

MENTOR EXEMPTED VILLAGE
SCHOOL DISTRICT

***COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2000***

LAKE COUNTY, OHIO

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OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Board of Education
Mentor Exempted Village School District - Lake County
Mentor, Ohio

We have reviewed the Independent Auditor's Report of the Mentor Exempted Village School District, Lake County, prepared by S.R. Snodgrass, A.C., for the audit period July 1, 1999 to June 30, 2000. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO
Auditor of State

January 18, 2001

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
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**INTRODUCTORY
SECTION**

December 29, 2000

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

Members of the Board:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Mentor Exempted Village School District for the fiscal year ended June 30, 2000. This CAFR, which includes financial statements and other financial and statistical data, conforms to generally accepted accounting principles as applicable to governmental entities. Responsibility for both the accuracy of the data presented, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

This report is divided into the following sections:

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

The School District

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

The District, one of 612 in the State and 9 in the County, provides education to 10,261 students in grades preschool through twelve. The District is located in Lake and Geauga Counties in northeastern Ohio, approximately 20 miles east of the downtown area of the City of Cleveland.

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

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

The Reporting Entity

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

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

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

Major Initiatives and Events - Fiscal Year 2000

In 2000, there were a number of important initiatives and events that took place in the District. The following is a brief summary of the more noteworthy:

- Greg Allen, teacher at Mentor High School, was named as one of the four finalists in the 2000 Ohio Teacher of the Year Program
- Mentor High School students collected 45,000 pounds of food for the Harvest for Hunger
- Jason Caldwell, student at Mentor High School, was State Champion in discus and shot put
- John Reichert, student at Memorial Junior High School, was selected as a Millenium Dreamers Ambassador by McDonalds Corporation and the Walt Disney Company

- Yvonne Allen, teacher at Mentor High School, was selected as a Fulbright Memorial Scholar
- Mentor Schools was selected by SchoolMatch for the 2000 Ninth Annual School System "What Parents Want" Award
- Cheryl Zorko, teacher at Shore Junior High School, and Denise Hoover, teacher at Sterling Morton Elementary, were awarded National Teacher Certificates

Financial Information

Basis of Accounting

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

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

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

Internal Control

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

Budgetary Control

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

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

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

General Government Functions

The following schedule represents a summary of revenues for the governmental funds, which include general, special revenue, debt service, and capital projects fund types for the fiscal year ended June 30, 2000.

Taxes	\$ 53,131,605	\$ 49,703,326	\$ 3,428,279	6.90%
Tuitions and fees	206,366	163,254	43,112	26.41%
Earnings on investments	719,649	578,504	141,145	24.40%
Intergovernmental	25,582,794	26,143,848	(561,054)	-2.15%
Extracurricular activities	228,910	199,406	29,504	14.80%
Miscellaneous revenue	335,102	544,925	(209,823)	-38.50%
	<u>\$ 80,204,426</u>	<u>\$ 77,333,263</u>	<u>\$ 2,871,163</u>	3.71%

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

<u>Fund</u>	<u>Total</u>
General	94.78%
Bond Retirement	3.37%
Permanent Improvement	1.85%
Total	<u>100.00%</u>

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

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

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

Intergovernmental revenues include the Homestead Rollback reimbursements from the State of Ohio, the State Foundation receipts, State and Federal grants, and other reimbursements from the State. The Homestead Rollback funds are based on local tax collection efforts. Commercial and residential property owners in the State of Ohio are given a 10 percent and 12.5 percent reduction in real property taxes, respectively. The State reimburses those funds to school districts. The Homestead Rollback funds provide about 6.2 percent of the District's general fund revenues. The State Foundation funds are controlled by the State Legislature. These funds provide about 22.8 percent of the District's General Fund revenues, and the expectation is that minimal increases will be available for future reporting periods.

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

The following schedule represents a summary of all governmental expenditures of general, special revenue, debt service, and capital projects fund types for the fiscal year ended June 30, 2000:

Instruction	\$ 44,106,416	\$ 43,819,740	\$ 286,676	0.65%
Support services:				
Pupil	4,610,482	4,484,734	125,748	2.80%
Instructional staff	3,183,325	2,847,225	336,100	11.80%
Board of Education	501,619	452,184	49,435	10.93%
Administration	4,817,330	5,034,343	(217,013)	-4.31%
Fiscal	1,636,206	1,582,396	53,810	3.40%
Business	526,875	504,930	21,945	4.35%
Operation and maintenance of plant	8,095,071	7,153,258	941,813	13.17%
Pupil transportation	4,100,279	4,058,486	41,793	1.03%
Central	681,143	721,867	(40,724)	-5.64%
Food service	222	22,950	(22,728)	-99.03%
Community services	1,017,397	953,782	63,615	6.67%
Extracurricular activities	1,237,068	1,299,060	(61,992)	-4.77%
Capital outlay	200,667	437,935	(237,268)	-54.18%
Miscellaneous	-	4,138	(4,138)	-100.00%
Debt Service:				
Principal	442,945	483,836	(40,891)	-8.45%
Interest	1,432,468	1,417,137	15,331	1.08%
Total	<u>\$ 76,589,513</u>	<u>\$ 75,278,001</u>	<u>\$ 1,311,512</u>	1.74%

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

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

Administration expenses decreased due to payments associated with the early retirement incentive program and salary adjustments.

Fiscal expenses increase caused by salary adjustments for staff and maintenance and repair needs of the buildings.

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

Central expenses decreased because of one-time charges.

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

Extracurricular activity expenses decreased because of less additional after school activities.

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

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

Enterprise

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

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

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

The Adult Education program experienced an operating loss of \$3,762 for the year. Course offerings will be reviewed and tuition and fees will be adjusted and supplemented in the future to eliminate the operating loss.

The Enterprise Funds experienced an operating loss of \$49,969 for the year.

Internal Service

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

Trust Operations

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

Debt Administration

At June 30, 2000, the District had general obligation bonds outstanding of \$13,732,906. At June 30, 2000, \$1,250,000 of bond anticipation notes is recorded as a liability of the Capital Projects Fund.

Under the Ohio Revised Code, total general obligation bonded debt is subject to a legal limitation on both voted and unvoted debt. The limitation is based on 9% and .1% of the total assessed value of real and personal tangible property, respectively. The District's total general obligation debt of \$13,732,906 is below the legal limit of \$131,216,171 (voted and unvoted). All bonds outstanding are general obligations of the District for which the full faith and credit of the District is pledged for repayment.

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

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

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

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

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

Additional information regarding the debt of the District is available by reviewing the footnotes of the Comprehensive Annual Financial Report as of June 30, 2000.

Cash Management

Cash not needed for immediate use during the year was invested in interest bearing demand deposit accounts, an open repurchase agreement and the State Treasurer's Asset Reserve of Ohio (STAR Ohio) program administered by the Office of the Treasurer of the State of Ohio. STAR Ohio is an investment pool offered to political subdivisions of the State of Ohio for the investment of funds. STAR Ohio's investment portfolio consists of investments authorized by the Ohio Revised Code including instruments of the Federal government and its agencies collateralized certificates of deposits and repurchase agreements. This investment pool offers daily liquidity of all funds, no minimum balance requirements and no service charges. Total interest earnings for the District during the year was \$720,286. Of that total, \$701,218 was credited to the General Fund, \$11,443 was credited to the Special Revenue Fund, \$6,988 was credited to the Capital Projects Funds, and \$637 to the Expendable Trust Fund. These amounts are higher than previous years due to the increase of interim monies held from the tax anticipation bonds and higher interest rates. The crediting of interest earnings to particular funds are directed by the Ohio Revised Code and Board of Education policy.

Risk Management

The District protects its assets through a comprehensive insurance program. A schedule of insurance in force at June 30, 2000 is included in the Statistical Section of this report.

To control health insurance cost, the District participates in a consortium of school districts in northeast Ohio. The consortium provides eligible employees basic medical coverage along with dental, vision and life insurance. The consortium contracts with a third party administrator for the processing of claims. Since joining the consortium in 1995, the District's medical rate adjustments have averaged approximately 5.0% per year. This program has allowed the District to control fringe benefit costs representing a significant portion of the District's annual cost of operating.

Economic Condition and Outlook

Growth of the community is the primary issue of concern. The number of students has increased from 10,220 in fiscal 1990 to 10,261 in fiscal 2000, representing an increase of 41 students or an average of approximately 4 per year. Single family housing units in the City of Mentor for the same period grew a total of 2,011, or 201 per year at an average cost of \$150,464. The tax duplicate continues to increase but the cost of providing services clearly indicates that additional operating revenues will be required to maintain services at current levels. The community is expected to grow at the same rate as property is available to build and the community is extremely attractive to the upper to middle income homeowner.

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

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

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

Prospects for the Future

The funding structure of public education in Ohio poses a challenge to school districts. There is very little in the funding structure which allows districts to receive additional revenues relative to inflationary pressures. Boards of education throughout Ohio must propose issues on the ballot for voter approval in order to receive significant additional revenues. The District placed a 4.5 mill operating levy on the March, 1996 ballot and the voters approved the request. Collections began in January 1997. Fiscal 1998 was the first year for 100 percent collections of the new monies. As of the end of the reporting period no new operating levies are being considered.

Of particular concern in the State of Ohio is the issue of "equity in school funding." Significant changes in the public school funding structure, either through the legislative or judicial process, may be enacted which will effectively redistribute revenues from wealthier school districts to poorer school districts.

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

The employment agreements currently in place with the Mentor Teachers Association and the Mentor Classified Employees, covering members of the teaching staff and non-teaching staff, expired in August, 1999. A new three year agreement was reached granting a three percent increase in salaries for all employees covering the fiscal year 2000 through 2002.

Other Information

Independent Audit

The Ohio Revised Code requires an annual audit of the District's financial statements and its compliance with certain section of the Ohio Revised Code. The accounting firm of S.R. Snodgrass was engaged to perform the audit for the 2000 fiscal year. In addition, the audit was designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and OMB Circular A-133. The independent auditors' report on the general purpose financial statements and combining and individual fund statements and schedules is included in the Financial Section of this report. The independent auditors' reports relating to the Single Audit and Ohio Revised Code compliance have been issued under separate cover.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 1999. This was the seventh consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principals and applicable legal requirements.

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

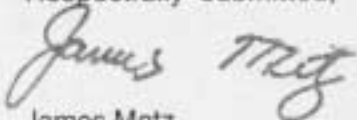
Acknowledgments

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

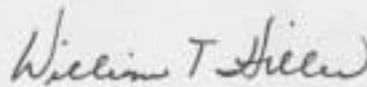
We would like to express appreciation to the many persons in the office of the Treasurer who have assisted in preparing this report with special thanks to the Assistant Treasurer, Mr. William Parkinson, Mrs. Terri Mervo and Mrs. Nancy Leonard. Also, the help of S. R. Snodgrass, Certified Public Accountants and the examiners from the State Auditors office have been greatly appreciated.

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

Respectfully submitted,



James Metz
Treasurer



William T. Hiller, Ph.D.
Superintendent

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

Elected Officials

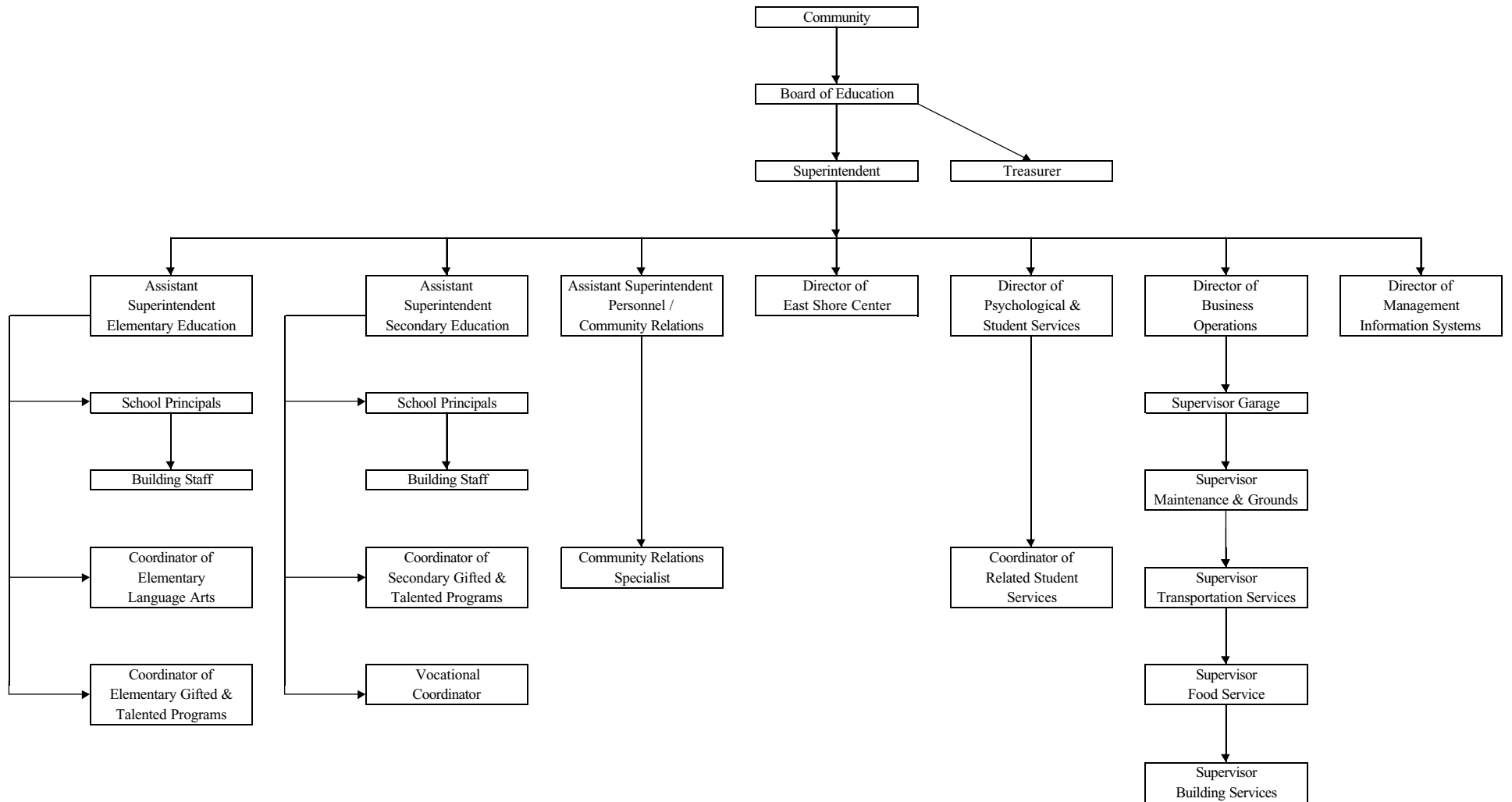
Board of Education

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

Appointed Officials

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

**Mentor Public Schools
Organization Chart**



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Mentor Exempted Village
School District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1999

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



Anne Spray Kinney
President

Jeffrey L. Esell
Executive Director

**FINANCIAL
SECTION**

Independent Auditors' Report

Board of Education
Mentor Exempted Village School District - Lake County
Mentor, Ohio

We have audited the accompanying general purpose financial statements of Mentor Exempted Village School District (the "District"), as of and for the year ended June 30, 2000. These general purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the District, as of June 30, 2000, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 8, 2000 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

We did not audit the data included in the statistical section of this report and, therefore, express no opinion thereon.

S. R. SNODGRASS, A.C.

Mentor, Ohio
December 8, 2000

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MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Combined Balance Sheet-
 All Fund Types and Account Groups
 June 30, 2000
 (With Comparative Totals for 1999)

GOVERNMENTAL FUND TYPES

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>
ASSETS				
Equity in pooled cash and investments	\$ 1,777,378	2,300,053	894,225	289,949
Restricted cash	1,607,661	-	-	-
Receivables				
Taxes - current	46,797,772	-	1,195,777	922,571
Accounts	200,317	1,151	-	-
Due from other funds	3,435,269	44,101	-	-
Due from other governments	-	-	-	-
Materials and supplies inventories	212,913	-	-	-
Prepays and other assets	63,014	-	-	-
Fixed assets net (where applicable) of accumulated depreciation	-	-	-	-
Amount available for retirement of general long-term obligations	-	-	-	-
Amount to be provided for retirement of general long-term obligations				
Debt	-	-	-	-
Other obligations	-	-	-	-
Total assets and other debits	<u>\$ 54,094,324</u>	<u>2,345,305</u>	<u>2,090,002</u>	<u>1,212,520</u>
LIABILITIES				
Accounts payable	\$ 391,577	207,775	-	46,497
Accrued wages and benefits	7,757,291	105,453	-	-
Pension obligation payable	399,525	-	-	-
Due to other governments	45,627	95,811	-	-
Due to other funds	1,001,073	384,566	-	186,000
Due to students	-	-	-	-
Claims payable	408,060	-	-	-
Deferred revenue				
Taxes	43,080,785	-	1,079,216	845,345
Other	-	-	-	-
General obligation bonds payable	-	-	-	-
Capital lease obligation	-	-	-	-
Bond anticipation notes	-	-	-	1,250,000
Total liabilities	<u>53,083,938</u>	<u>793,605</u>	<u>1,079,216</u>	<u>2,327,842</u>
FUND EQUITY (DEFICIT) AND OTHER CREDITS				
Investment in general fixed assets	-	-	-	-
Retained earnings-unreserved	-	-	-	-
Fund balances (deficit)				
Budget stabilization reserve	1,129,410	-	-	-
Capital maintenance reserve	371,496	-	-	-
Reserve for technology/electrical upgrades	106,755	-	-	-
Reserved for inventory	212,913	-	-	-
Reserved for prepaids	63,014	-	-	-
Reserved for encumbrances	676,346	1,388,456	-	1,441,522
Reserved for debt	-	-	1,010,786	-
Unreserved-undesignated	(1,549,548)	163,244	-	(2,556,844)
Total fund balances (deficit)	<u>1,010,386</u>	<u>1,551,700</u>	<u>1,010,786</u>	<u>(1,115,322)</u>
Total fund equity (deficit) and other credits	1,010,386	1,551,700	1,010,786	(1,115,322)
Total liabilities, fund equity and other credits	<u>\$ 54,094,324</u>	<u>2,345,305</u>	<u>2,090,002</u>	<u>1,212,520</u>

(continued)

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

<u>PROPRIETARY FUND TYPES</u>		<u>FIDUCIARY FUND TYPES</u>	<u>ACCOUNT GROUPS</u>			<u>2000 TOTALS (MEMORANDUM ONLY)</u>	<u>1999 TOTALS (MEMORANDUM ONLY)</u>
<u>ENTERPRISE</u>	<u>INTERNAL SERVICE</u>	<u>EXPENDABLE TRUST AND AGENCY</u>	<u>GENERAL FIXED ASSETS</u>	<u>GENERAL LONG-TERM DEBT</u>			
860,962	-	4,945,387	-	-	\$ 11,067,954	\$ 8,983,866	
-	-	-	-	-	1,607,661	854,907	
-	-	-	-	-	48,916,120	47,844,489	
72,746	3,332	-	-	-	277,546	643,752	
-	1,001,073	-	-	-	4,480,443	3,180,363	
-	1,652,080	-	-	-	1,652,080	1,258,677	
55,172	-	-	-	-	268,085	153,100	
-	-	-	-	-	63,014	63,014	
162,327	112,389	-	53,499,637	-	53,774,353	52,581,784	
-	-	-	-	1,010,786	1,010,786	874,683	
-	-	-	-	12,722,120	12,722,120	13,301,168	
-	-	-	-	5,000,067	5,000,067	5,170,284	
<u>1,151,207</u>	<u>2,768,874</u>	<u>4,945,387</u>	<u>53,499,637</u>	<u>18,732,973</u>	<u>\$ 140,840,229</u>	<u>\$ 134,910,087</u>	
65,832	37,189	36,153	-	-	785,023	464,427	
166,467	256,841	-	-	3,416,370	11,702,422	11,171,791	
-	10,118	-	-	735,209	1,144,852	776,113	
32,857	88	1,688,483	-	-	1,862,866	1,837,955	
70,146	1,536,158	1,302,500	-	-	4,480,443	3,180,363	
-	-	319,344	-	-	319,344	361,800	
-	-	1,364,748	-	-	1,772,808	1,239,671	
-	-	-	-	-	45,005,346	44,874,219	
-	-	-	-	-	-	3,672	
-	-	-	-	848,488	848,488	14,175,851	
-	-	-	-	13,732,906	13,732,906	1,054,098	
-	-	-	-	-	1,250,000	1,500,000	
<u>335,302</u>	<u>1,840,394</u>	<u>4,711,228</u>	<u>-</u>	<u>18,732,973</u>	<u>82,904,498</u>	<u>80,639,960</u>	
-	-	-	53,499,637	-	53,499,637	52,296,057	
815,905	928,480	-	-	-	1,744,385	2,124,778	
-	-	-	-	-	1,129,410	970,064	
-	-	-	-	-	371,496	-	
-	-	-	-	-	106,755	308,164	
-	-	-	-	-	212,913	99,852	
-	-	-	-	-	63,014	63,014	
-	-	50,356	-	-	3,556,680	2,994,956	
-	-	-	-	-	1,010,786	874,683	
-	-	183,803	-	-	(3,759,345)	(5,461,441)	
-	-	234,159	-	-	2,691,709	(150,708)	
<u>815,905</u>	<u>928,480</u>	<u>234,159</u>	<u>53,499,637</u>	<u>-</u>	<u>57,935,731</u>	<u>54,270,127</u>	
<u>1,151,207</u>	<u>2,768,874</u>	<u>4,945,387</u>	<u>53,499,637</u>	<u>18,732,973</u>	<u>140,840,229</u>	<u>\$ 134,910,087</u>	

