activities:				
Purchased Services	30,085	29,503	593	28,910
Materials and Supplies	17,000	17,000	0	17,000
Total Extracurricular Activities	47,085	46,503	593	45,910
<i>Total Expenditures</i>	382,451	385,716	142,589	243,127
<i>Net Change in Fund Balance</i>	(202,451)	(80,366)	64,312	144,678
<i>Fund Balance Beginning of Year</i>	137,914	137,914	137,914	0
Prior Year Encumbrances Appropriated	77,107	77,107	77,107	0
<i>Fund Balance End of Year</i>	<u>\$12,570</u>	<u>\$134,655</u>	<u>\$279,333</u>	<u>\$144,678</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Athletics and Music Fund
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Extracurricular Activities	\$302,259	\$510,850	\$317,479	(\$193,371)
Contributions and Donations	54,641	92,350	53,217	(39,133)
<i>Total Revenues</i>	<u>356,900</u>	<u>603,200</u>	<u>370,696</u>	<u>(232,504)</u>
Expenditures				
Current:				
Extracurricular Activities:				
Sports Oriented Activities:				
Salaries and Wages	24,370	20,620	16,950	3,670
Fringe Benefits	4,473	3,620	2,601	1,019
Purchased Services	271,660	281,352	195,381	85,971
Materials and Supplies	133,446	145,972	101,645	44,327
Capital Outlay	15,501	12,691	1,491	11,200
Other	194,407	189,878	104,187	85,691
<i>Total Expenditures</i>	<u>643,857</u>	<u>654,133</u>	<u>422,255</u>	<u>231,878</u>
<i>Excess of Revenues Under Expenditures</i>	(286,957)	(50,933)	(51,559)	(626)
Other Financing Sources				
Transfers In	58,100	58,100	44,620	(13,480)
<i>Net Change in Fund Balance</i>	(228,857)	7,167	(6,939)	(14,106)
<i>Fund Balance Beginning of Year</i>	84,335	84,335	84,335	0
Prior Year Encumbrances Appropriated	13,383	13,383	13,383	0
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$131,139)</u>	<u>\$104,885</u>	<u>\$90,779</u>	<u>(\$14,106)</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Auxiliary Services Fund
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$1,597,623	\$1,564,932	\$1,859,964	\$295,032
Interest	617	617	617	0
<i>Total Revenues</i>	<u>1,598,240</u>	<u>1,565,549</u>	<u>1,860,581</u>	<u>295,032</u>
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	1,309,517	1,277,959	1,257,590	20,369
Materials and Supplies	439,571	408,320	400,759	7,561
Capital Outlay	<u>413,626</u>	<u>365,137</u>	<u>338,173</u>	<u>26,964</u>
<i>Total Expenditures</i>	<u>2,162,714</u>	<u>2,051,416</u>	<u>1,996,522</u>	<u>54,894</u>
<i>Net Change in Fund Balance</i>	(564,474)	(485,867)	(135,941)	349,926
<i>Fund Balance Beginning of Year</i>	9,808	9,808	9,808	0
Prior Year Encumbrances Appropriated	<u>476,059</u>	<u>476,059</u>	<u>476,059</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>(\$78,607)</u></u>	<u><u>\$0</u></u>	<u><u>\$349,926</u></u>	<u><u>\$349,926</u></u>

Mentor Exempted Village School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 OneNet Data Communications Fund
 For the Fiscal Year Ended June 30, 2016*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$21,600	\$21,600	\$21,600	\$0
Expenditures				
Current:				
Support Services:				
Central:				
Purchased Services	0	12,096	12,096	0
Capital Outlay	11,576	21,080	21,080	0
<i>Total Expenditures</i>	<u>11,576</u>	<u>33,176</u>	<u>33,176</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	10,024	(11,576)	(11,576)	0
<i>Fund Balance Beginning of Year</i>	6	6	6	0
Prior Year Encumbrances Appropriated	<u>11,570</u>	<u>11,570</u>	<u>11,570</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$21,600</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Straight A Fund
For the Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$1,487,541	\$2,486,778	\$1,448,303	(\$1,038,475)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	112,800	125,750	114,249	11,501
Fringe Benefits	27,732	21,650	19,702	1,948
Purchased Services	188,000	181,013	181,013	0
Materials and Supplies	1,240,993	1,307,391	1,302,663	4,728
Capital Outlay	962,079	946,340	946,207	133
Total Instruction	2,531,604	2,582,144	2,563,834	18,310
Support Services:				
Pupils:				
Purchased Services	0	106,000	0	106,000
Instructional Staff:				
Purchased Services	353,289	285,942	233,565	52,377
Capital Outlay	120,000	120,000	120,000	0
Total Instructional Staff	473,289	405,942	353,565	52,377
Administration:				
Salaries and Wages	12,611	12,611	12,611	0
Fringe Benefits	3,800	3,800	3,800	0
Purchased Services	0	835,569	7,624	827,945
Capital Outlay	0	19,500	0	19,500
Total Administration	16,411	871,480	24,035	847,445
Total Support Services	489,700	1,383,422	377,600	1,005,822
Capital Outlay:				
Salaries and Wages	2,694,599	2,749,574	2,729,575	19,999
<i>Total Expenditures</i>	5,715,903	6,715,140	5,671,009	1,044,131
<i>Net Change in Fund Balance</i>	(4,228,362)	(4,228,362)	(4,222,706)	5,656
<i>Fund Balance Beginning of Year</i>	77	77	77	0
Prior Year Encumbrances Appropriated	4,228,285	4,228,285	4,228,285	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$5,656</u>	<u>\$5,656</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Miscellaneous State Grants Fund
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$27,020	\$152,020	\$38,112	(\$113,908)
Expenditures				
Current:				
Instruction:				
Special:				
Materials and Supplies	0	40,000	15,000	25,000
Capital Outlay	0	85,000	0	85,000
Total Instruction	0	125,000	15,000	110,000
Support Services:				
Pupils:				
Salaries and Wages	25,003	25,003	21,430	3,573
Fringe Benefits	4,164	4,164	3,570	594
Total Support Services	29,167	29,167	25,000	4,167
<i>Total Expenditures</i>	29,167	154,167	40,000	114,167
<i>Net Change in Fund Balance</i>	(2,147)	(2,147)	(1,888)	259
<i>Fund Balance Beginning of Year</i>	2,147	2,147	2,147	0
Prior Year Encumbrances Appropriated	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$259	\$259

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Title VI-B Fund
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$2,020,193	\$2,022,168	\$1,629,101	(\$393,067)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	613,688	684,750	589,704	95,046
Fringe Benefits	261,182	255,244	219,654	35,590
Purchased Services	182,565	104,062	67,105	36,957
Materials and Supplies	156,964	185,320	149,335	35,985
Capital Outlay	47,081	50,000	21,155	28,845
Total Instruction	1,261,480	1,279,376	1,046,953	232,423
Support Services:				
Pupils:				
Salaries and Wages	21,800	3,611	3,611	0
Fringe Benefits	4,107	542	277	265
Purchased Services	27,541	5,242	1,726	3,516
Materials and Supplies	34,230	32,509	23,016	9,493
Capital Outlay	26,890	15,000	14,747	253
Total Pupils	114,568	56,904	43,377	13,527
Instructional Staff:				
Purchased Services	139,455	175,600	111,178	64,422
Administration:				
Salaries and Wages	306,126	306,082	269,206	36,876
Fringe Benefits	149,870	148,977	129,992	18,985
Purchased Services	19,435	15,000	13,165	1,835
Materials and Supplies	9,030	30,000	9,379	20,621
Capital Outlay	1,500	6,500	964	5,536
Total Administration	\$485,961	\$506,559	\$422,706	\$83,853

(continued)

Mentor Exempted Village School District
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP) and Actual
 Title VI-B Fund (continued)
 For the Fiscal Year Ended June 30, 2016*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Pupil Transportation:				
Purchased Services	\$15,000	\$0	\$0	\$0
Total Support Services	754,984	739,063	577,261	161,802
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	124,617	124,617	124,617	0
<i>Total Expenditures</i>	<u>2,141,081</u>	<u>2,143,056</u>	<u>1,748,831</u>	<u>394,225</u>
<i>Net Change in Fund Balance</i>	(120,888)	(120,888)	(119,730)	1,158
<i>Fund Balance Beginning of Year</i>	78,345	78,345	78,345	0
Prior Year Encumbrances Appropriated	42,543	42,543	42,543	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$1,158</u>	<u>\$1,158</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Carl Perkins Grant Fund
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$350,290	\$363,470	\$341,674	(\$21,796)
Expenditures				
Current:				
Instruction:				
Vocational:				
Salaries and Wages	6,800	12,855	12,793	62
Fringe Benefits	1,160	2,145	2,132	13
Purchased Services	84,288	80,090	77,647	2,443
Materials and Supplies	30,127	46,555	46,283	272
Capital Outlay	81,771	118,206	114,497	3,709
Total Instruction	204,146	259,851	253,352	6,499
Support Services:				
Pupils:				
Salaries and Wages	66,667	45,821	35,386	10,435
Fringe Benefits	11,110	12,224	10,537	1,687
Purchased Services	1,704	1,204	562	642
Materials and Supplies	500	496	496	0
Other	247	247	195	52
Total Pupils	80,228	59,992	47,176	12,816
Instructional Staff:				
Purchased Services	44,529	26,731	23,924	2,807
Administration:				
Salaries and Wages	14,009	14,009	14,009	0
Fringe Benefits	2,381	2,381	2,381	0
Other	200	80	80	0
Total Administration	16,590	16,470	16,470	0
Pupil Transportation:				
Purchased Services	19,283	14,914	14,771	143
Total Support Services	160,630	118,107	102,341	15,766
Total Expenditures	364,776	377,958	355,693	22,265
Net Change in Fund Balance	(14,486)	(14,488)	(14,019)	469
Fund Balance Beginning of Year	6,431	6,431	6,431	0
Prior Year Encumbrances Appropriated	8,057	8,057	8,057	0
Fund Balance End of Year	\$2	\$0	\$469	\$469

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Title III Fund
For the Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$41,305	\$46,606	\$23,033	(\$23,573)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	3,408	0	0	0
Fringe Benefits	571	0	0	0
Materials and Supplies	11,023	26,042	16,676	9,366
Capital Outlay	3,102	0	0	0
Total Instruction	18,104	26,042	16,676	9,366
Support Services:				
Pupils:				
Salaries and Wages	2,000	2,000	0	2,000
Fringe Benefits	400	400	0	400
Purchased Services	14,575	12,421	4,042	8,379
Total Pupils	16,975	14,821	4,042	10,779
Instructional Staff:				
Salaries and Wages	1,575	1,575	1,575	0
Fringe Benefits	263	263	263	0
Purchased Services	8,268	5,104	1,676	3,428
Total Instructional Staff	10,106	6,942	3,514	3,428
Total Support Services	27,081	21,763	7,556	14,207
<i>Total Expenditures</i>	45,185	47,805	24,232	23,573
<i>Net Change in Fund Balance</i>	(3,880)	(1,199)	(1,199)	0
<i>Fund Balance Beginning of Year</i>	19	19	19	0
Prior Year Encumbrances Appropriated	1,180	1,180	1,180	0
<i>Fund Balance (Deficit) End of Year</i>	(\$2,681)	\$0	\$0	\$0

