

JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

MASON CITY SCHOOL DISTRICT
WARREN COUNTY

TABLE OF CONTENTS

<u>TITLE</u>	<u>PAGE</u>
Report of Independent Accountants	Under Separate Cover
Comprehensive Annual Financial Report	Under Separate Cover
Schedule of Federal Awards Expenditures	Under Separate Cover
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	1
Report of Independent Accountants on Compliance with Requirements Applicable to Each Major Federal Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	3
Schedule of Findings	5
Schedule of Prior Audit Findings	7

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

250 West Court Street
Suite 150 E
Cincinnati, Ohio 45202
Telephone 513-361-8550
800-368-7419
Facsimile 513-361-8577
www.auditor.state.oh.us

**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON
INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Mason City School District
Warren County
211 North East Street
Mason, Ohio 45040

To the Board of Education:

We have audited the financial statements of Mason City School District, Warren County, Ohio (the District), as of and for the fiscal year ended June 30, 2000, and have issued our report thereon dated December 18, 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 instances of noncompliance that we have reported to management of the District in a separate letter dated December 18, 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. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgement, could adversely affect the District's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying schedule of findings as item 2000-10483-001.

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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions, and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness.

Mason City School District
Warren County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

We also noted other matters involving the internal control over financial reporting that do not require inclusion in this report that we have reported to management of the District in a separate letter dated December 18, 2000.

This report is intended for the information and use of management, Board of Education, and 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.

Jim Petro
Auditor of State

December 18, 2000



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OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

250 West Court Street
Suite 150 E
Cincinnati, Ohio 45202
Telephone 513-361-8550
800-368-7419
Facsimile 513-361-8577
www.auditor.state.oh.us

**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Mason City School District
Warren County
211 North East Street
Mason, Ohio 45040

To the Board of Education:

Compliance

We have audited the compliance of Mason City School District, Warren County, Ohio (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 its major federal program for the fiscal year ended June 30, 2000. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program 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 occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. 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, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the fiscal 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.

Mason City School District
Warren County
Report of Independent Accountants on Compliance with Requirements
Applicable to Each Major Federal Program and Internal Control Over
Compliance in Accordance with OMB Circular A-133
Page 2

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.

This report is intended for the information and use of management, the Board of Education, and 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.

Jim Petro
Auditor of State

December 18, 2000

**MASON CITY SCHOOL DISTRICT
WARREN COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2000**

1. SUMMARY OF AUDITOR'S RESULTS
--

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	Yes
(d)(1)(iii)	Was there any reported non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	Nutrition Cluster: National School Lunch-CFDA # 10.555 and Food Distribution-CFDA #10.550
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: \$300,000 - N/A Type B: all programs
(d)(1)(ix)	Low Risk Auditee?	Yes

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

FINDING NUMBER 2000-10483-001

Insurance Claims Processing - (Internal Control, Reportable Condition)

The Mason City School District has delegated insurance claims processing, which is a significant accounting function, to a third-party administrator. The District has not established procedures to reasonably determine that insurance claims have been completely and accurately processed in accordance with the insurance contract.

We recommend that the District implement procedures to reasonably assure the completeness, and accuracy (including eligibility and allowability) of insurance claims processed by their third-party administrator. Statement on Auditing Standards No. 70 (SAS 70) prescribes testing and reporting standards for audits of claims processing controls which should satisfy this requirement. As described in that Statement, we suggest that the District obtain a "Report on Policies and Procedures Placed in Operation and Tests of Operating Effectiveness" from the third-party administrator. Such a report, if unqualified, would provide evidence to the District's management that insurance claims were being processed in conformance with the contract.

3. FINDINGS FOR FEDERAL AWARDS

None

MASON CITY SCHOOL DISTRICT
WARREN COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2000

FINDING NUMBER	FINDING SUMMARY	FULLY CORRECTED	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid
1999-10483-001	Third party administrator SAS-70	NO	No corrective action taken. The District used their current third party administrator until their contract expired and then contracted with a different third party administrator, but returned to the previous third party administrator later during the fiscal year.

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Mason City School District

Comprehensive Annual Financial Report



**For the Fiscal Year Ended
June 30, 2000**

“Where Each Student is Important”

MASON, OHIO

**MASON CITY SCHOOL DISTRICT
MASON, OHIO**

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

Prepared by:
Treasurer's Office

Richard L. Gardner
Treasurer and CFO

Introductory Section

**MASON CITY SCHOOL DISTRICT, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 For the Fiscal Year Ended June 30, 2000**

TABLE OF CONTENTS

	<u>Page</u>
I. INTRODUCTORY SECTION	
Title Page	
Table of Contents	I
Letter of Transmittal	V
GFOA Certificate of Achievement	XVI
List of Principal Officials	XVII
Organizational Chart	XVIII
Consultants and Advisors	XIX
State of Ohio Map	XX
 II. FINANCIAL SECTION	
REPORT OF INDEPENDENT ACCOUNTANTS	1
GENERAL PURPOSE FINANCIAL STATEMENTS	3
Combined Balance Sheet -- All Fund Types and Account Groups	4
Combined Statement of Revenues, Expenditures and Changes in Fund Balances -- All Governmental Fund Types	6
Combined Statement of Revenues, Expenditures and Changes in Fund Balances -- Budget and Actual (Non-GAAP Budgetary Basis) -- All Governmental Fund Types.....	8
Combined Statement of Revenues, Expenses and Changes in Retained Earnings -- All Proprietary Fund Types and Non-Expendable Trust Fund	11
Combined Statement of Cash Flows -- All Proprietary Fund Types and Non-Expendable Trust Fund	12
Combined Statement of Revenues, Expenses and Changes in Fund Equity -- Budget and Actual (Non-GAAP Budgetary Basis) -- All Proprietary Fund Types and Non-Expendable Trust Fund	14
Notes to the General Purpose Financial Statements	16

**MASON CITY SCHOOL DISTRICT, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

TABLE OF CONTENTS
 (Continued)

	<u>Page</u>
COMBINING, INDIVIDUAL FUND AND ACCOUNT GROUP FINANCIAL STATEMENTS AND SCHEDULES	48
General Fund:	
General Fund Description	49
Schedule of Revenues, Expenditures and Changes in Fund Balance -- Budget and Actual (Non-GAAP Budgetary Basis)	50
Special Revenue Funds:	
Description of Funds	55
Combining Balance Sheet	58
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	64
Schedule of Revenues, Expenditures and Changes in Fund Balance -- Budget and Actual (Non-GAAP Budgetary Basis):	
Public School Support Fund	70
Community Services Fund	71
Venture Capital Fund	72
District Managed Student Activity Fund	73
Auxiliary Service Fund	74
Career Development Fund	75
Block Grant Fund	76
Gifted Education Fund	77
Management Information System Fund	78
SchoolNet Professional Development Fund	79
Textbook Fund	80
Ohio Reads Grant Fund	81
Summer Intervention Program Fund.....	82
Safe School Help Line	83
Eisenhower Fund	84
Title VI-B Fund	85
Vocational Education Fund	86
Title I Fund	87
Title VI Fund	88
Emergency Immigrant Education Fund	89
Drug Free Schools Fund	90
Public School Preschool Fund	91
E-Rate Grant Fund	92
Continuous Improvement Fund	93

**MASON CITY SCHOOL DISTRICT, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

TABLE OF CONTENTS
 (Continued)

	<u>Page</u>
Debt Service Fund:	
Description of Fund	94
Capital Projects Funds:	
Description of Funds	95
Combining Balance Sheet	96
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	98
Schedule of Revenues, Expenditures and Changes in Fund Balance -- Budget and Actual (Non-GAAP Budgetary Basis):	
Capital Projects Fund	100
Building Fund	102
Insurance Replacement Fund	104
SchoolNet Plus Fund	105
Enterprise Funds:	
Description of Funds	106
Combining Balance Sheet	107
Combining Statement of Revenues, Expenses, and Changes in Retained Earnings	108
Combining Statement of Cash Flows	109
Schedule of Revenues, Expenses and Changes in Fund Equity -- Budget and Actual (Non-GAAP Budgetary Basis):	
Food Service Fund	110
Uniform School Supplies Fund	112
Latchkey Fund	113
Internal Service Fund:	
Description of Fund	114
Fiduciary Funds:	
Description of Funds	115
Combining Balance Sheet	116
Combining Statement of Changes in Assets and Liabilities -- All Agency Funds	117
General Fixed Assets Account Group:	
Description of Account Group	118

**MASON CITY SCHOOL DISTRICT, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

TABLE OF CONTENTS
 (Continued)

	<u>Page</u>
Schedule of General Fixed Assets by Source	119
Schedule of General Fixed Assets by Function and Type	120
Schedule of Changes in General Fixed Assets by Function	121
Schedule of Federal Awards Expenditures	122
 III. STATISTICAL SECTION	
Description of Statistical Tables	123
Table 1 General Fund Expenditures by Function	124
Table 2 General Fund Revenues by Source	126
Table 3 Property Tax Levies and Collections	128
Table 4 Assessed and Estimated Actual Value of Taxable Property	129
Table 5 Property Tax Rates - Direct and Overlapping Governments	130
Table 6 Ratio of General Obligation Bonded Debt to Assessed Value and Bonded Debt per Capita	131
Table 7 Computation of Legal Debt Margin	132
Table 8 Computation of Direct and Overlapping General Obligation Bonded Debt	133
Table 9 Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General Fund Expenditures	134
Table 10 Demographic Statistics	135
Table 11 Property Value, Financial Institution Deposits, and Building Permits	136
Table 12 Principal Taxpayers Real Estate	137
Table 13 Principal Taxpayers Tangible Personal Property	138
Table 14 Principal Taxpayers Public Utility Personal Property	139
Table 15 Cost to Educate a 2000 Graduate	140
Table 16 Miscellaneous Statistical Data	141
Table 17 Largest Employers	142
Table 18 Levy History	143
Table 19 Student Population by Sex and by Race	144
Table 20 Schedule of Insurance Policies and Bonding Insurance	145
Table 21 Enrollment History	146
Table 22 Directory of School Facilities	147
Table 23 Finance Department	148

MASON CITY SCHOOLS

Finance Department

211 North East Street • Mason, Ohio • 45040

Phone: (513) 398-3623 • Fax: (513) 398-4357

December 18, 2000

TO THE CITIZENS AND BOARD OF EDUCATION OF THE MASON CITY SCHOOL DISTRICT:

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the Mason City School District (District) for the fiscal year ended June 30, 2000. This report was prepared by the Finance Department, and contains financial statements, supplemental statements and statistical information to provide complete and full disclosure of all material financial aspects of the District for the 1999-2000 fiscal year. Responsibility for the accuracy, completeness, and fairness of the report rests with the District. To the best of our knowledge and belief, this report and the enclosed data are accurate in all material aspects 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. This report was prepared in conformance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) and represents the District's continuing commitment to provide accurate financial information to the Board and the citizens of the Mason City School District.

This report has been divided into three sections:

The Introductory Section includes this transmittal letter, a list of principal officials, the District organization chart, the GFOA Certificate of Achievement, a list of consultants and advisors, and a map of the State of Ohio.

The Financial Section includes the unqualified opinion of our independent auditors, the Ohio Auditor of State, the general purpose financial statements and the combining and individual fund and account group statements and schedules.

The Statistical Section includes selective financial, economic and demographic information, generally presented on a multi-year basis for comparative purposes.

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

In addition to these general activities, the District acts as the fiscal agent for state funds distributed to non-public chartered schools located within the District boundaries. The District serves St. Susanna in this category. While these organizations are similar in operations and services provided, they are distinct and separate entities. These State subsidies are therefore presented as special revenue funds within this report.

ORGANIZATION OF THE DISTRICT

The Board of Education of the Mason City School District is a five member body politic and corporate, as defined by Section 3313.02, Ohio Revised Code. The Board serves as the taxing authority, contracting body, policy maker, and ensures that all other general laws of the State of Ohio are followed in the expenditure of the District’s tax dollars, and approves the annual appropriation resolution.

The current Board members, their terms and years on the Board as of June 30, 2000, are:

<u>Board Member</u>	<u>Current Term</u>	<u>Total Years</u>
Mr. Russ Carter	Jan. 2000 - Dec. 2003	8 - 1/2
Mrs. Marianne Culbertson	Jan. 1998 - Dec. 2001	6 - 1/2
Mr. David Lenert	Jan. 1998 - Dec. 2001	6 - 1/2
Mr. Eric Kantor	Jan. 2000 - Dec. 2003	0 - 1/2
Mrs. Connie Yingling	Sept.1999 - Dec. 2001	0 - 3/4

The Superintendent is the chief executive officer of the District and is responsible directly to the Board for all operations of the District. Dr. Kevin L. Bright was appointed Superintendent effective August 1, 1998 and his current contract expires July 31, 2002.

The Treasurer and CFO is the chief financial officer of the District and is directly responsible to the Board for all financial operations, investments, custody of all District funds and assets, and serves as Secretary to the Board. Mr. Richard L. Gardner was initially appointed Treasurer effective May 1, 2000, and his current contract will expire on December 31, 2003.

ECONOMIC CONDITION AND OUTLOOK

The District is located in Warren and Butler Counties in southwest Ohio. The District contains 25 square miles, with 99% of its territory located in Warren County and the remaining 1% in Butler County. Political subdivisions included in the District are the City of Mason, portions of Deerfield, Mason, Union and Turtle Creek Townships in Warren County, and a portion of Union Township in Butler County. The District is approximately 25 minutes northeast from downtown Cincinnati and 35 minutes southeast of downtown Dayton.