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MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Combined Statement of Revenues, Expenditures and Changes in Fund Balances-
 All Governmental Fund Types and Expendable Trust Fund
 For The Year Ended June 30, 2000
 (With Comparative Totals for 1999)

	<u>GOVERNMENTAL FUND TYPES</u>				<u>FIDUCIARY</u> <u>FUND TYPE</u>	<u>TOTALS 2000</u> <u>(MEMORANDUM</u> <u>ONLY)</u>	<u>TOTALS 1999</u> <u>(MEMORANDUM</u> <u>ONLY)</u>
	<u>GENERAL</u>	<u>SPECIAL</u> <u>REVENUE</u>	<u>DEBT</u> <u>SERVICE</u>	<u>CAPITAL</u> <u>PROJECTS</u>	<u>EXPENDABLE</u> <u>TRUST</u>		
Revenues							
Taxes	\$ 50,357,441	-	1,788,958	985,206	-	\$ 53,131,605	\$ 49,703,326
Tuition and fees	206,366	-	-	-	-	206,366	163,254
Sales	-	-	-	-	105,270	105,270	103,067
Earnings on investments	701,218	11,443	-	6,988	637	720,286	578,586
Intergovernmental	21,367,997	3,927,159	191,894	95,744	-	25,582,794	26,143,848
Extracurricular activities	-	228,910	-	-	18,873	247,783	229,898
Contributions	-	-	-	-	190,893	190,893	160,925
Miscellaneous revenue	280,673	31,567	-	22,862	-	335,102	544,925
Total revenues	72,913,695	4,199,079	1,980,852	1,110,800	315,673	80,520,099	77,627,829
Expenditures							
Current							
Instruction	42,950,681	1,102,850	-	52,885	76,639	44,183,055	43,952,445
Support services							
Pupil	3,931,569	655,851	-	23,062	11,475	4,621,957	4,489,889
Instructional staff	3,006,500	176,825	-	-	30,879	3,214,204	2,861,106
Board of Education	501,619	-	-	-	-	501,619	452,184
Administration	3,993,159	821,817	-	2,354	3,974	4,821,304	5,037,973
Fiscal	1,604,864	-	19,754	11,588	-	1,636,206	1,582,396
Business	518,860	8,015	-	-	-	526,875	504,930
Operation and maintenance of plant	6,740,570	62,741	-	1,291,760	-	8,095,071	7,153,258
Pupil transportation	4,002,300	17,060	-	80,919	-	4,100,279	4,058,486
Central	670,483	10,660	-	-	47,062	728,205	792,396
Food service operation	-	-	-	222	77,399	77,621	99,553
Community services	75,307	942,090	-	-	-	1,017,397	953,782
Extracurricular activities	906,986	330,082	-	-	14,329	1,251,397	1,313,946
Capital outlay	200,667	-	-	-	-	200,667	437,935
Miscellaneous	-	-	-	-	-	-	4,138
Debt service							
Principal	-	-	442,945	-	-	442,945	483,836
Interest	50,418	-	1,382,050	-	-	1,432,468	1,417,137
Total expenditures	69,153,983	4,127,991	1,844,749	1,462,790	261,757	76,851,270	75,595,390
Excess (deficiency) of revenues over (under) expenditures	3,759,712	71,088	136,103	(351,990)	53,916	3,668,829	2,032,439
Other financing sources (uses)							
Operating transfers in	-	132,624	-	250,000	-	382,624	476,913
Operating transfers out	(1,230,620)	-	-	-	-	(1,230,620)	(1,549,475)
Refund of prior year expenditures	-	6,960	-	-	11,059	18,019	-
Refund of prior year receipts	-	(7,547)	-	-	(944)	(8,491)	-
Sale of assets	10,787	-	-	1,269	-	12,056	69,131
Total other financing sources (uses)	(1,219,833)	132,037	-	251,269	10,115	(826,412)	(1,003,431)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	2,539,879	203,125	136,103	(100,721)	64,031	2,842,417	1,029,008
Fund balances (deficit), beginning of year	(1,529,493)	1,348,575	874,683	(1,014,601)	170,128	(150,708)	(1,179,716)
Fund balances (deficit), end of year	\$ 1,010,386	1,551,700	1,010,786	(1,115,322)	234,159	\$ 2,691,709	\$ (150,708)

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

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Combined Statement of Revenues, Expenditures and Changes in Fund Balances -
 Budget (Non-GAAP Basis) and Actual -
 All Governmental Fund Types and Expendable Trust Fund
 For The Year Ended June 30, 2000

	<u>General Fund</u>		
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Taxes	\$ 49,446,346	49,446,346	\$ -
Tuition and fees	-	124,667	124,667
Interest	410,127	690,744	280,617
Intergovernmental	18,022,821	21,367,997	3,345,176
Extracurricular activities	-	-	-
Contributions	1,666	1,416	(250)
Miscellaneous revenue	636,638	175,267	(461,371)
Total revenue	<u>68,517,598</u>	<u>71,806,437</u>	<u>3,288,839</u>
Expenditures:			
Current:			
Instruction	42,760,925	42,698,219	62,706
Support services:			
Pupil	3,821,649	3,821,649	-
Instructional Staff	2,934,171	2,996,878	(62,707)
Board of Education	534,035	534,035	-
Administration	3,921,593	3,921,593	-
Fiscal	1,620,325	1,620,325	-
Business	519,001	519,001	-
Operation and maintenance of plant	6,896,041	6,896,041	-
Pupil transportation	4,155,157	4,155,157	-
Central	766,910	766,910	-
Community services	72,291	72,291	-
Extracurricular activities	976,409	976,409	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>68,978,507</u>	<u>68,978,508</u>	<u>(1)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(460,909)</u>	<u>2,827,929</u>	<u>3,288,838</u>
Other financing sources (uses):			
Advances / transfers in	-	41,483	41,483
Sale of notes	-	-	-
Other sources	-	34,524	34,524
Advances / transfers out	(2,300,971)	(1,877,650)	423,321
Other uses	(849)	(849)	-
Total other financing sources (uses)	<u>(2,301,820)</u>	<u>(1,802,492)</u>	<u>499,328</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>(2,762,729)</u>	<u>1,025,437</u>	<u>3,788,166</u>
Fund balances, beginning of year	1,896,930	1,896,930	-
Expenditures against prior year's encumbrances	865,790	865,790	-
Fund balances (deficit), end of year	<u>\$ (9)</u>	<u>3,788,157</u>	<u>\$ 3,788,166</u>

(continued)

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

<u>Special Revenue Funds</u>			<u>Debt Service Fund</u>		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ -	-	\$ -	\$ 1,777,247	1,777,247	\$ -
-	-	-	-	-	-
817	11,443	10,626	-	60	60
4,578,921	3,610,819	(968,102)	125,812	191,894	66,082
451,385	228,910	(222,475)	-	-	-
9,453	31,567	22,114	-	-	-
681,860	676,873	(4,987)	-	-	-
5,722,436	4,559,612	(1,162,824)	1,903,059	1,969,201	66,142
3,313,546	2,353,971	959,575	-	-	-
787,795	630,414	157,381	-	-	-
297,131	220,410	76,721	-	-	-
-	-	-	-	-	-
1,041,818	862,038	179,780	-	-	-
-	-	-	547,050	19,754	527,296
16,015	16,015	-	-	-	-
62,454	60,845	1,609	-	-	-
36,926	33,034	3,892	-	-	-
46,241	44,145	2,096	-	-	-
1,068,273	1,019,939	48,334	-	-	-
520,102	389,728	130,374	-	-	-
-	-	-	1,942,945	1,942,945	-
-	-	-	1,432,897	1,432,529	368
7,190,301	5,630,539	1,559,762	3,922,892	3,395,228	527,664
(1,467,865)	(1,070,927)	396,938	(2,019,833)	(1,426,027)	593,806
16,389	228,089	211,700	-	300,418	300,418
-	-	-	1,250,000	1,250,000	-
(46,129)	5,810	51,939	-	-	-
(8,323)	(41,466)	(33,143)	-	-	-
-	(7,612)	(7,612)	-	-	-
(38,063)	184,821	222,884	1,250,000	1,550,418	300,418
(1,505,928)	(886,106)	619,822	(769,833)	124,391	894,224
892,867	892,867	-	769,833	769,833	-
613,057	613,057	-	-	-	-
\$ (4)	619,818	\$ 619,822	\$ -	894,224	\$ 894,224

(continued)

(continued)

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Combined Statement of Revenues, Expenditures and Changes in Fund Balances -
 Budget (Non-GAAP Basis) and Actual -
 All Governmental Fund Types and Expendable Trust Fund
 For The Year Ended June 30, 2000

	<u>Capital Projects Funds</u>		Variance Favorable (Unfavorable)
	<u>Revised Budget</u>	<u>Actual</u>	
Revenues:			
Taxes	\$ 967,506	967,506	\$ -
Tuition and fees	-	-	-
Interest	50,018	6,988	(43,030)
Intergovernmental	95,754	95,744	(10)
Extracurricular activities	-	-	-
Contributions	-	-	-
Miscellaneous revenue	260,255	24,131	(236,124)
Total revenue	<u>1,373,533</u>	<u>1,094,369</u>	<u>(279,164)</u>
Expenditures:			
Current:			
Instruction	170,149	65,402	104,747
Support services:			
Pupil	23,241	23,241	-
Instructional Staff	-	-	-
Board of Education	-	-	-
Administration	2,359	2,354	5
Fiscal	11,588	11,588	-
Business	6	-	6
Operation and maintenance of plant	1,511,538	1,472,117	39,421
Pupil transportation	80,946	80,919	27
Central	24,475	24,475	-
Community services	222	222	-
Extracurricular activities	25	-	25
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>1,824,549</u>	<u>1,680,318</u>	<u>144,231</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(451,016)</u>	<u>(585,949)</u>	<u>(134,933)</u>
Other financing sources (uses):			
Advances / transfers in	-	186,000	186,000
Sale of notes	-	-	-
Other sources	-	-	-
Advances / transfers out	-	-	-
Other uses	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>186,000</u>	<u>186,000</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>(451,016)</u>	<u>(399,949)</u>	<u>51,067</u>
Fund balances (deficit), beginning of year	18,521	18,521	-
Expenditures against prior year's encumbrances	432,492	432,492	-
Fund balances (deficit), end of year	<u>\$ (3)</u>	<u>51,064</u>	<u>\$ 51,067</u>

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

(continued)

<u>Expendable Trust Fund</u>			<u>Totals (Memorandum Only)</u>		
<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
\$ -	-	\$ -	\$ 52,191,099	\$ 52,191,099	\$ -
-	-	-	-	124,667	124,667
-	637	637	460,962	709,872	248,910
-	-	-	22,823,308	25,266,454	2,443,146
12,435	18,873	6,438	463,820	247,783	(216,037)
149,375	134,401	(14,974)	160,494	167,384	6,890
165,733	161,757	(3,976)	1,744,486	1,038,028	(706,458)
327,543	315,668	(11,875)	77,844,169	79,745,287	1,901,118
177,614	78,014	99,600	46,422,234	45,195,606	1,226,628
14,716	11,761	2,955	4,647,401	4,487,065	160,336
54,638	31,664	22,974	3,285,940	3,248,952	36,988
-	-	-	534,035	534,035	-
5,466	5,291	175	4,971,236	4,791,276	179,960
-	-	-	2,178,963	1,651,667	527,296
-	-	-	535,022	535,016	6
-	-	-	8,470,033	8,429,003	41,030
-	-	-	4,273,029	4,269,110	3,919
83,760	64,528	19,232	921,386	900,058	21,328
133,509	107,230	26,279	1,274,295	1,199,682	74,613
40,045	17,688	22,357	1,536,581	1,383,825	152,756
-	-	-	1,942,945	1,942,945	-
-	-	-	1,432,897	1,432,529	368
509,748	316,176	193,572	82,425,997	80,000,769	2,425,228
(182,205)	(508)	181,697	(4,581,828)	(255,482)	4,326,346
-	-	-	16,389	755,990	739,601
-	-	-	1,250,000	1,250,000	-
-	4	4	(46,129)	40,338	86,467
(17)	(17)	-	(2,309,311)	(1,919,133)	390,178
(944)	(944)	-	(1,793)	(9,405)	(7,612)
(961)	(957)	4	(1,090,844)	117,790	1,208,634
(183,166)	(1,465)	181,701	(5,672,672)	(137,692)	5,534,980
119,859	119,859	-	3,698,010	3,698,010	-
63,303	63,303	-	1,974,642	1,974,642	-
\$ (4)	181,697	\$ 181,701	\$ (20)	5,534,960	\$ 5,534,980

(continued)

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Combined Statement of Revenues, Expenses, and Changes in Retained Earnings -
 All Proprietary Fund Types
 For The Year Ended June 30, 2000
 (With Comparative Totals for 1999)

	<u>ENTERPRISE</u>	<u>INTERNAL SERVICE</u>	<u>2000 TOTALS (MEMORANDUM ONLY)</u>	<u>1999 TOTALS (MEMORANDUM ONLY)</u>
Operating revenues				
Tuition and fees	\$ 418,959	2,201,630	\$ 2,620,589	\$ 2,959,957
Sales	1,741,978	323,180	2,065,158	1,926,347
Charges for services	274,565	711,745	986,310	906,862
Total operating revenues	<u>2,435,502</u>	<u>3,236,555</u>	<u>5,672,057</u>	<u>5,793,166</u>
Operating expenses				
Salaries and wages	837,064	1,845,624	2,682,688	2,404,068
Fringe benefits	364,632	525,717	890,349	809,899
Contractual services	356,293	1,468,440	1,824,733	469,369
Materials and supplies	1,446,716	241,966	1,688,682	1,415,005
Other expenses	26,398	287,913	314,311	371,358
Depreciation	26,637	21,102	47,739	45,311
Total operating expenses	<u>3,057,740</u>	<u>4,390,762</u>	<u>7,448,502</u>	<u>5,515,010</u>
Operating gain (loss)	(622,238)	(1,154,207)	(1,776,445)	278,156
Non-operating revenues				
Grant revenue	430,580	85,547	516,127	484,110
Interest	29,801	528	30,329	24,444
Gain on sale of assets	1,600	-	1,600	-
Total non-operating revenues	<u>461,981</u>	<u>86,075</u>	<u>548,056</u>	<u>508,554</u>
Net gain (loss) before operating transfers	(160,257)	(1,068,132)	(1,228,389)	786,710
Other financing sources (uses)				
Operating transfers in	110,288	738,208	848,496	-
Operating transfers out	-	(500)	(500)	1,072,562
Total other financing sources	<u>110,288</u>	<u>737,708</u>	<u>847,996</u>	<u>1,072,562</u>
Net income (loss)	(49,969)	(330,424)	(380,393)	1,859,272
Retained earnings, beginning of year	865,874	1,258,904	2,124,778	265,506
Retained earnings, end of year	<u>\$ 815,905</u>	<u>928,480</u>	<u>\$ 1,744,385</u>	<u>\$ 2,124,778</u>

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

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Combined Statement of Cash Flows-
 All Proprietary Fund Types
 For The Year Ended June 30, 2000
 (With Comparative Totals for 1999)

	<u>ENTERPRISE</u>	<u>INTERNAL SERVICE</u>	<u>2000 TOTALS (MEMORANDUM ONLY)</u>	<u>1999 TOTALS (MEMORANDUM ONLY)</u>
Cash flows from operating activities:				
Operating gain (loss)	\$ (622,238)	(1,154,207)	\$ (1,776,445)	\$ 278,156
Adjustments to reconcile operating gain (loss) to net cash used in operating activities:				
Depreciation	26,637	21,102	47,739	45,311
(Increase) decrease in:				
Accounts receivable	2,471	120,348	122,819	(107,076)
Due from other governments	-	(393,403)	(393,403)	132,171
Due from other funds	-	-	-	21,483
Materials and supplies inventory	(1,924)	-	(1,924)	9,589
Increase (decrease) in:				
Accounts payable	53,654	13,821	67,475	24,290
Accrued wages and benefits	74,411	14,133	88,544	(95,807)
Pension obligation payable	-	5,139	5,139	(3,424)
Due to other governments	(229)	(7,183)	(7,412)	(1,405,331)
Due to other funds	70,146	578,746	648,892	(366,413)
Total adjustments	225,166	352,703	577,869	(1,745,207)
Net cash used in operating activities	(397,072)	(801,504)	(1,198,576)	(1,467,051)
Cash flows from noncapital financing activities:				
Operating grants received	430,580	85,547	516,127	484,110
Gain on sale of assets	1,600	-	1,600	-
Operating transfers-in	110,288	738,208	848,496	1,072,562
Operating transfers-out	-	(500)	(500)	-
Net cash provided by noncapital financing activities	542,468	823,255	1,365,723	1,556,672
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(14,449)	(22,279)	(36,728)	(72,144)
Cash flows from investing activities:				
Interest received	29,801	528	30,329	24,444
Net increase in cash and cash equivalents	160,748	-	160,748	41,921
Cash and cash equivalents at beginning of year	700,214	-	700,214	658,293
Cash and cash equivalents at end of year	<u>\$ 860,962</u>	<u>-</u>	<u>\$ 860,962</u>	<u>\$ 700,214</u>

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

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MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Notes to General Purpose Financial Statements
June 30, 2000

(1) Description of the District

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

The District is located east of Cleveland, Ohio and serves primarily residences of Lake County and a small section of Geauga County. The District's population is drawn primarily from the cities of Mentor and Mentor-on-the Lake but also serves portions of the Village of Kirtland Hills and Concord Township. The District's population as of December 31, 1990 was 56,654 and its area covers approximately 34.5 square miles.

As of October 2000, 10,261 students were enrolled in the District's 16 schools. The average class size for the year was 22.90 students, and the average pupil/teacher ratio was 21.1. The District employs approximately 691 professional staff and 383 non-teaching and support staff employees.

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

A. The Reporting Entity

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

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

B. Basis of Presentation

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

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

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

Governmental Funds:

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

General Fund

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

Special Revenue Funds

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

Debt Service Fund

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

Capital Projects Funds

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

Proprietary Funds:

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

Enterprise Funds

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

Internal Service Fund

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

Fiduciary Funds

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

Account Groups:

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

General Fixed Assets Account Group

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

General Long-Term Debt Account Group

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

C. Basis of Accounting

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

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

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

D. Budgetary Basis of Accounting

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

1. Prior to January 15 of the preceding fiscal year, the Treasurer submits to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers comments. The expressed purpose of this budget document is to reflect the need for existing (or increased) tax rates.
2. By no later than January 20, the board-adopted budget is filed with the Lake County Budget Commission (the Commission) for tax rate determination.
3. Prior to March 15, the Board of Education accepts by formal resolution, the tax rates as determined by the Commission and receives the Commission's certificate of estimated resources, which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as a basis for the appropriation measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered balances from the preceding year as reported by the District's Treasurer. The certificate may be further amended during the year if projected increases or decreases in revenue are

identified by the District's Treasurer. The amounts reported in the budgetary statement reflect the amounts set forth in the final amended certificate of estimated resources.

4. By July 1, the annual appropriation resolution is legally enacted by the Board of Education at the fund, function, and object level of expenditures, which are the legal levels of budgetary control. State statute permits a temporary appropriation to be effective until no later than October 1 of each year. Resolution appropriations by fund must be within the estimated resources as certified by the Commission and the total of expenditures and encumbrances may not exceed the appropriation totals.
5. Any revisions that alter the total of any fund appropriation or alter total function appropriations within a fund, or alter object appropriations within functions must be approved by the Board of Education.
6. Formal budgetary integration is employed as a management control device during the year for all funds consistent with statutory provisions.
7. Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations which either reallocated or increased the original appropriated amounts. The Board legally enacted all supplemental appropriations during fiscal 1999-00 and none were significant.
8. Unencumbered appropriations lapse at year end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be reappropriated. Expenditures plus encumbrances may not legally exceed budgeted appropriations at the fund, function and/or object level.

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

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

	General Fund	Special Revenue Fund	Debt Service	Capital Projects	Expendable Trust
GAAP basis - fund balance (deficit)	\$ 1,010,386	\$ 1,551,700	\$ 1,010,786	\$ (1,115,322)	\$ 234,159
Adjustments for GAAP basis -					
Accrued revenues/prepaid items at June 30, 2000	(49,279,882)	(45,252)	(1,195,777)	(922,571)	-
Accrued expenditures/deferred revenue at June 30, 2000	53,083,938	793,605	1,079,215	2,327,842	15,047
Encumbrances outstanding at June 30, 2000 (budget basis)	<u>(1,026,285)</u>	<u>(1,680,235)</u>	<u>-</u>	<u>(238,885)</u>	<u>(67,509)</u>
Budget basis - fund balance	<u>\$ 3,788,157</u>	<u>\$ 619,818</u>	<u>\$ 894,224</u>	<u>\$ 51,064</u>	<u>\$ 181,697</u>

E. Encumbrances

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

F. Cash and Cash Equivalents

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

During fiscal year 2000, investments were limited to STAR Ohio, the State Treasurer's Investment Pool and repurchase agreements. All investments of the School District had a maturity of two years or less. Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts such as repurchase agreements are reported at cost.

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

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest. Interest revenue credited to the general fund during fiscal year 2000 amounted to \$701,218.

For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are considered to be cash equivalents. Investments with an original maturity of more than three months that are not made from the pool are considered to be investments.