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$811,700	\$811,682	\$608,437	(\$203,245)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	551,813	541,701	431,734	109,967
Fringe Benefits	206,127	198,828	161,275	37,553
Materials and Supplies	25,517	33,501	19,141	14,360
Capital Outlay	15,477	15,988	6,656	9,332
Total Instruction	798,934	790,018	618,806	171,212
Support Services:				
Instructional Staff:				
Purchased Services	19,329	18,000	5,137	12,863
Materials and Supplies	32	5,001	1,803	3,198
Total Instructional Staff	19,361	23,001	6,940	16,061
Administration:				
Salaries and Wages	29,048	28,856	23,389	5,467
Fringe Benefits	11,938	11,497	8,858	2,639
Total Administration	40,986	40,353	32,247	8,106
Total Support Services	\$60,347	\$63,354	\$39,187	\$24,167
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	3,000	15,983	8,964	7,019
Materials and Supplies	7,073	1,000	0	1,000
Capital Outlay	1,000	0	0	0
Total Operation of Non-Instructional Services	11,073	16,983	8,964	8,019
Total Expenditures	870,354	870,355	666,957	203,398
Net Change in Fund Balance	(58,654)	(58,673)	(58,520)	153
Fund Balance Beginning of Year	55,541	55,541	55,541	0
Prior Year Encumbrances Appropriated	3,133	3,133	3,133	0
Fund Balance End of Year	\$20	\$1	\$154	\$153

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Preschool Grant Fund
For the Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$60,100	\$60,124	\$40,758	(\$19,366)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	3,670	4,000	1,118	2,882
Fringe Benefits	611	700	186	514
Purchased Services	1,119	2,275	1,903	372
Materials and Supplies	12,094	12,076	7,406	4,670
Capital Outlay	0	124	0	124
Total Instruction	17,494	19,175	10,613	8,562
Support Services:				
Pupils:				
Salaries and Wages	26,910	31,520	23,140	8,380
Fringe Benefits	10,645	9,246	7,334	1,912
Purchased Services	691	600	0	600
Materials and Supplies	1,000	50	0	50
Capital Outlay	2,000	949	949	0
Total Pupils	41,246	42,365	31,423	10,942
Instructional Staff:				
Purchased Services	200	0	0	0
Administration:				
Materials and Supplies	400	0	0	0
Total Administration	400	0	0	0
Pupil Transportation:				
Purchased Services	1,200	0	0	0
Total Support Services	\$43,046	\$42,365	\$31,423	\$10,942
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	1,000	0	0	0
<i>Total Expenditures</i>	61,540	61,540	42,036	19,504
<i>Net Change in Fund Balance</i>	(1,440)	(1,416)	(1,278)	138
<i>Fund Balance Beginning of Year</i>	1,220	1,220	1,220	0
Prior Year Encumbrances Appropriated	196	196	196	0
<i>Fund Balance (Deficit) End of Year</i>	(\$24)	\$0	\$138	\$138

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Classroom Reduction Fund
For the Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$353,240	\$438,591	\$363,798	(\$74,793)
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	162,095	71,523	63,683	7,840
Fringe Benefits	24,847	31,012	10,292	20,720
Purchased Services	84,269	189,794	182,748	7,046
Materials and Supplies	23,304	10,000	4,449	5,551
Capital Outlay	18,267	10,000	0	10,000
Total Support Services	312,782	312,329	261,172	51,157
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	190,461	165,896	140,223	25,673
<i>Total Expenditures</i>	<u>503,243</u>	<u>478,225</u>	<u>401,395</u>	<u>76,830</u>
<i>Net Change in Fund Balance</i>	(150,003)	(39,634)	(37,597)	2,037
<i>Fund Balance Beginning of Year</i>	2,297	2,297	2,297	0
Prior Year Encumbrances Appropriated	37,337	37,337	37,337	0
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$110,369)</u>	<u>\$0</u>	<u>\$2,037</u>	<u>\$2,037</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Uniform School Supplies Fund
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Tuition and Fees	\$130,000	\$275,500	\$316,304	\$40,804
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	92,510	122,775	46,000	76,775
Materials and Supplies	234,929	236,664	209,715	26,949
Total Regular Instruction	327,439	359,439	255,715	103,724
Vocational:				
Materials and Supplies	4,883	4,883	4,863	20
Total Instruction	332,322	364,322	260,578	103,744
Support Services:				
Fiscal:				
Other	1,942	6,942	5,732	1,210
<i>Total Expenditures</i>	334,264	371,264	266,310	104,954
<i>Excess of Revenues Over (Under) Expenditures</i>	(204,264)	(95,764)	49,994	145,758
Other Financing Sources				
Transfers In	100,000	100,000	100,000	0
<i>Net Change in Fund Balance</i>	(104,264)	4,236	149,994	145,758
<i>Fund Balance Beginning of Year</i>	31,087	31,087	31,087	0
Prior Year Encumbrances Appropriated	19,064	19,064	19,064	0
<i>Fund Balance (Deficit) End of Year</i>	(\$54,113)	\$54,387	\$200,145	\$145,758

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Extracurricular Activities	\$157,711	\$250,485	\$173,756	(\$76,729)
Contributions and Donations	53,707	85,300	60,530	(24,770)
Miscellaneous	23,582	31,200	15,029	(16,171)
<i>Total Revenues</i>	<i>235,000</i>	<i>366,985</i>	<i>249,315</i>	<i>(117,670)</i>
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Materials and Supplies	1,000	1,000	0	1,000
Administration:				
Salaries and Wages	1,700	2,350	650	1,700
Fringe Benefits	375	375	99	276
Purchased Services	9,030	9,530	3,495	6,035
Materials and Supplies	42,014	40,514	20,777	19,737
Capital Outlay	9,800	11,391	4,328	7,063
Other	39,950	39,359	21,550	17,809
<i>Total Administration</i>	<i>102,869</i>	<i>103,519</i>	<i>50,899</i>	<i>52,620</i>
Central:				
Salaries and Wages	5,300	5,300	0	5,300
Fringe Benefits	1,950	1,950	0	1,950
Purchased Services	25,358	23,857	6,359	17,498
Materials and Supplies	90,474	85,374	37,125	48,249
Capital Outlay	28,851	25,101	3,251	21,850
Other	52,109	64,740	38,384	26,356
<i>Total Central</i>	<i>204,042</i>	<i>206,322</i>	<i>85,119</i>	<i>121,203</i>
<i>Total Support Services</i>	<i>\$307,911</i>	<i>\$310,841</i>	<i>\$136,018</i>	<i>\$174,823</i>

(continued)

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Public School Support Fund (continued)
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operation of Non-Instructional Services:				
Community Services:				
Other	\$2,500	\$2,500	\$0	\$2,500
Food Service Operations:				
Materials and Supplies	5,780	4,080	1,000	3,080
Capital Outlay	4,500	6,200	2,200	4,000
Other	4,840	4,840	660	4,180
Total Food Service Operations	15,120	15,120	3,860	11,260
Extracurricular Activities:				
Athletic Oriented Activities:				
Purchased Services	650	650	650	0
School and Public Service Co-Curricular Activities:				
Salaries and Wages	5,400	5,400	0	5,400
Fringe Benefits	1,310	1,310	0	1,310
Purchased Services	30,749	25,749	15,614	10,135
Materials and Supplies	71,050	103,050	82,647	20,403
Capital Outlay	13,200	13,200	2,710	10,490
Other	36,793	36,793	25,425	11,368
Total Extracurricular Activities	159,152	186,152	127,046	59,106
<i>Total Expenditures</i>	484,683	514,613	266,924	247,689
<i>Excess of Revenues Under Expenditures</i>	(249,683)	(147,628)	(17,609)	130,019
Other Financing Uses				
Transfers Out	(1,200)	(2,940)	(620)	2,320
<i>Net Change in Fund Balance</i>	(250,883)	(150,568)	(18,229)	132,339
<i>Fund Balance Beginning of Year</i>	165,876	165,876	165,876	0
Prior Year Encumbrances Appropriated	36,652	36,652	36,652	0
<i>Fund Balance (Deficit) End of Year</i>	(\$48,355)	\$51,960	\$184,299	\$132,339



Paradigm is attached to Mentor High School and houses two state-of-the-art classrooms with an observation room in-between for teachers to view best practices in action without causing a disruption for students taking the course.

Mentor Exempted Village School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Bond Retirement Fund
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Support Services:				
Fiscal:				
Purchased Services	5,000	5,000	0	5,000
Debt Service:				
Principal Retirement	395,735	585,035	585,000	35
Interest and Fiscal Charges	0	5,700	5,700	0
Total Debt Service	395,735	590,735	590,700	35
<i>Total Expenditures</i>	400,735	595,735	590,700	5,035
<i>Excess of Revenues Under Expenditures</i>	(400,735)	(595,735)	(590,700)	5,035
Other Financing Sources				
Notes Issued	390,000	390,000	390,000	0
Transfers In	760,000	400,735	200,689	(200,046)
<i>Total Other Financing Sources</i>	1,150,000	790,735	590,689	(200,046)
<i>Net Change in Fund Balance</i>	749,265	195,000	(11)	(195,011)
<i>Fund Balance Beginning of Year</i>	11	11	11	0
<i>Fund Balance End of Year</i>	\$749,276	\$195,011	\$0	(\$195,011)

Mentor Exempted Village School District
*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2016*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$924,454	\$860,155	\$931,369	\$71,214
Intergovernmental	186,831	138,599	139,666	1,067
Interest	2,668	1,500	2,415	915
Miscellaneous	433,928	433,928	233,757	(200,171)
<i>Total Revenues</i>	1,547,881	1,434,182	1,307,207	(126,975)
Expenditures				
Current:				
Instruction:				
Regular:				
Capital Outlay	119	119	119	0
Support Services:				
Fiscal:				
Other	15,000	15,575	15,521	54
Operation and Maintenance of Plant:				
Purchased Services	73,719	73,645	36,244	37,401
Materials and Supplies	6,952	28,717	26,195	2,522
Capital Outlay	2,160,687	2,159,221	1,627,366	531,855
Other	100	100	0	100
Total Operation and Maintenance of Plant	2,241,458	2,261,683	1,689,805	571,878
Total Support Services	2,256,458	2,277,258	1,705,326	571,932
<i>Total Expenditures</i>	2,256,577	2,277,377	1,705,445	571,932
<i>Excess of Revenues Under Expenditures</i>	(708,696)	(843,195)	(398,238)	444,957
Other Financing Sources				
Transfers In	0	0	40,000	40,000
<i>Net Change in Fund Balance</i>	(708,696)	(843,195)	(358,238)	484,957
<i>Fund Balance Beginning of Year</i>	552,671	552,671	552,671	0
Prior Year Encumbrances Appropriated	822,395	822,395	822,395	0
<i>Fund Balance End of Year</i>	\$666,370	\$531,871	\$1,016,828	\$484,957