The City of Mason has a population of approximately 21,150 and is growing steadily through planning and development. The District is served by United Telephone and Cincinnati Gas and Electric Company. The Mason Pulse Journal, Community Press and The Western Star regularly cover District events. The District is also served by newspapers, radio and television stations in both Cincinnati and Dayton. Major universities easily accessible from the District are the University of Cincinnati and Xavier University in Cincinnati, Miami University in Oxford, and Wright State University and the University of Dayton, both in Dayton.

The economic condition and outlook for the community is very positive as can be measured by the significant new construction experienced during the past decade in the City of Mason. Evidence of this new construction is the increase in the number and value of building permits issued since 1991.

	<u>Residential</u> <u>Construction</u>		<u>Commercial</u> <u>Construction</u>	
	<u>Number of</u> <u>Permits</u>	<u>Value</u>	<u>Number of</u> <u>Permits</u>	<u>Value</u>
1991	90	\$9,547,257	22	\$8,057,682
1992	194	20,254,685	12	4,606,500
1993	325	37,235,738	31	20,399,282
1994	365	33,155,154	18	11,259,340
1995	250	30,004,643	44	32,410,811
1996	539	64,256,741	12	9,858,313
1997	479	70,449,142	14	8,363,418
1998	492	83,323,041	20	27,968,542
1999	520	110,037,521	17	8,124,068

This growth has been primarily realized due to the significant amount of residential development, which remained strong in 1999. Building permits issued through June 30 total 358 for 2000 for the Mason City School District.

The City of Mason and Deerfield Township target high tech companies, corporate headquarters and light industry for the District's business community. The diverse business base is home to national and international blue chip corporations, such as Procter & Gamble, Cintas Corporation, Mitsubishi Electric, International Paper, Anthem Insurance, Harris Corporation and J.W. Harris Corporation.

THE DISTRICT AND ITS FACILITIES

The District served 6057 students during the 2000 fiscal year in six buildings. The senior high school (9-12) was constructed in 1959, with additions in 1967, 1980, 1987 and 1997. The middle school (7-8) was constructed in 1994. The intermediate school (5-6) was constructed in 1998. Western Row Elementary School (3-4) was constructed in 1962, with additions in 1987. Mason Heights Elementary School (1-2) was constructed in 1967, with additions in 1978 and 1987. Mason Early Childhood Center (PS-K) was constructed in 1911, with additions in 1936, 1950, 1953 and 1955 and with renovations in 1977. The central administration is also housed in the same facility as the Mason Early Childhood Center.

EMPLOYEE RELATIONS

The District currently employs 700 full-time and part-time employees. The number of employees has been increasing due to the increase in student population. Since 1986 the District's enrollment has increased from 2,292 to the current enrollment of 6,057. It is expected the District's enrollment will continue to increase through 2010.

The District teachers, educational specialists, tutors and counselors are represented by the Mason Education Association (MEA). A two year agreement on language, salary and fringe benefits was ratified on June 8, 1999. The new agreement will expire on June 30, 2001. The agreement provides MEA members with 3 percent base salary increase for the 1999-2000 school year, bringing the base teaching salary to \$27,810.

The District's non-certified staff, administrators, directors and supervisors are currently not represented by a union. These classifications typically receive the same benefits extended to the MEA.

CURRENT FOCUS

Student population has been growing rapidly during the 1990's in the Mason City School District, the following table demonstrates how student population has increased during the current decade.

<u>School Year</u>	<u>Enrollment</u>	<u>Student Increase</u>	<u>Percentage Increase</u>
1990-91	2,653		
1991-92	2,731	78	3%
1992-93	2,866	135	5%
1993-94	3,091	225	8%
1994-95	3,420	329	11%
1995-96	3,845	425	12%
1996-97	4,371	526	14%
1997-98	4,783	412	9%
1998-99	5,364	581	12%
1999-00	6,057	693	13%

To keep pace with the student population growth, the District implemented a construction program that began in 1994. A new middle school, with a capacity of 1,200 students was opened in 1994. In February 1995, the voters approved an addition and renovation of Mason High School. The "new" Mason High School opened in 1997 with a capacity of 1,800 students and featured forty-eight additional classrooms, a new auditorium, a complete renovation of existing spaces and a 3,400 seat arena. In February 1997, the voters approved the construction of Mason Intermediate School as well as additions to Western Row and Mason Heights. Each of these facilities has a capacity of 1,200 students.

In late 1999 the District completed a community dialogue process to help determine how the facility needs should be met in the future. A 47 member committee of parents, students, employees and Board members conducted two community forums to survey the community on how to best address the facility needs projected for the District. The committee recommended a two phase plan, with phase I being to build a new 2,400 student high school and phase II being to build another 1,200 student elementary school. In March 2000, the voters approved a \$71.9 million bond issue to construct the new high school and an attached shared community recreation center. This new facility is currently under construction and will open for the 2002-03 school year.

DEPARTMENTAL FOCUS

Each year the District selects a department to be highlighted for its service efforts and accomplishments. For fiscal year 2000, the District would like to acknowledge the efforts of the Curriculum Leaders.

Mason City School District is one of the fastest growing school districts in Ohio. Mason has seen its enrollment double in the last six years. Due to this skyrocketing growth, approximately 40 percent of Mason teachers have been with the district for two years or less. As a result, there is a need for more experienced, "master" teachers to guide teacher and curriculum development.

Mason began the development program in 1998 with 6.5 teachers. Each leader oversees the curriculum and provides teacher professional development and serves as a mentor for new teachers. Currently the district has planned for 9 1/2 positions for the 2000-01 school year.

The curriculum leaders are responsible for:

- 1.) Mentor/Model - Pre-conferencing, observing and post-conferencing with assigned teachers focusing special attention on those new to Mason Schools. Leaders demonstrate, co-teach and model best practices in instruction and classroom management. Throughout the year, leaders conduct in-services based on teacher needs. They also give seven, one-hour after school workshops required for all teachers new to Mason.
- 2.) Assessment - Developing assessments to measure performance objectives, helping teachers learn to use assessment results to drive instruction and evaluate program effectiveness. Assessment data is collected and analyzed to ensure continual curriculum renewal.
- 3.) Professional development / Research - Attending conferences and sharing the information with Mason teachers, reading and sharing information from professional publications, providing and arranging staff development for Mason teachers based on program evaluations and research.
- 4.) Curriculum - Aligning Mason's curriculum to state models and the proficiency objectives, integrating technology, exploring interdisciplinary connections, and helping building curriculum coordinators select appropriate materials.

The results of the program are that Mason's teachers are teaching with confidence. First year teachers know the curriculum better and in a shorter time frame. New hires are quickly integrated into the academic culture. Principals indicate that this program has resulted in better teaching and learning in their buildings. Test scores have risen with the added emphasis on the curriculum and standards. Additionally, staff development now is embedded in the school culture and is based on data research and teacher needs.

In the February 1999 issue, the OSBA Journal featured Mason's curriculum leader program. In the spring of 1999, Mason's curriculum leaders won the Leadership in Education Award from the Buckeye Association of School Administrators.

In the spring of 2001, Mason anticipates it will be one of thirteen districts in the state to achieve 27 out of 27 state standards. This highest ranking in the highest category of "Effective" districts puts Mason Schools among a few elite districts to achieve a perfect score. The curriculum leaders, in addition to teachers, building administrators and curriculum coordinators, worked together to achieve this rating.

In December 2000, the curriculum leaders will move into the new Mason Professional Development Center which will be the facility for curriculum development and teacher training for Mason City Schools.

FUTURE FOCUS

Student enrollment growth will continue to be a priority for the Board and Administration for the upcoming year. Demographic projections indicate the District could see its population grow to 12,000 students by 2010. The District began a process of soliciting community input in an effort to determine how to meet the facility needs of the District. During the last year, input was provided regarding whether to add a second high school, future elementaries and the configuration of grade levels. The results of the community dialogue sessions indicated it was a desire of the community to have one high school and to divide into regional, grade specific elementary schools.

The District will also continue its continuous improvement process. In the fall of 1999, a committee of parents, students, community members was formed to address issues such as: What do we want for our students? What makes a high quality education? How do we reach success? It is the goal of the group to create a culture of continuous improvement in the District.

FINANCIAL INFORMATION

The District's accounting system is organized on a "fund" basis. Each fund and account group is a distinct, self-balancing entity. Records for general governmental operations are maintained on a budgetary basis system of accounting as prescribed by State statute. Budgetary basis of accounting differs from generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). GAAP, as more fully described in the notes to the financial statements, provides for a modified accrual basis of accounting for the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Funds, Expendable Trust Funds and Agency Funds and for a full accrual basis for all other funds.

Internal Controls

The management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived from its implementation; and, (2) the valuation of cost and benefits requires estimates and judgments by management.

Federal and State Assistance

As a recipient of federal and state financial assistance, the District is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the District.

Budgetary Controls

The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established by function and object of expenditure within an individual fund. The District maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered appropriation balances are reviewed prior to the release of purchase orders to ensure funds are available to meet the obligation created by the purchase order. Encumbered amounts at year end are carried forward to succeeding years and are not re-appropriated. As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

General Fund

The following table represents the amount of revenues by source and expenditures by function for the General Fund for the fiscal year ended June 30, 2000, with increases and (decreases) from the fiscal year ended June 30, 1999.

Revenues by Source	<u>1999</u>	<u>2000</u>	<u>Percent of Total</u>	<u>Difference from 1999</u>	<u>Percent of Change</u>
Taxes	\$18,100,212	\$21,419,332	58.86%	\$3,319,120	18.34%
Intergovernmental	11,514,719	13,956,754	38.36%	2,442,035	21.21%
Interest	431,026	607,941	1.67%	176,915	41.05%
Tuition and Fees	41,137	333,160	0.92%	292,023	709.88%
Rent	41,945	44,510	0.12%	2,565	6.12%
Customer Services	37,212	18,181	0.05%	(19,031)	-51.14%
Miscellaneous	9,165	7,892	0.02%	(1,273)	-13.89%
Total	\$30,175,416	\$36,387,770	100.00%	\$6,212,354	20.59%

Expenditures by Function	<u>1999</u>	<u>2000</u>	<u>Percent of Total</u>	<u>Difference from 1999</u>	<u>Percent of Change</u>
Instruction:					
Regular	\$13,210,555	\$15,636,456	45.89%	\$2,425,901	18.36%
Special	1,752,373	2,325,817	6.83%	573,444	32.72%
Vocational	976	0	0.00%	(976)	-100.00%
Other	92,084	26,034	0.07%	(66,050)	-71.73%
Pupil Support	1,691,591	1,935,035	5.68%	243,444	14.39%
Instructional Staff Support	1,930,057	2,540,641	7.46%	610,584	31.64%
Board of Education	42,098	40,083	0.11%	(2,015)	-4.79%
Administration	2,289,868	2,425,189	7.12%	135,321	5.91%
Fiscal	670,861	769,359	2.26%	98,498	14.68%
Business	97,767	154,879	0.45%	57,112	58.42%
Operation and Maintenance					
of Plant	3,499,804	3,876,115	11.37%	376,311	10.75%
Pupil Transportation	1,969,889	2,338,707	6.86%	368,818	18.72%
Central	689,812	864,088	2.54%	174,276	25.26%
Operation of					
Non-Instructional Services	37,517	36,449	0.11%	(1,068)	-2.85%
Extracurricular Activities	373,919	480,008	1.41%	106,089	28.37%
Capital Outlay	4,284	551,768	1.62%	547,484	12779.74%
Debt Service	4,825	75,273	0.22%	70,448	1460.06%
Total	\$28,358,280	\$34,075,901	100.00%	\$5,717,621	20.16%

Significant activity in the major funds of each major Governmental Fund type is highlighted below.

General Fund

The District completed the fiscal year ending June 30, 2000, with a fund balance of \$8,107,976. This represented an increase of \$2,837,847 in fund balance over fiscal year 1999. It is anticipated the District will begin to deplete this level of fund balance during fiscal year 2001 operations. Student enrollment growth coupled with state funding changes will be the primary causes of the deficit spending.

Special Revenue Funds

Special Revenue Funds account for funds that derive revenue primarily from grants and entitlements restricted by law to expenditures for specific purposes.

The combined fund balance increased by \$84,140. The increase is a result of small changes in all the funds. The largest change was in the Public School Support Fund, which increased by \$24,413 due to an increase in the grant allocation.

Capital Project Funds

Capital Project Funds are used to account for the purchase of equipment and the financing of major improvement projects.

The District saw a (\$2,516,870) decrease in fund balance, which is mainly the result of the initial payments for design work for the new high school.

Significant activity in the major funds of each Proprietary Fund type is highlighted below.

Enterprise Funds

The District's three Enterprise Funds are the Food Service Fund, the Uniform School Supply Fund and the Latchkey Fund. These operations combined for a net income of \$15,991. Of this amount the Food Service Fund was responsible for income of \$42,990. The Uniform School Supply Fund had a loss of \$34,619, which represents a reduction of the fund balance due to phasing out the use of this fund. The Latchkey Fund experienced a net income of \$7,620. It is the goal of the Board of Education for these programs to be self-sustaining. It is anticipated that each program will operate at nearly a break-even level into the foreseeable future.

Internal Service Funds

The District's one Internal Service Fund is the Self Insurance Fund. This fund accounts for all premiums, claims and administrative costs of the District's dental plan. The program operated at an income of \$4,062 for the year.

Debt Administration

The District had five debt issues outstanding at June 30, 2000. The first issue was passed June 2, 1992, for \$10,700,000 to construct, equip and furnish a new middle school building. Bonds were issued for \$10,000,000 on October 15, 1992, and \$700,000 of notes were issued on January 28, 1993. The notes were retired on January 28, 1995. The amount of outstanding bonds at June 30, 2000, is \$6,200,000. This issue will be retired on December 1, 2005.