G. Restricted Assets

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

During 1998, the District entered into a five-year lease agreement for technology/electrical upgrades. The unspent portion at June 30, 2000, of \$106,755 is held in a restricted trust account for future expenditures and is recorded as a fund balance reserve.

The budget stabilization reserve of \$1,129,410 is required by State statute and can be used only after receiving approval from the State. A fund balance reserve has also been established.

The capital maintenance reserve of \$371,496 is also required by State statute and can be used solely for the acquisition, replacement, enhancement, maintenance and repair of permanent improvements. A fund balance reserve has also been established.

H. Inventory

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

I. Prepays and Other Assets

Payments made to vendors for services that will benefit periods beyond June 30, 2000 are recorded as prepaid items.

J. Fixed Assets and Depreciation

1. General Fixed Assets Account Group

General fixed assets are capitalized at historical cost (or estimated historical cost) and updated for the cost of additions and retirements during the year in the general fixed assets account group. Contributed fixed assets are recorded at their fair market values as of the date donated. The District follows the policy of not capitalizing assets with a cost of less than \$500 and a useful life of less than one year. No depreciation is recognized for assets in the general fixed assets account group.

2. Proprietary Funds

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

K. Interfund Transactions

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

L. Fund Balance Reserves

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

M. Estimates

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

N. Reclassifications

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

(3) Deficit Fund Balance / Retained Earnings

Fund balances/retained earnings at June 30, 2000, included the following individual fund deficits:

	<u>Deficit Fund Balance/ Retained Earnings</u>
Special Revenue Funds:	
Title VI-B	\$ (55,530)
Career Development OVEP	\$ (39,482)
Title I	\$ (34,626)
Drug Free School	\$ (22,546)
OhioReads	\$ (10,358)
Preschool Grant for Handicapped	\$ (13,107)
Capital Projects Fund:	
Building	\$ (1,249,970)
Enterprise Funds:	
Adult Education	\$ (1,641)
Recreation	\$ (18,618)

The deficits in the Title VI-B, Career Development OVEP, Title I, Drug Free School, OhioReads, and Preschool Grant for Handicapped are due to timing differences in accruing revenues and expenditures.

The deficits in the building fund, adult education, and recreation are due to timing differences in expenditures.

(4) Equity in Pooled Cash and Investments

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

Legal Requirements

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

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

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

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

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution, as security for repayment by surety company, bonds deposited with the Treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution. Interim monies may be deposited or invested in the following securities:

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

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

(a) Deposits

At year end, the carrying amount of the District's deposits was \$(12,427,728) and the bank balance was \$15,055,533. The bank balance is categorized as follows:

Amount insured by the FDIC (Category 1)	\$	338,121
Collateralized with securities held by the pledging financial institution's trust department but not in the name of the District (Category 3)	\$	14,717,412

(b) Investments

Investments made by the District as of June 30, 2000, are summarized below. The investments that are represented by specific identifiable investment securities are classified as to credit risk by the three categories described below:

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

	<u>Carrying Value</u>	<u>Fair Value</u>
U.S. Treasury Obligation (Category 3)	\$ 106,755	\$ 106,755
Repurchase Agreement (Category 3)	141,115	141,115
	<hr/>	<hr/>
District (Category 3)	\$ 247,870	\$ 247,870
	<hr/> <hr/>	<hr/> <hr/>

(5) Interfund Transactions

Interfund balances at June 30, 2000 consist of the following individual fund receivables and payables:

	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 3,435,269	\$ 1,001,073
	<hr/>	<hr/>
Special Revenue Funds:		
Other grants	-	245,000
Career development OVEP	-	44,101
Title VI-B	-	46,000
Vocational education	44,101	-
Preschool grant for handicapped	-	14,694
Drug free school	-	29,371
OhioReads	-	5,400
Total special revenue funds	<hr/> 44,101	<hr/> 384,566
	<hr/>	<hr/>
Capital Projects Fund:		
Permanent improvement	-	186,000
	<hr/>	<hr/>
Enterprise Funds:		
Uniform school supply	-	29,000
Recreation fund	-	41,146
Total enterprise funds	<hr/> -	<hr/> 70,146
	<hr/>	<hr/>
Internal Service Fund	1,001,073	1,536,158
	<hr/>	<hr/>
Agent Fund		
Employee benefits	-	1,302,500
	<hr/>	<hr/>
Total	<hr/> \$ 4,480,443	<hr/> \$ 4,480,443
	<hr/> <hr/>	<hr/> <hr/>

A summary of interfund transfers made during 2000 by fund is as follows:

	Transferred To	Transferred From
General Fund	\$ -	\$ 1,230,620
Special Revenue Funds:		
Athletic	100,000	-
Career development OVEP	<u>32,624</u>	<u>-</u>
Total special revenue funds	<u>132,624</u>	<u>-</u>
Capital Projects Fund:		
Building	<u>250,000</u>	<u>-</u>
Enterprise Funds:		
Uniform school supply	100,000	-
Adult education	<u>10,288</u>	<u>-</u>
Total enterprise funds	<u>110,288</u>	<u>-</u>
Internal Service Fund	<u>738,208</u>	<u>500</u>
Total	<u>\$ 1,231,120</u>	<u>\$ 1,231,120</u>

(6) Property Taxes

Property taxes include amounts levied against all real, public utility, and tangible (used in business) property located in the District. Real property taxes and public utility taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Assessed values are established by State law at 35% of appraised market value. Public utility property taxes are assessed on tangible personal property, as well as land and improvements, at true value (normally 50% of cost). Tangible personal property taxes attach as a lien and are levied on January 1 of the current year. Tangible personal property assessments are 25% of market value. The assessed value upon which the 2000 taxes were collected was \$1,457,957,454. Agricultural/Residential and Other Real Estate represented \$1,228,998,710 (84%) of this total; Public utility tangible \$53,714,800 (4%) and General tangible property \$175,243,944 (12%). The general tax rate for operations for the fiscal year ended June 30, 2000, was \$64.70 per \$1,000 of assessed valuation, \$0.97 per \$1,000 of assessed valuation for debt retirement, and \$1.00 per \$1,000 of assessed valuation for permanent improvement purposes.

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

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

Accrued taxes receivable represent delinquent taxes outstanding and real property, personal property, and public utility taxes, which became measurable as of June 30, 2000. Although total property tax (other than personal property) collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current year operations. The receivable is, therefore, offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30 is recognized as revenue. The amount available to the District as an advance at June 30, 2000 was \$3,716,987 in the General Fund, \$116,561 in the Debt Service Fund and \$77,226 in the Capital Projects Fund. Personal property taxes are measurable and available to finance current operations and a portion is therefore reported as current receivables.

(7) **Fixed Assets**

A summary of the changes in the general fixed asset account group for 2000 is as follows:

	Balance June 30, 1999	Additions	Disposals	Balance June 30, 2000
Land and improvements	\$ 725,721	-	-	\$ 725,721
Buildings	33,274,656	-	-	33,274,656
Vehicles	4,094,476	287,486	117,591	4,264,371
Furniture and equipment	14,201,204	1,147,256	113,571	15,234,889
Total	<u>\$ 52,296,057</u>	<u>\$ 1,434,742</u>	<u>\$ 231,162</u>	<u>\$ 53,499,637</u>

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

	Furniture and Equipment	Less Accumulated Depreciation	Carrying Value
Enterprise Funds:			
Food service	\$ 497,983	339,366	\$ 158,617
Recreation	6,234	2,524	3,710
Total	<u>\$ 504,217</u>	<u>\$ 341,890</u>	<u>\$ 162,327</u>

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

	Furniture and Equipment	Less Accumulated Depreciation	Carrying Value
Internal Service Fund:			
Balance, June 30, 1999	\$ 199,881	88,669	\$ 111,212
Additions and current year depreciation	22,279	21,102	1,177
Balance, June 30, 2000	<u>\$ 222,160</u>	<u>\$ 109,771</u>	<u>\$ 112,389</u>

(8) **Long-Term Debt**

A. Bonded Debt

All bonds outstanding are general obligations of the District for which the full faith and credit of the District is pledged for repayment. Accordingly, such unmatured obligations of the District are accounted for in the general long-term obligations account group. Payments of principal and interest relating to these liabilities are recorded as expenditures in the debt service fund. The source of payment is derived from a current 1.17 mill bonded-debt tax levy.

Mentor Exempted Village Board of Education	\$ 9,500,000	11/07/84	0.35	04/30/85
Mentor Public Library	4,000,000	05/02/84	0.20	04/30/85
Mentor Exempted Village Board of Education	<u>8,600,000</u>	05/06/87	<u>0.62</u>	11/30/87
	<u>\$ 22,100,000</u>		<u>1.17</u>	

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

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

The following is a schedule of bonds outstanding as of June 30, 2000 for the District:

	Interest Rate	Issue Date	Maturity Date	Beginning of Year	During Year	End of Period
School Construction	6.38	12/01/91	12/01/13	\$ 5,215,000	220,000	\$ 4,995,000
School Improvement Refunding Bonds	7.13	03/01/93	12/01/11	<u>8,960,851</u>	<u>222,945</u>	<u>8,737,906</u>
				<u>\$ 14,175,851</u>	<u>442,945</u>	<u>\$ 13,732,906</u>

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

Year Ending June 30	Principal on General Obligation Bonds	Interest on General Obligation Bonds	Total
2001	\$ 416,506	1,405,517	\$ 1,822,023
2002	394,540	1,428,443	1,822,983
2003	381,934	1,441,021	1,822,955
2004	374,926	1,451,842	1,826,768
2005	1,145,000	663,549	1,808,549
2006	1,210,000	601,565	1,811,565
2007	1,270,000	533,219	1,803,219
2008	1,345,000	458,660	1,803,660
2009	1,420,000	379,757	1,799,757
2010	1,500,000	296,375	1,796,375
2011	1,585,000	208,247	1,793,247
2012	1,680,000	114,938	1,794,938
2013	490,000	50,681	540,681
2014	520,000	17,225	537,225
	<u>\$ 13,732,906</u>	<u>9,051,039</u>	<u>\$ 22,783,945</u>

B. Compensated Balances

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

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

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

The following is a schedule of compensated absences at June 30, 2000:

	Balance July 1, 1999	(Decrease)	Balance June 30, 2000
Compensated absences	<u>\$ 3,506,028</u>	<u>\$ (89,658)</u>	<u>\$ 3,416,370</u>

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

During the year ended June 30, 2000, the following changes occurred in the General Long Term Debt Account Group. Compensated absences will be paid from the fund in which the employee is paid.

	Balance July 1, 1999	Increase (Decrease)	Balance June 30, 2000
Compensated absences	\$ 3,506,028	\$ (89,658)	\$ 3,416,370
Pension obligation payable	610,158	125,051	735,209
Capital lease payable	1,054,098	(205,610)	848,488
General obligation debt notes payable	<u>14,175,851</u>	<u>(442,945)</u>	<u>13,732,906</u>
	<u>\$ 19,346,135</u>	<u>\$ (613,162)</u>	<u>\$ 18,732,973</u>

D. Capital Lease Obligations

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

The assets acquired through capital leases at June 30, 2000 are as follows:

<u>Asset</u>	<u>General Fixed Assets</u>
Building Improvements	\$ 984,716
Equipment	495,218

The following is a schedule of future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2000:

Year Ending June 30,	
2001	\$ 382,062
2002	382,062
2003	<u>163,495</u>
Total payments	927,619
Less amount represent interest	<u>79,131</u>
	<u>\$ 848,488</u>

(9) Notes Payable

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

	Interest Rate	Issue Date	Maturity Date	Amount Outstanding Beginning of Year	Princal Redemption During Year	Amount Outstanding End of Period
Bond Anticipation	3.38	05/06/99	05/04/00	\$ 1,500,000	(1,500,000)	\$ -
Bond Anticipation	4.56	05/04/00	05/03/01	-	1,250,000	1,250,000
				<u>\$ 1,500,000</u>	<u>(250,000)</u>	<u>\$ 1,250,000</u>

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

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

Function	Food Service	Uniform School Supply	Rotary	Adult Education	Recreation	Total Enterprise Funds
Operating revenues	\$ 1,741,978	\$ 322,887	\$ 120,380	\$ 9,915	\$ 240,342	\$ 2,435,502
Operating expenses						
before depreciation	2,149,171	398,790	168,413	23,965	290,764	3,031,103
Depreciation	26,013	-	-	-	624	26,637
Operating loss	(433,206)	(75,903)	(48,033)	(14,050)	(51,046)	(622,238)
Operating grants and other	461,981	-	-	-	-	461,981
Transfers in	-	100,000	-	10,288	-	110,288
Net income (loss)	28,775	24,097	(48,033)	(3,762)	(51,046)	(49,969)
Fixed assets additions	14,449	-	-	-	-	14,449
Net working capital	596,137	58,204	23,206	(1,641)	(22,328)	653,578
Total assets	950,049	94,508	80,194	4,651	21,805	1,151,207
Total liabilities	195,295	36,304	56,988	6,292	40,423	335,302
Total equity	\$ 754,754	\$ 58,204	\$ 23,206	\$ (1,641)	\$ (18,618)	\$ 815,905

(11) **Defined Benefit Pension Plans**

A. **School Employees Retirement System**

The District contributes to the School Employees Retirement System of Ohio (SERS), a cost sharing multiple employer public employee retirement system administered by the School Employees Retirement Board. SERS provides basic retirement benefits, disability, survivor and health care benefits based on eligible service credit to members and beneficiaries. Chapter 3309 of the Ohio Revised Code establishes benefits. SERS issues a publicly available financial report that includes financial statements and required supplementary information for SERS. The report may be obtained by writing to the School Employees Retirement System, 45 North Fourth Street, Columbus, Ohio 43215-3634, or by calling (614) 222-5853.

Plan members are required to contribute 9 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2000, 5.5 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 1999, 7.7 percent was used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$1,461,968, \$1,387,215 and \$1,302,498, respectively; 100 percent has been contributed for fiscal years 2000, 1999 and 1998.

B. State Teachers Retirement System

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

For the fiscal year ended June 30, 2000, plan members were required to contribute 9.3 percent of their annual covered salaries. The School District was required to contribute 14 percent; 6 percent was the portion used to fund pension obligations. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$5,502,691, \$5,365,154 and \$5,110,709, respectively; 100 percent has been contributed for fiscal years 2000, 1999 and 1998.

(12) Postemployment Benefits

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

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

STRS pays health care benefits from the Health Care Reserve Fund. The balance in the Fund was \$2.738 million at June 30, 1999. For the year ended June 30, 1999, net health care costs paid by STRS were \$249,929,000 and STRS had 95,796 eligible benefit recipients.

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

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2000, employer contributions to fund health care benefits were 8.5 percent of the covered payroll, an increase from 6.3 percent for the fiscal year 1999. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2000, the minimum pay was established at \$12,400. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 2000 fiscal year equaled \$1,021,866.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of the annual health care expenses. Expenses for the fiscal year ended June 30, 1999 (the latest information available), were \$126,380,984 and the target level was \$189.6 million. At June 30, 1999, SERS had net assets available for payment of health care benefits of \$188.0 million. SERS has approximately 51,000 participants currently receiving health care benefits.

(13) Statutory Reserves

The District is required by state law to set aside certain general fund revenue amounts, as defined, into various reserves. During the fiscal year ended June 30, 2000, the reserve activity was as follows:

	<u>Textbook Reserve</u>	<u>Capital Maintenance Reserve</u>	<u>Budget Stabilization Reserve</u>
Balance, July 1, 1999	\$ -	\$ -	\$ 970,064
Required set-aside	1,748,002	1,748,002	582,667
Offset credits	-	(967,506)	(423,321)
Qualifying expenditures	<u>(1,748,002)</u>	<u>(409,000)</u>	<u>-</u>
Balance, June 30, 2000	<u>\$ -</u>	<u>\$ 371,496</u>	<u>\$ 1,129,410</u>

Expenditures for textbooks / instructional materials during the school year were \$2,043,289, which exceeded set-aside and reserve balances.

(14) Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2000, the District contracted with Indiana Insurance Company for property, building contents, and data processing insurance. Indiana Insurance Company covers the boiler and machinery. There is a \$1,000 and \$500 deductible per occurrence.

School District umbrella policies are with Nationwide Mutual Insurance Company and have a \$1,000,000 limit and up to \$5,000,000 aggregate. Vehicles are covered by Indiana Insurance Company and have a \$100 deductible for comprehensive collision. Automobile liability has a \$1,000,000 combined single limit of liability. Settled claims have not exceeded this commercial coverage in any of the past three years.

The School District has elected to provide medical coverage through a self-insured program. The School District uses the general fund to account for and finance its uninsured risks of loss in this program. The claims are serviced through the Lake County Council of Governments Health Care Benefits Program. The Lake County Council of Governments Health Care Benefits Program has stop loss coverage of 110% of expected claims. The claims liability of \$408,060 reported in the general fund at June 30, 2000 is based on the requirements of Government Accounting Standards Board Statement No. 10 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the fund's claims liability amount was:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
1999	\$ 343,755	\$ 3,979,756	\$ 3,934,441	\$ 389,070
2000	\$ 389,070	\$ 4,186,063	\$ 4,167,073	\$ 408,060

(15) Claims Servicing Pool

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

(16) OSBA Group Rating Program

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

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

(17) Jointly Governed Organization

The Ohio Schools Council (Council) is a jointly governed organization among seventy School Districts. The jointly governed organization was formed to bring quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual fee of \$700 and an annual participation fee. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. Financial information can be obtained by contacting Joseph Lesak, Executive Director at the Ohio Schools Council at 6376 Mill Road, Broadview Heights, Ohio 44147.

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

Energy Acquisition Corporation, a non-profit corporation with a self-appointing board, issued \$119,140,000 in debt to prepurchase eight years of electricity from Cleveland Electric Illuminating (CEI) for the participants. The participating school district is not obligated in any manner for this debt. If a participating school district terminates their agreement, they are required to repay the savings to CEI and CEI will refund the remaining prepayment related to that participant to Energy Acquisition Corp. Financial information can be obtained by contacting Joseph Lesak, Executive Director at the Ohio Schools Council at 6376 Mill Road, Broadview Heights, Ohio 44147.

(18) **Contingent Liabilities**

A. **Grants**

The District receives financial assistance from numerous federal, state, and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District at June 30, 2000.

B. **Litigation**

The District was named as defendant in several court actions during the period ended June 30, 2000. Management does not believe that the ultimate resolution of these cases will have a material impact on the general purpose financial statements of the District.

C. **State School Funding Decision**

On March 24, 1997, the Ohio Supreme Court rendered a decision declaring certain portions of the Ohio school funding plan unconstitutional. The Court stayed the effect of its ruling for one year to allow the State's legislature to design a plan to remedy the perceived defects in that system. Declared unconstitutional was the State's "school foundation program", which provides significant amounts of monetary support to the School District. During the fiscal year ended June 30, 2000, the School District received \$16,618,379 of school foundation support for its general fund.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the State General Assembly in an attempt to address the issues identified by the Court. The Court of Common Pleas in Perry County reviewed the new laws and, in a decision issued on February 26, 1999, determined they are not sufficiently responsive to the constitutional issues raised under the "thorough and efficient" clause of the Ohio Constitution. The State has appealed the decision made by the Court of Common Pleas to the Ohio Supreme Court. On May 11, 2000, the Ohio Supreme Court rendered an opinion on this issue. The Court concluded, "...the mandate of the [Ohio] Constitution has not been fulfilled." The Court's majority recognized efforts by the Ohio General Assembly taken in response to the Court's March 24, 1997, decision, however it found seven "...major areas warrant further attention, study, and development by the General Assembly..." including the State's reliance on local property tax funding, the state's basic aid formula, the school foundation program as discussed above, the mechanism for, and adequacy of, funding for school facilities, and the existence of the State's School Solvency Assistance Fund, which the Court found took the place of the unconstitutional emergency school loan assistance program.

The Court decided to maintain jurisdiction over these issues and continued the case at least until June 15, 2001.