Mentor Exempted Village School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP) and Actual
Treasury Management Services Fund
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$200,000	\$200,000	\$193,463	(\$6,537)
Expenses				
Salaries and Wages	95,250	95,250	64,592	30,658
Fringe Benefits	48,500	48,500	36,392	12,108
Purchased Services	8,525	8,525	500	8,025
Materials and Supplies	800	800	714	86
Capital Outlay	2,500	2,500	2,500	0
<i>Total Expenses</i>	<u>155,575</u>	<u>155,575</u>	<u>104,698</u>	<u>50,877</u>
<i>Net Change in Fund Equity</i>	44,425	44,425	88,765	44,340
<i>Fund Equity Beginning of Year</i>	180,790	180,790	180,790	0
Prior Year Encumbrances Appropriated	<u>27,448</u>	<u>27,448</u>	<u>27,448</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$252,663</u>	<u>\$252,663</u>	<u>\$297,003</u>	<u>\$44,340</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP) and Actual
Employee Benefits Fund
For the Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$15,965,000	\$16,797,100	\$15,804,705	(\$992,395)
Interest	35,000	35,000	16,818	(18,182)
<i>Total Revenues</i>	<u>16,000,000</u>	<u>16,832,100</u>	<u>15,821,523</u>	<u>(1,010,577)</u>
Expenses				
Salaries and Wages	14,843	15,758	15,758	0
Fringe Benefits	5,789	8,029	8,029	0
Purchased Services	59,820	58,815	49,737	9,078
Materials and Supplies	1,392	1,392	392	1,000
Claims	16,946,820	16,944,670	14,392,167	2,552,503
<i>Total Expenses</i>	<u>17,028,664</u>	<u>17,028,664</u>	<u>14,466,083</u>	<u>2,562,581</u>
<i>Net Change in Fund Equity</i>	(1,028,664)	(196,564)	1,355,440	1,552,004
<i>Fund Equity Beginning of Year</i>	10,698,285	10,698,285	10,698,285	0
Prior Year Encumbrances Appropriated	<u>196,632</u>	<u>196,632</u>	<u>196,632</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$9,866,253</u>	<u>\$10,698,353</u>	<u>\$12,250,357</u>	<u>\$1,552,004</u>

Mentor Exempted Village School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP) and Actual
Workers' Compensation Fund
For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$640,000	\$442,500	\$625,346	\$182,846
Interest	10,000	10,000	9,045	(955)
Miscellaneous	0	0	11	11
<i>Total Revenues</i>	<u>650,000</u>	<u>452,500</u>	<u>634,402</u>	<u>181,902</u>
Expenses				
Salaries and Wages	2,719	2,948	2,948	0
Purchased Services	33,045	33,045	29,977	3,068
Claims	316,572	402,843	325,522	77,321
Other	101,925	91,925	62,207	29,718
<i>Total Expenses</i>	<u>454,261</u>	<u>530,761</u>	<u>420,654</u>	<u>110,107</u>
<i>Net Change in Fund Equity</i>	195,739	(78,261)	213,748	292,009
<i>Fund Equity Beginning of Year</i>	3,495,349	3,495,349	3,495,349	0
Prior Year Encumbrances Appropriated	<u>1,761</u>	<u>1,761</u>	<u>1,761</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$3,692,849</u>	<u>\$3,418,849</u>	<u>\$3,710,858</u>	<u>\$292,009</u>



Along with the two classrooms, Paradigm has great spaces for small group work and collaboration for students working on class assignments and projects with peers.



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Statistical Section

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

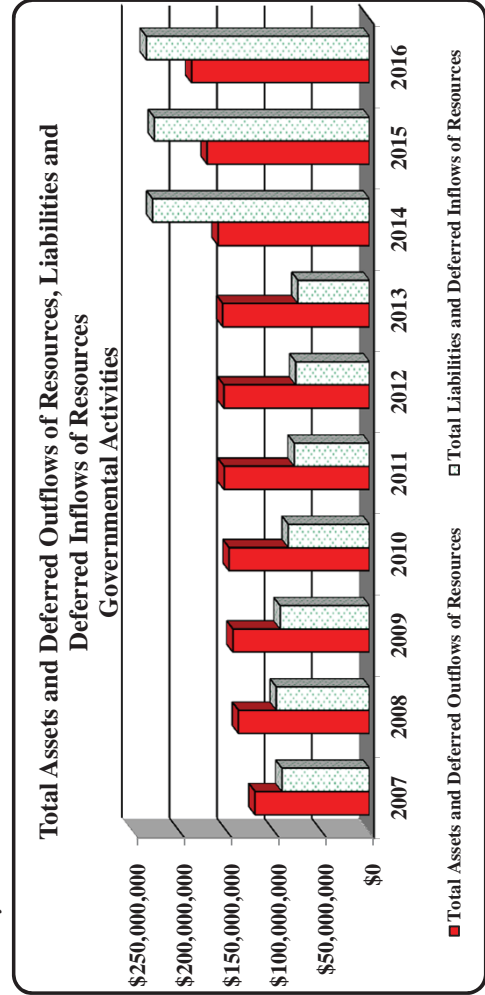
Contents	Pages(s)
<i>Financial Trends</i>	<i>S2 – S7</i>
These schedules contain trend information to help the reader understand how the School District’s financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	<i>S8 – S14</i>
These schedules contain information to help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

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental Activities:										
Net Investment in Capital Assets	\$4,047,119	\$6,090,322	\$9,772,640	\$12,508,243	\$14,759,054	\$18,690,375	\$18,844,497	\$16,824,430	\$20,659,639	\$24,742,961
Restricted for:										
Capital Projects	0	0	762,518	362,698	0	0	1,303,234	1,856,003	1,583,300	1,408,363
Debt Service	1,168,686	1,178,731	1,169,344	1,282,983	1,291,257	399,601	309,186	5,386	11	0
Other Purposes	332,212	613,393	1,156,763	816,437	718,814	837,355	905,617	1,250,617	6,039,333	1,741,642
Unrestricted (Deficit)	22,733,447	31,985,247	37,551,015	48,180,077	57,351,890	56,980,153	57,969,222	(89,027,846)	(83,906,673)	(75,726,182)
Total Governmental Activities	\$28,281,464	\$39,867,693	\$50,412,280	\$63,150,438	\$74,121,015	\$76,907,484	\$79,331,756	(\$69,091,410)	(\$55,624,390)	(\$47,833,216)
Business-Type Activities:										
Net Investment in Capital Assets	\$0	\$0	\$0	\$0	\$0	\$776,333	\$736,293	\$690,236	\$648,786	\$620,802
Unrestricted (Deficit)	0	0	0	0	(48,355)	(927,055)	(541,013)	(3,889,524)	(3,037,830)	(2,325,047)
Total Business-Type Activities	\$0	\$0	\$0	\$0	(\$48,355)	(\$150,722)	\$195,280	(\$3,199,288)	(\$2,389,044)	(\$1,704,245)
Total	\$28,281,464	\$39,867,693	\$50,412,280	\$63,150,438	\$74,072,660	\$76,756,762	\$79,527,036	(\$72,290,698)	(\$58,013,434)	(\$49,537,461)