The second issue was passed May 5, 1995, for \$18,631,000 to construct, equip and furnish forty-eight additional classrooms, a new gymnasium and a new auditorium at Mason High School and to construct and equip a new transportation facility, as well as provide technology for elementary instruction. Bonds

were issued for a 20 year period. The amount of outstanding bonds at June 30, 2000, is \$18,525,000. This issue will be retired on December 1, 2015.

The third issue was passed February 4, 1997, for \$32,000,000 to construct, equip, furnish a new elementary school, additions and improvements to two other elementary schools, 33 new school busses, and to purchase land for future buildings.

On March 20, 1997, notes were issued for \$7,000,000. An additional note was issued on September 4, 1997, for \$15,000,000. Both notes were retired from the proceeds from a \$22,000,000 bond issued on March 1, 1998. The remaining funds from this issue were issued in the form of notes in the amount of \$10,000,000 dated February 19, 1998. The bonds were issued for a 20 year period. The amount of outstanding bonds at June 30, 2000, is \$21,970,000. This will be retired on December 1, 2017. The note was rolled and reissued for \$8,900,000 on February 17, 2000. The note was issued for a one-year period. The amount of notes outstanding for this issue at June 30, 2000, is \$8,900,000.

The fourth issue is an unvoted note issue for \$415,000 dated on January 28, 1999 for one year. The notes were issued to purchase 14.915 acres at Mason-Montgomery Road and Enterprise Drive. The land was utilized to expand the District's transportation and maintenance facilities that are adjacent to the property. The notes will be repaid from the capital projects fund utilizing payment in lieu of taxes from companies receiving tax incentives. The note was rolled and reissued for \$315,000 on January 27, 2000. The amount of notes outstanding at June 30, 2000, is \$315,000.

The fifth and final issue is a school bus note issued for \$660,000 on June 1, 1999. The note is for three years and will expire on April 15, 2002. The note was issued to finance 12 school busses and will be repaid from the capital projects fund utilizing payments in lieu of taxes from companies receiving tax incentives. The amount of notes outstanding at June 30, 2000, is \$450,000.

Cash Management

The District operates a cash management program designed to provide safety, liquidity and yield in that order. Funds are invested in certificates of deposit, in the Ohio State Treasurer's Investment Pool (Star Ohio), U.S. Treasury and Agency Notes and Bonds, US Treasury Bills, repurchase agreements, commercial paper and mutual funds. The amount of interest income in fiscal year 2000 for all District funds was \$776,240. A more detailed description of the District's investment functions is provided in Note 5 to the financial statements.

Risk Management

The District maintains protection for its assets and employees through a comprehensive insurance program. Insurance policies for vehicle fleet liability, general liability, property loss and boiler and machinery coverage are purchased from insurance companies licensed to do business in the State of Ohio. The maximum deductible amount for these coverages is \$1,000 per loss incurred.

The District pays the State Worker's Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. The District joined a group rating program with other schools in southwestern Ohio in an effort to control these costs.

The District provides health, dental, optical and life insurance to all regular employees who work 20 or more hours per week. Effective September 1, 1994, new employees share the cost of the monthly premium with the Board. The premium varies depending on the terms of the negotiated agreement with teachers and Board Policy.

OTHER INFORMATION

Independent Audit

The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. The Ohio Auditor of State conducted the District's audit for fiscal year 2000. The Independent Accountants' report on the District's general purpose financial statements, combining and individual fund statements and schedules is included in the financial section of this comprehensive annual financial report.

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 Mason City School District for its comprehensive annual financial report for the fiscal year ended June 30, 1999. In order to be awarded a Certificate of Achievement a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

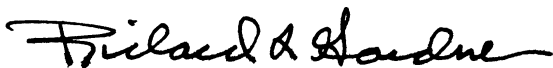
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of the 2000 comprehensive annual financial report of the Mason City School District was made possible by the efforts of the Treasurer's Department. The Department members have my sincere gratitude for their professional, efficient and dedicated service.

Finally, without the support, commitment, and leadership of the Board of Education the preparation of this report would not have been possible.

Respectfully submitted,



Richard L. Gardner
Treasurer and CFO

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Mason City 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.



Cary Bruebach
President

Jeffrey L. Esser
Executive Director

**MASON CITY SCHOOL DISTRICT
LIST OF PRINCIPAL OFFICIALS
AS OF JUNE 30, 2000**

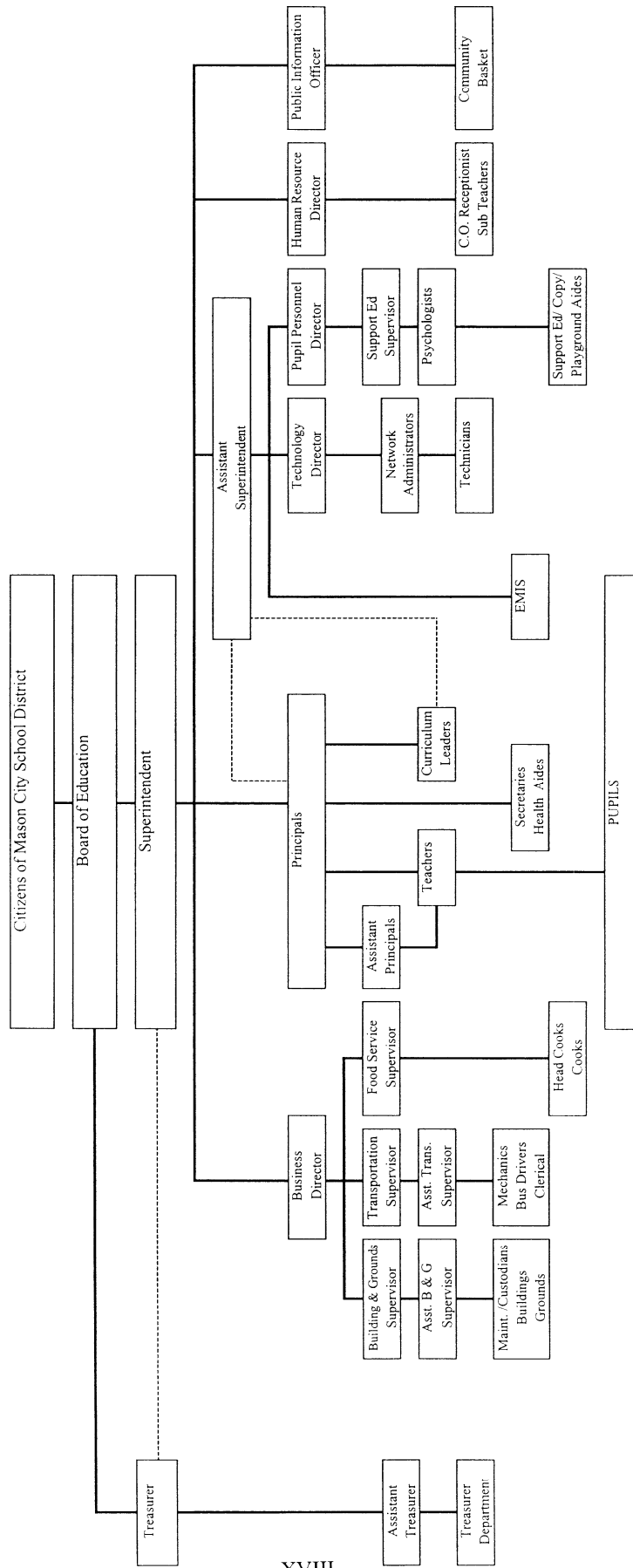
ELECTED OFFICIALS

President, Board of Education	Marianne Culberston
Vice President, Board of Education	David Lenert
Board Member	Russ Carter
Board Member	Eric Kantor
Board Member	Connie Yingling

ADMINISTRATIVE OFFICIALS

Superintendent	Kevin L. Bright
Assistant Superintendent	Barb C. Crist
Treasurer	Richard L. Gardner
Assistant Treasurer.....	Chris Hofer
Business Director	Michael Brannon
Human Resource Director	Craig C. Ullery
Pupil Personnel Director	Ginny Jackson
Technology Director	Dan Mason
Building and Grounds Supervisor	George Highfill
Food Service Supervisor	Darlene Hicks
Support Education Supervisor	Laura Bosse
Transportation Supervisor	William Frauenknecht
Public Information Officer	Shelly Benesh

ADMINISTRATIVE ORGANIZATIONAL CHART



**MASON CITY SCHOOL DISTRICT
CONSULTANTS AND ADVISORS
June 30, 2000**

Architects

Voorhis, Slone, Welsh and Crossland
414 Reading Road
Mason, OH 45040

Independent Auditor

Jim Petro
Auditor of State
P.O. Box 1140
Columbus, OH 43216

Investment Advisor

Seasongood & Mayer
414 Walnut Street
Cincinnati, OH 45202

Official Depositories

Lebanon Citizens National Bank
1050 Reading Road
Mason, OH 45040

Fifth Third Bank
225 Main Street
Mason, OH 45040

Provident Bank
7301 Tylers Corner Rd.
West Chester, OH 45069

Third Party Administrator (Insurance)

Harrington Benefit Services
P.O. Box 1160
Columbus, OH 43216-1160

Bond Counsel

Peck, Shaffer & Williams
425 Walnut Street
Cincinnati, OH 45202

Insurance Advisor

Michael Insurance Planning
526 North Broadway
Lebanon, OH 45036

Legal Counsel

Ennis, Roberts & Fischer
121 W. Ninth Street
Cincinnati, OH 45202

State Treasury Asset Reserve of Ohio
1228 Euclid Avenue
Cleveland, OH 44115

First National Bank of SW Ohio
1063 Reading Road
Mason, OH 45040

Worker Compensation/Unemployment

CompManagement, Inc.
P.O. Box 884
Dublin, OH 43017



Financial Section



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

250 W. Court Street
Suite 150 E
Cincinnati, Ohio 45202
Telephone 513-361-8550
800-368-7419
Facsimile 513-361-8577

REPORT OF INDEPENDENT ACCOUNTANTS

Mason City School District
Warren County
211 North East Street
Mason, Ohio 45040

To the Board of Education:

We have audited the accompanying general purpose financial statements of the Mason City School District, Warren County, Ohio (the District), as of and for the fiscal year ended June 30, 2000, as listed in the table of contents. These general purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Mason City School District, Warren County, Ohio, as of June 30, 2000, and the results of its operations and the cash flows of its proprietary fund types and nonexpendable trust fund 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 18, 2000, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and 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 performed for the purpose of forming an opinion on the general purpose financial statements of the District, 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. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the general purpose financial statements. 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.

Mason City School District
Warren County
Report of Independent Accountants
Page 2

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

A handwritten signature in black ink, appearing to read "Jim Petro", written in a cursive style.

Jim Petro
Auditor of State

December 18, 2000

GENERAL PURPOSE

FINANCIAL STATEMENTS

MASON CITY SCHOOL DISTRICT, OHIO
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 AS OF JUNE 30, 2000

----- Governmental Fund Types -----				
	General	Special Revenue	Debt Service	Capital Projects
Assets and Other Debits:				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$4,349,979	\$463,791	\$1,432,982	\$429,193
Investments	3,411,665	0	0	0
Receivables				
Taxes	21,765,002	0	4,705,657	310,433
Accounts	8,406	4,685	0	49,636
Intergovernmental	4,260	0	0	81,883
Accrued Interest	112,769	0	0	0
Prepaid Items	253,028	1,974	0	0
Inventory Held for Resale	0	0	0	0
Restricted Assets				
Equity in Pooled Cash and Cash Equivalents	1,156,987	0	0	0
Cash and Cash Equivalents				
With Fiscal Agents	0	0	0	11,912
Fixed Assets (Net, where applicable, of Accumulated Depreciation)	0	0	0	0
Other Debits:				
Amount Available in Debt Service Fund	0	0	0	0
Amount to be Provided for Retirement of General Long-Term Debt	0	0	0	0
Total Assets and Other Debits	\$31,062,096	\$470,450	\$6,138,639	\$883,057
Liabilities, Fund Equity and Other Credits:				
Liabilities:				
Accounts Payable	\$83,326	\$31,051	\$0	\$982,097
Accrued Wages and Benefits	2,675,991	40,956	0	0
Compensated Absences Payable	93,655	0	0	0
Retainage Payable	0	0	0	11,912
Intergovernmental Payable	866,573	5,576	0	0
Deferred Revenue	19,234,575	0	4,155,902	276,370
Undistributed Monies	0	0	0	0
Due to Students	0	0	0	0
Accrued Interest Payable	0	0	0	162,213
Notes Payable	0	0	0	9,215,000
Claims Payable	0	0	0	0
Capital Leases Payable	0	0	0	0
General Obligation Bonds Payable	0	0	0	0
Total Liabilities	22,954,120	77,583	4,155,902	10,647,592
Fund Equity and Other Credits:				
Investment in General Fixed Assets	0	0	0	0
Contributed Capital	0	0	0	0
Retained Earnings:				
Unreserved	0	0	0	0
Fund Balance:				
Reserved for Encumbrances	353,064	63,832	0	120,752
Reserved for Prepaid Items	253,028	1,974	0	0
Reserved for Property Taxes	2,530,427	0	549,755	34,063
Reserved for Budget Stabilization	1,156,987	0	0	0
Unreserved:				
Undesignated (Deficit)	3,814,470	327,061	1,432,982	(9,919,350)
Total Fund Equity (Deficit) and Other Credits	8,107,976	392,867	1,982,737	(9,764,535)
Total Liabilities, Fund Equity and Other Credit	\$31,062,096	\$470,450	\$6,138,639	\$883,057