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

D. **Property Tax Refunds**

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

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

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**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
SUPPLEMENTAL DATA**

GENERAL FUND

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

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Comparative Balance Sheet -
General Fund
June 30, 2000 and 1999

	2000	1999
ASSETS		
Equity in pooled cash and investments	\$ 1,777,378	\$ 1,258,577
Restricted cash	1,607,661	854,907
Receivables		
Taxes - current	46,797,772	45,691,457
Accounts	200,317	325,649
Due from other funds	3,435,269	2,156,657
Materials and supplies inventories	212,913	99,852
Prepays and other assets	63,014	63,014
	<u>\$ 54,094,324</u>	<u>\$ 50,450,113</u>
LIABILITIES		
Accounts payable	\$ 391,577	\$ 227,366
Accrued wages and benefits	7,757,291	7,275,964
Pension obligation payable	399,525	160,976
Due to other governments	45,627	39,594
Due to other funds	1,001,073	1,001,073
Claims payable	408,060	389,070
Deferred revenue - taxes	43,080,785	42,885,563
Total liabilities	<u>53,083,938</u>	<u>51,979,606</u>
FUND DEFICIT		
Fund balances (deficit)		
Budget stabilization reserve	1,129,410	970,064
Capital maintenance reserve	371,496	-
Reserve for technology / electrical upgrade	106,755	308,164
Reserved for inventory	212,913	99,852
Reserved for prepaids	63,014	63,014
Reserved for encumbrances	676,346	592,505
Unreserved-undesignated	(1,549,548)	(3,563,092)
Total fund balance (deficit)	<u>1,010,386</u>	<u>(1,529,493)</u>
Total fund balance (deficit)	-	-
Total liabilities and fund balance	<u>\$ 54,094,324</u>	<u>\$ 50,450,113</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances -
General Fund
For The Years Ended June 30, 2000 and 1999

	2000	1999
Revenues		
Taxes	\$ 50,357,441	\$ 46,881,050
Tuition and fees	206,366	163,254
Earnings on investments	701,218	562,731
Intergovernmental	21,367,997	21,390,073
Miscellaneous revenue	280,673	504,318
Total revenues	72,913,695	69,501,426
Expenditures		
Current		
Instruction	42,950,681	41,919,028
Support services		
Pupil	3,931,569	4,233,954
Instructional staff	3,006,500	2,661,662
Board of Education	501,619	452,184
Administration	3,993,159	4,286,549
Fiscal	1,604,864	1,540,286
Business	518,860	496,820
Operation and maintenance of plant	6,740,570	6,397,565
Pupil transportation	4,002,300	4,009,118
Central	670,483	683,873
Community services	75,307	70,978
Extracurricular activities	906,986	1,020,920
Capital outlay	200,667	362,235
Debt service interest	50,418	68,933
Total expenditures	69,153,983	68,204,105
Excess of revenues over expenditures	3,759,712	1,297,321
Other financing sources (uses)		
Operating transfers out	(1,230,620)	(1,549,475)
Sale of assets	10,787	10,163
Total other financing uses	(1,219,833)	(1,539,312)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	2,539,879	(241,991)
Fund deficit beginning of year	(1,529,493)	(1,287,502)
Fund balance (deficit), end of year	\$ 1,010,386	\$ (1,529,493)

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP) and Actual -
General Fund
Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 49,446,346	49,446,346	\$ -
Tuition and fees	-	124,667	124,667
Interest	410,127	690,744	280,617
Intergovernmental	18,022,821	21,367,997	3,345,176
Contributions	1,666	1,416	(250)
Miscellaneous revenue	636,638	175,267	(461,371)
Total revenues	<u>68,517,598</u>	<u>71,806,437</u>	<u>3,288,839</u>
Expenditures:			
Instruction:			
Regular instruction:			
Salaries and wages	27,146,328	27,146,328	-
Fringe benefits	6,951,247	6,951,247	-
Contract services	90,669	90,669	-
Supplies	730,105	730,105	-
Equipment	79,854	79,854	-
Total regular instruction	<u>34,998,203</u>	<u>34,998,203</u>	<u>-</u>
Special instruction:			
Salaries and wages	3,315,148	3,252,442	62,706
Fringe benefits	770,979	770,979	-
Contract services	183,730	183,730	-
Supplies	31,187	31,187	-
Total special instruction	<u>4,301,044</u>	<u>4,238,338</u>	<u>62,706</u>
Other instruction:			
Salaries and wages	1,543,442	1,543,442	-
Fringe benefits	433,331	433,331	-
Contract services	1,439,913	1,439,913	-
Supplies	19,761	19,761	-
Equipment	25,231	25,231	-
Total other instruction	<u>3,461,678</u>	<u>3,461,678</u>	<u>-</u>
Total instruction	<u>42,760,925</u>	<u>42,698,219</u>	<u>62,706</u>
Support services:			
Pupils:			
Salaries and wages	2,734,037	2,734,037	-
Fringe benefits	990,109	990,109	-
Contract services	16,274	16,274	-
Supplies	43,728	43,728	-
Equipment	37,501	37,501	-
Total pupils	<u>3,821,649</u>	<u>3,821,649</u>	<u>-</u>
Instructional staff:			
Salaries and wages	2,116,688	2,179,395	(62,707)
Fringe benefits	645,789	645,789	-
Contract services	9,416	9,416	-
Supplies	127,724	127,724	-
Equipment	34,554	34,554	-
Total instructional staff	<u>2,934,171</u>	<u>2,996,878</u>	<u>(62,707)</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes in Fund Balances
 Budget (Non-GAAP) and Actual -
 General Fund
 Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Board of education:			
Salaries and wages	10,400	10,400	-
Fringe benefits	1,594	1,594	-
Contract services	273,276	273,276	-
Supplies	418	418	-
Other	248,347	248,347	-
Total board of education	<u>534,035</u>	<u>534,035</u>	<u>-</u>
Administration			
Salaries and wages	2,828,626	2,828,626	-
Fringe benefits	920,461	920,461	-
Contract services	111,012	111,012	-
Supplies	33,383	33,383	-
Equipment	4,161	4,161	-
Other	23,950	23,950	-
Total administration	<u>3,921,593</u>	<u>3,921,593</u>	<u>-</u>
Fiscal:			
Salaries and wages	622,629	622,629	-
Fringe benefits	171,130	181,562	(10,432)
Contract services	125,791	125,791	-
Supplies	61,144	61,144	-
Equipment	5,467	5,467	-
Other	634,164	623,732	10,432
Total fiscal	<u>1,620,325</u>	<u>1,620,325</u>	<u>-</u>
Business:			
Salaries and wages	329,727	329,727	-
Fringe benefits	94,725	94,725	-
Contract services	11,221	11,221	-
Supplies	82,700	82,700	-
Other	628	628	-
Total business	<u>519,001</u>	<u>519,001</u>	<u>-</u>
Operation and maintenance of plant:			
Salaries and wages	3,071,521	3,071,521	-
Fringe benefits	850,600	850,600	-
Contract services	2,267,073	2,267,073	-
Supplies	670,665	670,665	-
Equipment	19,230	19,230	-
Other	16,952	16,952	-
Total operation and maintenance of plant	<u>6,896,041</u>	<u>6,896,041</u>	<u>-</u>
Pupil transportation:			
Salaries and wages	2,379,248	2,379,248	-
Fringe benefits	776,748	776,748	-
Contract services	189,967	189,967	-
Supplies	504,583	504,583	-
Equipment	304,611	304,611	-
Total pupil transportation	<u>4,155,157</u>	<u>4,155,157</u>	<u>-</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes in Fund Balances
 Budget (Non-GAAP) and Actual -
 General Fund
 Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Central:			
Salaries and wages	303,538	303,538	-
Fringe benefits	78,018	78,018	-
Contract services	151,340	151,340	-
Supplies	99,501	99,501	-
Equipment	88,834	88,834	-
Other	45,679	45,679	-
Total central	<u>766,910</u>	<u>766,910</u>	<u>-</u>
Total support services	<u>25,168,882</u>	<u>25,231,589</u>	<u>(62,707)</u>
Community services:			
Salaries and wages	56,880	56,880	-
Fringe benefits	15,411	15,411	-
Contract services	-	-	-
Total community services	<u>72,291</u>	<u>72,291</u>	<u>-</u>
Extracurricular activities:			
Salaries and wages	791,599	791,599	-
Fringe benefits	160,090	160,090	-
Contract services	14,980	14,980	-
Supplies	5,710	5,710	-
Other	4,030	4,030	-
Total extracurricular activities	<u>976,409</u>	<u>976,409</u>	<u>-</u>
Total expenditures	<u>68,978,507</u>	<u>68,978,508</u>	<u>(1)</u>
Excess (deficiency) of revenues over (under) expenditures	(460,909)	2,827,929	3,288,838
Other financing sources (uses):			
Advance/transfers in	-	41,483	41,483
Other sources	-	34,524	34,524
Advances/transfers out	(2,300,971)	(1,877,650)	423,321
Other uses	(849)	(849)	-
Total other financing sources (uses)	<u>(2,301,820)</u>	<u>(1,802,492)</u>	<u>499,328</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(2,762,729)	1,025,437	3,788,166
Fund deficit, beginning of year	1,896,930	1,896,930	-
Expenditures against prior year's encumbrances	<u>865,790</u>	<u>865,790</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ (9)</u>	<u>\$ 3,788,157</u>	<u>\$ 3,788,166</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

Title VI-B Special Education -- The purpose of this federal program is to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least-restrictive, alternative service patterns and provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels.

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

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

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

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

SPECIAL REVENUE FUNDS

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

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

Auxiliary Services Fund -- A fund used to account for monies, which provide services and materials to pupils attending non-public schools within the District. During Fiscal 2000, Lake Catholic (ADM 918), St. Gabriel (ADM 622) and St. Mary (ADM 435) received \$425.79/student.

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

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

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

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

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

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

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

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

Network Connectivity -- A fund provided to account for money appropriated for Ohio Educational Computer Network Connections.

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MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Combining Balance Sheet -
 All Special Revenue Funds
 June 30, 2000
 (With Comparative Totals for 1999)

	<u>OTHER GRANTS</u>	<u>ATHLETIC</u>	<u>CAREER DEVELOPMENT OVEP</u>	<u>EARLY CHILDHOOD EDUCATION</u>	<u>MANAGEMENT INFORMATION SYSTEMS</u>
ASSETS					
Equity in pooled cash and investments	\$ 1,205,885	91,132	9,107	239	65,477
Accounts receivable - other	1,151	-	-	-	-
Due from other funds	-	-	-	-	-
Total assets	<u>\$ 1,207,036</u>	<u>91,132</u>	<u>9,107</u>	<u>239</u>	<u>65,477</u>
LIABILITIES					
Accounts payable	92,088	9,481	4,488	-	-
Accrued wages and benefits	-	-	-	-	-
Due to other governments	-	-	-	-	-
Due to other funds	245,000	-	44,101	-	-
Total liabilities	<u>337,088</u>	<u>9,481</u>	<u>48,589</u>	<u>-</u>	<u>-</u>
FUND EQUITY (DEFICIT)					
Fund balances (deficits)					
Reserved for encumbrances	1,117,819	48,903	145	-	-
Unreserved-undesignated	(247,871)	32,748	(39,627)	239	65,477
Total fund balances (deficits)	<u>869,948</u>	<u>81,651</u>	<u>(39,482)</u>	<u>239</u>	<u>65,477</u>
Total liabilities and fund balances	<u>\$ 1,207,036</u>	<u>91,132</u>	<u>9,107</u>	<u>239</u>	<u>65,477</u>

(continued)

<u>MISCELLANEOUS STATE GRANTS</u>	<u>EDUCATION FOR ECONOMIC SECURITY</u>	<u>TITLE VI-B SPECIAL EDUCATION</u>	<u>VOCATIONAL EDUCATION</u>	<u>VENTURE CAPITAL GRANT</u>	<u>PROFESSIONAL DEVELOPMENT</u>
49,721	12,300	78,711	113,800	42	32,300
-	-	-	-	-	-
-	-	-	44,101	-	-
<u>49,721</u>	<u>12,300</u>	<u>78,711</u>	<u>157,901</u>	<u>42</u>	<u>32,300</u>
15,107	331	8,486	2,500	-	4,871
-	-	63,708	-	-	1,498
-	45	16,047	9,008	-	-
-	-	46,000	-	-	-
<u>15,107</u>	<u>376</u>	<u>134,241</u>	<u>11,508</u>	<u>-</u>	<u>6,369</u>
31,631	1,721	53,191	77,837	-	18,420
2,983	10,203	(108,721)	68,556	42	7,511
<u>34,614</u>	<u>11,924</u>	<u>(55,530)</u>	<u>146,393</u>	<u>42</u>	<u>25,931</u>
<u>49,721</u>	<u>12,300</u>	<u>78,711</u>	<u>157,901</u>	<u>42</u>	<u>32,300</u>

(continued)

(continued)

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Combining Balance Sheet -
All Special Revenue Funds
June 30, 2000
(With Comparative Totals for 1999)

	PRESCHOOL GRANT FOR HANDICAPPED	MISCELLANEOUS FEDERAL GRANTS	AUXILIARY SERVICES	HEAD START DISABILITY	TEXTBOOK INSTRUCTIONAL MATERIAL
ASSETS					
Equity in pooled cash and investments	8,547	17,406	167,270	362	326,337
Accounts receivable - other	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total assets	<u>8,547</u>	<u>17,406</u>	<u>167,270</u>	<u>362</u>	<u>326,337</u>
LIABILITIES					
Accounts payable	6,960	281	53,310	111	-
Accrued wages and benefits	-	3,637	-	-	-
Due to other governments	-	-	70,211	-	-
Due to other funds	14,694	-	-	-	-
Total liabilities	<u>21,654</u>	<u>3,918</u>	<u>123,521</u>	<u>111</u>	<u>-</u>
FUND EQUITY (DEFICIT)					
Fund balances (deficits)					
Reserved for encumbrances	1,762	1,656	32,683	-	-
Unreserved-undesignated	(14,869)	11,832	11,066	251	326,337
Total fund balances (deficits)	<u>(13,107)</u>	<u>13,488</u>	<u>43,749</u>	<u>251</u>	<u>326,337</u>
Total liabilities and fund balances	<u>8,547</u>	<u>17,406</u>	<u>167,270</u>	<u>362</u>	<u>326,337</u>

(continued)

(continued)

SCHOOLNET PROFESSIONAL DEVELOPMENT	TITLE I	CHAPTER II	DRUG FREE SCHOOL GRANT	OHIOREADS GRANT	E-RATE REIMBURSEMENT GRANT	NETWORK CONNECTIVITY	2000 TOTALS	1999 TOTALS
500	1,984	89,598	6,983	770	21,582	-	\$ 2,300,053	\$ 1,505,934
-	-	-	-	-	-	-	1,151	115,534
-	-	-	-	-	-	-	44,101	22,633
<u>500</u>	<u>1,984</u>	<u>89,598</u>	<u>6,983</u>	<u>770</u>	<u>21,582</u>	<u>-</u>	<u>\$ 2,345,305</u>	<u>\$ 1,644,101</u>
-	-	-	158	5,728	3,875	-	207,775	129,911
-	36,610	-	-	-	-	-	105,453	55,035
-	-	-	-	-	500	-	95,811	46,481
-	-	-	29,371	5,400	-	-	384,566	64,099
<u>-</u>	<u>36,610</u>	<u>-</u>	<u>29,529</u>	<u>11,128</u>	<u>4,375</u>	<u>-</u>	<u>793,605</u>	<u>295,526</u>
-	-	-	49	(5,111)	7,750	-	1,388,456	453,496
500	(34,626)	89,598	(22,595)	(5,247)	9,457	-	163,244	895,079
<u>500</u>	<u>(34,626)</u>	<u>89,598</u>	<u>(22,546)</u>	<u>(10,358)</u>	<u>17,207</u>	<u>-</u>	<u>1,551,700</u>	<u>1,348,575</u>
<u>500</u>	<u>1,984</u>	<u>89,598</u>	<u>6,983</u>	<u>770</u>	<u>21,582</u>	<u>-</u>	<u>\$ 2,345,305</u>	<u>\$ 1,644,101</u>

(continued)

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -
All Special Revenue Funds
Year Ended June 30, 2000
(With Comparative Totals for 1999)

	OTHER GRANTS	ATHLETIC	CAREER DEVELOPMENT OVEP	EARLY CHILDHOOD EDUCATION	MANAGEMENT INFORMATION SYSTEMS
Revenues					
Earnings on investments	\$ -	95	-	-	-
Intergovernmental	431,873	-	90,383	3,485	29,573
Extracurricular activities	-	228,910	-	-	-
Miscellaneous revenue	-	31,567	-	-	-
Total revenues	<u>431,873</u>	<u>260,572</u>	<u>90,383</u>	<u>3,485</u>	<u>29,573</u>
Expenditures					
Current					
Instruction	174,850	-	132,034	1,122	-
Support services					
Pupil	-	-	-	-	-
Instructional staff	-	-	-	-	505
Administration	-	-	-	-	-
Business	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-
Pupil transportation	-	-	-	-	-
Central	-	-	-	-	7,138
Community services	-	-	-	-	-
Extracurricular activities	-	330,082	-	-	-
Miscellaneous	-	-	-	-	-
Total expenditures	<u>174,850</u>	<u>330,082</u>	<u>132,034</u>	<u>1,122</u>	<u>7,643</u>
Excess (deficiency) of revenues over (under) expenditures	<u>257,023</u>	<u>(69,510)</u>	<u>(41,651)</u>	<u>2,363</u>	<u>21,930</u>
Other financing sources (uses)					
Operating transfers in	-	100,000	32,624	-	-
Refund of prior year expenditures	1,151	2,454	-	-	-
Refund of prior year receipts	-	-	-	-	-
Total other financing sources (uses)	<u>1,151</u>	<u>102,454</u>	<u>32,624</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	258,174	32,944	(9,027)	2,363	21,930
Fund balance (deficit), beginning of year	611,774	48,707	(30,455)	(2,124)	43,547
Fund balance (deficit), end of year	<u>\$ 869,948</u>	<u>81,651</u>	<u>(39,482)</u>	<u>239</u>	<u>65,477</u>

(continued)

MISCELLANEOUS STATE GRANTS	EDUCATION FOR ECONOMIC SECURITY	TITLE VI-B SPECIAL EDUCATION	VOCATIONAL EDUCATION	VENTURE CAPITAL GRANT	PROFESSIONAL DEVELOPMENT
-	-	-	-	-	-
270,253	31,352	1,185,532	239,169	-	39,105
-	-	-	-	-	-
270,253	31,352	1,185,532	239,169	-	39,105
257,531	38,378	84,606	36,534	5,376	33,353
-	-	492,319	70,133	-	925
3,232	-	58,224	23,106	-	1,163
-	-	703,088	9,982	-	2,798
-	-	8,015	-	-	-
-	-	19,008	-	-	2,423
-	-	-	16,891	-	169
-	-	-	3,522	-	-
10,291	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
271,054	38,378	1,365,260	160,168	5,376	40,831
(801)	(7,026)	(179,728)	79,001	(5,376)	(1,726)
-	-	-	-	-	-
-	-	-	3,355	-	-
(184)	(7,163)	-	-	-	-
(184)	(7,163)	-	3,355	-	-
(985)	(14,189)	(179,728)	82,356	(5,376)	(1,726)
35,599	26,113	124,198	64,037	5,418	27,657
34,614	11,924	(55,530)	146,393	42	25,931

(continued)

(continued)

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -
All Special Revenue Funds
Year Ended June 30, 2000
(With Comparative Totals for 1999)

	PRESCHOOL GRANT FOR HANDICAPPED	MISCELLANEOUS FEDERAL GRANTS	AUXILIARY SERVICES	HEAD START DISABILITY	TEXTBOOK INSTRUCTIONAL MATERIAL
Revenues					
Earnings on investments	-	-	11,348	-	-
Intergovernmental	106,343	82,214	903,959	10,000	-
Extracurricular activities	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Total revenues	<u>106,343</u>	<u>82,214</u>	<u>915,307</u>	<u>10,000</u>	<u>-</u>
Expenditures					
Current					
Instruction	16,488	23,880	-	-	-
Support services					
Pupil	1,621	2,219	-	-	-
Instructional staff	19,321	59,859	-	3,686	-
Administration	94,803	1,500	-	9,646	-
Business	-	-	-	-	-
Operation and maintenance of plant	7,688	399	-	-	-
Pupil transportation	-	-	-	-	-
Central	-	-	-	-	-
Community services	-	125	926,221	-	-
Extracurricular activities	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total expenditures	<u>139,921</u>	<u>87,982</u>	<u>926,221</u>	<u>13,332</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(33,578)</u>	<u>(5,768)</u>	<u>(10,914)</u>	<u>(3,332)</u>	<u>-</u>
Other financing sources					
Operating transfers in	-	-	-	-	-
Refund of prior year expenditures	-	-	-	-	-
Refund of prior year receipts	-	(200)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(200)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>(33,578)</u>	<u>(5,968)</u>	<u>(10,914)</u>	<u>(3,332)</u>	<u>-</u>
Fund balance (deficit), beginning of year	<u>20,471</u>	<u>19,456</u>	<u>54,663</u>	<u>3,583</u>	<u>326,337</u>
Fund balance (deficit), end of year	<u>(13,107)</u>	<u>13,488</u>	<u>43,749</u>	<u>251</u>	<u>326,337</u>

(continued)

(continued)

SCHOOLNET PROFESSIONAL DEVELOPMENT	TITLE I	CHAPTER II	DRUG FREE SCHOOL GRANT	OHIOREADS GRANT	E-RATE REIMBURSEMENT	NETWORK CONNECTIVITY	2000 TOTALS	1999 TOTALS
-	-	-	-	-	-	-	\$ 11,443	\$ 4,984
-	297,973	61,151	61,364	33,000	21,582	28,848	3,927,159	3,414,558
-	-	-	-	-	-	-	228,910	199,406
-	-	-	-	-	-	-	31,567	25,219
-	297,973	61,151	61,364	33,000	21,582	28,848	4,199,079	3,644,167
-	246,979	-	8,361	43,358	-	-	1,102,850	909,793
-	42,229	3,078	43,327	-	-	-	655,851	241,703
-	-	-	7,729	-	-	-	176,825	185,563
-	-	-	-	-	-	-	821,817	747,794
-	-	-	-	-	-	-	8,015	8,110
-	-	-	-	-	4,375	28,848	62,741	19,383
-	-	-	-	-	-	-	17,060	2,417
-	-	-	-	-	-	-	10,660	20,113
-	2,009	3,444	-	-	-	-	942,090	882,804
-	-	-	-	-	-	-	330,082	278,140
-	-	-	-	-	-	-	-	4,138
-	291,217	6,522	59,417	43,358	4,375	28,848	4,127,991	3,299,958
-	6,756	54,629	1,947	(10,358)	17,207	-	71,088	344,209
-	-	-	-	-	-	-	132,624	70,000
-	-	-	-	-	-	-	6,960	-
-	-	-	-	-	-	-	(7,547)	-
-	-	-	-	-	-	-	132,037	70,000
-	6,756	54,629	1,947	(10,358)	17,207	-	203,125	414,209
500	(41,382)	34,969	(24,493)	-	-	-	1,348,575	934,366
500	(34,626)	89,598	(22,546)	(10,358)	17,207	-	\$ 1,551,700	\$ 1,348,575