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



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

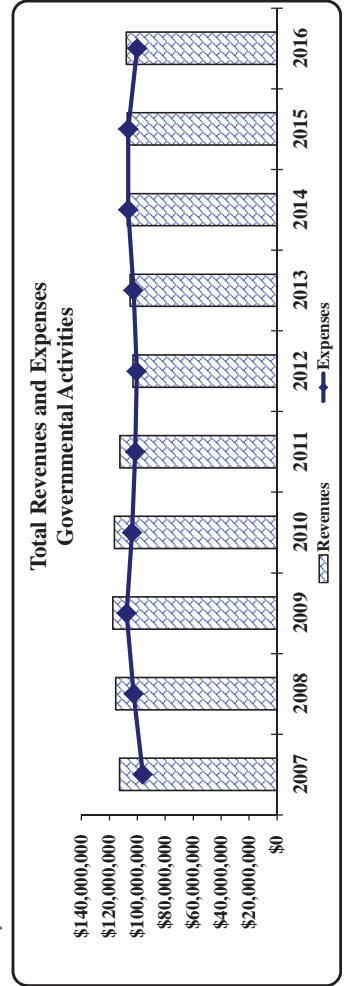
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental Activities:										
Regular Instruction	\$42,102,682	\$44,945,941	\$46,237,935	\$43,854,284	\$40,947,715	\$42,323,557	\$42,766,318	\$44,842,720	\$47,686,630	\$39,889,091
Special Instruction	10,390,051	11,212,042	12,369,370	12,494,286	12,374,765	12,866,538	12,437,218	15,845,511	14,261,426	14,198,108
Vocational Instruction	2,312,758	2,316,091	2,400,243	2,115,566	2,007,506	1,777,229	1,831,655	2,412,616	2,053,430	2,066,776
Adult/Continuing Instruction	0	0	0	0	0	0	0	0	1,653	1,598
Student Intervention	801,047	797,941	871,025	242,414	157,223	24,699	100,553	97,568	152,730	149,374
Pupil Support	6,260,266	6,220,899	6,614,344	7,009,557	6,847,947	6,823,981	6,381,842	6,211,357	5,713,690	5,638,049
Instructional Staff Support	4,140,106	5,264,426	5,431,287	5,508,798	6,269,397	6,845,936	6,665,047	3,862,888	4,974,475	6,130,131
Board of Education	519,445	629,220	475,375	604,673	649,396	532,055	527,619	353,843	101,051	121,393
Administration	5,112,076	5,525,373	6,067,851	5,803,805	5,699,441	5,640,548	5,524,560	5,729,639	6,419,801	5,276,526
Fiscal	2,400,896	2,505,210	2,602,233	2,179,768	2,301,863	2,401,316	2,385,986	2,789,268	2,759,563	2,819,889
Business	667,976	425,188	600,821	678,606	621,092	580,681	559,614	590,895	580,374	593,946
Operation and Maintenance of Plant	8,111,466	8,292,228	9,331,618	8,593,179	8,708,180	6,103,554	8,779,394	10,014,973	10,218,945	9,423,648
Pupil Transportation	5,679,537	6,260,899	6,379,443	6,380,577	6,214,657	6,274,223	6,626,148	6,493,521	6,207,664	6,007,113
Central Support	1,268,216	1,592,739	1,608,402	2,151,550	2,035,025	1,956,913	2,025,556	834,397	956,647	869,171
Operation of Non-Instructional Services	1,456,939	1,530,928	1,600,570	1,521,042	1,737,643	1,508,012	1,631,958	1,722,196	2,061,460	2,141,108
Operation of Food Services	2,597,515	2,597,209	2,706,117	2,272,614	2,599,841	2,666,083	2,461,146	2,476,658	2,442,507	2,660,668
Extracurricular Activities	1,629,409	1,852,683	1,973,168	1,986,932	2,030,230	1,989,896	1,953,991	2,159,981	2,011,173	2,090,434
Interest and Fiscal Charges	644,526	590,868	376,700	321,316	230,762	115,597	51,645	9,214	23,743	5,627
Total Governmental Activities Expenses	96,094,911	102,559,885	107,646,502	103,718,967	101,432,683	100,430,818	102,710,250	106,461,774	108,612,433	100,082,650
Business-Type Activities:										
Cardinal Autism and Resource	0	0	0	0	12,409	866,875	1,215,128	1,604,743	1,661,959	2,483,893
Education School	0	0	0	0	0	0	0	455	64,463	103,597
Treasury Management Services	0	0	0	0	0	0	0	0	0	0
Total Business-Type Activities	0	0	0	0	12,409	866,875	1,215,128	1,605,198	1,726,422	2,587,490
Total Primary Government Expenses	96,094,911	102,559,885	107,646,502	103,718,967	101,445,092	101,297,693	103,925,378	108,066,972	110,338,855	102,670,140
Program Revenues										
Governmental Activities:										
Charges for Services										
Regular Instruction	992,262	1,821,519	1,821,519	1,724,146	1,568,144	1,481,961	1,551,715	1,961,492	1,322,185	1,545,315
Special Instruction	682,485	361,110	329,952	299,639	307,739	267,883	121,723	166,184	319,032	406,883
Vocational Instruction	300,087	339,466	70,415	86,816	84,300	46,693	6,179	3,891	49,524	60,180
Student Intervention	2,660	3,540	25,016	7,173	4,950	652	0	0	3,712	4,652
Pupil Support	0	0	593,183	595,714	668,870	670,465	497,992	463,159	613,849	793,143
Instructional Staff Support	0	0	0	0	0	1,158	1,669	5,801	117,088	232,365
Board of Education	0	0	0	0	0	0	0	0	2,377	3,736
Administration	0	0	0	0	0	16,140	39,431	58,202	215,783	195,032
Fiscal	0	0	0	0	0	0	0	10,047	76,461	103,480
Business	0	0	0	0	0	0	0	0	14,607	19,097
Operation and Maintenance of Plant	0	22,164	63,936	7,894	31,689	4,065	19,690	20,504	238,735	238,735
Pupil Transportation	72,344	64,480	84,230	97,297	98,330	63,026	15,133	10,111	153,897	183,521
Central Support	27,118	17,155	84,230	97,297	98,330	63,026	74,775	73,622	106,743	106,246
Operation of Non-Instructional Services	500	500	0	0	344	1,211	2,659	1,054	3,539	2,729
Operation of Food Service	1,852,301	1,858,070	2,188,505	2,039,957	1,937,715	2,014,632	1,717,323	1,635,561	1,557,356	1,679,047
Extracurricular Activities	729,717	759,950	792,922	378,119	456,430	419,388	751,628	930,774	451,883	521,674
Operating Grants, and Contributions	5,984,274	6,536,486	5,682,667	7,906,021	8,000,454	7,091,085	7,781,404	8,423,369	22,132,284	8,319,670
Capital Grants and Contributions	500,639	500,000	212,228	300,058	297,469	223,455	173,146	176,620	582,572	139,666
Total Governmental Activities	\$11,144,387	\$11,725,245	\$11,864,573	\$13,444,652	\$13,436,466	\$12,301,814	\$12,754,467	\$13,940,391	\$27,946,018	\$14,555,171

(continued)

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Business-Type Activities:										
Cardinal Autism and Resource Education School	\$0	\$0	\$0	\$0	\$0	\$712,052	\$1,558,993	\$1,676,154	\$2,360,753	\$3,078,826
Treasury Management Services	0	0	0	0	0	0	0	97,243	175,913	193,463
Total Business-Type Activities	0	0	0	0	0	712,052	1,558,993	1,773,397	2,536,666	3,272,289
Total Program Revenues	11,144,387	11,725,245	11,864,573	13,444,652	13,436,466	13,013,866	14,313,460	15,713,788	30,482,684	17,827,460
Net (Expense)/Revenue										
Governmental Activities	(84,950,524)	(90,834,640)	(95,781,929)	(90,274,315)	(87,996,217)	(88,129,004)	(89,955,783)	(92,521,383)	(80,666,415)	(85,527,479)
Business-Type Activities	0	0	0	0	(12,409)	(154,823)	343,865	168,199	810,244	684,799
Total Primary Government Net Expense	(84,950,524)	(90,834,640)	(95,781,929)	(90,274,315)	(88,008,626)	(88,283,827)	(89,611,918)	(92,353,184)	(79,856,171)	(84,842,680)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for:										
General Purposes	65,961,789	65,257,692	67,927,056	65,057,347	61,170,651	55,451,124	61,192,737	61,571,172	62,259,273	60,534,623
Debt Service	3,658,620	3,557,490	1,178,780	1,271,091	1,189,811	392,865	35,877	132,794	0	0
Capital Outlay	995,885	975,018	1,305,440	1,272,012	1,197,778	1,111,700	1,200,902	899,854	970,551	843,141
Grants and Entitlements not Restricted to Specific Programs	28,279,885	31,027,122	33,523,296	34,257,793	33,914,434	31,352,133	27,849,260	28,892,431	28,800,536	29,175,056
Payment in Lieu of Taxes	0	0	154,534	281,912	632,472	2,019,534	810,267	1,061,014	1,171,884	1,304,929
Investment Earnings	2,316,115	2,180,793	1,466,058	624,575	394,628	305,946	240,583	177,630	242,800	469,354
Unrestricted Contributions and Donations	0	0	0	1,000	26,800	58,625	46,175	55,409	60,215	60,575
Gain on Sale of Capital Assets	0	0	6,600	24,547	0	0	0	0	26,259	0
Miscellaneous	313,989	665,328	124,763	222,196	404,274	276,002	1,006,391	619,195	601,917	930,975
Transfers	0	0	0	0	35,946	(52,456)	(2,137)	0	0	0
Total Governmental Activities	101,526,283	103,663,443	105,686,527	103,012,473	98,966,794	90,915,473	92,380,055	93,409,499	94,133,435	93,318,653
Business-Type Activities:										
Transfers	0	0	0	0	(35,946)	52,456	2,137	0	0	0
Total Primary Government	101,526,283	103,663,443	105,686,527	103,012,473	98,930,848	90,967,929	92,382,192	93,409,499	94,133,435	93,318,653
Change in Net Position										
Governmental Activities	16,575,759	12,828,803	9,904,598	12,738,158	10,970,577	2,786,469	2,424,272	888,116	13,467,020	7,791,174
Business-Type Activities	0	0	0	0	(48,355)	(102,567)	346,002	168,199	810,244	684,799
Total Primary Government Change in Net Position	\$16,575,759	\$12,828,803	\$9,904,598	\$12,738,158	\$10,922,222	\$2,684,102	\$2,770,274	\$1,056,315	\$14,277,264	\$8,475,973

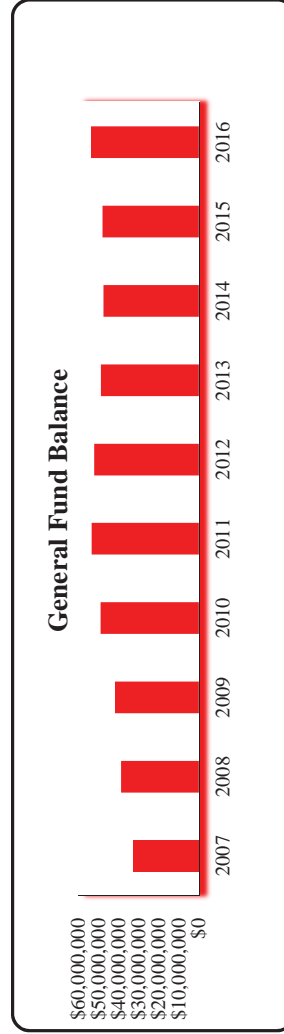
Note: The School District implemented GASB 68 in fiscal year 2015.



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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund										
Nonspendable	n/a	n/a	\$60,329	\$75,796	\$85,245	\$93,351	\$81,448	\$104,117	\$80,747	\$84,415
Assigned	n/a	n/a	1,724,986	1,317,737	6,443,876	13,254,424	12,914,600	12,725,779	16,657,168	4,123,714
Unassigned	n/a	n/a	40,083,669	47,579,619	46,985,974	38,877,999	35,874,466	34,759,516	31,242,746	49,536,124
Reserved	\$6,726,103	\$6,627,563	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Unreserved (Deficit)	25,887,979	32,169,530	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total General Fund	32,614,082	38,797,093	41,868,984	48,973,152	53,515,095	52,225,774	48,870,514	47,589,412	47,980,661	53,744,253
All Other Governmental Funds										
Nonspendable	n/a	n/a	46,527	86,912	66,505	19,236	20,833	8,286	22,861	19,551
Restricted	n/a	n/a	2,443,747	2,248,818	1,958,438	1,282,675	1,592,997	1,736,182	5,353,578	2,079,366
Committed	n/a	n/a	206,629	176,519	184,790	213,221	227,255	210,745	189,396	265,675
Unassigned (Deficit)	n/a	n/a	(86,278)	(122,143)	(197,945)	(211,540)	(78,425)	(395,251)	0	(7,333)
Reserved	2,060,827	1,570,990	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Unreserved, Undesignated,										
Reported in:										
Special Revenue funds	450,641	568,541	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Debt Service funds	0	1,042,860	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Capital Projects funds	1,311,087	1,034,907	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total All Other Governmental Funds	3,822,555	4,217,298	2,610,625	2,390,106	2,011,788	1,303,592	1,762,660	1,559,962	5,565,835	2,357,259
Total Governmental Funds	\$36,436,637	\$43,014,391	\$44,479,609	\$51,363,258	\$55,526,883	\$53,529,366	\$50,633,174	\$49,149,374	\$53,546,496	\$56,101,512

Note: The School District implemented GASB 54 in 2010.