See accompanying notes to the general purpose financial statements

----- Proprietary Fund Types -----		Fiduciary ---- Fund Types ----		----- Account Groups -----		Totals
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations		(Memorandum Only)
\$228,696	\$46,206	\$81,168	\$0	\$0		\$7,032,015
0	0	14,750	0	0		3,426,415
0	0	0	0	0		26,781,092
0	0	0	0	0		62,727
0	0	0	0	0		86,143
0	0	0	0	0		112,769
6,840	0	0	0	0		261,842
29,935	0	0	0	0		29,935
0	0	0	0	0		1,156,987
0	0	0	0	0		11,912
670,331	0	0	73,920,149	0		74,590,480
0	0	0	0	1,982,737		1,982,737
0	0	0	0	47,587,561		47,587,561
<u>\$935,802</u>	<u>\$46,206</u>	<u>\$95,918</u>	<u>\$73,920,149</u>	<u>\$49,570,298</u>		<u>\$163,122,615</u>
\$17,806	\$104	\$0	\$0	\$0		\$1,114,384
51,642	0	0	0	0		2,768,589
11,365	0	0	0	1,617,199		1,722,219
0	0	0	0	0		11,912
39,270	0	0	0	324,808		1,236,227
14,738	0	0	0	0		23,681,585
0	0	6,592	0	0		6,592
0	0	69,928	0	0		69,928
0	0	0	0	0		162,213
0	0	0	0	450,000		9,665,000
0	72,810	0	0	0		72,810
66,307	0	0	0	483,291		549,598
0	0	0	0	46,695,000		46,695,000
<u>201,128</u>	<u>72,914</u>	<u>76,520</u>	<u>0</u>	<u>49,570,298</u>		<u>87,756,057</u>
0	0	0	73,920,149	0		73,920,149
659,459	0	0	0	0		659,459
75,215	(26,708)	0	0	0		48,507
0	0	0	0	0		537,648
0	0	0	0	0		255,002
0	0	0	0	0		3,114,245
0	0	0	0	0		1,156,987
0	0	19,398	0	0		(4,325,439)
<u>734,674</u>	<u>(26,708)</u>	<u>19,398</u>	<u>73,920,149</u>	<u>0</u>		<u>75,366,558</u>
<u>\$935,802</u>	<u>\$46,206</u>	<u>\$95,918</u>	<u>\$73,920,149</u>	<u>\$49,570,298</u>		<u>\$163,122,615</u>

MASON CITY SCHOOL DISTRICT, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	----- Governmental Fund Types -----			
	General	Special Revenue	Debt Service	Capital Projects
Revenues:				
Taxes	\$21,419,332	\$0	\$4,686,668	\$290,397
Intergovernmental	13,956,754	783,640	468,669	110,922
Interest	607,941	2,582	63,736	95,166
Tuition and Fees	333,160	60,708	0	0
Rent	44,510	0	0	0
Extracurricular Activities	0	487,775	0	0
Gifts and Donations	0	49,289	0	60,000
Customer Services	18,181	0	0	0
Miscellaneous	7,892	90,143	0	394,726
Total Revenues	36,387,770	1,474,137	5,219,073	951,211
Expenditures:				
Current:				
Instruction:				
Regular	15,636,456	381,580	0	333,414
Special	2,325,817	221,704	0	0
Vocational	0	14,097	0	0
Other	26,034	0	0	0
Support Services:				
Pupils	1,935,035	31,870	0	0
Instructional Staff	2,540,641	169,503	0	0
Board of Education	40,083	0	0	0
Administration	2,425,189	0	8,674	537
Fiscal	769,359	0	66,204	4,102
Business	154,879	0	0	0
Operation and Maintenance of Plant	3,876,115	40,840	0	23,853
Pupil Transportation	2,338,707	1,256	0	480,767
Central	864,088	17,829	0	(20)
Operation of Non-Instructional Services	36,449	254,854	0	0
Extracurricular Activities	480,008	256,464	0	54,496
Capital Outlay	551,768	0	0	2,602,660
Debt Service:				
Principal Retirement	61,632	0	1,105,000	0
Interest and Fiscal Charges	13,641	0	2,554,382	393,822
Total Expenditures	34,073,901	1,389,997	3,734,260	3,893,631
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,311,869	84,140	1,484,813	(2,942,420)
Other Financing Sources (Uses):				
Proceeds from the Sale of Fixed Assets	0	0	0	19,864
Operating Transfers In	0	0	0	405,686
Inception of Capital Leases	528,309	0	0	0
Operating Transfers Out	(2,331)	0	(403,355)	0
Total Other Financing Sources (Uses)	525,978	0	(403,355)	425,550
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	2,837,847	84,140	1,081,458	(2,516,870)
Fund Balances at July 1, 1999	5,270,129	308,727	901,279	(7,247,665)
Fund Balances at June 30, 2000	\$8,107,976	\$392,867	\$1,982,737	(\$9,764,535)

See accompanying notes to the general purpose financial statements

Totals
(Memorandum
Only)

\$26,396,397
15,319,985
769,425
393,868
44,510
487,775
109,289
18,181
492,761

44,032,191

16,351,450
2,547,521
14,097
26,034

1,966,905
2,710,144
40,083
2,434,400
839,665
154,879
3,940,808
2,820,730
881,897
291,303
790,968
3,154,428

1,166,632
2,961,845

43,093,789

938,402

19,864
405,686
528,309
(405,686)

548,173

1,486,575

(767,530)

\$719,045

MASON CITY SCHOOL DISTRICT
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 ALL GOVERNMENTAL FUND TYPES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Governmental Fund Types					
	General Fund			Special Revenue Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Taxes	\$20,427,514	\$20,451,325	\$23,811	\$0	\$0	\$0
Intergovernmental	12,417,725	13,954,307	1,536,582	787,701	789,976	2,275
Interest	250,000	560,284	310,284	1,562	2,582	1,020
Tuition and Fees	324,477	333,160	8,683	44,745	60,708	15,963
Rent	25,000	40,452	15,452	0	0	0
Extracurricular Activities	0	0	0	475,354	487,775	12,421
Gifts and Donations	0	0	0	38,696	49,289	10,593
Customer Services	30,000	18,529	(11,471)	0	0	0
Miscellaneous	6,000	525	(5,475)	83,427	85,018	1,591
Total Revenues	33,480,716	35,358,582	1,877,866	1,431,485	1,475,348	43,863
Expenditures:						
Current:						
Instruction:						
Regular	15,395,975	15,374,364	21,611	476,695	398,907	77,788
Special	2,260,629	2,259,574	1,055	262,703	223,512	39,191
Vocational	0	0	0	18,570	14,245	4,325
Other	74,983	74,983	0	0	0	0
Support Services:						
Pupils	1,984,488	1,982,788	1,700	39,157	34,545	4,612
Instructional Staff	2,491,248	2,490,338	910	191,288	169,712	21,576
Board of Education	47,195	40,571	6,624	0	0	0
Administration	2,438,377	2,432,874	5,503	0	0	0
Fiscal	768,416	767,967	449	0	0	0
Business	154,903	154,228	675	0	0	0
Operation and Maintenance of Plant	3,923,368	3,911,287	12,081	42,354	40,840	1,514
Pupil Transportation	2,463,946	2,398,429	65,517	8,871	1,256	7,615
Central	880,761	876,749	4,012	37,125	17,829	19,296
Operation of Non-Instructional Services:	37,170	36,659	511	345,133	297,263	47,870
Extracurricular Activities:	479,664	477,918	1,746	274,711	256,718	17,993
Capital Outlay:	25,539	24,609	930	0	0	0
Debt Service:						
Principal Retirement	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0
Total Expenditures	33,426,662	33,303,338	123,324	1,696,607	1,454,827	241,780
Excess (Deficiency) of Revenues Over (Under) Expenditures	54,054	2,055,244	2,001,190	(265,122)	20,521	285,643
Other Financing Sources (Uses):						
Operating Transfers In	0	0	0	0	0	0
Proceeds from Sale of Notes	74,691	0	(74,691)	0	0	0
Proceeds from Sale of Fixed Assets	0	0	0	0	0	0
Refund of Prior Year Expenditures	5,000	7,367	2,367	375	440	65
Advances In	6,336	20,752	14,416	0	0	0
Refund of Prior Year Receipts	0	0	0	(728)	(728)	0
Advances Out	0	0	0	(6,336)	(6,336)	0
Operating Transfers Out	(2,331)	(2,331)	0	0	0	0
Total Other Financing Sources (Uses)	83,696	25,788	(57,908)	(6,689)	(6,624)	65
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	137,750	2,081,032	1,943,282	(271,811)	13,897	285,708
Fund Balances at July 1, 1999	6,053,227	6,053,227	0	239,844	239,844	0
Prior Year Encumbrances Appropriated	375,673	375,673	0	123,507	123,507	0
Fund Balances at June 30, 2000	\$6,566,650	\$8,509,932	\$1,943,282	\$91,540	\$377,248	\$285,708

See accompanying notes to the general purpose financial statements

----- Governmental Fund Types -----					
----- Debt Service Fund -----			----- Capital Projects Funds -----		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$4,402,833	\$4,403,814	\$981	\$272,813	\$272,871	\$58
468,668	468,668	0	29,039	29,039	0
125,000	70,456	(54,544)	228,070	230,227	2,157
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	60,000	60,000	0
0	0	0	0	0	0
0	0	0	341,926	343,926	2,000
4,996,501	4,942,938	(53,563)	931,848	936,063	4,215
0	0	0	333,847	333,781	66
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
8,674	8,674	0	633	537	96
71,326	66,204	5,122	4,206	4,102	104
0	0	0	0	0	0
0	0	0	40,577	38,852	1,725
0	0	0	480,767	480,767	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	64,824	62,184	2,640
0	0	0	2,089,546	1,862,000	227,546
10,105,000	10,105,000	0	625,000	625,000	0
2,858,583	2,857,737	846	49,558	44,689	4,869
13,043,583	13,037,615	5,968	3,688,958	3,451,912	237,046
(8,047,082)	(8,094,677)	(47,595)	(2,757,110)	(2,515,849)	241,261
0	0	0	2,331	2,331	0
8,750,000	8,900,000	150,000	315,000	315,000	0
0	0	0	19,864	19,864	0
0	0	0	1,100	1,164	64
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	(14,416)	(14,416)	0
0	0	0	0	0	0
8,750,000	8,900,000	150,000	323,879	323,943	64
702,918	805,323	102,405	(2,433,231)	(2,191,906)	241,325
627,659	627,659	0	770,945	770,945	0
0	0	0	1,680,988	1,680,988	0
\$1,330,577	\$1,432,982	\$102,405	\$18,702	\$260,027	\$241,325

Continued

MASON CITY SCHOOL DISTRICT
 COMBINED STATEMENT OF REVENUES, EX
 CHANGES IN FUND BALANCES - BUDGET AN
 ALL GOVERNMENTAL FUND TYPES
 FOR THE FISCAL YEAR ENDED JUNE 30, 200
 (CONTINUED)

	Totals		
	----- (Memorandum Only) -----		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	25,103,160	25,128,010	\$24,850
Intergovernmental	13,703,133	15,241,990	1,538,857
Interest	604,632	863,549	258,917
Tuition and Fees	369,222	393,868	24,646
Rent	25,000	40,452	15,452
Extracurricular Activities	475,354	487,775	12,421
Gifts and Donations	98,696	109,289	10,593
Customer Services	30,000	18,529	(11,471)
Miscellaneous	431,353	429,469	(1,884)
Total Revenues	40,840,550	42,712,931	1,872,381
Expenditures:			
Current:			
Instruction:			
Regular	16,206,517	16,107,052	99,465
Special	2,523,332	2,483,086	40,246
Vocational	18,570	14,245	4,325
Other	74,983	74,983	0
Support Services:			
Pupils	2,023,645	2,017,333	6,312
Instructional Staff	2,682,536	2,660,050	22,486
Board of Education	47,195	40,571	6,624
Administration	2,447,684	2,442,085	5,599
Fiscal	843,948	838,273	5,675
Business	154,903	154,228	675
Operation and Maintenance of Plant	4,006,299	3,990,979	15,320
Pupil Transportation	2,953,584	2,880,452	73,132
Central	917,886	894,578	23,308
Operation of Non-Instructional Services:	382,303	333,922	48,381
Extracurricular Activities:	819,199	796,820	22,379
Capital Outlay:	2,115,085	1,886,609	228,476
Debt Service:			
Principal Retirement	10,730,000	10,730,000	0
Interest and Fiscal Charges	2,908,141	2,902,426	5,715
Total Expenditures	51,855,810	51,247,692	608,118
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,015,260)	(8,534,761)	2,480,499
Other Financing Sources (Uses):			
Operating Transfers In	2,331	2,331	0
Proceeds from Sale of Notes	9,139,691	9,215,000	75,309
Proceeds from Sale of Fixed Assets	19,864	19,864	0
Refund of Prior Year Expenditures	6,475	8,971	2,496
Advances In	6,336	20,752	14,416
Refund of Prior Year Receipts	(728)	(728)	0
Advances Out	(20,752)	(20,752)	0
Operating Transfers Out	(2,331)	(2,331)	0
Total Other Financing Sources (Uses)	9,150,886	9,243,107	92,221
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,864,374)	708,346	2,572,720
Fund Balances at July 1, 1999	7,691,675	7,691,675	0
Prior Year Encumbrances Appropriated	2,180,168	2,180,168	0
Fund Balances at June 30, 2000	\$8,007,469	\$10,580,189	\$2,572,720