(continued)

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -
 Other Grants Fund
 Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 681,860	676,873	\$ (4,987)
Total revenues	<u>681,860</u>	<u>676,873</u>	<u>(4,987)</u>
Expenditures:			
Instruction			
Supplies and materials	1,313,149	1,308,329	4,820
Equipment	15,013	14,777	236
Total expenditures	<u>1,328,162</u>	<u>1,323,106</u>	<u>5,056</u>
Deficiency of revenue under expenditures	(646,302)	(646,233)	69
Fund balance, beginning of year	515,824	515,824	-
Expenditures against prior year encumbrances	130,476	130,476	-
Fund balance (deficit), end of year	<u>\$ (2)</u>	<u>67</u>	<u>\$ 69</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual -
Athletic Fund
Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Earnings on investments	\$ -	95	\$ 95
Extracurricular activities	451,385	228,910	(222,475)
Contributions	9,453	31,567	22,114
Total revenues	460,838	260,572	(200,266)
Expenditures:			
Extracurricular			
Salaries	10,215	10,182	33
Benefits	124	109	15
Contract services	107,746	74,397	33,349
Supplies and materials	163,775	140,048	23,727
Equipment	17,839	17,355	484
Other	216,403	143,636	72,767
Total extracurricular	516,102	385,727	130,375
Total expenditures	516,102	385,727	130,375
Deficiency of revenue under expenditures	(55,264)	(125,155)	(69,891)
Other financing sources			
Advances/transfers in	-	100,000	100,000
Other sources	-	2,454	2,454
Total other financing sources	-	102,454	102,454
Deficiency of revenues and other sources under expenditures and other uses	(55,264)	(22,701)	32,563
Fund deficit, beginning of year	(2,642)	(2,642)	-
Expenditures against prior year encumbrances	57,905	57,905	-
Fund balance (deficit), end of year	\$ (1)	32,562	\$ 32,563

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual -
Career Development OVEP Fund
Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 124,107	90,383	\$ (33,724)
Total revenues	<u>124,107</u>	<u>90,383</u>	<u>(33,724)</u>
Expenditures:			
Instruction			
Salaries	202	202	-
Benefits	4,686	4,686	0
Contract services	2,900	1,983	917
Supplies and materials	10,239	10,239	0
Equipment	73,521	73,514	7
Other	5,440	5,221	219
Total expenditures	<u>96,988</u>	<u>95,845</u>	<u>1,143</u>
Excess (deficiency) of revenue over (under) expenditures	27,119	(5,462)	(32,581)
Other financing sources (uses):			
Advances / transfers in	-	32,624	32,624
Advances / transfers out	(4,486)	-	4,486
Total other financing sources (uses)	<u>(4,486)</u>	<u>32,624</u>	<u>37,110</u>
Excess of revenue and other sources over expenditures and other uses	22,633	27,162	4,529
Fund deficit, beginning of year	(30,788)	(30,788)	-
Expenditures against prior year encumbrances	8,156	8,156	-
Fund balance, end of year	<u>\$ 1</u>	<u>4,530</u>	<u>\$ 4,529</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -
 Early Childhood Education Fund
 Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 3,481	3,485	\$ 4
Total revenues	<u>3,481</u>	<u>3,485</u>	<u>4</u>
Expenditures:			
Instruction			
Contract services	1,477	1,419	58
Total expenditures	<u>1,477</u>	<u>1,419</u>	<u>58</u>
Excess of revenue over expenditures	2,004	2,066	62
Other financing uses:			
Advances / transfers out	(2,180)	(2,004)	176
Total other financing uses	<u>(2,180)</u>	<u>(2,004)</u>	<u>176</u>
Excess of revenue and other sources over expenditures and other uses	(176)	62	238
Fund deficit, beginning of year	(1,299)	(1,299)	-
Expenditures against prior year encumbrances	1,477	1,477	-
Fund balance, end of year	<u>\$ 2</u>	<u>240</u>	<u>\$ 238</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -
 Management Information Systems Fund
 Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ -	29,573	\$ 29,573
Total revenues	<u>-</u>	<u>29,573</u>	<u>29,573</u>
Expenditures:			
Instruction			
Equipment	29,263	-	29,263
Total instruction	<u>29,263</u>	<u>-</u>	<u>29,263</u>
Support Services			
Supplies and materials	1,995	1,995	-
Equipment	12,290	5,648	6,642
Total support services	<u>14,285</u>	<u>7,643</u>	<u>6,642</u>
Total expenditures	<u>43,548</u>	<u>7,643</u>	<u>35,905</u>
Excess (deficiency) of revenues over (under) expenditures	(43,548)	21,930	65,478
Fund balance, beginning of year	41,351	41,351	-
Expenditures against prior year encumbrances	2,198	2,198	-
Fund balance, end of year	<u>\$ 1</u>	<u>65,479</u>	<u>\$ 65,478</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual -
Miscellaneous State Grants Fund
Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 457,547	270,253	\$ (187,294)
Total revenues	457,547	270,253	(187,294)
Expenditures:			
Instruction			
Salaries	35,023	30,348	4,675
Benefits	3,056	2,902	154
Contract services	34,449	11,754	22,695
Supplies and materials	325,935	170,899	155,036
Equipment	16,043	13,043	3,000
Other	64,474	59,870	4,604
Total instruction	478,980	288,816	190,164
Support Services			
Salaries	962	962	-
Benefits	2,271	2,271	-
Total support services	3,233	3,233	-
Community Service			
Contract services	10,670	10,291	379
Supplies and materials	80	-	80
Total community service	10,750	10,291	459
Total expenditures	492,963	302,340	190,623
Deficiency of revenue under expenditures	(35,416)	(32,087)	3,329
Other financing uses:			
Other uses	(184)	(184)	-
Total other financing uses	(184)	(184)	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(35,600)	(32,271)	3,329
Fund balance, beginning of year	25,735	25,735	-
Expenditures against prior year encumbrances	9,864	9,864	-
Fund balance (deficit), end of year	\$ (1)	3,328	\$ 3,329

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -
 Education for Economic Security Fund
 Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 82,873	31,352	\$ (51,521)
Total revenues	<u>82,873</u>	<u>31,352</u>	<u>(51,521)</u>
Expenditures:			
Instruction			
Salaries	36,369	7,890	28,479
Benefits	5,649	199	5,450
Contract services	15,042	11,081	3,961
Supplies and materials	40,620	20,900	19,720
Total instruction	<u>97,680</u>	<u>40,070</u>	<u>57,610</u>
Support Services			
Contract services	3,235	(65)	3,300
Supplies and materials	842	-	842
Total support services	<u>4,077</u>	<u>(65)</u>	<u>4,142</u>
Total expenditures	<u>101,757</u>	<u>40,005</u>	<u>61,752</u>
Deficiency of revenue under expenditures	(18,884)	(8,653)	10,231
Other financing uses:			
Other uses	(7,228)	(7,228)	-
Total other financing uses	<u>(7,228)</u>	<u>(7,228)</u>	<u>-</u>
Deficiency of revenue under expenditures and other uses	(26,112)	(15,881)	10,231
Fund balance, beginning of year	23,531	23,531	-
Expenditures against prior year encumbrances	2,580	2,580	-
Fund balance (deficit), end of year	<u>\$ (1)</u>	<u>10,230</u>	<u>\$ 10,231</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual -
Title VI-B Special Education Fund
Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 1,606,243	1,301,066	\$ (305,177)
Total revenues	<u>1,606,243</u>	<u>1,301,066</u>	<u>(305,177)</u>
Expenditures:			
Instruction			
Salaries	10,000	3,400	6,600
Benefits	31	31	-
Contract services	69,117	51,917	17,200
Supplies and materials	43,992	27,962	16,030
Equipment	30,979	22,150	8,829
Total instruction	<u>154,119</u>	<u>105,460</u>	<u>48,659</u>
Support Services			
Salaries	992,052	923,669	68,383
Benefits	290,169	195,975	94,194
Contract services	214,119	175,999	38,120
Supplies and materials	32,460	22,245	10,215
Total support services	<u>1,528,800</u>	<u>1,317,888</u>	<u>210,912</u>
Total expenditures	<u>1,682,919</u>	<u>1,423,348</u>	<u>259,571</u>
Deficiency of revenues under expenditures	(76,676)	(122,282)	(45,606)
Other financing sources:			
Advances / transfers in	-	46,000	46,000
Total other financing sources	<u>-</u>	<u>46,000</u>	<u>46,000</u>
Deficiency of revenue and other sources under expenditures and other uses	(76,676)	(76,282)	394
Fund balance, beginning of year	12,289	12,289	-
Expenditures against prior year encumbrances	64,384	64,384	-
Fund balance (deficit), end of year	<u>\$ (3)</u>	<u>391</u>	<u>\$ 394</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual -
Vocational Education Fund
Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 299,788	239,169	\$ (60,619)
Total revenues	<u>299,788</u>	<u>239,169</u>	<u>(60,619)</u>
Expenditures:			
Instruction			
Salaries	86,525	55,000	31,525
Contract services	25,111	24,759	352
Supplies and materials	18,616	12,921	5,695
Total instruction	<u>130,252</u>	<u>92,680</u>	<u>37,572</u>
Support Services			
Salaries	89,165	72,775	16,390
Benefits	12,606	12,287	319
Contract services	118,701	96,950	21,751
Supplies and materials	18,452	13,613	4,839
Equipment	4,031	3,870	161
Total support services	<u>242,955</u>	<u>199,495</u>	<u>43,460</u>
Extracurricular activities			
Contract services	4,000	4,000	-
Total extracurricular activities	<u>4,000</u>	<u>4,000</u>	<u>-</u>
Total expenditures	<u>377,207</u>	<u>296,175</u>	<u>81,032</u>
Deficiency of revenue under expenditures	<u>(77,419)</u>	<u>(57,006)</u>	<u>20,413</u>
Other financing sources (uses):			
Other sources	-	3,355	3,355
Other uses	(710)	-	710
Total other financing sources (uses)	<u>(710)</u>	<u>3,355</u>	<u>4,065</u>
Deficiency of revenues and other sources under expenditures and other uses	(78,129)	(53,651)	24,478
Fund deficit, beginning of year	(25,790)	(25,790)	-
Expenditures against prior year encumbrances	103,917	103,917	-
Fund balance (deficit), end of year	<u>\$ (2)</u>	<u>24,476</u>	<u>\$ 24,478</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -
 Venture Capital Grant Fund
 Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ -	-	\$ -
Total revenues	-	-	-
Expenditures:			
Instruction			
Contract services	281	250	31
Supplies and materials	2,295	2,284	11
Equipment	1,938	1,938	-
Other	1,114	1,114	-
Total instruction	5,628	5,586	42
Total expenditures	5,628	5,586	42
Deficiency of revenue under expenditures	(5,628)	(5,586)	42
Fund balance, beginning of year	38	38	-
Expenditures against prior year encumbrances	5,587	5,587	-
Fund balance (deficit), end of year	\$ (3)	39	\$ 42

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual -
Professional Development Fund
Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 41,467	39,105	\$ (2,362)
Total revenues	<u>41,467</u>	<u>39,105</u>	<u>(2,362)</u>
Expenditures:			
Instruction			
Salaries	23,344	17,788	5,556
Benefits	346	97	249
Contract services	27,194	25,762	1,432
Supplies and materials	1,609	1,609	-
Total instruction	<u>52,493</u>	<u>45,256</u>	<u>7,237</u>
Support Services			
Salaries	639	-	639
Benefits	320	-	320
Contract services	16,476	13,699	2,777
Supplies and materials	236	(84)	320
Total support services	<u>17,671</u>	<u>13,615</u>	<u>4,056</u>
Total expenditures	<u>70,164</u>	<u>58,871</u>	<u>11,293</u>
Deficiency of revenue under expenditures	(28,697)	(19,766)	8,931
Fund balance, beginning of year	11,576	11,576	-
Expenditures against prior year encumbrances	17,124	17,124	-
Fund balance, end of year	<u>\$ 3</u>	<u>8,934</u>	<u>\$ 8,931</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -
 Preschool Grant for the Handicapped Fund
 Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 139,814	106,343	\$ (33,471)
Total revenues	<u>139,814</u>	<u>106,343</u>	<u>(33,471)</u>
Expenditures:			
Instruction			
Contract services	26,217	16,453	9,764
Supplies and materials	18,315	17,135	1,180
Total instruction	<u>44,532</u>	<u>33,588</u>	<u>10,944</u>
Support Services			
Salaries	86,215	85,417	798
Benefits	20,134	20,134	-
Contract services	22,066	18,592	3,474
Supplies and materials	950	675	275
Equipment	4,550	1,265	3,285
Total support services	<u>133,915</u>	<u>126,083</u>	<u>7,832</u>
Total expenditures	<u>178,447</u>	<u>159,671</u>	<u>18,776</u>
Deficiency of revenue under expenditures	(38,633)	(53,328)	(14,695)
Other financing sources:			
Advances / transfer in	-	14,694	14,694
Total other financing sources	<u>-</u>	<u>14,694</u>	<u>14,694</u>
Deficiency of revenue and other sources under expenditures	(38,633)	(38,634)	(1)
Fund balance, beginning of year	17,915	17,915	-
Expenditures against prior year encumbrances	20,718	20,718	-
Fund balance (deficit), end of year	<u>\$ -</u>	<u>(1)</u>	<u>\$ (1)</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual -
Miscellaneous Federal Grants Fund
Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 162,038	82,214	\$ (79,824)
Total revenues	<u>162,038</u>	<u>82,214</u>	<u>(79,824)</u>
Expenditures:			
Instruction			
Salaries	60,001	19,089	40,912
Benefits	28,051	1,079	26,972
Contract services	18,298	1,732	16,566
Total instruction	<u>106,350</u>	<u>21,900</u>	<u>84,450</u>
Support Services			
Salaries	15,465	6,080	9,385
Benefits	1,181	15	1,166
Contract services	26,281	26,206	75
Supplies and materials	7,782	7,566	216
Equipment	24,276	24,276	-
Other	569	569	-
Total support services	<u>75,554</u>	<u>64,712</u>	<u>10,842</u>
Community services			
Other	125	125	-
Total community services	<u>125</u>	<u>125</u>	<u>-</u>
Total expenditures	<u>182,029</u>	<u>86,737</u>	<u>95,292</u>
Deficiency of under expenditures	(19,991)	(4,523)	15,468
Other financing uses:			
Other uses	(200)	(200)	-
Total other financing uses	<u>(200)</u>	<u>(200)</u>	<u>-</u>
Deficiency of revenues and other sources under expenditures and other uses	(20,191)	(4,723)	15,468
Fund balance, beginning of year	10,541	10,541	-
Expenditures against prior year encumbrances	9,650	9,650	-
Fund balance, end of year	<u>\$ -</u>	<u>15,468</u>	<u>\$ 15,468</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -
 Auxiliary Services Fund
 Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Earnings on investments	\$ 817	11,348	\$ 10,531
Intergovernmental	927,179	903,959	(23,220)
Total revenues	<u>927,996</u>	<u>915,307</u>	<u>(12,689)</u>
Expenditures:			
Community service			
Salaries	26,238	20,136	6,102
Contract services	768,213	743,910	24,303
Supplies and materials	227,146	226,179	967
Equipment	14,248	11,633	2,615
Total community service	<u>1,035,845</u>	<u>1,001,858</u>	<u>33,987</u>
Total expenditures	<u>1,035,845</u>	<u>1,001,858</u>	<u>33,987</u>
Deficiency of revenue under expenditures	(107,849)	(86,551)	21,298
Fund balance, beginning of year	4,985	4,985	-
Expenditures against prior year encumbrances	102,865	102,865	-
Fund balance, end of year	<u>\$ 1</u>	<u>21,299</u>	<u>\$ 21,298</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -
 Head Start Disabilities Grant Fund
 Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 10,000	10,000	\$ -
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Support Services			
Benefits	7,983	7,983	-
Contract services	4,913	4,913	-
Supplies and materials	1,056	804	252
Total support services	<u>13,952</u>	<u>13,700</u>	<u>252</u>
Total expenditures	<u>13,952</u>	<u>13,700</u>	<u>252</u>
Deficiency of revenue under expenditures	(3,952)	(3,700)	252
Fund balance, beginning of year	-	-	-
Expenditures against prior year encumbrances	3,952	3,952	-
Fund balance, end of year	<u>\$ -</u>	<u>252</u>	<u>\$ 252</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -
 Textbook Instructional Material Fund
 Year Ended June 30, 2000

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

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -
 SchoolNet Professional Development Fund
 Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ -	-	\$ -
Total revenues	-	-	-
Expenditures:			
Instruction			
Supplies and materials	500	-	500
Total instruction	500	-	500
Total expenditures	500	-	500
Deficiency of revenue under expenditures	(500)	-	500
Fund balance, beginning of year	500	500	-
Expenditures against prior year encumbrances	-	-	-
Fund balance, end of year	\$ -	500	\$ 500

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual -
Title 1 Fund
Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 384,237	297,973	\$ (86,264)
Total revenues	<u>384,237</u>	<u>297,973</u>	<u>(86,264)</u>
Expenditures:			
Instruction			
Salaries	240,709	201,453	39,256
Benefits	89,425	53,692	35,733
Contract services	1,351	450	901
Supplies and materials	2,334	-	2,334
Equipment			-
Total instruction	<u>333,819</u>	<u>255,595</u>	<u>78,224</u>
Support Services			
Salaries	44,997	21,997	23,000
Benefits	3,400	-	3,400
Total support services	<u>48,397</u>	<u>21,997</u>	<u>26,400</u>
Community service			
Salaries	1,762	1,762	-
Benefits	260	247	13
Total community service	<u>2,022</u>	<u>2,009</u>	<u>13</u>
Total expenditures	<u>384,238</u>	<u>279,601</u>	<u>104,637</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(1)</u>	<u>18,372</u>	<u>18,373</u>
Other financing sources (uses):			
Advances / transfers in	16,389	-	(16,389)
Advances / transfers out	<u>(16,389)</u>	<u>(16,389)</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>(16,389)</u>	<u>(16,389)</u>
Excess (deficiency) of revenue and other sources over (under) expenditures and other uses	<u>(1)</u>	<u>1,983</u>	<u>1,984</u>
Fund deficit, beginning of year	(35,201)	(35,201)	-
Expenditures against prior year encumbrances	35,201	35,201	-
Fund balance (deficit), end of year	<u>\$ (1)</u>	<u>1,983</u>	<u>\$ 1,984</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -
 Chapter II Fund
 Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 151,872	61,151	\$ (90,721)
Total revenues	<u>151,872</u>	<u>61,151</u>	<u>(90,721)</u>
Expenditures:			
Instruction			
Salaries	59,231	-	59,231
Total instruction	<u>59,231</u>	<u>-</u>	<u>59,231</u>
Support Services			
Salaries	108,075	3,075	105,000
Benefits	3	3	-
Total support services	<u>108,078</u>	<u>3,078</u>	<u>105,000</u>
Community Service			
Contract services	8,179	3,400	4,779
Supplies and materials	2,904	44	2,860
Equipment	8,448	2,214	6,234
Total community service	<u>19,531</u>	<u>5,658</u>	<u>13,873</u>
Total expenditures	<u>186,840</u>	<u>8,736</u>	<u>178,104</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(34,968)</u>	<u>52,415</u>	<u>87,383</u>
Fund balance, beginning of year	8,668	8,668	-
Expenditures against prior year encumbrances	26,300	26,300	-
Fund balance, end of year	<u>\$ -</u>	<u>87,383</u>	<u>\$ 87,383</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual -
Drug Free School Grant Fund
Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 99,301	61,364	\$ (37,937)
Total revenues	<u>99,301</u>	<u>61,364</u>	<u>(37,937)</u>
Expenditures:			
Instruction			
Salaries	3,989	3,560	429
Benefits	678	137	541
Contract services	6,730	5,632	1,098
Supplies and materials	13,774	501	13,273
Total instruction	<u>25,171</u>	<u>9,830</u>	<u>15,341</u>
Support Services			
Salaries	51,057	51,057	-
Total support services	<u>51,057</u>	<u>51,057</u>	<u>-</u>
Total expenditures	<u>76,228</u>	<u>60,887</u>	<u>15,341</u>
Excess of revenue over expenditures	<u>23,073</u>	<u>477</u>	<u>(22,596)</u>
Other financing sources (uses):			
Advances / transfers in	-	29,371	(29,371)
Advances / transfers out	<u>(23,073)</u>	<u>(23,073)</u>	<u>-</u>
Total other financing sources (uses)	<u>(23,073)</u>	<u>6,298</u>	<u>(29,371)</u>
Excess of revenue and other sources over expenditures and other uses	-	6,775	6,775
Fund deficit, beginning of year	(10,703)	(10,703)	-
Expenditures against prior year encumbrances	10,702	10,702	-
Fund balance (deficit), end of year	<u>\$ (1)</u>	<u>6,774</u>	<u>\$ 6,775</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -
 OhioReads Fund
 Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 48,000	33,000	\$ (15,000)
Total revenues	<u>48,000</u>	<u>33,000</u>	<u>(15,000)</u>
Expenditures:			
Instruction			
Salaries	15,500	14,050	1,450
Benefits	1	1	-
Contract services	6,959	4,000	2,959
Supplies and materials	10,286	10,286	-
Equipment	15,254	9,979	5,275
Total instruction	<u>48,000</u>	<u>38,316</u>	<u>9,684</u>
Total expenditures	<u>48,000</u>	<u>38,316</u>	<u>9,684</u>
Deficiency of revenue under expenditures	<u>-</u>	<u>(5,316)</u>	<u>(5,316)</u>
Other financing sources:			
Advances / transfers in	<u>-</u>	<u>5,400</u>	<u>(5,400)</u>
Total other financing sources	<u>-</u>	<u>5,400</u>	<u>(5,400)</u>
Excess of revenue and other sources over expenditures and other uses	-	84	84
Fund balance, beginning of year	-	-	-
Expenditures against prior year encumbrances	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>84</u>	<u>\$ 84</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -
 E-Rate Reimbursement Fund
 Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 12,125	21,582	\$ 9,457
Total revenues	<u>12,125</u>	<u>21,582</u>	<u>9,457</u>
Expenditures:			
Support Services			
Contract services	11,625	11,625	-
Other	500	500	-
Total support services	<u>12,125</u>	<u>12,125</u>	<u>-</u>
Total expenditures	<u>12,125</u>	<u>12,125</u>	<u>-</u>
Excess of revenue over expenditures	<u>-</u>	<u>9,457</u>	<u>9,457</u>
Fund balance, beginning of year	-	-	-
Expenditures against prior year encumbrances	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>9,457</u>	<u>\$ 9,457</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -
 Network Connectivity Fund
 Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 28,848	28,848	\$ -
Total revenues	<u>28,848</u>	<u>28,848</u>	<u>-</u>
Expenditures:			
Support Services			
Contract services	28,848	28,848	-
Total support services	<u>28,848</u>	<u>28,848</u>	<u>-</u>
Total expenditures	<u>28,848</u>	<u>28,848</u>	<u>-</u>
Excess of revenue over expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	-	-	-
Expenditures against prior year encumbrances	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