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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Property Taxes	\$72,038,853	\$69,020,927	\$67,270,002	\$67,177,217	\$62,021,506	\$59,873,748	\$61,179,366	\$62,667,276	\$64,317,827	\$62,644,379
Intergovernmental	33,317,849	36,092,948	39,365,158	42,170,509	42,025,849	38,498,735	35,541,543	36,958,115	50,708,574	37,245,660
Interest	2,309,938	2,179,248	1,477,837	620,196	380,642	300,565	239,426	162,004	212,234	443,491
Tuition and Fees	1,543,831	1,494,705	1,844,293	1,930,434	1,883,953	1,598,203	2,154,999	2,146,836	2,154,999	3,156,888
Extracurricular Activities	837,151	853,846	1,347,160	1,339,049	1,351,003	1,398,618	1,370,675	1,333,133	1,329,201	895,167
Contributions and Donations	0	0	217,593	216,810	271,539	243,349	300,802	245,309	720,506	287,422
Charges for Services	0	0	2,222,931	2,072,129	1,972,470	2,035,547	1,741,276	1,684,744	1,569,569	1,783,655
Rentals	0	0	116,632	98,927	81,653	99,512	115,349	173,680	168,737	158,169
Payment in Lieu of Taxes	0	0	154,534	281,912	312,236	1,167,885	989,076	1,061,014	1,116,449	1,210,689
Miscellaneous	1,124,940	1,857,229	119,918	220,343	410,972	227,963	938,419	690,623	584,507	978,020
Total Revenues	111,172,562	111,498,903	114,136,058	116,127,526	110,715,829	105,384,555	103,984,135	107,122,734	122,882,603	108,803,540
Expenditures										
Current:										
Instruction:										
Regular	39,570,542	42,274,204	46,043,804	45,248,495	42,481,866	43,259,029	44,975,387	46,017,093	50,771,461	42,144,538
Special	10,246,902	10,999,145	11,860,208	12,735,967	12,769,094	13,176,953	13,131,740	16,244,041	15,248,597	15,060,146
Vocational	2,283,750	2,248,335	2,229,173	2,115,669	2,103,371	1,846,685	2,001,758	2,461,321	2,272,130	2,135,402
Student Intervention	801,047	797,941	785,850	234,632	190,986	56,869	135,860	101,894	156,663	155,293
Support Services:										
Pupils	6,278,693	5,869,905	6,933,129	6,987,108	6,976,476	6,937,384	6,692,110	6,430,727	6,029,191	6,014,303
Instructional Staff	4,025,630	5,265,019	5,556,065	5,528,938	6,378,761	6,857,182	6,887,005	4,074,390	5,046,081	6,304,428
Board of Education	519,445	629,220	485,459	603,120	646,644	538,033	542,655	351,365	102,589	125,705
Administration	5,112,244	5,519,624	5,730,195	5,863,641	5,736,156	5,824,039	5,712,757	5,726,319	6,721,879	5,808,628
Fiscal	2,446,827	2,493,429	2,519,317	2,183,528	2,342,990	2,422,710	2,466,694	2,800,123	2,891,517	2,997,494
Business	680,252	422,564	538,882	672,979	663,067	595,192	574,700	616,886	640,342	640,342
Operation and Maintenance of Plant	7,227,783	8,802,705	11,883,307	10,462,819	10,002,493	9,543,235	8,625,875	9,566,407	10,117,439	9,374,245
Pupil Transportation	5,677,350	6,162,044	6,035,216	6,078,092	6,232,988	6,261,940	6,475,944	6,348,033	6,138,657	5,836,538
Central	1,470,520	1,567,040	1,648,620	2,105,387	1,936,650	2,037,233	1,960,039	628,973	986,653	989,537
Operation of Non-Instructional Services	1,437,796	1,526,416	1,574,901	1,487,659	1,701,792	1,568,990	1,654,046	1,700,250	2,104,899	2,242,374
Operation of Food Services	684	1,230	648,929	2,349,998	2,639,478	2,711,502	2,534,119	2,561,416	2,494,180	2,764,189
Extracurricular Activities	1,612,396	1,842,457	1,909,087	1,886,480	1,921,630	1,917,563	1,928,218	2,094,539	2,044,953	2,122,316
Capital Outlay	2,338,403	1,062,487	0	0	21,800	0	0	0	4,763,639	1,527,419
Debt Service:										
Principal Retirement	4,110,690	4,101,642	2,385,531	2,312,205	2,238,667	1,626,323	924,000	861,674	0	0
Interest and Fiscal Charges	652,414	598,562	313,476	222,884	124,207	73,412	54,327	31,132	4,326	5,627
Capital Appreciation Bond Interest	0	0	0	0	0	600,011	0	0	0	0
Total Expenditures	96,493,368	102,183,969	111,081,149	109,079,601	107,109,116	107,854,285	107,277,234	108,606,534	118,511,740	106,248,524
Excess of Revenues Over (Under) Expenditures	14,679,194	9,314,934	3,054,909	7,047,925	3,606,713	(2,469,730)	(3,293,099)	(1,483,800)	4,370,863	2,555,016
Other Financing Sources (Uses)										
Sale of Capital Assets	43,085	32,121	0	33,446	15,578	8,213	12,377	0	26,259	0
Energy Conservation Notes Issued	850,668	773,335	696,000	618,667	541,334	464,000	386,667	0	0	0
Capital Lease Issued	174,000	0	0	0	0	0	0	0	0	0
Transfers In	271,836	361,054	470,543	1,008,373	429,434	478,157	433,814	427,201	1,129,832	422,309
Transfers Out	(283,684)	(551,284)	(2,756,234)	(1,824,762)	(429,434)	(478,157)	(435,951)	(427,201)	(1,129,832)	(422,309)
Total Other Financing Sources (Uses)	1,055,905	615,226	(1,589,691)	(164,276)	556,912	472,213	396,907	0	26,259	0
Net Change in Fund Balances	\$15,735,099	\$9,930,160	\$1,465,218	\$6,883,649	\$4,163,625	(\$1,997,517)	(\$2,896,192)	(\$1,483,800)	\$4,397,122	\$2,555,016
Debt Service as a Percentage of Noncapital Expenditures	4.37%	4.06%	2.50%	2.38%	2.24%	2.22%	0.93%	0.83%	0.00%	0.01%



Paradigm can also accommodate large student groups during the school day, which has been a valuable asset for important lessons that do not necessarily happen in a classroom setting. This photo is from a simulation in financial literacy hosted by experts from the community, teaching students real-world skills they will need to know after graduation.

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

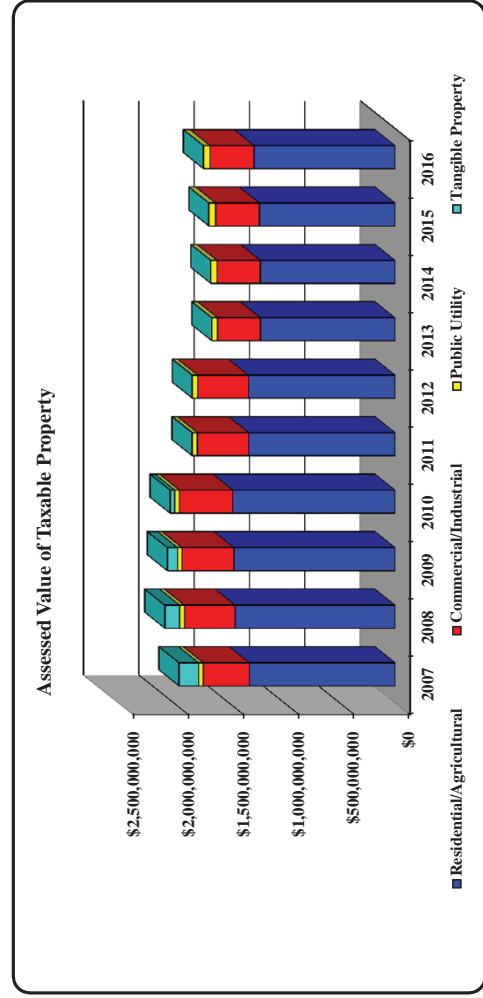
Collection Year	Real Property			Tangible Personal			Public Utility			Total		
	Assessed Value			Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Full Tax Rate Per \$1,000 of Assessed Valuation	Weighted Average Tax Rate
	Residential/Agricultural	Commercial/Industrial	Total									
2007	\$1,445,692,450	\$458,183,160	\$1,903,875,610	\$5,439,644,600	\$132,931,392	\$1,063,451,136	\$43,396,780	\$49,314,523	\$2,080,203,782	\$6,552,410,259	\$76.6800	\$38.2498
2008	1,456,756,250	469,202,860	1,925,959,110	5,502,740,314	91,698,060	1,467,168,960	40,113,310	45,583,307	2,057,770,480	7,015,492,581	76.7000	37.4902
2009	1,466,659,870	482,612,050	1,949,271,920	5,569,348,343	41,999,485	671,991,760	42,200,590	47,955,216	2,033,471,995	6,289,295,319	76.8900	36.5338
2010	1,323,197,610	464,397,920	1,787,595,530	5,107,415,800	2,163,150	34,610,400	45,020,040	51,159,136	1,834,778,720	5,193,185,336	77.6400	41.6005
2011	1,325,356,150	459,585,610	1,784,941,760	5,099,833,600	1,095,740	17,531,840	45,949,360	52,215,182	1,831,986,860	5,169,580,622	77.6100	38.7075
2012	1,328,950,110	450,380,550	1,779,330,660	5,083,801,886	0	0	47,668,530	54,168,784	1,826,999,190	5,137,970,670	76.9600	38.0893
2013	1,216,843,090	387,336,420	1,604,179,510	4,583,370,029	0	0	50,848,350	57,782,216	1,655,027,860	4,641,152,245	77.8000	41.5770
2014	1,217,491,030	391,518,460	1,609,009,490	4,597,169,971	0	0	55,310,280	62,852,591	1,664,319,770	4,660,022,562	77.4900	41.4090
2015	1,226,279,250	395,838,840	1,622,118,090	4,634,623,114	0	0	59,466,890	67,576,011	1,681,584,980	4,702,199,125	77.4200	41.3906
2016	1,274,695,940	397,925,860	1,672,621,800	4,778,919,429	0	0	59,350,360	67,443,591	1,731,972,160	4,846,363,020	77.1600	40.3919

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

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

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2.5 percent and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/industrial property has been eliminated.