See accompanying notes to the general purpose finan

**MASON CITY SCHOOL DISTRICT, OHIO
 COMBINED STATEMENT OF REVENUES,
 EXPENSES AND CHANGES IN RETAINED EARNINGS
 ALL PROPRIETARY FUND TYPES AND NON-EXPENDABLE TRUST FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	----- Proprietary Fund Types -----		Fiduciary	Totals (Memorandum Only)
	Enterprise	Internal Service	---- Fund Type ---- Non-Expendable Trust	
Operating Revenues:				
Sales	\$1,165,410	\$0	\$0	\$1,165,410
Charges for Services	32,454	374,312	0	406,766
Interest	0	0	495	495
Contributions and Donations	0	0	2,825	2,825
Miscellaneous	157,533	0	0	157,533
Total Operating Revenue	1,355,397	374,312	3,320	1,733,029
Operating Expenses:				
Salaries	419,488	0	0	419,488
Fringe Benefits	160,259	0	0	160,259
Purchased Services	273,935	29,841	0	303,776
Materials and Supplies	94,693	0	0	94,693
Cost of Sales	509,358	0	0	509,358
Depreciation	46,962	0	0	46,962
Claims	0	341,525	0	341,525
Other	0	0	700	700
Total Operating Expenses	1,504,695	371,366	700	1,876,761
Operating Income (Loss)	(149,298)	2,946	2,620	(143,732)
Non-Operating Revenues:				
Federal Donated Commodities	49,977	0	0	49,977
Interest	5,204	1,116	0	6,320
Operating Grants	114,089	0	0	114,089
Interest and Fiscal Charges	(3,981)	0	0	(3,981)
Total Non-Operating Revenues	165,289	1,116	0	166,405
Net Income (Loss)	15,991	4,062	2,620	22,673
Retained Earnings at July 1, 1999	59,224	(30,770)	16,778	45,232
Retained Earnings at June 30, 2000	\$75,215	(\$26,708)	\$19,398	\$67,905

See accompanying notes to the general purpose financial statements

**MASON CITY SCHOOL DISTRICT, OHIO
COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES AND NON-EXPENDABLE TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	----- Proprietary Fund Types -----		---- Fiduciary ----	Totals (Memorandum Only)
	Enterprise	Internal Service	--- Fund Type --- Nonexpendable Trust	
Cash Flows from Operating Activities:				
Cash Received from Customers	\$1,357,585	\$0	\$0	\$1,357,585
Cash Received from Quasi External Transactions with Other Funds	0	374,312	0	374,312
Cash Received from Donations	0	0	2,825	2,825
Cash Payments to Suppliers for Goods and Services	(521,074)	0	0	(521,074)
Cash Payments to Employees for Services	(424,269)	0	0	(424,269)
Cash Payments for Employee Benefits	(163,533)	0	0	(163,533)
Cash Payments for Claims	0	(326,325)	0	(326,325)
Cash Payments for Purchased Services	(264,338)	(29,841)	0	(294,179)
Cash Payments for Materials and Supplies	(15,841)	0	0	(15,841)
Cash Payments for Other	0	0	(700)	(700)
Net Cash Provided by (Used) for Operating Activities	(31,470)	18,146	2,125	(11,199)
Cash Flows from Noncapital Financing Activities:				
Federal and State Grants Received	127,896	0	0	127,896
Net Cash Provided by Noncapital Financing Activities	127,896	0	0	127,896
Cash Flows from Capital and Related Financing Activities:				
Purchase of Fixed Assets	(32,820)	0	0	(32,820)
Principal Paid on Capital Leases	(18,775)	0	0	(18,775)
Interest Paid on capital Leases	(3,981)	0	0	(3,981)
Net Cash (Used for) Capital and Related Financing Activities	(55,576)	0	0	(55,576)
Cash Flows from Investing Activities:				
Interest on Investments	5,204	1,116	495	6,815
Net Cash Provided by Investing Activities	5,204	1,116	495	6,815
Net Increase in Cash and Cash Equivalents	46,054	19,262	2,620	67,936
Cash and Cash Equivalents at July 1, 1999	182,642	26,944	16,778	226,364
Cash and Cash Equivalents at June 30, 2000	\$228,696	\$46,206	\$19,398	\$294,300

Continued

**MASON CITY SCHOOL DISTRICT, OHIO
COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES AND NON-EXPENDABLE TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000
(CONTINUED)**

	----- Proprietary Fund Types -----		---- Fiduciary ----	Totals
	Enterprise	Internal Service	--- Fund Type --- Nonexpendable Trust	(Memorandum Only)
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Operating Income (Loss)	(\$149,298)	\$2,946	\$2,620	(\$143,732)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Depreciation Expense	46,962	0	0	46,962
Donated Commodities Used During Year	49,977	0	0	49,977
Interest Received in Nonexpendable Trust Fund	0	0	(495)	(495)
Changes in Assets and Liabilities:				
Decrease in Intergovernmental Receivable	13,807	0	0	13,807
Decrease in Accounts Receivable	2,188	0	0	2,188
(Increase) in Inventory Held for Resale	(1,955)	0	0	(1,955)
(Increase) in Prepaid Items	(968)	0	0	(968)
Increase in Accounts Payable	14,904	104	0	15,008
Increase/(Decrease) in Accrued Wages and Benefits	(4,406)	0	0	(4,406)
Increase in Compensated Absences Payable	(375)	0	0	(375)
Increase/(Decrease) in Intergovernmental Payable	(2,306)	0	0	(2,306)
Increase in Claims Payable	0	15,096	0	15,096
Total Adjustments	117,828	15,200	(495)	132,533
Net Cash Provided by (Used for) Operating Activities	(31,470)	18,146	2,125	(11,199)
Non Cash Transactions - Contributions from Building Fund	\$0	\$0	\$0	\$0
Reconciliation of Nonexpendable Trust Fund to Balance Sheet:				
Cash and Cash Equivalents - All Fiduciary Funds			\$81,168	
Cash and Cash Equivalents - Agency Funds			(61,770)	
Cash and Cash Equivalents - Nonexpendable Trust Fund			\$19,398	

See accompanying notes to the general purpose financial statements

MASON CITY SCHOOL DISTRICT
 COMBINED STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 ALL PROPRIETARY FUND TYPES AND NON-EXPENDABLE TRUST FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	----- Proprietary Fund Types -----					
	----- Enterprise Funds -----			----- Internal Service Fund -----		
	Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Sales	\$1,154,808	\$1,167,598	\$12,790	\$0	\$0	\$0
Charges for Services	32,500	32,454	(46)	372,712	374,312	1,600
Operating Grant	140,287	127,896	(12,391)	0	0	0
Interest	4,930	5,205	275	2,000	1,116	(884)
Refund of Prior Year Expense	368	398	30	0	0	0
Gifts and Donations	0	0	0	0	0	0
Miscellaneous	150,000	157,135	7,135	0	0	0
Total Revenues	1,482,893	1,490,686	7,793	374,712	375,428	716
Expenses:						
Salaries	520,889	424,270	96,619	0	0	0
Fringe Benefits	167,082	163,533	3,549	0	0	0
Purchased Services	267,875	265,038	2,837	43,895	29,841	14,054
Materials and Supplies	636,972	562,050	74,922	1,000	0	1,000
Other	0	0	0	356,595	326,325	30,270
Capital Outlay	72,717	32,821	39,896	0	0	0
Total Expenses	1,665,535	1,447,712	217,823	401,490	356,166	45,324
Excess (Deficiency) of Revenues Over (Under) Expenses	(182,642)	42,974	225,616	(26,778)	19,262	46,040
Fund Equity at July 1, 1999	148,685	148,685	0	26,944	26,944	0
Prior Year Encumbrances Appropriated	33,957	33,957	0	0	0	0
Fund Equity at June 30, 2000	\$0	\$225,616	\$225,616	\$166	\$46,206	\$46,040

See accompanying notes to the general purpose financial statements

----- Fiduciary Fund Type -----			Totals		
----- Nonexpendable Trust Fund -----			----- (Memorandum Only) -----		
Revised		Variance	Revised		Variance
Budget	Actual	Favorable (Unfavorable)	Budget	Actual	Favorable (Unfavorable)
\$0	\$0	\$0	\$1,154,808	\$1,167,598	\$12,790
0	0	0	405,212	406,766	1,554
0	0	0	140,287	127,896	(12,391)
600	495	(105)	7,530	6,816	(714)
0	0	0	368	398	30
0	0	0	0	0	0
2,700	2,825	125	152,700	159,960	7,260
3,300	3,320	20	1,860,905	1,869,434	8,529
0	0	0	520,889	424,270	96,619
0	0	0	167,082	163,533	3,549
0	0	0	311,770	294,879	16,891
0	0	0	637,972	562,050	75,922
3,500	700	2,800	360,095	327,025	33,070
0	0	0	72,717	32,821	39,896
3,500	700	2,800	2,070,525	1,804,578	265,947
(200)	2,620	2,820	(209,620)	64,856	274,476
17,619	17,619	0	193,248	193,248	0
0	0	0	33,957	33,957	0
\$17,419	\$20,239	\$2,820	17,585	292,061	274,476

MASON CITY SCHOOL DISTRICT, OHIO
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2000

NOTE 1 - DESCRIPTION OF THE SCHOOL

The Mason City 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/or federal agencies. The Board controls the District's six instructional facilities, staffed by 344 classified personnel, 356 certified full-time teaching personnel and administrative employees to provide services to students and other community members.

The District is located in Mason, Ohio, Warren County, including an area extending roughly six miles around the city. The enrollment for the District during the 2000 fiscal year was 6,057. The District operates one early childhood center (PS-K), two elementary schools (1-2) and (3-4), one intermediate school (5-6), one middle school (7-8), and a high school (9-12).

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in the preparation of these financial statements are summarized below. These policies conform to generally accepted accounting principles (GAAP) for local governmental units as prescribed in the statements issued by the Governmental Accounting Standards Board (the "GASB") and other recognized authoritative sources. The District also applies Financial Accounting Standards Board Statements and Interpretations issued prior to November 30, 1989, to its proprietary activities, provided they do not conflict with or contradict GASB pronouncements.

A. Financial Reporting Entity

The reporting entity is composed of the primary government. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For Mason City School District, this includes general operations, food service, preschool and student related activities of the District.

The District reviewed potential component units for possible inclusion in the reporting entity. Component units are legally separate organizations for which the District is financially accountable. The District would be financially accountable for an organization if the District appointed a voting majority of the organization's governing board and (1) the District was able to significantly influence the programs or services performed or provided by the organization; or (2) the District was legally entitled to or can otherwise access the organizations' resources; the District was legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to, the organization; or the District was obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. The District identified no component units that meet this criteria.

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

A. Financial Reporting Entity (Continued)

The District is not involved in the budgeting or management of the Great Oaks Joint Vocational School District. The vocational school district is a separate body politic and corporate, established by the Ohio Revised Code. This is a jointly governed organization and the District's participation is discussed in Note 15 to the General Purpose Financial Statements.

The Mason City School District is a participating member of the Southwestern Ohio Computer Association (SWOCA). SWOCA provides data processing services needed by the participating school districts. D. Russell Lee Vocational School serves as the fiscal agent. This is a jointly governed organization and the District's participation is discussed in Note 15 to the General Purpose Financial Statements.

B. Basis of Presentation – Fund Accounting

The District uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain District functions or activities.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available resources.

For financial statement presentation purposes, the various funds of the District are grouped as follows:

Governmental Funds

Governmental funds are those through which most governmental functions of the District are financed. The acquisition, use and balances of the District's expendable financial resources and the related current liabilities, except those accounted for in proprietary or fiduciary funds, are accounted for through governmental funds. The governmental fund category includes:

The General Fund is the general operating fund of the District and is used to account for all financial resources, except those required to be accounted for in another fund.

Special Revenue Funds are established to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes.

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

B. Basis of Presentation – Fund Accounting (Continued)

Governmental Funds (Continued)

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs not being financed by proprietary funds.

Capital Projects Funds are used to account for financial resources to be used for the acquisition of fixed assets or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Proprietary Funds

Proprietary funds are used to account for the District's ongoing activities, which are similar to those found in the private sector. All assets, liabilities, equities, revenues, expenses, and transfers relating to the District's business and quasi-business activities, where net income and capital maintenance are measured, are accounted for through proprietary funds.

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the Board of Education is that the costs (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 where the Board of Education had 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.

The Internal Service Fund accounts for the financing of services provided by one department or agency to another department or agency of the District on a cost-reimbursement basis.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds.

Non-Expendable Trust Funds account for trust principal, which may not be expended. Only interest earned on the principal may be used for trust operations. Non-expendable trust funds are accounted for in essentially the same manner as proprietary funds.

Agency Funds are purely custodial and thus do not involve measurement of results of operations.

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

B. Basis of Presentation – Fund Accounting (Continued)

Account Groups

To make a clear distinction between fixed assets related to specific funds and those of general government, and between long-term liabilities related to specific funds and those of a general nature, the following account groups are used:

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the District, other than those accounted for in the proprietary or trust funds.

General Long-Term Obligations Account Group - This account group is established to account for all long-term obligations and certain other liabilities of the District except those accounted for in the proprietary or trust funds.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types and expendable trust funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds and non-expendable trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

The modified accrual basis of accounting is followed for the governmental and agency funds. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. The District considers revenues available if they are collected within sixty days after fiscal year end, or in the case of current property taxes, available for advance to the District at the fiscal year end by the County Auditor.