DEBT SERVICE FUND

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

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

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Comparative Balance Sheet -
 Debt Service Fund
 June 30, 2000 and 1999

	2000	1999
ASSETS		
Equity in pooled cash and investments	\$ 894,225	\$ 769,833
Taxes receivable - current	1,195,777	1,249,688
Total assets and other debits	2,090,002	2,019,521
LIABILITIES		
Deferred revenue		
Taxes	1,079,216	1,144,838
Total liabilities	1,079,216	1,144,838
FUND BALANCES		
Reserved for debt	1,010,786	874,683
Total fund balances	1,010,786	874,683
Total liabilities and fund equity	\$ 2,090,002	\$ 2,019,521

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Comparative Statements of Revenues, Expenditures and
 Changes in Fund Balances -
 Debt Service Fund
 For The Years Ended June 30, 2000 and 1999

	2000	1999
Revenues		
Taxes	\$ 1,788,958	\$ 1,902,117
Intergovernmental	191,894	213,181
Total revenues	1,980,852	2,115,298
Expenditures		
Current		
Support services		
Fiscal	19,754	28,271
Debt service		
Principal	442,945	483,836
Interest	1,382,050	1,348,204
Total expenditures	1,844,749	1,860,311
Excess of revenues over expenditures	136,103	254,987
Fund balance, beginning of year	874,683	619,696
Fund balance, end of year	\$ 1,010,786	\$ 874,683

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MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

CAPITAL PROJECTS FUNDS

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

Permanent Improvement -- Fund established from revenue received from sale of Board owned property and the transfer of Board funds. One mill permanent improvement levy renewal passed in 1993 began to generate funds for this District starting in 1994 and will continue for 5 years. The funds will be used for acquisition, construction or improvement of the District's facilities.

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

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

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

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MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Combining Balance Sheet -
All Capital Project Funds
June 30, 2000
(With Comparative Totals for 1999)

	PERMANENT IMPROVEMENT FUND	BUILDING FUND	REPLACEMENT FUND	SCHOOLNET PLUS FUND	2000 TOTALS	1999 TOTALS
ASSETS						
Equity in pooled cash and investments	\$ 227,521	30	27	62,371	\$ 289,949	\$ 451,017
Taxes receivable - current	922,571	-	-	-	922,571	903,344
Accounts receivable	-	-	-	-	-	3,672
Total assets	<u>1,150,092</u>	<u>30</u>	<u>27</u>	<u>62,371</u>	<u>1,212,520</u>	<u>1,358,033</u>
LIABILITIES						
Accounts payable	45,196	-	-	1,301	46,497	25,144
Due to other funds	186,000	-	-	-	186,000	-
Bond anticipation notes	-	1,250,000	-	-	1,250,000	1,500,000
Deferred revenue						
Taxes	845,345	-	-	-	845,345	843,818
Other	-	-	-	-	-	3,672
Total liabilities	<u>1,076,541</u>	<u>1,250,000</u>	<u>-</u>	<u>1,301</u>	<u>2,327,842</u>	<u>2,372,634</u>
FUND BALANCES						
Reserved for encumbrances	181,451	1,250,000	-	10,071	1,441,522	1,902,929
Unreserved-undesignated	(107,900)	(2,499,970)	27	50,999	(2,556,844)	(2,917,530)
Total fund balances (deficits)	<u>73,551</u>	<u>(1,249,970)</u>	<u>27</u>	<u>61,070</u>	<u>(1,115,322)</u>	<u>(1,014,601)</u>
Total liabilities and fund balances	<u>\$ 1,150,092</u>	<u>30</u>	<u>27</u>	<u>62,371</u>	<u>\$ 1,212,520</u>	<u>\$ 1,358,033</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
 All Capital Project Funds
 Year Ended June 30, 2000
 (With Comparative Totals for 1999)

	PERMANENT IMPROVEMENT FUND	BUILDING FUND	REPLACEMENT FUND	SCHOOLNET PLUS FUND	2000 TOTALS	1999 TOTALS
Revenues:						
Taxes	\$ 985,206	-	-	-	\$ 985,206	\$ 920,159
Earnings on investments	6,988	-	-	-	6,988	10,789
Intergovernmental	95,744	-	-	-	95,744	1,126,036
Miscellaneous revenue	22,862	-	-	-	22,862	15,388
Total revenues	<u>1,110,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,110,800</u>	<u>2,072,372</u>
Expenditures:						
Current						
Instruction	42,236	-	-	10,649	52,885	990,919
Support services						
Pupil	23,062	-	-	-	23,062	9,077
Administration	2,354	-	-	-	2,354	-
Fiscal	11,588	-	-	-	11,588	13,839
Operation and maintenance of plant	1,291,760	-	-	-	1,291,760	736,310
Pupil transportation	76,500	-	4,419	-	80,919	46,951
Central	-	-	-	-	-	17,881
Food service	222	-	-	-	222	22,950
Capital outlay	-	-	-	-	-	75,700
Total expenditures	<u>1,447,722</u>	<u>-</u>	<u>4,419</u>	<u>10,649</u>	<u>1,462,790</u>	<u>1,913,627</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(336,922)</u>	<u>-</u>	<u>(4,419)</u>	<u>(10,649)</u>	<u>(351,990)</u>	<u>158,745</u>
Other financing sources						
Operating transfers in	-	250,000	-	-	250,000	406,913
Sale of assets	1,269	-	-	-	1,269	58,968
Total other financing sources	<u>1,269</u>	<u>250,000</u>	<u>-</u>	<u>-</u>	<u>251,269</u>	<u>465,881</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>(335,653)</u>	<u>250,000</u>	<u>(4,419)</u>	<u>(10,649)</u>	<u>(100,721)</u>	<u>624,626</u>
Fund balance (deficit), beginning of year	409,204	(1,499,970)	4,446	71,719	(1,014,601)	(1,639,227)
Fund balance (deficit), end of year	<u>\$ 73,551</u>	<u>(1,249,970)</u>	<u>27</u>	<u>61,070</u>	<u>\$ (1,115,322)</u>	<u>\$ (1,014,601)</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -
 Permanent Improvement Fund
 Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 967,506	967,506	\$ -
Earnings on investments	50,018	6,988	(43,030)
Intergovernmental	95,744	95,744	-
Miscellaneous revenue	260,255	24,131	(236,124)
Total revenues	1,373,523	1,094,369	(279,154)
Expenditures:			
Current:			
Instruction	98,420	44,688	53,732
Support services:			
Pupil	23,241	23,241	-
Administration	2,359	2,354	5
Fiscal	11,588	11,588	-
Operation and maintenance of plant	1,511,538	1,472,117	39,421
Pupil transportation	76,500	76,500	-
Central	24,475	24,475	-
Community services	222	222	-
Total expenditures	1,748,343	1,655,185	93,158
Deficiency of revenue under expenditures	(374,820)	(560,816)	(185,996)
Other financing sources:			
Advances / transfers in	-	186,000	186,000
Total other financing sources	-	186,000	186,000
Deficiency of revenue and other sources under expenditures and other uses	(374,820)	(374,816)	4
Fund deficit, beginning of year	(41,221)	(41,221)	-
Expenditures against prior year encumbrances	416,041	416,041	-
Fund balance, end of year	\$ -	4	\$ 4

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -
 Building Fund
 Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Earnings on investments	\$ -	-	\$ -
Miscellaneous revenue	-	-	-
Total revenues	-	-	-
Expenditures:			
Current:			
Support service	6	-	6
Extracurricular activities	25	-	25
Total expenditures	31	-	31
Deficiency of revenue under expenditures	(31)	-	31
Fund balance, beginning of year	27	27	-
Expenditures against prior year encumbrances	-	-	-
Fund balance (deficit), end of year	\$ (4)	27	\$ 31

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -
 Replacement Fund
 Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Earnings on investments	\$ -	-	\$ -
Miscellaneous revenue	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:			
Current			
Support services			
Pupil transportation	4,446	4,419	27
Total Expenditures	<u>4,446</u>	<u>4,419</u>	<u>27</u>
Deficiency of revenue under expenditures	(4,446)	(4,419)	(27)
Fund balance, beginning of year	28	28	-
Expenditures against prior year encumbrances	4,419	4,419	-
Fund balance, end of year	<u>\$ 1</u>	<u>28</u>	<u>\$ (27)</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Schedule of Revenues, Expenditures, and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual -
 Schoolnet Plus Fund
 Year Ended June 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ 10	-	\$ (10)
Total revenues	<u>10</u>	<u>-</u>	<u>(10)</u>
Expenditures:			
Current:			
Instruction	71,729	20,714	51,015
Total expenditures	<u>71,729</u>	<u>20,714</u>	<u>51,015</u>
Deficiency of revenue over expenditures	(71,719)	(20,714)	51,005
Fund balance, beginning of year	59,687	59,687	-
Expenditures against prior year encumbrances	12,032	12,032	-
Fund balance, end of year	<u>\$ -</u>	<u>51,005</u>	<u>\$ 51,005</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

ENTERPRISE FUNDS

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

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

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

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

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

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

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MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Combining Balance Sheet -
All Enterprise Funds
June 30, 2000
(With Comparative Totals for 1999)

	<u>FOOD SERVICE</u>	<u>UNIFORM SUPPLY</u>	<u>ROTARY</u>	<u>ADULT EDUCATION</u>	<u>RECREATION FUND</u>	<u>2000 TOTALS</u>	<u>1999 TOTALS</u>
ASSETS							
Equity in pooled cash and investments	\$ 663,514	94,508	80,194	4,651	18,095	\$ 860,962	\$ 700,214
Accounts receivable	72,746	-	-	-	-	72,746	75,217
Materials and supplies inventories	55,172	-	-	-	-	55,172	53,248
Fixed assets, net of accumulated depreciation	158,617	-	-	-	3,710	162,327	174,515
Total assets	<u>950,049</u>	<u>94,508</u>	<u>80,194</u>	<u>4,651</u>	<u>21,805</u>	<u>1,151,207</u>	<u>1,003,194</u>
LIABILITIES							
Accounts payable	56,555	6,241	2,988	48	-	65,832	12,178
Accrued wages and benefits	106,223	-	54,000	6,244	-	166,467	92,056
Due to other funds	-	29,000	-	-	41,146	70,146	-
Due to other governments	32,517	1,063	-	-	(723)	32,857	33,086
Total liabilities	<u>195,295</u>	<u>36,304</u>	<u>56,988</u>	<u>6,292</u>	<u>40,423</u>	<u>335,302</u>	<u>137,320</u>
FUND EQUITY							
Retained earnings (deficit) - unreserved	<u>754,754</u>	<u>58,204</u>	<u>23,206</u>	<u>(1,641)</u>	<u>(18,618)</u>	815,905	865,874
Total fund equity	<u>754,754</u>	<u>58,204</u>	<u>23,206</u>	<u>(1,641)</u>	<u>(18,618)</u>	815,905	865,874
Total liabilities and fund equity	<u>\$ 950,049</u>	<u>94,508</u>	<u>80,194</u>	<u>4,651</u>	<u>21,805</u>	<u>\$ 1,151,207</u>	<u>\$ 1,003,194</u>

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MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 Combining Statement of Revenues, Expenses, and Changes in Retained Earnings -
 All Enterprise Funds
 Year Ended June 30, 2000
 (With Comparative Totals for 1999)

	<u>FOOD SERVICE</u>	<u>UNIFORM SCHOOL SUPPLY</u>	<u>ROTARY</u>	<u>ADULT EDUCATION</u>	<u>RECREATION FUND</u>	<u>2000 TOTALS</u>	<u>1999 TOTALS</u>
Operating revenues							
Tuition and fees	\$ -	288,664	120,380	9,915	-	\$ 418,959	\$ 420,896
Sales	1,741,978	-	-	-	-	1,741,978	1,588,113
Charges for services	-	34,223	-	-	240,342	274,565	262,474
Total operating revenues	<u>1,741,978</u>	<u>322,887</u>	<u>120,380</u>	<u>9,915</u>	<u>240,342</u>	<u>2,435,502</u>	<u>2,271,483</u>
Operating expenses							
Salaries and wages	711,924	-	113,114	12,026	-	837,064	740,034
Fringe benefits	337,589	-	24,975	2,068	-	364,632	315,919
Contractual services	57,551	-	5,692	8,669	284,381	356,293	245,325
Materials and supplies	1,042,107	396,825	2,884	1,202	3,698	1,446,716	1,279,138
Other expenses	-	1,965	21,748	-	2,685	26,398	19,361
Depreciation	26,013	-	-	-	624	26,637	25,946
Total operating expenses	<u>2,175,184</u>	<u>398,790</u>	<u>168,413</u>	<u>23,965</u>	<u>291,388</u>	<u>3,057,740</u>	<u>2,625,723</u>
Operating gain (loss)	(433,206)	(75,903)	(48,033)	(14,050)	(51,046)	(622,238)	(354,240)
Non-operating revenues (expenses)							
Grant revenue	430,580	-	-	-	-	430,580	411,733
Interest	29,801	-	-	-	-	29,801	24,012
Gain on sale of assets	1,600	-	-	-	-	1,600	-
Total non-operating revenues	<u>461,981</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>461,981</u>	<u>435,745</u>
Net gain (loss) before operating transfers	28,775	(75,903)	(48,033)	(14,050)	(51,046)	(160,257)	81,505
Operating transfer-in	-	100,000	-	10,288	-	110,288	36,869
Net income (loss)	28,775	24,097	(48,033)	(3,762)	(51,046)	(49,969)	118,374
Retained earnings beginning of year	725,979	34,107	71,239	2,121	32,428	865,874	747,500
Retained earnings (deficit) end of year	<u>\$ 754,754</u>	<u>58,204</u>	<u>23,206</u>	<u>(1,641)</u>	<u>(18,618)</u>	<u>\$ 815,905</u>	<u>\$ 865,874</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 COMBINING STATEMENT OF CASH FLOWS -
 All Enterprise Funds
 For The Year Ended June 30, 2000
 (With Comparative Totals for 1999)

	<u>FOOD SERVICE</u>	<u>UNIFORM SUPPLY</u>	<u>ROTARY</u>	<u>ADULT EDUCATION</u>	<u>RECREATION FUND</u>	<u>2000 TOTALS</u>	<u>1999 TOTALS</u>
Cash flows from operating activities:							
Operating (loss)	\$ (433,206)	(75,903)	(48,033)	(14,050)	(51,046)	\$ (622,238)	\$ (354,240)
Adjustments to reconcile operating (loss) to net cash provided by (used in) operating activities:							
Depreciation	26,013	-	-	-	624	26,637	25,946
(Increase) decrease in:							
Accounts receivable	815	-	-	1,656	-	2,471	(10,145)
Due from other funds	-	-	-	-	-	-	21,483
Materials and supplies inventory	(1,924)	-	-	-	-	(1,924)	9,589
Increase (decrease) in:							
Accounts payable	56,555	302	1,273	(443)	(4,033)	53,654	5,794
Accrued wages and benefits	17,710	-	54,000	2,701	-	74,411	(28,790)
Due to other governments	35	1,063	-	-	(1,327)	(229)	(19,158)
Due to other funds	-	29,000	-	-	41,146	70,146	(21,483)
Total adjustments	99,204	30,365	55,273	3,914	36,410	225,166	(16,764)
Net cash provided by (used in) operating activities	(334,002)	(45,538)	7,240	(10,136)	(14,636)	(397,072)	(371,004)
Cash flows from noncapital financing activities:							
Operating grants received	430,580	-	-	-	-	430,580	411,733
Operating transfers - in	-	100,000	-	10,288	-	110,288	36,869
Gain on sale of assets	1,600	-	-	-	-	1,600	-
Net cash provided by noncapital financing activities	432,180	100,000	-	10,288	-	542,468	448,602
Cash flows from capital and related financing activities:							
Acquisition and construction of capital assets	(14,449)	-	-	-	-	(14,449)	(59,689)
Cash flows from investing activities:							
Interest received	29,801	-	-	-	-	29,801	24,012
Net increase (decrease) in cash and cash equivalents	113,530	54,462	7,240	152	(14,636)	160,748	41,921
Cash and cash equivalents at beginning of year	549,984	40,046	72,954	4,499	32,731	700,214	658,293
Cash and cash equivalents at end of year	\$ 663,514	94,508	80,194	4,651	18,095	\$ 860,962	\$ 700,214

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

INTERNAL SERVICE FUND

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

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

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Comparative Balance Sheet -
Internal Service Fund
June 30, 2000 and 1999

	2000	1999
ASSETS		
Accounts receivable	\$ 3,332	\$ 123,680
Due from other funds	1,001,073	1,001,073
Due from other governments	1,652,080	1,258,677
Fixed assets net of accumulated depreciation	112,389	111,212
Total assets	\$ 2,768,874	\$ 2,494,642
LIABILITIES		
Accounts payable	\$ 37,189	\$ 23,368
Accrued wages and benefits	256,841	242,708
Pension obligation payable	10,118	4,979
Due to other governments	88	7,271
Due to other funds	1,536,158	957,412
Total liabilities	1,840,394	1,235,738
FUND EQUITY		
Retained earnings	928,480	1,258,904
Total fund equity	928,480	1,258,904
Total liabilities and fund equity	\$ 2,768,874	\$ 2,494,642

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Comparative Statements of Revenues, Expenses and Changes
in Retained Earnings -
Internal Service Fund
For The Years Ended June 30, 2000 and 1999

	2000	1999
Operating revenues		
Tuition and fees	\$ 2,201,630	\$ 2,539,061
Sales	323,180	338,234
Charges for services	711,745	644,388
Total operating revenues	3,236,555	3,521,683
Operating expenses		
Salaries and wages	1,845,624	1,664,034
Fringe benefits	525,717	493,980
Contractual services	1,468,440	224,044
Materials and supplies	241,966	135,867
Other expenses	287,913	351,997
Depreciation	21,102	19,365
Total operating expenses	4,390,762	2,889,287
Operating gain (loss)	(1,154,207)	632,396
Non-operating revenues		
Grant revenue	85,547	72,377
Earnings on investments	528	432
Total non-operating revenues	86,075	72,809
Net gain (loss) before operating transfers	(1,068,132)	705,205
Operating transfers in	738,208	1,035,693
Operating transfers out	(500)	-
Net income (loss)	(330,424)	1,740,898
Retained earnings beginning of year	1,258,904	(481,994)
Retained earnings, end of year	\$ 928,480	\$ 1,258,904

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Comparative Statement of Cash Flows -
Internal Service Fund
For The Year Ended June 30, 2000 and 1999

	2000	1999
Cash flows from operating activities:		
Operating gain (loss)	\$ (1,154,207)	\$ 632,396
Adjustments to reconcile operating gain (loss) to net cash used in operating activities:		
Depreciation	21,102	19,365
(Increase) decrease in:		
Accounts receivable	120,348	(96,931)
Due from other governments	(393,403)	132,171
Increase (decrease) in:		
Accounts payable	13,821	18,496
Accrued wages and benefits	14,133	(67,017)
Pension obligation payable	5,139	(3,424)
Due to other governments	(7,183)	(1,386,173)
Due to other funds	578,746	(344,930)
Total adjustments	352,703	(1,728,443)
Net cash used in operating activities	(801,504)	(1,096,047)
Cash flows from noncapital financing activities:		
Operating grants received	85,547	72,377
Operating transfers-in	738,208	1,035,693
Operating transfers-out	(500)	-
Net cash provided by noncapital financing activities	823,255	1,108,070
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(22,279)	(12,455)
Cash flows from investing activities:		
Interest received	528	432
Net decrease in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of year	-	-
Cash and cash equivalents at end of year	\$ -	\$ -

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

FIDUCIARY FUNDS

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

Expendable Trust Fund

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

Agency Funds

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

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

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Combining Balance Sheet -
All Expendable Trust and Agency Funds
June 30, 2000
(With Comparative Totals for 1999)