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



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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Unvoted Millage										
Operating	\$4.8000	\$4.8000	\$4.8000	\$4.8000	\$4.8000	\$4.8000	\$4.8000	\$4.8000	\$4.8000	\$4.8000
Voted Millage - by levy										
1976 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	4.4198	4.4234	4.4191	4.9259	4.9318	4.9336	5.3823	5.3927	5.3939	5.2230
Commercial/Industrial	7.3664	7.4290	7.1919	7.3969	7.5783	7.6202	8.8123	8.8082	8.7658	8.6795
Tangible/Public Utility Personal	29.8000	29.8000	29.8000	29.8000	29.8000	29.8000	29.8000	29.8000	29.8000	29.8000
1977 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	1.1632	1.1642	1.1630	1.2964	1.2980	1.2985	1.4165	1.4193	1.4196	1.3746
Commercial/Industrial	1.6000	1.6136	1.5621	1.6067	1.6461	1.6552	1.9141	1.9132	1.9040	1.8852
Tangible/Public Utility Personal	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000
1984 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	3.4781	3.4808	3.4774	3.8762	3.8809	3.8823	4.2354	4.2436	4.2445	4.1100
Commercial/Industrial	5.1693	5.2131	5.0468	5.1906	5.3179	5.3473	6.1838	6.1809	6.1511	6.0906
Tangible/Public Utility Personal	8.9000	8.9000	8.9000	8.9000	8.9000	8.9000	8.9000	8.9000	8.9000	8.9000
1986 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	2.8344	2.8366	2.8339	3.1589	3.1627	3.1638	3.4516	3.4582	3.4590	3.3494
Commercial/Industrial	4.6150	4.6542	4.5057	4.6341	4.7477	4.7740	5.5208	5.5182	5.4916	5.4376
Tangible/Public Utility Personal	6.9000	6.9000	6.9000	6.9000	6.9000	6.9000	6.9000	6.9000	6.9000	6.9000
1988 Bond (\$9,500,000)	0.2500	0.3400	0.3400	0.6700	0.6600	0.0000	0.0000	0.0000	0.0000	0.0000
1988 Library Bond (\$4,000,000)	0.3500	0.2400	0.2600	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
1988 Permanent Improvement - continuing										
Effective Millage Rates										
Residential/Agricultural	0.4206	0.4209	0.4205	4.6870	0.4693	0.4695	0.5122	0.5132	0.5133	0.4970
Commercial/Industrial	0.6698	0.6755	0.6540	0.6726	0.6891	0.6929	0.8013	0.8009	0.7971	0.7892
Tangible/Public Utility Personal	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
1991 Bond (\$8,600,000)	0.2400	0.2300	0.2300	0.2700	0.2600	0.2300	0.2600	0.0000	0.0000	0.0000
1992 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	2.5295	2.5315	2.5290	2.8190	2.8224	2.8234	3.0802	3.0862	3.0869	2.9890
Commercial/Industrial	3.3118	3.3399	3.2333	3.3255	3.4070	3.4258	3.9618	3.9599	3.9408	3.9021
Tangible/Public Utility Personal	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000	4.9000
1996 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	2.6522	2.6543	2.6517	2.9558	2.9594	2.9604	3.2297	3.2359	3.2367	3.1341
Commercial/Industrial	3.1620	3.1888	3.0871	3.1751	3.2529	3.2709	3.7826	3.7808	3.7626	3.7256
Tangible/Public Utility Personal	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000

(continued)

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
2003 Operating - continuing										
Effective Millage Rates										
Residential/Agricultural	\$2.3407	\$2.3425	\$2.3402	\$2.6086	\$2.6118	\$2.6127	\$2.8503	\$2.8558	\$2.8565	\$2.7659
Commercial/Industrial	2.5541	2.5757	2.4935	2.5646	2.6275	2.6420	3.0000	2.9986	2.9841	2.9548
Tangible/Public Utility Personal	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000
2004 Emergency (\$15,015,990)	7.1400	7.1900	7.3600	8.0000	7.9900	8.0300	8.8400	8.7900	8.7200	8.4600
Total Effective Voted Millage by type of property										
Residential/Agricultural	\$27.8185	\$27.8542	\$28.0248	\$35.2678	\$31.0463	\$30.4042	\$33.2581	\$32.9948	\$32.9304	\$31.9030
Commercial/Industrial	36.4284	36.6898	35.9644	37.5061	38.1765	37.6883	43.0767	42.7508	42.5171	41.9246
Tangible/Public Utility Personal	71.8800	71.9000	72.0900	72.8400	72.8100	72.1600	73.0000	72.6900	72.6200	72.3600
Total Millage by type of property										
Residential/Agricultural	\$32.6185	\$32.6542	\$32.8248	\$40.0678	\$35.8463	\$35.2042	\$38.0581	\$37.7948	\$37.7304	\$36.7030
Commercial/Industrial	41.2284	41.4898	40.7644	42.3061	42.9765	42.4883	47.8767	47.5508	47.3171	46.7246
Tangible/Public Utility Personal	76.6800	76.7000	76.8900	77.6400	77.6100	76.9600	77.8000	77.4900	77.4200	77.1600
Total Weighted Average Tax Rate	\$38.2498	\$37.4902	\$36.5338	\$41.6005	\$38.7075	\$38.0893	\$41.5770	\$41.4090	\$41.3906	\$40.3919
Overlapping Rates by Taxing District										
Concord Township Voted Millage										
Effective Millage Rates										
Residential/Agricultural	\$8.0785	\$8.0667	\$8.0655	\$8.7392	\$9.7413	\$9.7344	\$10.4000	\$10.4000	\$10.4000	\$11.0675
Commercial/Industrial	8.3470	8.2272	8.2134	8.2516	8.9597	9.8300	10.4000	10.2924	10.2276	11.1551
Tangible/Public Utility Personal	9.4000	9.4000	9.4000	9.4000	10.4000	10.4000	10.4000	10.4000	10.4000	11.4000
City of Mentor Voted Millage										
Effective Millage Rates										
Residential/Agricultural	3.5878	3.5882	3.5875	3.6528	3.6532	3.6533	3.7160	3.7169	3.7170	3.6936
Commercial/Industrial	3.8820	3.8899	3.8607	3.8854	3.9082	3.9132	4.0557	4.0554	4.0484	4.0373
Tangible/Public Utility Personal	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000	4.5000
Mentor Public Library										
Effective Millage Rates										
Residential/Agricultural	0.4345	0.4349	1.0989	1.0953	1.1000	1.1000	2.0000	2.0000	2.0000	1.9566
Commercial/Industrial	0.4593	0.4632	1.0649	1.1000	1.1000	1.1000	2.0000	1.9991	1.9894	1.9699
Tangible/Public Utility Personal	0.6250	0.6250	1.1000	1.1000	1.1000	1.1000	2.0000	2.0000	2.0000	2.0000
City of Mentor-on-the-Lake Voted Millage										
Effective Millage Rates										
Residential/Agricultural	11.6233	11.6272	11.6276	12.1447	12.1866	12.1887	12.4902	12.5138	16.3190	16.3083
Commercial/Industrial	12.9483	13.0560	12.8826	13.1061	13.1130	13.1688	14.0941	14.1117	18.1161	18.1161
Tangible/Public Utility Personal	24.0000	24.0000	24.0000	24.0000	24.0000	24.0000	24.0000	24.0000	27.8000	27.8000

(continued)

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Village of Kirtland Hills Voted Millage										
Effective Millage Rates										
Residential/Agricultural	\$20.0000	\$18.0000	\$18.0000	\$18.0000	\$18.0000	\$18.0000	\$18.0000	\$18.0000	\$18.0000	\$18.0000
Commercial/Industrial	20.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000
Tangible/Public Utility Personal	20.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000	18.0000
Chardon Township Voted Millage										
Effective Millage Rates										
Residential/Agricultural	6.3279	6.3289	6.3295	7.0161	7.0207	7.1243	7.1295	7.1321	7.1256	7.8755
Commercial/Industrial	6.2408	6.2408	6.2408	6.9704	6.9846	6.6004	6.6031	6.6016	6.5990	7.3495
Tangible/Public Utility Personal	6.7000	6.7000	6.7000	7.2000	7.2000	7.2000	7.2000	7.2000	7.2000	7.9500
Lake County Voted Millage										
Effective Millage Rates										
Residential/Agricultural	7.0884	7.2608	7.6470	8.1390	9.6417	9.6430	8.8463	8.8530	8.8557	8.7459
Commercial/Industrial	8.6297	8.7551	8.8311	8.8061	9.7205	9.7979	9.1904	9.2586	9.2793	9.3007
Tangible/Public Utility Personal	10.3000	10.4000	10.4000	10.4000	10.4000	10.4000	9.4000	9.4000	9.4000	9.4000
Lake Metropolitan Park District Voted Millage										
Effective Millage Rates										
Residential/Agricultural	1.8767	1.8762	1.8752	2.0872	2.0893	2.0895	2.7000	2.7000	2.7000	2.6618
Commercial/Industrial	1.9663	1.9616	1.9321	1.9248	1.9488	1.9932	2.7000	2.7000	2.7000	2.7000
Tangible/Public Utility Personal	2.2000	2.2000	2.2000	2.2000	2.2000	2.2000	2.7000	2.7000	2.7000	2.7000
Lakeland Community College Voted Millage										
Effective Millage Rates										
Residential/Agricultural	1.3792	1.3787	1.3781	1.5338	2.9574	2.9582	3.0833	3.0875	3.0892	3.4454
Commercial/Industrial	1.8676	1.8632	1.8352	1.8283	2.9844	3.0137	3.2000	3.2000	3.2000	3.6000
Tangible/Public Utility Personal	3.2000	3.2000	3.2000	3.2000	3.2000	3.2000	3.2000	3.2000	3.2000	3.6000
Geauga County Voted Millage										
Effective Millage Rates										
Residential/Agricultural	10.8750	10.8584	10.9013	11.2064	11.6098	11.9674	11.9850	11.8028	11.4712	13.2506
Commercial/Industrial	11.5035	11.4913	11.5893	12.0949	12.4349	12.5853	12.7460	12.4790	12.1414	14.0525
Tangible/Public Utility Personal	15.1000	15.1000	15.1000	15.1000	15.1000	15.1000	15.1000	14.1000	13.4000	15.6000

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

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

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

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

Source: Ohio Department of Taxation

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

Mentor Exempted Village School District

Property Tax Levies and Collections (1)

Last Ten Years

Collection Year (2)	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
2006	\$81,991,123	\$79,113,652	96.49 %	\$1,699,737	\$80,813,389	98.56 %
2007	77,912,807	74,325,101	95.40	1,844,777	76,169,878	97.76
2008 (3)	73,884,407	72,084,664	97.56	2,362,672	74,447,336	100.76
2009	71,372,380	68,620,175	96.14	2,166,834	70,787,009	99.18
2010	70,676,697	68,485,489	96.90	2,007,550	70,493,039	99.74
2011	71,265,980	69,128,830	97.00	1,727,567	70,856,397	99.43
2012	70,547,196	68,695,506	97.38	1,782,538	70,478,044	99.90
2013 (3)	69,984,670	68,120,465	97.34	2,015,098	70,135,563	100.22
2014	72,100,523	68,445,322	94.93	2,540,122	70,985,444	98.45
2015 (3)	70,992,611	68,638,319	96.68	2,526,870	71,165,189	100.24

Source: Office of the County Auditor, Lake, Ohio

(1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.

(2) The 2016 information cannot be presented because all collections have not been made by June 30, 2016.