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

C. Measurement Focus and Basis of Accounting (Continued)

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: investment earnings, tuition, grants, property taxes available for advance, and student fees.

The District reports deferred revenues on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. In the subsequent period, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Property taxes measurable as of June 30, 2000, which are intended to finance fiscal year 2001 operations, and delinquent property taxes, whose availability is indeterminable, have been recorded as deferred revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year, and the costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

The proprietary fund types and the non-expendable trust fund utilize the accrual basis of accounting for reporting purposes. Revenues are recognized when they are earned and become measurable, and expenses are recognized when they are incurred, if measurable. There were no unbilled service charges receivable at year end. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as deferred revenue.

D. Budgetary Data

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the object level within each function. Any budgetary modifications at this level must be made by resolution of the Board of Education. The auxiliary services fund is presented as a special revenue fund on the statements prepared using generally accepted accounting principles.

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

D. Budgetary Data (Continued)

Tax Budget:

Prior to January 15, the Superintendent and the Treasurer submit 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 express purpose of this budget document is to reflect the need for existing (or increased) tax rates.

By no later than January 20, the Board-adopted budget is filed with the Warren County Budget Commission for rate determination.

Estimated Resources:

Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget 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 do not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the Certificate is amended to include unencumbered cash balances from the preceding year. The Certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported in the budgetary statements reflect the amounts in the final Amended Certificate issued during fiscal year 2000.

Appropriations:

Upon receipt from the County Auditor of an amended official certificate of estimated resources based on the final assessed values and tax rates or a certificate stating no new certificate is necessary, the annual appropriation resolution must be legally enacted by the Board of Education at the fund level of expenditures, which is the legal level of budgetary control. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals by fund. Any revisions that alter the total of any fund appropriation must be approved by the Board of Education. The Board may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent Certificate of Estimated Resources. During the year, several supplemental appropriations were legally enacted; however, none of these amendments were significant. The budget figures, which appear in the statements of budgetary comparisons, represent the final appropriation amounts, including all supplemental appropriations.

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

D. Budgetary Data (Continued)

Formal budgetary integration is employed as a management control device during the year for all funds, including the Debt Service Fund, consistent with statutory provisions.

Encumbrances:

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the Non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On the GAAP basis, encumbrances outstanding at year end are reported as a reservation of fund balance for subsequent-year expenditures for governmental funds and reported in the notes to the financial statements for proprietary funds.

Lapsing of Appropriations:

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriation. Encumbered appropriations are carried forward to the succeeding fiscal year and are not reappropriated.

E. Cash and Cash Equivalents

Cash received by the District, except for certain building capital projects funds, are pooled for investment purposes in one bank account with individual fund cash balance integrity maintained through the District's financial records. Monies for all funds are maintained in this account or temporarily used to purchase investments. During fiscal year 2000, investments were limited to certificates of deposit, obligations of the U.S. Treasury, direct issuances of federal agencies, commercial paper, mutual funds, nonparticipating repurchase agreements, and interest in STAR Ohio (the State Treasurer's Investment Pool). 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 and nonnegotiable certificates of deposit are reported at cost. The District has invested funds in the State Treasury Assets Reserve of Ohio (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 the 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. Under existing Ohio statutes, all investment earnings accrued are allocated to the General Fund except those specifically related to auxiliary services agency funds, the food service fund, certain trust funds and those funds individually authorized by Board resolution. Interest income earned in 2000 totaled \$776,240.

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

E. Cash and Cash Equivalents (Continued)

For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments with a maturity of three months or less at the time they are purchased by the District and investments made from the cash management pool are considered to be cash equivalents. Investments with a maturity greater than three months are considered investments of the fund.

F. Inventory

Inventories of proprietary funds are stated at the lower of cost or market. Cost is determined on a first-in, first-out (FIFO) method. Inventories of proprietary funds consist of donated food, purchased food, and school supplies held for resale and are expensed when used.

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2000 are recorded as prepaid items. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

H. Fixed Assets and Depreciation

General Fixed Assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction costs are reflected as expenditures in governmental funds, and related assets are reported in the general fixed assets account group. Fixed assets utilized in the proprietary funds are capitalized in the respective fund. All fixed assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The District does not capitalize interest on construction projects. Donated fixed assets are recorded at their fair market values as of the date received. The District follows the policy of not capitalizing assets with a cost of less than five hundred dollars and a useful life of less than 5 years.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Assets in the general fixed assets account group are not depreciated. Depreciation of furniture and equipment in the proprietary fund types is computed using the straight-line method over an estimated useful life of 10 to 20 years.

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

I. Intergovernmental Revenues

For governmental funds, intergovernmental revenues, such as grants awarded on a non-reimbursement basis and entitlements, are recorded as receivables and revenues when measurable and available. Reimbursement type grants are recorded as receivables and revenues when the related expenditures are incurred. Other than commodities, grants and entitlements for proprietary fund operations are recognized as non-operating revenues in the accounting period in which they are earned and became measurable.

The District currently participates in several State and Federal (*) programs, categorized as follows:

Entitlements

- General Fund
- State Foundation Program

Non-Reimbursable Grants

Special Revenue Funds

- | | |
|--|-------------------------------|
| Venture Capital | Title VI (*) |
| Career Education | SchoolAge Grant (*) |
| Block Grant | Drug Free Schools Program (*) |
| Gifted Education | Public School Preschool (*) |
| Education Management Information Systems | Continuous Improvement (*) |
| SchoolNet | E-Rate |
| Eisenhower (*) | Ohio Reads (*) |
| Title VI-B (*) | Emergency Immigration (*) |
| Carl Perkins Vocational Education (*) | Safe Schools (*) |
| Title I (*) | Summer School (*) |

Reimbursable Grants

- General Fund
- School Bus Purchase Reimbursement
- Driver Education Reimbursement

- Proprietary Funds
- National School Lunch Program
- Food Commodity Distribution

Grants and entitlements amounted to approximately 33.8 percent of the District's operating revenue during the 2000 fiscal year.

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

J. Short-Term Interfund Assets/Liabilities

Short-term interfund loans are classified as “interfund receivables/payables.” The District had no interfund loans at June 30, 2000.

K. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employee’s rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at June 30 by those employees who are currently eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future.

The criteria for determining the vacation and sick leave liability is derived from Board policy, negotiated agreements and state laws.

<u>Vacation</u>	<u>Certificated</u>	<u>Administrators</u>	<u>Classified</u>
How Earned	Not Eligible	20 days annually	10 to 20 days per year depending on length of service
Maximum Accumulation	Not Applicable	Amount equal to yearly accrual	Amount equal to yearly accrual
Vested	Not Applicable	As Earned	As Earned
Termination Entitlement	Not Applicable	Paid Upon Termination	Paid Upon Termination

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

K. Compensated Absences (Continued)

<u>Sick Leave</u>	<u>Certificated</u>	<u>Administrators</u>	<u>Classified</u>
How Earned	1.25 days per month of employment (15 days per year)	1.25 days per month of employment (15 days per year)	1.25 days per month of employment (15 days per year)
Maximum Accumulation	215 days	215 days	215 days
Vested	15 yrs. of service Eligible for Retirement	15 yrs. of service Eligible for Retirement	15 yrs. of service Eligible for Retirement
Termination Entitlement	Paid Upon Retirement	Paid Upon Retirement	Paid Upon Retirement

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account “compensated absences payable” in the fund from which the employees who have accumulated unpaid leave are paid. The remainder is reported in the general long-term obligations account group. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

L. Long-Term Obligations

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. The remaining portion of such obligations is reported in the general long-term obligations account group.

M. Fund Balance Reserves

The District records reservations for portions of fund equity which are legally segregated for specific future use or which do not represent available spendable resources and therefore are not available for appropriations for expenditures. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves are established for encumbrances, prepaids, property taxes, and budget stabilization. The reserve for property taxes represents taxes recognized as revenue under generally accounting principles but not available for appropriations under state statute.

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

N. Set-Aside Calculations and Fund Reserves

The District is required by State statute to annually set aside an amount based on prior year revenues for the purchase of textbooks and other instructional materials and an additional amount for capital improvements. Amounts not spent by year-end or offset by similarly restricted resources must be held in cash at year-end and carried forward to be used for the same purposes in future years. Amounts spent in excess of the requirement can be carried over to the following year to be applied to meeting the following year's requirement. In addition, an amount is to be set aside in a budget stabilization reserve if the District's base amount used for the yearly set-aside calculation increases three percent or more from the prior year.

The following information describes any changes in the amounts set-aside for textbooks and instructional materials, capital improvements, budget stabilization from the end of the prior year to the end of the current year. Negative amounts represent amounts spent in excess of the required levels and are carried over to apply against the FY2001 spending requirements.

1. Textbooks and Instructional Materials

Set-aside balance carried forward from prior year		\$0
Current year set-aside requirement	\$795,814	
Qualifying expenditures made during the year	861,059	
Total qualifying expenditures in excess of requirement for FY00		(65,245)
Balance of set-aside to be carried forward to next year		<u>\$(65,245)</u>

2. Capital Improvements

Set-aside balance carried forward from prior year		\$0
Current year set-aside requirement	\$795,814	
Qualifying expenditures made during the year	795,814	
Total qualifying expenditures in excess of requirement for FY00		0
Balance of set-aside to be carried forward to next year		<u>\$0</u>

3. Budget Stabilization

Set-aside balance carried forward from prior year		\$1,156,987
Current year set-aside requirement		0
Balance of set-aside to be carried forward to next year		<u>\$1,156,987</u>

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

O. Contributed Capital

Contributed capital represents resources from other funds, other governments and private sources provided to the proprietary funds that are not subject to repayment. These assets are recorded at their fair market value on the date contributed. Depreciation on those assets acquired or constructed with contributed resources is expensed and closed to unreserved retained earnings at year end.

P. Estimates

The preparation of the 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 could differ from those estimates.

Q. Total columns on General Purpose Financial Statements

Total columns on the general purpose financial statements are captioned (Memorandum Only) to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 3 - BUDGETARY BASIS OF ACCOUNTING

While the District is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis), All Governmental Fund Types and Expendable Trust Funds and the Combined Statement of Revenues, Expenses and Changes in Fund Equity - Budget and Actual (Non-GAAP Budgetary Basis), All Proprietary Fund Types are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

NOTE 3 - BUDGETARY BASIS OF ACCOUNTING (Continued):

3. Encumbrances are treated as expenditures/expenses for all funds (budget basis) rather than as a reservation of fund balance for governmental fund types and as note disclosures in the proprietary fund types (GAAP Basis).
4. For proprietary funds the acquisition and construction of capital assets are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).
5. Proceeds from and principal payment on bond anticipation notes are reported on the operating statement (budget basis) rather than on the balance sheet (GAAP basis).
6. The District repays short-term note debt from the debt service fund (budget basis) as opposed to the fund that received the proceeds (GAAP basis). Debt service fund resources used to pay both principal and interest have been allocated accordingly.
7. Advances were a reimbursement to General Fund of advances in the prior year.

The following tables summarize the adjustments necessary to reconcile the GAAP and budgetary basis statements by fund type.

Excess (Deficiency) of Revenues and Other Financing Sources
Over (Under) Expenditures and Other Financing Uses

All Government Fund Types

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
GAAP Basis	\$2,837,847	\$84,140	\$1,081,458	\$(2,516,870)
Net Adjustment for Revenue Accruals	(1,029,188)	1,211	(276,135)	(13,984)
Refund of Prior Year Expenditure	7,367	440	0	0
Proceeds from Sale of Notes	0	0	8,900,000	315,000
Inception of Capital Leases	(528,309)	0	0	0
Advances In	20,752	0	0	0
Transfers In	0	0	0	(403,355)
Net Adjustment for Expenditure Accruals	1,181,262	20,987	(9,303,355)	610,888
Advances Out	0	(6,336)	0	(14,416)
Transfers Out	0	0	403,355	0
Adjustment for Encumbrances	(408,699)	(86,545)	0	(169,169)
Budget Basis	<u>\$2,081,032</u>	<u>\$13,897</u>	<u>\$805,323</u>	<u>\$(2,191,906)</u>

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

NOTE 3 – BUDGETARY BASIS OF ACCOUNTING (Continued):

Net Income (Loss) / Excess (Deficiency) of Revenues Over / (Under)
 Expenses, Advances and Operating Transfers

All Proprietary Fund Types and Non-Expendable Trust Fund

	<u>Enterprise</u>	<u>Internal Service</u>	<u>Non-Expendable Trust</u>
Net Income for GAAP Basis	\$15,991	\$4,062	\$2,620
Net Adjustment for Revenue Accruals	15,996	0	0
Commodities Received	(49,977)	0	0
Net Adjustment for Expense Accruals	17,083	15,200	0
Depreciation Expense	46,962	0	0
Adjustment for Encumbrances	(3,081)	0	0
Budget Basis	<u>\$42,974</u>	<u>\$19,262</u>	<u>\$2,620</u>

NOTE 4 - FUND DEFICIT

For the fiscal year ending June 30, 2000, the following funds had individual fund deficits:

	<u>Deficit Fund Balance</u>
Governmental Funds:	
Capital Projects:	
Building Fund	\$9,079,841
Capital Projects	684,694
Proprietary Funds:	
Enterprise Funds:	
Latchkey Fund	3,257
Internal Service Funds	
Self Insurance Fund	26,708

The fund deficits resulted from adjustments for accrued liabilities. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur.

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

NOTE 5 - DEPOSITS AND INVESTMENTS

State statutes require the classification of monies held by the District into three categories.