	AGENCY FUNDS				
	SPECIAL TRUST FUNDS	STUDENT ACTIVITY FUNDS	EMPLOYEE BENEFITS	2000 TOTALS	1999 TOTALS
ASSETS					
Equity in pooled cash and investments	\$ 249,206	341,514	4,354,667	\$ 4,945,387	\$ 4,298,291
Total assets	249,206	341,514	4,354,667	4,945,387	4,298,291
LIABILITIES					
Accounts payable	13,983	22,170	-	36,153	46,460
Due to other governments	1,064	-	1,687,419	1,688,483	1,711,523
Due to other funds	-	-	1,302,500	1,302,500	1,157,779
Due to students	-	319,344	-	319,344	361,800
Claims payable	-	-	1,364,748	1,364,748	850,601
Total liabilities	15,047	341,514	4,354,667	4,711,228	4,128,163
FUND EQUITY					
Fund balances					
Reserved for encumbrances	50,356	-	-	50,356	46,026
Unreserved - undesignated	183,803	-	-	183,803	124,102
Total fund balances	234,159	-	-	234,159	170,128
Total liabilities and fund balances	\$ 249,206	341,514	4,354,667	\$ 4,945,387	\$ 4,298,291

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Comparative Statements of Revenues, Expenditures and
Changes in Fund Balances -
Expendable Trust Fund
For The Fiscal Years Ended June 30, 2000 and 1999

	2000	1999
Revenues		
Earnings on investments	\$ 637	\$ 82
Sales	105,270	103,067
Extracurricular activities	18,873	30,492
Contributions	190,893	160,925
Total revenues	315,673	294,566
Expenditures		
Current		
Instruction	76,639	132,705
Support services		
Pupil	11,475	5,155
Instructional staff	30,879	13,881
Administration	3,974	3,630
Central	47,062	70,529
Food service operation	77,399	76,603
Community services	-	-
Extracurricular activities	14,329	14,886
Total expenditures	261,757	317,389
Excess (deficiency) of revenues over (under) expenditures	53,916	(22,823)
Other financing sources (uses)		
Refund of prior year expenditure	11,059	-
Refund of prior year receipt	(944)	-
Total other financing sources (uses)	10,115	-
Excess (deficiency) of revenue and other sources over (under) expenditures and other uses	64,031	(22,823)
Fund balance, beginning of year	170,128	192,951
Fund balance, end of year	\$ 234,159	\$ 170,128

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Combining Statement of Changes in Assets and Liabilities -
Agency Fund
For The Year Ended June 30, 2000

	Beginning Balance 07/01/99	Additions	Deletions	Ending Balance 06/30/00
STUDENT ACTIVITY FUNDS				
ASSETS				
Equity in pooled cash and investments	\$ 379,691	910,447	948,624	\$ 341,514
Total assets	<u>\$ 379,691</u>	<u>910,447</u>	<u>948,624</u>	<u>\$ 341,514</u>
LIABILITIES				
Accounts payable	\$ 17,366	22,170	17,366	\$ 22,170
Due to other governments	525	-	525	-
Due to students	361,800	888,277	930,733	319,344
Total liabilities	<u>\$ 379,691</u>	<u>910,447</u>	<u>948,624</u>	<u>\$ 341,514</u>
EMPLOYEE BENEFITS FUNDS				
ASSETS				
Equity in pooled cash and investments	\$ 3,735,433	13,559,366	12,940,132	\$ 4,354,667
Total assets	<u>\$ 3,735,433</u>	<u>13,559,366</u>	<u>12,940,132</u>	<u>\$ 4,354,667</u>
LIABILITIES				
Accounts payable	\$ 16,055	-	16,055	\$ -
Due to other governments	1,710,998	1,687,419	1,710,998	1,687,419
Due to other funds	1,157,779	1,302,500	1,157,779	1,302,500
Claims payable	850,601	10,569,447	10,055,300	1,364,748
Total liabilities	<u>\$ 3,735,433</u>	<u>13,559,366</u>	<u>12,940,132</u>	<u>\$ 4,354,667</u>
ALL AGENCY FUNDS				
ASSETS				
Equity in pooled cash and investments	\$ 4,115,124	14,469,813	13,888,756	\$ 4,696,181
Total assets	<u>\$ 4,115,124</u>	<u>14,469,813</u>	<u>13,888,756</u>	<u>\$ 4,696,181</u>
LIABILITIES				
Accounts payable	\$ 33,421	22,170	33,421	\$ 22,170
Due to students	361,800	888,277	930,733	319,344
Due to other governments	1,711,523	1,687,419	1,711,523	1,687,419
Due to other funds	1,157,779	1,302,500	1,157,779	1,302,500
Claims payable	850,601	10,569,447	10,055,300	1,364,748
Total liabilities	<u>\$ 4,115,124</u>	<u>14,469,813</u>	<u>13,888,756</u>	<u>\$ 4,696,181</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

GENERAL FIXED ASSETS ACCOUNT GROUP

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

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 SCHEDULE OF GENERAL FIXED ASSETS
 BY FUNCTION AND TYPE
 JUNE 30, 2000

<u>Function</u>	<u>Land and Improvements</u>	<u>Buildings</u>	<u>Vehicles</u>	<u>Furniture and Equipment</u>	<u>Total</u>
Instruction	\$ 725,721	29,222,278	-	11,936,960	\$ 41,884,959
Support Services:					
Administration	-	471,425	-	1,651,949	2,123,374
Operations and maintenance of plant services	-	882,333	-	1,039,131	1,921,464
Pupil transportation	-	1,106,212	4,264,371	475,990	5,846,573
Extracurricular activities	-	1,592,408	-	130,859	1,723,267
Total general fixed assets	<u>\$ 725,721</u>	<u>33,274,656</u>	<u>4,264,371</u>	<u>15,234,889</u>	<u>\$ 53,499,637</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
 BY FUNCTION
 FOR THE YEAR ENDED
 JUNE 30, 2000

<u>Function</u>	General Fixed Assets June 30, 1999	Increases	Decreases	General Fixed Assets June 30, 2000
Instruction	\$ 41,490,788	402,501	8,330	\$ 41,884,959
Support Services:				
Administration	2,119,859	5,665	2,150	2,123,374
Operations and maintenance of plant services	1,364,590	659,965	103,091	1,921,464
Pupil transportation	5,676,678	287,486	117,591	5,846,573
Extracurricular activities	1,644,142	79,125	-	1,723,267
Total general fixed assets	<u>\$ 52,296,057</u>	<u>1,434,742</u>	<u>231,162</u>	<u>\$ 53,499,637</u>

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
 SCHEDULE OF CHANGES IN GENERAL
 FIXED ASSETS BY SOURCE
 JUNE 30, 2000

General fixed assets		
Land and improvements	\$	725,721
Buildings		33,274,656
Vehicles		4,264,371
Furniture and equipment		15,234,889
Total general fixed assets	<u>\$</u>	<u>53,499,637</u>
Investments in general fixed assets from acquisitions during 1999 - 00		
General Fund	\$	401,688
Capital Projects Funds		850,826
Special Revenue Funds		169,784
Expendable Trust Funds		<u>12,444</u>
		1,434,742
Acquisitions prior to June 30, 1999		52,296,057
Less: removals 1999 - 00		231,162
Total investment in general fixed assets	<u>\$</u>	<u>53,499,637</u>

**STATISTICAL
SECTION**

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

Year Ended June 30

	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
Expenditures										
Instructional Staff	\$ 49,888,750	\$ 48,814,644	\$ 44,379,280	\$ 42,461,201	\$ 39,730,709	\$ 40,127,479	\$ 37,298,342	\$ 35,045,654	\$ 36,134,601	\$ 33,355,407
Board of Education Services	501,619	452,184	443,515	502,075	477,207	469,059	449,744	450,975	466,773	436,659
Administration Services	3,993,159	4,286,549	3,987,373	3,810,039	3,133,921	3,753,592	3,595,948	3,321,249	3,128,912	3,148,265
Fiscal Services	1,604,864	1,540,286	1,321,966	1,117,029	1,126,747	1,060,877	1,123,693	948,008	1,109,226	1,040,876
Business Services	518,860	496,820	464,579	461,529	496,366	616,370	530,293	520,844	392,389	376,141
Operation & Maintenance	6,740,570	6,397,565	6,471,654	5,660,774	5,576,331	5,754,487	5,744,015	5,290,001	5,182,327	4,968,909
Pupil Transportation	4,002,300	4,009,118	3,450,259	3,118,878	3,042,095	3,398,761	2,907,777	2,566,657	3,044,327	2,596,875
Central Support Services	670,483	683,873	865,654	485,377	410,800	472,296	408,974	310,236	453,505	480,459
Community Services	75,307	70,978	66,874	74,449	61,582	56,768	55,670	10,727	8,718	8,408
Extracurricular Activities	906,986	1,020,920	924,638	866,678	854,019	809,438	766,229	701,849	681,290	630,206
Capital Outlay	200,667	362,235	780,865	-	-	-	-	-	-	-
Non-Program Services	50,418	68,933	84,764	101,814	187,918	104,031	-	-	-	-
Facilities Acquisition	-	-	-	-	-	-	-	-	-	11,181
Transfers	1,230,620	1,549,475	1,475,738	1,469,290	1,212,210	1,077,207	4,478,305	613,713	425,922	122,516
Total Expenditures	<u>\$ 70,384,603</u>	<u>\$ 69,753,580</u>	<u>\$ 64,717,159</u>	<u>\$ 60,129,133</u>	<u>\$ 56,309,905</u>	<u>\$ 57,700,365</u>	<u>\$ 57,358,990</u>	<u>\$ 49,779,913</u>	<u>\$ 51,027,990</u>	<u>\$ 47,175,902</u>

SOURCE: School District Financial Records

(1) 2000, 1999, 1998, 1997, 1996, 1995, 1994, 1993, 1992 and 1991 on GAAP basis

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

Year Ended June 30

	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
Taxes	\$ 50,357,441	\$ 46,881,050	\$ 46,071,361	\$ 41,147,629	\$ 37,356,211	\$ 38,288,012	\$ 35,812,618	\$ 32,178,444	\$ 30,127,019	\$ 28,645,292
Tuition and fees	206,366	163,254	194,011	190,352	190,745	44,966	125,717	800,271	890,271	625,430
Earnings on investments	701,218	562,731	408,005	247,071	231,226	206,453	154,549	137,264	137,395	270,535
Intergovernmental	21,367,997	21,390,073	20,330,654	18,699,863	19,160,209	18,787,128	17,694,705	16,999,131	16,068,294	16,349,584
Sale of notes	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenue from local sources	280,673	504,318	801,218	308,016	438,064	269,826	407,034	662,745	99,778	389,764
Sale of Assets	10,787	10,163	15,664	14,038	8,994	-	-	-	-	-
Other financing sources	-	-	-	-	-	-	11,413	7,566	38,086	114,046
TOTAL	\$ 72,924,482	\$ 69,511,589	\$ 67,820,913	\$ 60,606,969	\$ 57,385,449	\$ 57,596,385	\$ 54,206,036	\$ 50,785,421	\$ 47,360,843	\$ 46,394,651

Source: School Districts Financial Records

(1) 2000, 1999, 1998, 1997, 1996, 1995, 1994, 1993, 1992 and 1991 GAAP basis

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
Property Tax Levies and Collections
Real and Public Utility Taxes (1)
Last Ten Calendar Years
(Unaudited)

Collection Year	Current Levy (2)	Current Tax Collections	Percent Collected	Delinquent Tax Collections	Delinquent Taxes As A Percent Of Collected
1999	\$ 53,396,208	\$ 51,851,095	97.11	\$ 984,798	1.90
1998	49,280,143	48,117,168	97.64	713,885	1.48
1997	48,182,502	47,087,957	97.73	812,475	1.73
1996	41,817,576	41,035,082	98.13	1,114,221	2.72
1995	36,418,241	35,525,994	97.55	892,247	2.52
1994	34,816,674	33,859,457	97.26	957,217	2.83
1993	32,217,145	30,516,014	94.72	1,894,365	6.21
1992	31,992,656	31,613,349	98.81	735,433	2.33
1991	25,738,767	24,094,060	93.61	897,171	3.72
1990	24,705,101	23,425,377	94.82	685,445	2.93

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

- (1) Excludes Homestead / Rollback Taxes assessed locally but distributed through the State and reported as intergovernmental revenues.
- (2) 1992 increase due to the passage of a 4.9 mill operating levy
1993 increase the result of collection efforts by the County Treasurer
1996 increase due to the growth of the tax duplicate
1997 increase due to the passage of a 4.5 mill operating levy

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

Tax Year/ Collection Year	Agricultural & Residential Real Estate	Other Real Estate	Public Utility Personal	Tangible Personal	Total Assessed Valuation	Estimated Actual Value	Ratio
1999 / 2000	\$ 939,282,020	\$ 289,716,690	\$ 53,714,800	\$ 175,243,944	\$ 1,457,957,454	\$ 5,000,794,067	29.15
1998 / 1999	921,590,470	286,149,770	57,296,770	156,299,500	1,421,336,510	4,133,196,170	34.39
1997 / 1998	908,504,040	271,254,030	55,926,310	151,200,048	1,386,884,428	4,005,621,308	34.62
1996 / 1997	767,359,710	250,903,590	57,392,890	144,752,054	1,220,408,244	3,505,681,780	34.81
1995 / 1996	753,671,650	236,676,120	57,895,210	127,189,351	1,175,432,331	3,396,274,262	34.61
1994 / 1995	736,052,460	221,889,530	60,700,710	115,665,542	1,134,308,242	3,260,394,732	34.79
1993 / 1994	641,916,770	205,011,690	59,894,180	105,566,298	1,012,388,938	2,904,215,241	34.86
1992 / 1993	623,045,220	202,259,250	59,894,180	104,610,936	989,809,586	2,837,058,099	34.89
1991 / 1992	603,879,710	202,243,530	59,002,850	106,670,224	971,796,314	2,773,263,422	35.04
1990 / 1991	526,320,140	189,704,060	54,451,130	101,680,015	872,155,345	2,463,418,385	35.40

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

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

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

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

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

Tax Year/ Collection Year	Concord Township	City of Mentor	City of Willoughby	Mentor-on- the-Lake	Village Of Kirkland Hills	Chardon Township (a)	School	Debt Service Included in Total Levy		Total
								Lake County	Cuyahoga County	
1999 / 2000	Municipality/Township	9.40	4.50	7.19	24.00	23.00	7.70			
	School	66.87	66.87	66.87	66.87	66.87	66.87			
	Liberty District	0.63	0.63	0.63	0.63	0.63	0.63			
	County	15.70	15.70	15.70	15.70	15.70	15.70	1.17	0.00	0.00
TOTAL	92.60	87.70	90.39	107.20	106.20	84.70				
1998 / 1999	Municipality/Township	9.40	4.50	7.19	24.00	23.00	7.70			
	School	67.21	67.21	67.21	67.21	67.21	67.21			
	Liberty District	0.63	0.63	0.63	0.63	0.63	0.63			
	County	15.60	15.60	15.60	15.60	15.60	15.60	1.51	0.00	0.00
TOTAL	92.84	87.94	90.63	107.44	106.44	85.04				
1997 / 1998	Municipality/Township	9.40	6.00	6.29	24.00	23.00	7.70			
	School	67.21	67.21	67.21	67.21	67.21	67.21			
	Liberty District	0.50	0.50	0.50	0.50	0.50	0.50			
	County	14.10	14.10	14.10	14.10	14.10	14.10	1.51	0.00	0.00
TOTAL	91.21	87.81	88.10	105.81	104.81	84.91				
1996 / 1997	Municipality/Township	9.40	6.05	6.55	24.00	23.00	7.70			
	School	67.45	67.45	67.45	67.45	67.45	67.45			
	Liberty District	0.50	0.50	0.50	0.50	0.50	0.50			
	County	14.00	14.00	14.00	14.00	14.00	14.00	1.75	0.00	0.00
TOTAL	91.35	88.00	88.50	105.95	104.95	85.35				
1995 / 1996	Municipality/Township	9.40	6.05	6.55	19.50	23.00	7.70			
	School	62.95	62.95	62.95	62.95	62.95	62.95			
	Liberty District	0.50	0.50	0.50	0.50	0.50	0.50			
	County	14.00	14.00	14.00	14.00	14.00	14.00	1.75	0.00	0.00
TOTAL	86.85	83.50	84.00	96.95	100.45	80.85				
1994 / 1995	Municipality/Township	9.40	6.10	6.55	19.50	23.00	7.70			
	School	62.95	62.95	62.95	62.95	62.95	62.95			
	Liberty District	0.50	0.50	0.50	0.50	0.50	0.50			
	County	14.00	14.00	14.00	14.00	14.00	14.00	1.75	0.00	0.00
TOTAL	86.85	83.55	84.00	96.95	100.45	80.14				
1993 / 1994	Municipality/Township	9.40	6.15	6.55	19.50	23.00	7.70			
	School	63.24	63.24	63.24	63.24	63.24	63.24			
	Liberty District	0.50	0.50	0.50	0.50	0.50	0.50			
	County	13.90	13.90	13.90	13.90	13.90	13.90	2.04	0.00	0.00
TOTAL	87.04	83.79	84.19	97.14	100.64	80.14				
1992 / 1993	Municipality/Township	9.40	6.10	6.55	19.50	23.00	7.70			
	School	63.24	63.24	63.24	63.24	63.24	63.24			
	Liberty District	0.50	0.50	0.50	0.50	0.50	0.50			
	County	13.90	13.90	13.90	13.90	13.90	13.90	2.04	0.00	0.00
TOTAL	87.04	83.74	84.19	97.14	100.64	80.14				
1991 / 1992	Municipality/Township	7.00	6.40	6.55	19.60	23.00	7.70			
	School	58.81	58.81	58.81	58.81	58.81	58.81			
	Liberty District	0.50	0.50	0.50	0.50	0.50	0.50			
	County	12.70	12.70	12.70	12.70	12.70	12.70	2.51	0.00	0.00
TOTAL	79.01	78.41	78.56	91.61	95.01	75.86				
1990 / 1991	Municipality/Township	7.30	6.40	6.55	19.70	13.00	7.70			
	School	57.99	57.99	57.99	57.99	57.99	57.99			
	Liberty District	0.50	0.50	0.50	0.50	0.50	0.50			
	County	12.70	12.70	12.70	12.70	12.70	12.70	1.69	0.00	0.00
TOTAL	78.49	77.59	77.74	90.89	84.19	77.04				

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

(a) Located in Geauga County

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

Year	Gross General Bonded Debt	Less Debt Service Fund	Net General Bonded Debt	Assessed Value	Population (1)	Ratio of Net Debt to Assessed Value	Net Debt Per Capita
2000	\$ 13,732,906	\$ 1,010,786	\$ 12,722,120	\$ 1,457,957,454	56,889	0.87%	\$ 224
1999	14,175,851	874,683	13,301,168	1,421,336,510	58,026	0.94%	229
1998	14,659,687	619,696	14,039,991	1,386,884,428	61,080	1.01%	230
1997	15,679,687	213,226	15,466,461	1,220,408,244	61,282	1.27%	252
1996	16,664,687	5,529	16,659,158	1,175,432,331	61,989	1.42%	269
1995	18,224,687	364,351	17,860,336	1,134,308,242	61,834	1.57%	289
1994	19,694,687	822,526	18,872,161	1,013,923,268	61,131	1.86%	309
1993	20,734,687	850,783	19,883,904	989,809,586	60,003	2.01%	331
1992	21,610,000	679,080	20,930,920	971,796,314	59,145	2.15%	354
1991	13,265,000	265,387	12,999,613	872,155,345	57,832	1.49%	225

(1) SOURCE: Ohio Department of Taxation
1992 Estimated Population Increased by 2.17%, which reflects same increase as student enrollment growth for the 1991 / 1992 school year.
1993 Estimated Population Increased by 1.45%, which reflects same increase as student enrollment growth for the 1992 / 1993 school year.
1994 Estimated Population Increased by 1.88%, which reflects same increase as student enrollment growth for the 1993 / 1994 school year.
1995 Estimated Population Increased by 1.14%, which reflects same increase as student enrollment growth for the 1994 / 1995 school year.
1996 Estimated Population Increased by 0.25%, which reflects same increase as student enrollment growth for the 1995 / 1996 school year.
1997 Estimated Population Decreased by 1.14%, which reflects same decrease as student enrollment growth for the 1996 / 1997 school year.
1998 Estimated Population Decreased by 0.33%, which reflects same decrease as student enrollment growth for the 1997 / 1998 school year.
1999 Estimated Population Decreased by 5%, which reflects same decrease as student enrollment growth for the 1998 / 1999 school year.
2000 Estimated Population Decreased by 1.96%, which reflects same decrease as student enrollment growth for the 1999 / 2000 school year.