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

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

Mentor Exempted Village School District

Principal Taxpayers

Real Estate Tax

2016 and 2007

Name of Taxpayer	Line of Business	2016	
		Assessed Value	Percent of Real Property Assessed Value
Simon Property Group, LP	Retail Mall	\$25,106,670	1.50%
DFG Mentor Erie Commons	Retail Sales	6,422,520	0.38
Steris Corporation	Medical Equipment	5,800,890	0.35
Points East	Retail Sales	5,442,500	0.33
Inland Creekside Commons	Retail Sales	4,129,140	0.25
Lake Hospital System	Medical	3,463,490	0.21
FI Mentor I, LLC	Retail Sales	3,260,190	0.20
NF II Mentor, LLC	Retail Sales	3,132,500	0.19
Lincoln Electric	Welding Equipment	3,071,950	0.18
GGPA State College	Retail Sales	3,045,000	0.18
Totals		<u>\$62,874,850</u>	<u>3.76%</u>
Real Property Assessed Valuation		<u>\$1,672,621,800</u>	

Name of Taxpayer	Line of Business	2007	
		Assessed Value	Percent of Real Property Assessed Value
Simon Property Group, LP	Retail Mall	\$27,595,230	1.45%
Steris Corporation	Medical Equipment	10,703,340	0.56
Points East	Retail Sales	7,223,610	0.38
First Interstate	Holding Company	4,861,210	0.26
F I Mentor Commons, Limited	Retail Sales	4,603,940	0.24
Harbour Run Apartments	Apartment Rental	4,189,080	0.22
Deepwood North Company	Condominiums	3,785,250	0.20
Michaels, Inc.	Retail Sales	3,466,810	0.18
F I Mentor II, Limited	Retail Sales	3,444,680	0.18
Totals		<u>\$69,873,150</u>	<u>3.67%</u>
Real Property Assessed Valuation		<u>\$1,903,875,610</u>	

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

Mentor Exempted Village School District

Principal Taxpayers

Public Utilities Tax

2016 and 2007

Name of Taxpayer	2016	
	Assessed Value	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$28,750,540	48.44%
Aqua Ohio, Incorporated	23,947,510	40.35
American Transmission System	4,116,650	6.94
East Ohio Gas Company	2,026,430	3.41
Total	\$58,841,130	99.14%
Public Utility Assessed Valuation	\$59,350,360	
Name of Taxpayer	2007	
	Assessed Value	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$19,437,060	44.80%
Aqua Ohio, Incorporated	16,917,910	38.98
American Transmission System	1,719,510	3.96
East Ohio Gas Company	1,252,900	2.88
Total	\$39,327,380	90.62%
Public Utility Assessed Valuation	\$43,396,780	

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

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

Fiscal Year	General Bonded Debt		Other General Debt				Total Debt	Ratio of General Debt to Personal Income (3)	General Debt per Capita (2)
	General Bonded Debt	Ratio of Bonded Debt to Estimated Actual Value (1)	Bonded Debt per Capita (2)(4)	Energy Conservation Notes	Capital Leases	Total Debt			
2007	\$8,013,299	0.12	\$159.38	\$850,668	\$235,496	\$9,099,463	0.74	\$180.98	
2008	6,719,996	0.10	133.66	773,335	148,401	7,641,732	0.62	151.99	
2009	5,533,952	0.09	110.07	696,000	56,205	6,286,157	0.51	125.03	
2010	4,076,194	0.08	81.07	618,667	0	4,694,861	0.38	93.38	
2011	2,569,543	0.05	54.52	541,334	0	3,110,877	0.22	66.01	
2012	935,007	0.02	19.84	464,000	0	1,399,007	0.10	29.69	
2013	475,007	0.01	10.08	386,667	0	861,674	0.06	18.28	
2014	0	0.00	0.00	0	0	0	0.00	0.00	
2015	0	0.00	0.00	0	0	0	0.00	0.00	
2016	0	0.00	0.00	0	0	0	0.00	0.00	

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

(2) The population can be found on S19

(3) The personal income can be found on S19

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

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

	2007 (1)	2008 (1)	2009 (1)	2010 (1)	2011 (1)	2012 (1)	2013 (1)	2014 (1)	2015 (1)	2016 (1)
Residential/Agricultural Real Property	\$1,445,692,450	\$1,456,756,250	\$1,466,659,870	\$1,323,197,610	\$1,325,356,150	\$1,328,950,110	\$1,216,843,090	\$1,217,491,030	\$1,226,279,250	\$1,274,695,940
Commercial/Industrial Real Property	458,183,160	469,202,860	482,612,050	464,397,920	459,585,610	450,380,550	387,336,420	391,518,460	395,838,840	397,925,860
Tangible Personal Property	0	0	0	2,163,150	1,095,740	0	0	0	0	0
Public Utility Tangible	43,396,780	40,113,310	42,200,590	45,020,040	45,949,360	47,668,530	50,848,350	55,310,280	59,466,890	59,350,360
Less: Rail Road and Telephone Tangible Property	(11,602,850)	(4,757,050)	(3,299,460)	(2,163,150)	(1,095,740)	0	0	0	0	0
Total Assessed Valuation	\$1,935,669,540	\$1,961,315,390	\$1,988,173,050	\$1,832,615,570	\$1,830,891,120	\$1,826,999,190	\$1,655,027,860	\$1,664,319,770	\$1,681,584,980	\$1,731,972,160
Debt Limit - 9% of Assessed Value (2)	\$174,210,259	\$176,518,385	\$178,935,575	\$164,935,401	\$164,780,201	\$164,429,927	\$148,952,507	\$149,788,779	\$151,342,648	\$155,877,494
Amount of Debt Applicable to Debt Limit										
General Obligation Bonds	8,013,299	6,719,996	5,199,996	3,639,996	2,019,996	935,007	475,007	0	0	0
Energy Conservation Notes	928,001	850,668	773,333	696,000	618,667	541,333	464,000	386,667	0	0
Tax Anticipation Notes	5,192,000	3,296,000	1,400,000	0	0	0	0	0	0	0
School Improvement Note	0	1,950,000	1,755,000	1,560,000	1,365,000	1,170,000	975,000	780,000	585,000	390,000
Less Amount Available in Debt Service	(1,069,854)	(1,136,701)	(1,131,247)	(1,230,644)	(1,206,488)	(360,535)	(294,042)	(4,767)	(11)	0
Total	13,063,446	11,679,963	7,997,082	4,665,352	2,797,175	2,285,805	1,619,965	1,161,900	584,989	390,000
Exemptions:										
Energy Conservation Notes	(928,001)	(850,668)	(773,333)	(696,000)	(618,667)	(541,333)	(464,000)	(386,667)	0	0
Tax Anticipation Notes	(5,192,000)	(3,296,000)	(1,400,000)	0	0	0	0	0	0	0
Amount of Debt Subject to Limit	6,943,445	7,533,295	5,823,749	3,969,352	2,178,508	1,744,472	1,155,965	775,233	584,989	390,000
Legal Debt Margin	\$167,266,814	\$168,985,090	\$173,111,826	\$160,966,049	\$162,601,693	\$162,685,455	\$147,796,542	\$149,013,546	\$150,757,659	\$155,487,494
Legal Debt Margin as a Percentage of the Debt Limit	96.01%	95.73%	96.75%	97.59%	98.68%	98.94%	99.22%	99.48%	99.61%	99.75%
Unvoted Debt Limit - 10% of Assessed Value (2)	\$1,935,670	\$1,961,315	\$1,988,173	\$1,832,616	\$1,830,891	\$1,826,999	\$1,655,028	\$1,664,320	\$1,681,585	\$1,731,972
Amount of Debt Applicable	0	0	0	0	0	0	0	0	0	0
Unvoted Legal Debt Margin	\$1,935,670	\$1,961,315	\$1,988,173	\$1,832,616	\$1,830,891	\$1,826,999	\$1,655,028	\$1,664,320	\$1,681,585	\$1,731,972
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Additional Limit for Unvoted Energy Conservation Notes:										
Debt Limit - 9% of Assessed Value	\$17,421,026	\$17,651,839	\$17,893,557	\$16,493,540	\$16,478,020	\$16,442,993	\$14,895,251	\$14,978,878	\$15,134,265	\$15,587,749
Energy Conservation Notes	(928,001)	(850,668)	(773,333)	(696,000)	(618,667)	(541,333)	(464,000)	(386,667)	0	0
Additional Unvoted Debt Margin	\$16,493,025	\$16,801,171	\$17,120,224	\$15,797,540	\$15,859,353	\$15,901,660	\$14,431,251	\$14,592,211	\$15,134,265	\$15,587,749

Source: Lake County Auditor and School District Financial Records

(1) HBS30 changed the assessed valuation utilized in the legal debt margin calculation to exclude tangible personal property as well as railroad and telephone tangible property.

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

Mentor Exempted Village School District

Computation of Direct (1) and Overlapping

Governmental Activities Debt

December 31, 2015

	<u>Governmental Activities Debt Outstanding</u>	<u>Percentage Applicable to School District (2)</u>	<u>Amount of Direct and Overlapping Debt</u>
Overlapping:			
City of Mentor			
General Obligation Bonds	\$18,475,926	100.00%	\$18,475,926
Special Assessment Bonds	8,394,074	100.00%	8,394,074
OWDA/OPWC Loans	511,139	100.00%	511,139
City of Mentor-on-the-Lake			
Various Purpose Notes	910,000	100.00%	910,000
OPWC Loans	213,615	100.00%	213,615
Lake County			
General Obligation Bonds	11,325,000	28.98%	3,281,985
Special Assessment Bonds	8,517,697	28.98%	2,468,429
OWDA Loans	24,857,597	28.98%	7,203,732
OPWC Loans	657,952	28.98%	190,674
Geauga County			
Revenue Bonds	4,245,500	0.27%	11,463
General Obligation Bonds	260,000	0.27%	702
Special Assessment Bonds	438,811	0.27%	1,185
OWDA Loans	9,108,661	0.27%	24,593
OPWC Loans	<u>787,036</u>	0.27%	<u>2,125</u>
Total	<u>\$88,703,008</u>		<u>\$41,689,642</u>

Source: Office of the Auditor, Lake County, Ohio

- (1) The School District had no direct debt at December 31, 2015.
- (2) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2015 collection year.