Category 1 consists of “active” monies, those monies required to be kept in a “cash” or “near-cash” status for immediate use by the District. Such monies must be maintained either as cash in the District Treasury, in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Category 2 consists of “inactive” monies, those monies not required for use within the current two year period of designation of depositories. Inactive monies may be deposited or invested as certificates of deposit maturing not later than the end of the current period of designation of depositories, or as savings or deposit accounts including, but not limited to, passbook accounts.

Category 3 consists of “interim” monies, 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 monies may be invested or deposited in the following securities provided they mature or are redeemable within one year from the date of purchase:

1. Bond, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
2. Bonds, notes, debentures, or other obligations or securities issued by any federal government agency, or instrumentality.
3. Written repurchase agreements for a period not to exceed thirty days in securities listed above that mature within five years from the date of purchase.
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).
7. Certain banker’s acceptances 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.

Protection of District cash and investments is provided by the Federal Deposit Insurance Corporation as well as qualified securities pledged by the institution holding the assets. By law, financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must equal at least 110 percent of public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

Deposits: The District is required to categorize deposits and investments according to GASB Statement No. 3 “Deposits with Financial Institutions, Investments, and Reverse Repurchase Agreements”. At year-end, the carrying amount of the District’s deposits was \$2,060,107. The bank balance of the District’s deposit was \$2,541,136, and the bank balance of retainage on hand was \$11,912. Of the bank balance, \$544,978 was covered by federal depository and other insurance and the remaining amounts were covered by collateral held by the pledging bank’s trust department but not in the District’s name pursuant to Section 135.181, Ohio Revised Code, in collateral pools securing all public funds on deposit with specific depository institutions. Ohio Revised Code Section 135.181 Uniform Depository Act, authorizes pledging of pooled securities in lieu of pledging specific securities. Specifically, a designated public depository may pledge a single pool of eligible securities to secure payment of all public monies deposited in the financial institution, provided that at all times the total value of the securities so pledged is at least equal to 110% of the total amount of all public deposits secured by the pool, including the portion of such deposits covered by any federal deposit insurance. Although the pledging bank has an investment and securities pool used to collateralize all public deposits which are held in the financial institutions name, noncompliance with federal requirements could potentially subject the District to a successful claim by the FDIC. The deposits not covered by federal depository insurance are considered uninsured and uncollateralized under the provisions of Statement No. 3.

Investments: The District’s investments are categorized below to give an indication of the level of risk assumed by the District at year-end:

Category 1 includes investments that are insured or registered or for which the securities are held by the District or its agent in the District’s name.

Category 2 includes uninsured and unregistered investments which are held by the counterparty’s trust department or agent but not in the District’s name.

Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the District’s name.

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

Based on the above criteria, the District's investments at June 30, 2000, are classified as follows:

<u>Description</u>	<u>1</u>	Category <u>2</u>	<u>3</u>	Carrying <u>Value</u>
U.S. Treasury Notes	\$0	\$224,455	\$0	\$224,455
Non-Participating Repurchase Agreement	0	0	12,591	12,591
Federal Farm Credit Bureau Corporation Notes	0	99,979	0	99,979
Federal Home Loan Mortgage Notes	0	1,197,675	0	1,197,675
Commercial Paper	0	487,300	0	487,300
Federal National Mortgage Assoc. Notes	0	994,963	0	994,963
Fountain Square Mutual Fund (1)	N/A	N/A	N/A	101,321
Star Ohio (1)	N/A	N/A	N/A	6,448,938
Total	\$0	\$3,004,372	\$12,591	\$9,567,222

- 1) The District's investments in Star Ohio and Fountain Square Mutual Fund are not categorized because they are not evidenced by securities that exist in physical or book entry form.

The classification of cash and cash equivalents, and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9 entitled "Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities that Use Proprietary Fund Accounting."

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

A reconciliation between the classifications of cash and investments on the combined financial statements and the classification per GASB Statement No. 3 is as follows:

	<u>Cash and Cash Equivalents/Deposits</u>	<u>Investments</u>
GASB Statement 9	\$8,200,914	\$3,426,415
Certificates of Deposit	1,089,750	(1,089,750)
Non-Participating Repurchase Agreement	(12,591)	12,591
Commercial Paper	(371,996)	371,996
Federal National Mortgage Association	(295,711)	295,711
Fountain Square Mutual Fund	(101,321)	101,321
Star Ohio	(6,448,938)	6,448,938
GASB Statement 3	<u>\$2,060,107</u>	<u>\$9,567,222</u>

NOTE 6 - PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year.

Property taxes include amounts levied against all real, public utility and tangible personal (used in business) property located in the District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years. Public utility property taxes are assessed on tangible personal property at 88 percent of true value (with certain exceptions) and on real property at 35 percent of true value. Tangible personal property taxes are levied after April 1 on the value listed as of December 31 of the current year. Tangible personal property assessments are 25 percent of true value.

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

NOTE 6 - PROPERTY TAXES (Continued)

The assessed values upon which the fiscal year 2000 taxes were collected are:

	<u>1999 Second- Half Collections</u>		<u>2000 First- Half Collections</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$507,879,160	79.79%	\$584,567,320	80.90%
Public Utility Personal	28,916,380	4.54%	27,966,800	3.87%
Tangible Personal Property	99,696,766	15.66%	110,006,159	15.23%
Total Assessed Value	<u>\$636,492,306</u>	<u>100.00%</u>	<u>\$722,540,279</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation		\$61.95		\$61.95

Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, state statute permits later payment dates to be established.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

The District receives property taxes from Warren and Butler Counties. The county auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the county by June 30, 2000, are available to finance fiscal year 2000 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property 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 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, 2000, was \$3,114,245 and is recognized as revenue. The amount available for advance at June 30, 1999, was \$1,845,858.

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

NOTE 7 - RECEIVABLES

Receivables at June 30, 2000, consisted of taxes, interest, accounts and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. The principal item of receivables follows:

	<u>Taxes</u>	<u>Accounts</u>	<u>Intergovernmental</u>	<u>Interest</u>
General	\$21,765,002	\$8,406	\$4,260	\$112,769
Special Revenue	0	4,685	0	0
Debt Service	4,705,657	0	0	0
Capital Projects	310,433	49,636	81,883	0
Total	<u>\$26,781,092</u>	<u>\$62,727</u>	<u>\$86,143</u>	<u>\$112,769</u>

NOTE 8 - FIXED ASSETS

A summary of the enterprise funds' fixed assets at June 30, 2000, follows:

Furniture and Equipment	\$959,411
Less accumulated depreciation	(289,080)
Net Fixed Assets	<u>\$670,331</u>

A summary of the changes in general fixed assets during fiscal year 2000 follows:

	Balance June 30, <u>1999</u>	<u>Additions</u>	<u>Deletions</u>	Balance June 30, <u>2000</u>
Land	\$5,106,828	\$2,174	\$79,133	\$5,029,869
Buildings	55,192,667	223,477	0	55,416,144
Furniture and Equipment	8,631,335	608,454	249,337	8,990,452
Vehicles	3,100,777	731,145	34,461	3,797,461
Construction in Progress	0	686,223	0	686,223
Total	<u>\$72,031,607</u>	<u>\$2,251,473</u>	<u>\$362,931</u>	<u>\$73,920,149</u>

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

NOTE 9 - 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 Nationwide Insurance Company for general liability insurance with a \$5,000,000 aggregate limit covering all employees and volunteers of the District.

Property and Fleet Insurance is provided by Indiana Insurance and property holds a \$1,000 deductible and the bus fleet and maintenance vehicles have a \$250 deductible and a \$1,000,000 limit per occurrence.

The Nationwide Insurance Company maintains a \$20,000 performance bond for the Board President and Superintendent and maintains a \$50,000 public official bond for the Director of Finance and Business. Peerless Insurance maintains a \$10,000 employee dishonesty blanket bond for all employees.

Settlements have not exceeded insurance coverage in any of the last ten fiscal years.

The District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

Dental is offered on a self-insured basis by the District with third party administration services provided by Harrington Benefits Services. Premiums for dental coverage are \$65.43 for family coverage or \$22.97 for individual coverage. The District is responsible for payment of all claim amounts in excess of the employee payment percentages established in the plan document.

Vision is offered on a fully insured basis by the District with services provided by VSP (Vision Service Plan). Monthly premiums for vision are \$9.48 for family coverage and \$4.40 for individual coverage. VSP is responsible for payment of all claim amounts as established in the plan document.

The liability for unpaid claims cost of \$72,810 reported in the internal service fund at June 30, 2000, is based on the requirements of Governmental 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 if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and that the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount for the current year were:

	<u>Balance at</u> <u>Beginning of Year</u>	<u>Current Year</u> <u>Claims</u>	<u>Claims</u> <u>Payments</u>	<u>Balance at</u> <u>End of Year</u>
1999	\$41,844	\$342,201	\$326,331	\$57,714
2000	\$57,714	\$328,846	\$313,750	\$72,810

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

NOTE 10 - DEFINED BENEFIT PENSION PLANS

A. School Employees Retirement System

The Mason City School District contributes to the School Employers 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. Benefits are established by Chapter 3309 of the Ohio Revised Code. 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 N. Fourth Street, Columbus, Ohio 43215-3634.

Plan members are required to contribute 9 percent of their annual covered salary and the Mason City School District is required to contribute 14 percent; 7.70 percent was the portion to fund pension obligations. The contributions are not determined actuarially, but are established by SERS's Retirement Board within rates allowed by state statute. The adequacy of the contribution rates is determined annually. The District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$855,581, \$719,747 and \$593,950, respectively; 103 percent has been contributed for fiscal year 2000 and 100% for the fiscal years 1999 and 1998. \$26,419 representing the overpaid contribution for fiscal year 2000, is recorded as a reduction of the SERS liability within the respective funds.

B. State Teachers Retirement System

The Mason City School 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. Benefits are established by Chapter 3307 of the Ohio Revised Code. 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 43215-3371.

Plan members are required to contribute 9.30 percent of their annual covered salary and the Mason City School District is 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 District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2000, 1999, and 1998 were \$2,402,356, \$2,050,386 and \$1,731,694 respectively; 97.95 percent has been contributed for fiscal year 2000 and 100 percent for the fiscal years 1999 and 1998. \$49,140 representing the unpaid contribution for fiscal year 2000, is recorded as a liability within the respective funds.

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System have an option to choose social security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2000, three members have elected social security. The Board's liability is 6.20 percent of wages paid.

NOTE 11 - POSTEMPLOYMENT BENEFITS

The State Teachers Retirement System provides comprehensive health care benefits to retired teachers and their dependents, and the School Employees Retirement System provides the same coverage to retired non-certificated employees and their dependents. 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.

For the State Teachers Retirement System, all benefit recipients are required to 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 fund shall be included in the employer contribution rate, currently 14 percent of covered payroll. The Board currently allocates employer contributions equal to 8 percent of covered payroll to the Health Care Reserve Fund for which payments for health care benefits are paid. For the District, this amount equaled \$1,372,718 during the 2000 fiscal year. As of July 1, 1999, eligible benefit recipients totaled 95,796. For the fiscal year ended June 30, 1999, net health care costs paid by STRS were \$249,929,000.

For the School Employees Retirement System, coverage is made available to service retirees with ten or more 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% of the premium.

At June 30, 1999, employer contributions to fund health care benefits were 6.30 percent of covered payroll.

In addition, SERS levies a surcharge to fund health care benefits equal to 14% of the difference between a minimum pay and member's pay, pro-rated for partial service credit. For fiscal year 1999, the minimum pay has been established as \$12,400. The surcharge rate, added to the unallocated portion of the 14% employer contribution rate provides maintenance of the asset target level for the health care fund. For the District, this amount equaled \$104,266 during the 2000 fiscal year. The number of participants currently receiving health care benefits is approximately 51,000. For the fiscal year ended June 30, 1998, net health care costs paid by SERS were \$126,380,984.

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

NOTE 12 -CAPITAL LEASES - LESSEE DISCLOSURE

The District has entered into a capitalized lease for 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. Capital lease payments have been reclassified and are reflected as debt service expenditures in the combined financial statements for the governmental funds. These expenditures are reported as function expenditures on the budgetary statements.

General fixed assets consisting of equipment have been capitalized in the General Fixed Assets Account Group in the amount of \$559,379. This amount represents the present value of the minimum lease payments at the time of acquisition. A corresponding liability was recorded in the General Long-Term Obligations Account Group. Principal payments in fiscal year 2000 totaled \$61,632 in the governmental funds.

Proprietary fund fixed assets consisting of equipment have been capitalized in the enterprise fund in the amount of \$84,615. This amount represents the present value of the minimum lease payments at the time of acquisition. A corresponding liability is recorded within the fund. Principal payments in fiscal year 2000 totaled \$18,775 in the proprietary funds.