**MENTOR EXEMPTED VILLAGE
SCHOOL DISTRICT**

**Computation of Legal Debt Margin
For the Year Ended June 30, 2000
(Unaudited)**

Assessed Valuation		\$ 1,457,957,454
Overall Direct Debt Limitation:		
Direct debt limitation		
9% of assessed valuation		\$ 131,216,171
Gross indebtedness (all bonds and tax anticipation notes outstanding)	13,732,906	
Less debt exempt from limitation	-	
Debt subject to 9% limitation		(13,732,906)
Legal debt margin within 9% limitation		\$ 117,483,265
Unvoted Direct Debt Limitation:		
Unvoted debt limitation		
0.1% of assessed valuation		\$ 1,457,957
Amount available in Debt Service Fund related to unvoted debt	\$ -	
Gross indebtedness authorized by the Board		
Less: debt exempt from limitation	-	
Debt subject to 0.1% limitation		-
Legal debt margin within 0.1% limitation		\$ 1,457,957
Energy Conservation Measure Limitation		
Unvoted debt limitation		
0.9% of assessed valuation		\$13,121,617
Amount available in Debt Service Fund related to unvoted debt	\$1,250,000	
Gross indebtedness authorized by the Board		
Less: debt exempt from limitation	0	
Debt subject to 0.9% limitation		(1,250,000)
Legal debt margin within 0.9% limitation		\$11,871,617

SOURCE: Lake County Auditor

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

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

**Computation of Direct and Overlapping Debt -
General Obligation
As of December 31, 1999
(Unaudited)**

Jurisdiction	General Obligation Debt Outstanding	Percentage Applicable To School District (1)	Amount Applicable To School District
Mentor Exempted Village S.D.	\$ 15,232,906	100.00%	\$ 15,232,906
City of Mentor	22,563,664	82.30%	18,569,895
City of Mentor-on-the-Lake	1,185,000	7.08%	83,898
Lake County	10,990,000	25.74%	2,828,826
Geauga County	1,780,000	0.10%	1,780
Total	<u>\$ 51,751,570</u>		<u>\$ 36,717,305</u>

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

(1) Percentages were determined by dividing the assessed valuation of the political subdivision by the total assessed valuation, which includes all overlapping valuation. The valuations used were for the 2000 collection year.

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

Year (1)	Principal	Interest	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service to General Fund Expenditures (Percentage)
2000	\$ 1,942,945	\$ 1,432,468	\$ 3,375,413	\$ 70,384,603	4.80%
1999	2,233,836	1,417,137	3,650,973	69,753,580	5.23%
1998	3,020,000	799,315	3,819,315	64,717,159	5.90%
1997	3,785,000	945,603	4,730,603	60,129,133	7.87%
1996	4,860,000	1,079,759	5,939,759	56,309,905	10.55%
1995	4,570,000	1,081,174	5,651,174	57,700,365	9.79%
1994	6,290,000	1,124,526	7,414,526	57,358,990	12.93%
1993	1,250,000	1,312,881	2,562,881	49,779,913	5.15%
1992	605,000	1,339,473	1,944,473	51,027,990	3.81%
1991	235,000	1,019,478	1,254,478	47,053,386	2.67%

SOURCE: School District financial records

(1) 2000, 1999, 1998, 1997, 1996, 1995 payments include bonds and notes

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

Fiscal Year	Number of Commercial Units	Construction Value (a)	Number of Residential Units (a)	Construction Value (a)	Lake County Bank Deposits (b)	Tax Valuation Residential Agriculture (c)	Commercial Other (c)	Total Assets
1999 / 2000	11	\$ 17,378,000	117	\$ 23,725,985	\$ 57,816,942,000	\$ 939,282,020	\$ 518,675,434	\$ 1,457,957,454
1998 / 1999	12	15,078,600	139	26,604,085	58,904,596,000	921,590,470	499,746,040	1,421,336,510
1997 / 1998	12	10,169,455	166	31,586,070	53,941,971,000	908,504,040	478,380,388	1,386,884,428
1996 / 1997	13	6,005,000	190	33,557,135	27,068,211,000	767,359,710	453,048,534	1,220,408,244
1995 / 1996	12	5,131,000	169	26,788,600	22,458,573,000	753,671,650	421,760,681	1,175,432,331
1994 / 1995	15	6,885,000	219	34,699,230	20,885,453,000	736,052,460	398,255,782	1,134,308,242
1993 / 1994	14	14,295,000	226	31,031,135	21,009,421,000	641,916,770	372,006,498	1,013,923,268
1992 / 1993	9	6,290,000	216	28,774,300	19,379,280,000	623,045,220	366,764,366	989,809,586
1991 / 1992	8	2,084,000	281	32,669,055	18,392,243,000	603,879,710	367,916,604	971,796,314
1990 / 1991	9	5,081,978	288	33,147,195	19,188,641,000	526,320,140	345,835,205	872,155,345

SOURCE:

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

**MENTOR EXEMPTED VILLAGE
SCHOOL DISTRICT**

**Principal Property Taxpayers -
Real Estate Tax
December 31, 1999
(Unaudited)**

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation (1)</u>	<u>Percent of total Assessed Value (2)</u>
DeBartolo Realty Partnership	Shopping Center	\$ 28,065,870	2.28
Fashion Square Associates	Developer	18,203,360	1.48
Lake Hospital System	Medical	11,085,290	0.90
Michaels Inc	Retail Sales	6,408,720	0.52
Euclid Clinic Foundation	Medical	5,037,240	0.41
Steris Corp.	Medical Equipment Mfg	4,085,400	0.33
Deepwood North Co.	Condominiums	3,769,400	0.31
Mentor Commons Limited	Retail Sales	3,611,960	0.29
Brown, James A.	Automobile Dealership	3,493,880	0.28
Michael E. Osborne	Developer	3,261,210	0.27
TOTAL		<u>\$ 87,022,330</u>	<u>7.07</u>

SOURCE: Lake County Auditor

(1) Assessed values are for the 1999 collection year.

(2) Total Assessed Real Estate Valuation is \$1,228,998,710

**MENTOR EXEMPTED VILLAGE
SCHOOL DISTRICT**

**Principal Property Taxpayers -
Tangible Personal Property Tax
December 31, 1999
(Unaudited)**

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation (1)</u>	<u>Percent of total Assessed Value (2)</u>
Lincoln Electric Company	Welding Equipment	\$ 6,850,380	3.91
Nupro Company	Manufacturing	6,047,630	3.45
Avery Dennison Corp	Adhesive Labels	5,396,910	3.08
Buckeye Steel Castings Co.	Steel Fabricator	4,374,050	2.50
Worthington Precision Metals	Mfg of Parts & Components	3,982,160	2.27
Jim Brown Chevrolet	Automobile Dealership	3,765,550	2.15
Polychem Corp	Plastic Strapping	3,410,620	1.95
Higbee Co	Retail Department Store	3,185,840	1.82
Royal Appliance Mfg Co.	Appliance Manufacturer	2,943,780	1.68
Wiseco Piston Co.	High Performance Pistons	2,918,570	1.67
	TOTAL	\$ 42,875,490	24.48

SOURCE: Lake County Auditor

(1) Assessed values are for the 1999 collection year.

(2) Total Assessed Personal Property Valuation is \$175,243,944

**MENTOR EXEMPTED VILLAGE
SCHOOL DISTRICT**

**Principal Property Taxpayers -
Public Utility Tax
December 31, 1999
(Unaudited)**

Name of Taxpayer	Nature of Business	Assessed Valuation (3)	Percentage of Valuation
Cleveland Electric Illuminating Co. (1)	Electricity	\$ 29,724,310	2.04
Ohio Bell Telephone Co. (2)	Telephone	11,593,910	0.80
Consumer Ohio Water	Water	9,308,050	0.64
East Ohio Gas Company	Natural Gas	3,715,010	0.25
Total		<u>\$ 54,341,280</u>	<u>3.73</u>

(1) Subsidiary of Centerior Energy Corporation

(2) Subsidiary of Ameritech

(3) Total Assessed Valuation is \$1,457,957,454

**MENTOR EXEMPTED VILLAGE
SCHOOL DISTRICT**

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

<u>Year (1)</u>	<u>General Fund Expenditures</u>	<u>Average Daily Membership (2)</u>	<u>Per Pupil Cost (3)</u>
Fiscal 2000	\$ 70,384,603	10,261	\$ 6,859
Fiscal 1999	69,753,580	10,466	6,665
Fiscal 1998	64,717,159	11,018	5,874
Fiscal 1997	60,129,133	11,055	5,439
Fiscal 1996	56,309,905	11,182	5,036
Fiscal 1995	57,700,365	11,154	5,173
Fiscal 1994	57,358,990	11,028	5,201
Fiscal 1993	49,779,913	10,825	4,599
Fiscal 1992	51,027,990	10,670	4,791
Fiscal 1991	47,053,386	10,443	4,506

SOURCE: School District financial records

(1) Fiscal Year - July - June

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

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

**MENTOR EXEMPTED VILLAGE
SCHOOL DISTRICT**

**Certified Staff Education and Experience
June 30, 2000
(Unaudited)**

Degree	Number of Staff	Percent of Total
Non Degree	0	0.00
Bachelor's Degree	73	10.56
Bachelor's + 15 Hours	104	15.05
Master's Degree	189	27.35
Master's Degree + 15 Hours	120	17.37
Master's + 30 Hours	60	8.68
Master's + 45 Hours	139	20.12
Doctorate Degree (Ph.D.)	6	0.87
Total	691	100.00

Years of Experience	Number of Staff	Percent of Total
0 - 5 Years	122	17.66
6 - 10 Years	116	16.78
11 and over	453	65.56
Total	691	100.00

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

**MENTOR EXEMPTED VILLAGE
SCHOOL DISTRICT**

**Student Demographic Information
June 30, 2000
(Unaudited)**

<u>Grade</u>	<u>Total (1)</u>
Preschool	104
K	601
1	726
2	715
3	765
4	792
5	831
6	799
7	876
8	826
9	811
10	796
11	837
12	782
	10,261

STUDENT DATA (2)

<u>GRADE</u>	<u>ENROLLMENT</u>	<u>PERCENT</u>
Elementary (Pre-6)	5,333	51.97
Secondary (High School, Junior High Schools)	4,928	48.03
Total	10,261	100.00

<u>Ethnic</u>	<u>Total</u>	<u>Percent</u>
Caucasian	10,057	98.01
Asian American	81	0.79
Black American	67	0.65
Hispanic/Latino	45	0.44
American Indian/Alaskan Native	3	0.03
Multi - Racial	8	0.08

MALE/FEMALE RATIO (2)

<u>GRADE</u>	<u>MALE</u>	<u>FEMALE</u>
Elementary & Secondary	5,261	5,000
PERCENT	51.27	48.73

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

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

<u>Year</u>	<u>NUMBER</u>	<u>Value of Building Permits Issued</u>
1999	2,180	\$ 101,108,667
1998	2,232	122,313,391
1997	1,996	90,142,361
1996	1,865	87,314,175
1995	1,857	66,297,183
1994	1,849	81,074,563
1993	1,747	85,328,460
1992	1,653	71,826,534
1991	1,775	55,769,951
1990	1,735	66,389,596

SOURCE: CITY OF MENTOR -
DEPARTMENT OF BUILDING AND ENGINEERING

**MENTOR EXEMPTED VILLAGE
SCHOOL DISTRICT**

**Ten Largest Employers
December 31, 1999
(Unaudited)**

<u>Name of Employer</u>	<u>Nature of Activity or Business</u>	<u>Approximate Number of Employees</u>
Mentor Exempted Village SD	Public Education	1,160
City of Mentor	Municipal Government	745
Steris Corporation	Manufacturing	700
Lincoln Electric Co.	Welding Equipment	529
Deepwood Industries	Social Services	500
Tri Delta Industries	Industrial Controls	470
Super K-Mart	Discount Retail Center	450
Sears, Roebuck & Co.	Retail Department Store	375
Mag-Nif, Co.	Automation	350
J.C. Penny Co.	Retail Department Store	310

SOURCE: City of Mentor, Department of Community Development

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
SCHEDULE OF INSURANCE POLICIES IN FORCE
AS OF JUNE 30, 2000
(Unaudited)**

COMPANY	POLICY NUMBER	POLICY PERIOD	DETAILS OF COVERAGE	LIABILITY LIMITS	DEDUCTIBLE	ANNUAL PREMIUM
Indiana Insurance	CBP 9357016	10/01/1999 10/01/2000	Boiler and Machinery	\$10,000,000	\$500	\$6,177
Fidelity & Deposit Companies	CCP97259972	10/01/1999 10/01/2000	Crime Policy	5,000 Forgery 15,000 Theft Inside 15,000 Theft Outside 50,000 Public Employees Dishonesty Coverage	500 500	1,466
Nationwide Insurance	EGL0007447	05/29/2000 05/29/2001	Liability	1,000,000 /Occurrence 5,000,000 /Aggregate		36,778
Nationwide Insurance	EUL0007447	05/29/2000 05/29/2001	Commercial Umbrella Liability	1,000,000 /Occurrence 1,000,000 /Aggregate	10,000	10,511
Indiana Insurance	CBP 9357016	10/01/1999 10/01/2000	Buildings, Contents and Audio Visual	147,316,169 191,759	1,000 100	48,480
			Musical Instruments	1,015,440	100	1,603
			Contents, Equipment	52,834	100	155
Indiana Insurance	CBP 9357016	10/01/1999 10/01/2000	Electronic Data Processing (Blanket)	6,597,116	1,000	2,534
			In Transit	10,000	500	0

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
SCHEDULE OF INSURANCE POLICIES IN FORCE
AS OF JUNE 30, 2000
(Unaudited)**

COMPANY	POLICY NUMBER	POLICY PERIOD	DETAILS OF COVERAGE	LIABILITY LIMITS	DEDUCTIBLE	ANNUAL PREMIUM
Indiana Insurance	CBP 9357016	10/01/1999 10/01/2000	Bus Fleet	1,000,000 /Combined Single Limit	Comprehensive 100/Auto	
			Medical	5,000 Each Person		
			Uninsured Motorist	1,000,000	Collision 250/Auto 500 Maximum Per Loss Comprehensive 100 Collision 250	30,186
			Physical Damage			
			Hired and Non-owned Car Garage Liability	1,000,000		351
Indiana Insurance	CBP 9357016	10/01/1999 10/01/2000	Garage Keepers Legal Liability	15,000 /Vehicle 75,000 Max/Loss	Comprehensive 100/Auto 500/Max/Loss	522
					Collision 250/Auto 500/Max/Loss	
Indiana Insurance	IM 9403502	05/31/2000 05/31/2001	Auxiliary Service Mobile Units	All Risk	250	3,733
Peerless Ins.	M25162	01/01/2000 01/01/2001	Public Official Bond Treasurer	50,000		245

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
LAKE COUNTY**

MENTOR, OHIO

SINGLE AUDIT REPORTS

JUNE 30, 2000

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
LAKE COUNTY
SINGLE AUDIT REPORTS**

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Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Board of Education
Mentor Exempted Village School District - Lake County
Mentor, Ohio

We have audited the financial statements of Mentor Exempted Village School District (the "District") as of and for the year ended June 30, 2000, and have issued our report thereon dated December 8, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the District in a separate letter dated December 8, 2000.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the District in a separate letter dated December 8, 2000.

This report is intended solely for the information and use of management, federal awarding agencies and passthrough entities and is not intended to be and should not be used by anyone other than these specified parties.

S.R. Snodgrass, A.C.

Mentor, Ohio
December 8, 2000

**Independent Auditors' Report on Compliance with Requirements
Applicable to Each Major Program and Internal Control over
Compliance in Accordance with OMB Circular A-133**

Board of Education
Mentor Exempted Village School District - Lake County
Mentor, Ohio

Compliance

We have audited the compliance of Mentor Exempted Village School District (the "District") with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2000. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grant applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, Mentor Exempted Village School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2000.

Internal Control Over Compliance

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

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

Schedule of Expenditures of Federal Awards

We have audited the general purpose financial statements of Mentor Exempted Village School District as of and for the year ended June 30, 2000, and have issued our report thereon dated December 8, 2000. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements of the District. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

This report is intended solely for the information and use of management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

S.R. Snodgrass, A.C.

Mentor, Ohio
December 8, 2000

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT - LAKE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2000**

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unqualified
Internal control over financial reporting:	
• Material weaknesses identified?	No
• Reportable conditions identified that are not considered to be material weaknesses?	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weaknesses identified?	No
• Reportable conditions identified that are not considered to be material weaknesses?	None Reported

Type of auditors' report issued on compliance for major programs:	Unqualified
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Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	No
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Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title I
84.027, 84.173	Special Education Cluster

Dollar threshold used to distinguish between type A and type B programs:	\$ 300,000
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Auditee qualified as low-risk auditee?	Yes
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Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CASH
FOR THE YEAR ENDED JUNE 30, 2000**

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM OR CLUSTER TITLE	Federal CFDA Number	Pass-Through Entity Number	Receipts	Non-cash Receipts	Disburse- ments	Non-cash Disburse- ments
U.S. DEPARTMENT OF AGRICULTURE						
Passed-Through State Department of Education:						
Child Nutrition Cluster						
Food Distribution Program	10.550	N/A	\$ -	\$ 102,936	\$ -	\$ 102,936
School Lunch Program	10.555	045492-03-PU-99	33,070	-	33,070	-
	10.555	045492-03-PU-00	82,296	-	82,296	-
	10.555	045492-04-PU-99	56,852	-	56,852	-
	10.555	045492-04-PU-00	143,539	-	143,539	-
			<u>315,757</u>	<u>-</u>	<u>315,757</u>	<u>-</u>
Total U.S. Department of Agriculture Child Nutrition Cluster			<u>315,757</u>	<u>102,936</u>	<u>315,757</u>	<u>102,936</u>
U.S. DEPARTMENT OF EDUCATION						
Passed Through State Department of Education						
Special Education Cluster						
Special Education - Title VIB	84.027	045492-6B-SF-98P	189,558	-	295,996	-
	84.027	045492-6B-SF-99P	483,824	-	432,071	-
	84.027	045492-6B-SI-98P	214,737	-	184,974	-
	84.027	045492-6B-SI-99P	412,947	-	431,992	-
			<u>1,301,066</u>	<u>-</u>	<u>1,345,033</u>	<u>-</u>
Special Education - Preschool	84.173	045492-PG-S1-98P	5,019	-	23,677	-
	84.173	045492-PG-S1-99P	31,528	-	30,811	-
	84.173	045492-PG-S3-99P	58,546	-	71,000	-
	84.173	045492-PG-S7-99	-	-	1,797	-
	84.173	045492-PG-S7-00	11,250	-	5,661	-
	84.173	045492-PG-S3-98P	-	-	18,178	-
			<u>106,343</u>	<u>-</u>	<u>151,124</u>	<u>-</u>
Total Special Education Cluster			<u>1,407,409</u>	<u>-</u>	<u>1,496,157</u>	<u>-</u>
Title I	84.010	045492-C1-S1-98C	15,209	-	15,209	-
	84.010	045492-C1-S1-99	57,775	-	41,386	-
	84.010	045492-C1-S1-99C	20,545	-	20,545	-
	84.010	045492-C1-S1-00	204,444	-	202,460	-
			<u>297,973</u>	<u>-</u>	<u>279,600</u>	<u>-</u>

See accompanying notes to Schedule of Expenditures of Federal Awards - Cash.

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CASH
FOR THE YEAR ENDED JUNE 30, 2000**

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM OR CLUSTER TITLE	Federal CFDA Number	Pass-Through Entity Number	Receipts	Non-cash Receipts	Disburse- ments	Non-cash Disburse- ments
VOCED Basic Grant	84.048	045492-20-C1-99	15,271	-	49,097	-
	84.048	045492-20-C1-00	223,898	-	157,756	-
	84.048	045492-DR-S1-98	-	-	(44,100)	-
			<u>239,169</u>	<u>-</u>	<u>162,753</u>	<u>-</u>
Chapter 2 - Innovative Education Program Strategy	84.298	045492-C2-S1-99C	51,901	-	44	-
	84.298	045492-C2-S1-99C	(9,490)	-	1,400	-
	84.298	045492-C2-S1-00	18,740	-	3,988	-
	84.298	045492-C2-S1-98	-	-	(1,912)	-
	84.298	045492-C2-S1-98C	-	-	3,002	-
			<u>61,151</u>	<u>-</u>	<u>6,522</u>	<u>-</u>
Eisenhower Math/Science	84.281	045492-MS-S1-98C	(7,228)	-	14,980	-
	84.281	045492-MS-S1-99C	22,062	-	3,522	-
	84.281	045492-MS-S1-00	9,290	-	10,584	-
	84.281	045492-MS-S1-99	-	-	8,851	-
			<u>24,124</u>	<u>-</u>	<u>37,937</u>	<u>-</u>
Drug-Free Education	84.186	045492-DR-S1-98C	9,313	-	9,313	-
	84.186	045492-DR-S1-99	31,631	-	8,558	-
	84.186	045492-DR-S1-99C	7,282	-	300	-
	84.186	045492-DR-S1-00	13,138	-	42,509	-
			<u>61,364</u>	<u>-</u>	<u>60,680</u>	<u>-</u>
Goals 2000	84.276	045492-G2-S4-99P	(200)	-	-	-
	84.276	045492-G2-S8-00	3,000	-	2,462	-
	84.276	045492-G2-S2-99	-	-	15,128	-
	84.276	045492-G2-SP-99	-	-	75	-
			<u>2,800</u>	<u>-</u>	<u>17,665</u>	<u>-</u>
Handicapped Youth Transfer	84.158	045492-PF-S1-98P	20,000	-	20,000	-
Tech Literacy Challenge Fund	84.318	045492-TF-VM-99P	27,000	-	26,967	-
Class Size Reduction Subsidy	84.340	045492-CR-S1-00	32,214	-	20,168	-
Total - U.S. Department of Education			<u>2,173,204</u>	<u>-</u>	<u>2,128,449</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 2,488,961</u>	<u>\$ 102,936</u>	<u>\$ 2,444,206</u>	<u>\$ 102,936</u>

See accompanying notes to Schedule of Expenditures of Federal Awards - Cash.

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT
LAKE COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CASH
FOR THE YEAR ENDED JUNE 30, 2000**

BASIS OF PRESENTATION

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

NONCASH SUPPORT

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

**MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT - LAKE COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2000**

None



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Facsimile 614-466-4490

MENTOR EXEMPTED VILLAGE SCHOOL DISTRICT

LAKE COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 30, 2001**