Mentor Exempted Village School District

Principal Employers

Current Year and Nine Years Ago

2016			
Employer	Number of Employees	Rank	Percent of Employment
Steris Corporation	1,512	1	4.49%
Mentor Exempted Village School District	953	2	2.83
City of Mentor	880	3	2.61
Avery Dennison	665	4	1.97
Classic Auto Group	490	5	1.45
Deepwood/Lake County Developmental Disabilities	460	6	1.37
PCC Airfoils	447	7	1.33
Component Repair Technologies	394	8	1.17
NHVS International	375	9	1.11
Lincoln Electric	372	10	1.10
Total	6,548		19.43%
Total Employment within the School District	33,696		
2007			
Employer	Number of Employees	Rank	Percent of Employment
Mentor Exempted Village School District	971	1	2.88%
Steris Corporation	954	2	2.83
City of Mentor	937	3	2.78
Lincoln Electric	455	4	1.35
PCC Airfoil	430	5	1.28
Avery Dennison	400	6	1.19
Deepwood/Lake County Developmental Disabilities	340	7	1.01
Macy's	250	8	0.74
Wiseco Piston Co., Incorporated	235	9	0.70
Royal Plastics	230	10	0.68
Total	5,202		15.44%
Total Employment within the School District	33,696		

Source: City of Mentor, Department of Economic Development

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

Year	Population	Total Personal Income	Personal Income Per Capita	Median Household Income	Median Age	Median Value of Residential Property	Lake County Unemployment Rate	Total Assessed Property Value
2007	50,278	\$1,236,436,576	\$24,592	\$57,230	38.90	\$147,400	4.7 %	\$2,080,203,782
2008	50,278	1,236,436,576	24,592	57,230	38.90	147,400	5.8	2,057,770,480
2009	50,278	1,236,436,576	24,592	57,230	38.90	147,400	8.3	2,033,471,995
2010	50,278	1,236,436,576	24,592	57,230	38.90	147,400	9.6	1,834,778,720
2011	47,126	1,421,131,656	30,156	62,546	44.80	172,600	7.4	1,831,986,860
2012	47,126	1,421,131,656	30,156	62,546	44.80	172,600	6.5	1,826,999,190
2013	47,126	1,421,131,656	30,156	62,546	44.80	172,600	6.3	1,655,027,860
2014	47,126	1,421,131,656	30,156	62,546	44.80	172,600	6.7	1,664,319,770
2015	47,126	1,421,131,656	30,156	62,546	44.80	172,600	5.2	1,681,584,980
2016	47,126	1,421,131,656	30,156	62,546	44.80	172,600	5.2	1,731,972,160

Source: U.S. Census
Year 2011 - 2015 The 2010 Federal Census
Years 2006 - 2010 The 2000 Federal Census

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016
Mentor High School									
Constructed in 1965									
Total Building Square Footage	364,490	364,490	364,490	364,490	364,490	364,490	364,490	364,490	364,490
Enrollment Grades 9-12	2,917	2,838	2,780	2,700	2,617	2,670	2,591	2,552	2,578
Memorial Middle School									
Constructed in 1922									
Total Building Square Footage	144,787	144,787	144,787	144,787	144,787	144,787	144,787	144,787	144,787
Enrollment Grades 6-8	731	763	754	718	793	701	682	685	701
Mentor Ridge Middle School									
Constructed in 1963									
Total Building Square Footage	87,865	87,865	87,865	87,865	87,865	87,865	87,865	87,865	87,865
Enrollment Grades 6-8	535	543	536	514	514	500	608	516	548
Mentor Shore Middle School									
Constructed in 1949									
Total Building Square Footage	118,450	118,450	118,450	118,450	118,450	118,450	118,450	118,450	118,450
Enrollment Grades 6-8	702	695	685	670	684	632	608	592	574
Bellflower Elementary School									
Constructed in 1973									
Total Building Square Footage	40,552	40,552	40,552	40,552	40,552	40,552	40,552	40,552	40,552
Enrollment Grades K-5	425	444	438	439	434	436	393	373	510
Brentmoor Elementary School									
Constructed in 1954									
Total Building Square Footage	35,276	35,276	35,276	35,276	35,276	35,276	35,276	35,276	35,276
Enrollment Grades K-5	294	281	277	279	282	284	285	305	311
Fairfax Elementary School									
Constructed in 1967									
Total Building Square Footage	33,770	33,770	33,770	33,770	33,770	33,770	33,770	33,770	33,770
Enrollment Grades K-5	278	285	281	277	281	285	289	300	320
Garfield Elementary School									
Constructed in 1938									
Total Building Square Footage	40,909	40,909	40,909	40,909	40,909	40,909	40,909	40,909	40,909
Enrollment Grades K-5	410	449	442	445	456	444	420	422	418
Cardinal Autism Resource and Education School (2)									
Constructed in 1954									
Total Building Square Footage	28,167	28,167	28,167	28,167	28,167	28,167	28,167	28,167	28,167
Enrollment Grades K-5	210	195	196	165	18	21	25	35	41

(continued)

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016
Hopkins Elementary School									
Constructed in 1960									
Total Building Square Footage	41,706	41,706	41,706	41,706	41,706	41,706	41,706	41,706	41,706
Enrollment Grades K-5	509	496	489	531	528	531	554	557	555
Lake Elementary School									
Constructed in 1969									
Total Building Square Footage	40,559	40,559	40,559	40,559	40,559	40,559	40,559	40,559	40,559
Enrollment Grades K-5	334	348	345	314	302	301	308	375	348
Sterling Morton Elementary School									
Constructed in 1961									
Total Building Square Footage	34,589	34,589	34,589	34,589	34,589	34,589	34,589	34,589	34,589
Enrollment Grades K-5	313	296	291	276	355	344	323	301	309
Orchard Hollow Elementary School									
Constructed in 1969									
Total Building Square Footage	48,157	48,157	48,157	48,157	48,157	48,157	48,157	48,157	48,157
Enrollment Grades K-5	420	417	412	412	444	417	401	395	411
Dale R. Rice Elementary School (3)									
Constructed in 1958									
Total Building Square Footage	31,621	31,621	31,621	31,621	31,621	31,621	31,621	31,621	31,621
Enrollment Grades K-5	299	323	319	305	315	303	311	276	0

Source: School District Records

(1) Information prior to 2008 is not available.

(2) Formerly Headlands Elementary

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

Fiscal Year	Student Enrollment		General Government		Governmental Activities		Food Service Operations			
	Average Enrollment	Percentage Change	Total Expenditures (1)	Cost Per Pupil	Total Expenses (1)	Cost Per Pupil	Teaching Staff	Pupil/Teacher Ratio	Number of Students Receiving Free or Reduced Lunch	Percentage of Free or Reduced Lunches to Total Enrollment
2006	9,077	(3.51%)	\$88,918,678	\$9,796	\$91,850,903	\$10,119	634	14.32	1,225	13.50%
2007	8,876	(2.21)	91,730,264	10,335	95,450,385	10,754	632	14.04	1,296	14.60
2008	8,495	(4.29)	97,483,765	11,475	102,330,377	12,046	627	13.55	1,359	16.00
2009	8,373	(1.44)	108,382,142	12,944	107,269,802	12,811	637	13.14	1,340	16.00
2010	8,245	(1.53)	106,544,512	12,922	103,397,651	12,541	599	13.76	1,319	16.00
2011	8,045	(2.43)	104,746,242	13,020	100,315,221	12,469	594	13.54	1,287	16.00
2012	8,023	(0.27)	105,554,539	13,156	100,315,221	12,503	577	13.90	1,856	23.00
2013	7,869	(1.92)	106,298,907	13,509	102,658,605	13,046	563	13.98	2,111	23.00
2014	7,798	(0.90)	107,713,728	13,813	106,438,031	13,649	565	13.80	2,019	26.10
2015	7,684	(1.46)	118,507,414	15,423	108,603,219	14,134	542	14.18	1,953	25.00
2016	7,624	(0.78)	106,242,897	13,935	100,077,023	13,127	535	14.25	1,971	25.85

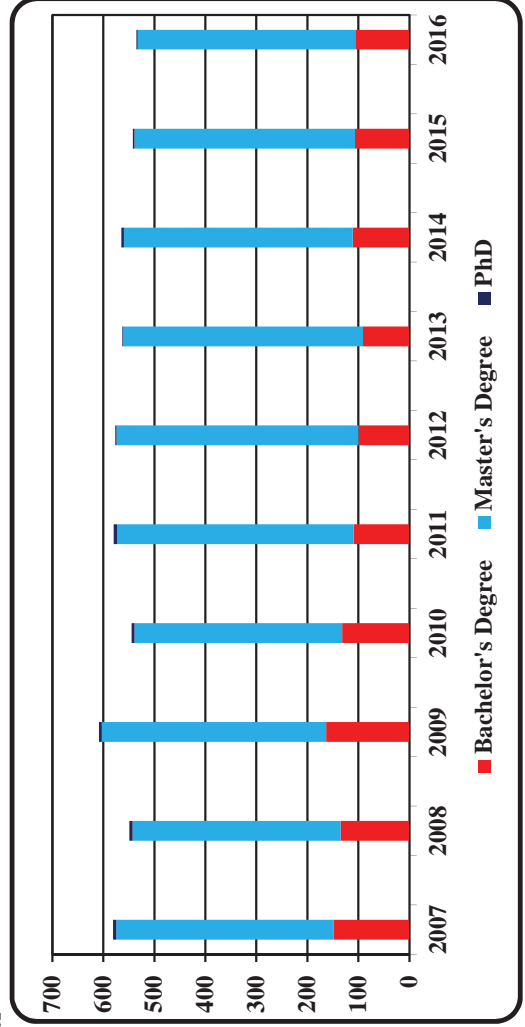
Source: School District Records
Ohio Department of Education

(1) Debt Service totals have been excluded.

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

Degree	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Bachelor's Degree	148	135	163	132	109	100	91	111	107	106
Master's Degree	427	408	440	407	464	474	470	449	432	427
PhD	6	6	6	6	7	3	2	5	3	2
Total	581	549	609	545	580	577	563	565	542	535
Years of Experience										
0 - 5	89	76	152	112	141	128	126	120	106	133
6 - 10	83	61	67	56	63	79	89	117	139	129
11 and over	409	412	390	377	376	370	348	328	297	273
Total	581	549	609	545	580	577	563	565	542	535

Source: School District Records



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

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Current:										
Instruction:										
Regular	545	538	504	494	453	398	394	391	382	367
Special	24	25	116	34	121	108	103	102	126	139
Vocational	18	16	17	16	16	14	15	15	9	12
Student Intervention	4	11	9	11	9	11	0	0	1	0
Support Services:										
Pupils	96	96	113	102	116	74	76	75	114	134
Instructional Staff	50	41	49	48	55	124	118	117	91	42
Board of Education	1	1	0	1	0	0	5	5	0	0
Administration	45	45	57	46	57	51	51	51	40	50
Fiscal	17	17	11	17	11	14	14	14	10	15
Business	7	6	6	6	6	7	7	7	5	7
Operation and Maintenance of Plant	66	66	45	65	44	72	69	69	68	73
Pupil Transportation	58	58	6	56	6	81	78	77	72	68
Central	3	3	7	3	7	9	9	9	8	2
Operation of Non-Instructional Services	1	1	1	1	1	1	1	1	1	1
Operation of Food Service	25	25	14	24	13	44	44	44	41	41
Extracurricular Activities	11	11	12	11	11	2	2	2	2	2
Totals	971	960	967	935	926	1,010	986	979	970	953

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



The Treasurer's Office was recognized at a Board of Education Meeting for receiving the district's 6th consecutive Perfect Audit report.



Educating students from Mentor, Mentor-on-the-Lake, Concord Township and Kirtland Hills
6451 Center Street
Mentor, Ohio 44060

www.mentorschools.net

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



Dave Yost • Auditor of State

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

LAKE COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 17, 2017**