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

Fiscal Year Ending June 30	General Long Term Debt	Proprietary Fund Type Enterprise Fund
	_____	_____
2001	\$146,449	\$22,756
2002	144,252	22,756
2003	139,861	22,756
2004	86,037	3,792
2005	17,352	
	_____	_____
Total	\$533,951	\$72,060
Less: Amount Representing Interest	(50,660)	(5,753)
	_____	_____
Present Value of Net Minimum Lease Payments	\$483,291	\$66,307
	=====	=====

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

NOTE 13 -LONG TERM OBLIGATIONS

Long-term obligations activity of the District for the year ended June 30, 2000, was as follows:

General Obligation Bonds & Notes:	Principal Outstanding <u>6/30/99</u>	<u>Additions</u>	<u>Deductions</u>	Principal Outstanding <u>6/30/00</u>
1992 Building Construction and Equipment 5.59%	7,200,000	0	1,000,000	6,200,000
1995 Building Construction and Equipment 5.65%	18,600,000	0	75,000	18,525,000
1998 Building Construction and Equipment 5.24%	22,000,000	0	30,000	21,970,000
1999 School Bus Acquisition 5.12%	450,000	0	0	450,000
Total General Obligation Bonds & Notes	<u>\$48,250,000</u>	<u>\$0</u>	<u>\$1,105,000</u>	<u>\$47,145,000</u>
Compensated Absences	1,452,237	290,208	125,246	1,617,199
Pension Obligations	262,728	62,080	0	324,808
Capital Lease	16,614	528,309	61,632	483,291
Total General Long-Term Obligations	<u><u>\$49,981,579</u></u>	<u><u>\$880,597</u></u>	<u><u>\$1,291,878</u></u>	<u><u>\$49,570,298</u></u>

The District's voted legal debt margin was \$11,101,362 with an unvoted debt margin of \$407,540 at June 30, 2000.

General obligation bonds and notes will be paid from the debt service fund. Compensated absences and pension obligations will be paid from the fund from which the person is paid.

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

NOTE 13 -LONG TERM OBLIGATIONS (Continued)

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2000, are as follows:

Fiscal Year <u>Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2001	1,440,000	2,519,273	3,959,273
2002	1,675,000	2,439,919	4,114,919
2003	1,595,000	2,349,690	3,944,690
2004	1,760,000	2,262,480	4,022,480
2005	2,135,000	2,160,041	4,295,041
2006	2,335,000	2,041,503	4,376,503
2007	1,440,000	1,941,535	3,381,535
2008	1,800,000	1,856,314	3,656,314
2009	2,060,000	1,753,688	3,813,688
2010	2,335,000	1,630,276	3,965,276
2011	2,800,000	1,484,020	4,284,020
2012	3,150,000	1,320,553	4,470,553
2013	3,520,000	1,138,985	4,658,985
2014	4,095,000	930,355	5,025,355
2015	4,520,000	692,788	5,212,788
2016	5,010,000	428,903	5,438,903
2017	2,605,000	221,143	2,826,143
2018	2,870,000	76,055	2,946,055
Total	\$47,145,000	\$27,247,521	\$74,392,521

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

NOTE 14 – SHORT-TERM NOTES PAYABLE

Short-Term Notes Payable activity of the District for the year ended June 30, 2000, was as follows:

	<u>Principal Outstanding 6/30/99</u>	<u>Additions</u>	<u>Deductions</u>	<u>Principal Outstanding 6/30/00</u>
Mason Intermediate Construction 1999 3.38%	\$9,000,000	\$0	\$(9,000,000)	\$0
Mason Intermediate Construction 2000 b4.63%		8,900,000		8,900,000
School Bus Acquisition 5.12%	210,000	0	(210,000)	0
Maintenance Garage Land 1999 3.68%	415,000	0	(415,000)	0
Maintenance Garage Land 2000 4.73%		315,000		315,000
Total	<u>\$9,625,000</u>	<u>\$9,215,000</u>	<u>\$(9,625,000)</u>	<u>\$9,215,000</u>

These short-term bond anticipation notes are shown as liabilities of the fund which received the note proceeds. Accordingly, all note debt activity has been reported in the building fund. The Budgetary Basis (Non-GAAP) presentation shows the note activity in the Debt Service Fund.

Principal and interest requirements to retire these short-term notes payable outstanding at June 30, 2000, are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2001	\$9,215,000	\$450,035	\$9,885,035

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

NOTE 15 - JOINTLY GOVERNED ORGANIZATION

- A. The Southwestern Ohio Computer Association (SWOCA) is a jointly governed organization among a three county consortium of school districts. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. Each of the governments of these schools supports SWOCA based upon a per pupil charge dependent upon the software package utilized.

The Governing Board of SWOCA consists of six members elected by majority vote of all charter member schools plus one representative from the fiscal agent. The District has an equity interest that is explicit and measurable in that the jointly governed agreement stipulates that the participants have a future claim to the net resources of SWOCA upon dissolution. The agreement sets forth the method to determine each members' proportionate share.

SWOCA is not accumulating significant financial resources nor is it experiencing fiscal stress that may cause an additional financial benefit to or burden on members in the future. The District's investment interest in SWOCA's fixed assets was \$26,229 at June 30, 2000. The District paid SWOCA \$45,185 for services provided during the year. Financial information can be obtained from Michael Crumley, who serves as director, at 3603 Hamilton-Middletown Road, Hamilton, OH. 45011.

- B. The Great Oaks Joint Vocational School, a jointly governed organization, is a distinct political subdivision of the State of Ohio operated under the direction of a Board, consisting of one representative from each of the thirty-six participating school district's elected board, which possesses its own budgeting and taxing authority. To obtain financial information write to The Great Oaks Vocational School, Mr. John Wahle, Chief Financial Officer, at 3254 East Kemper Road, Cincinnati, Ohio 45241.

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

NOTE 16- ENTERPRISE FUND INFORMATION

The District maintains three Enterprise funds to account for the operations of food service, uniform school supplies and latchkey. The table below reflects in a summarized format the more significant financial data relating to the Enterprise Funds of the Mason City School District as of and for the fiscal year ended June 30, 2000.

<u>Segment Information</u>	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Latchkey</u>	<u>Total Enterprise Funds</u>
Operating Revenues	\$1,197,894	\$368	\$157,135	\$1,355,397
Operating Expenses Before Depreciation	1,273,231	34,987	149,515	1,457,733
Depreciation	54,056	0	0	54,056
Operating Income/(Loss)	(122,299)	(34,619)	7,620	(149,298)
Donated Commodities	49,977	0	0	49,977
Operating Grants	114,089	0	0	114,089
Other - Net	1,223			1,223
Net Income	42,990	(34,619)	7,620	15,991
Net Working Capital	80,087	65,185	(3,257)	142,015
Total Assets	855,575	65,185	15,042	935,802
Total Equity	672,746	65,185	(3,257)	734,674
Encumbrances at June 30, 2000	700	0	2,381	3,081

Contributed Capital

A Reconciliation of Contributed Capital Follows:

Contributed Capital at July 1, 1999	\$659,459	\$0	\$0	\$659,459
Contributed Capital at June 30, 2000	\$659,459	\$0	\$0	\$659,459

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

NOTE 17 - CONTINGENCIES

Grants:

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

Litigation:

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 the 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 \$ 12,082,582 of school foundation support for its general fund.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the State legislature in an attempt to address the issues identified by the Court. The Court of Common Pleas in Perry County has 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 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 District is unable to determine what effect, if any, this ongoing litigation will have on its future State funding under these programs and on its financial operations.

Mason City School District, Ohio
Notes to the General Purpose Financial Statements (continued)

NOTE 18- SIGNIFICANT CONTRACTUAL OBLIGATIONS

The Mason City School District has entered into a contract with Voorhis, Slone, Welsh, Crossland Architects for \$846,250 for architectural services. These services will be provided subsequent to June 30, 2000 and will be paid from the Capital Projects Fund.

**COMBINING, INDIVIDUAL FUND
AND ACCOUNT GROUP FINANCIAL
STATEMENTS AND SCHEDULES**

GENERAL FUND

To account for governmental resources not accounted for in any other fund. The General Fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of the State of Ohio.

MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$20,427,514	\$20,451,325	\$23,811
Intergovernmental	12,417,725	13,954,307	1,536,582
Interest	250,000	560,284	310,284
Tuition and Fees	324,477	333,160	8,683
Rent	25,000	40,452	15,452
Customer Services	30,000	18,529	(11,471)
Miscellaneous	6,000	525	(5,475)
Total Revenues	33,480,716	35,358,582	1,877,866
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	11,444,214	11,444,158	56
Fringe Benefits	2,851,758	2,851,322	436
Purchased Services	41,469	41,382	87
Materials and Supplies	1,025,014	1,004,561	20,453
Capital Outlay - New	29,836	29,555	281
Capital Outlay - Replacement	3,684	3,386	298
Total Regular	15,395,975	15,374,364	21,611
Special:			
Salaries and Wages	1,716,117	1,716,117	0
Fringe Benefits	435,695	435,689	6
Purchased Services	90,035	89,979	56
Materials and Supplies	17,618	16,625	993
Other	25	25	0
Capital Outlay - New	1,139	1,139	0
Total Special	2,260,629	2,259,574	1,055
Other:			
Purchased Services	74,983	74,983	0
Total Other	74,983	74,983	0
Total Instruction	17,731,587	17,708,921	22,666

Continued

MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000
(CONTINUED)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Support Services:			
Pupils:			
Salaries and Wages	\$1,195,939	\$1,195,734	\$205
Fringe Benefits	333,950	333,818	132
Purchased Services	382,696	382,659	37
Materials and Supplies	51,767	50,941	826
Capital Outlay - New	19,636	19,636	0
Other	500	0	500
Total Pupils	1,984,488	1,982,788	1,700
Instructional Staff:			
Salaries and Wages	1,773,616	1,773,589	27
Fringe Benefits	546,918	546,844	74
Purchased Services	37,706	37,052	654
Materials and Supplies	120,080	120,000	80
Capital Outlay - New	5,903	5,903	0
Capital Outlay - Replacement	3,981	3,906	75
Other	3,044	3,044	0
Total Instructional Staff	2,491,248	2,490,338	910
Board of Education:			
Salaries and Wages	11,000	10,960	40
Fringe Benefits	775	774	1
Purchased Services	11,716	6,007	5,709
Materials and Supplies	100	99	1
Other	23,604	22,731	873
Total Board of Education	47,195	40,571	6,624
Administration:			
Salaries and Wages	1,647,421	1,646,372	1,049
Fringe Benefits	502,678	502,678	0
Purchased Services	93,742	89,436	4,306
Materials and Supplies	30,001	29,998	3
Capital Outlay - New	2,783	2,662	121
Capital Outlay - Replacement	2,483	2,483	0
Other	159,269	159,245	24
Total Administration	2,438,377	2,432,874	5,503

Continued

MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000
(CONTINUED)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Fiscal:			
Salaries and Wages	\$265,037	\$265,037	\$0
Fringe Benefits	88,031	87,879	152
Purchased Services	26,250	26,005	245
Materials and Supplies	12,568	12,517	51
Capital Outlay - New	11,723	11,723	0
Capital Outlay - Replacement	761	761	0
Other	364,046	364,045	1
Total Fiscal	768,416	767,967	449
Business:			
Salaries and Wages	103,441	102,778	663
Fringe Benefits	36,452	36,447	5
Purchased Services	3,771	3,770	1
Materials and Supplies	2,637	2,637	0
Capital Outlay - New	5,702	5,696	6
Capital Outlay - Replacement	2,498	2,498	0
Other	402	402	0
Total Business	154,903	154,228	675
Operation and Maintenance of Plant:			
Salaries and Wages	1,575,586	1,575,586	0
Fringe Benefits	476,558	476,508	50
Purchased Services	1,575,673	1,574,765	908
Materials and Supplies	286,788	280,635	6,153
Capital Outlay - New	3,763	3,668	95
Capital Outlay - Replacement	5,000	125	4,875
Total Operation and Maintenance of Plant	3,923,368	3,911,287	12,081
Pupil Transportation:			
Salaries and Wages	1,506,011	1,506,011	0
Fringe Benefits	418,853	418,659	194
Purchased Services	164,153	160,749	3,404
Materials and Supplies	308,890	293,206	15,684
Capital Outlay - New	66,039	19,804	46,235
Total Pupil Transportation	2,463,946	2,398,429	65,517

Continued

MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000
(CONTINUED)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Central:			
Salaries and Wages	\$505,085	\$505,000	\$85
Fringe Benefits	134,464	134,464	0
Purchased Services	172,809	171,924	885
Materials and Supplies	50,199	48,402	1,797
Capital Outlay - New	17,386	16,541	845
Other	818	418	400
Total Central	880,761	876,749	4,012
Total Support Services	15,152,702	15,055,231	97,471
Operation of Non-Instructional Services:			
Salaries and Wages	11,075	11,074	1
Fringe Benefits	2,015	1,934	81
Purchased Services	15,980	15,949	31
Materials and Supplies	4,450	4,195	255
Other	3,650	3,507	143
Total Operation of Non-Instructional Services	37,170	36,659	511
Extracurricular Activities:			
Academic Oriented Activities:			
Salaries and Wages	43,191	43,190	1
Fringe Benefits	5,745	5,499	246
Other	600	0	600
Total Academic Oriented Activities	49,536	48,689	847
Sports Oriented Activities:			
Salaries and Wages	343,415	343,414	1
Fringe Benefits	62,793	62,793	0
Purchased Services	1,450	1,198	252
Total Sports Oriented Activities	407,658	407,405	253
Co-Curricular Oriented Activities:			
Salaries and Wages	19,550	19,470	80
Fringe Benefits	2,420	2,089	331
Other	500	265	235
Total Co-Curricular Oriented Activities	22,470	21,824	646
Total Extracurricular Activities	479,664	477,918	1,746

Continued

MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000
(CONTINUED)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Capital Outlay:			
Site Acquisition Services:			
Capital Outlay - New	\$2,650	\$2,650	\$0
Total Site Acquisition Services	2,650	2,650	0
Site Improvement:			
Site Improvement Services:			
Capital Outlay - New	\$22,889	\$21,959	\$930
Total Site Improvement Services	22,889	21,959	930
Total Capital Outlay	25,539	24,609	930
Total Expenditures	33,426,662	33,303,338	123,324
Excess (Deficiency) of Revenues Over (Under) Expenditures	54,054	2,055,244	2,001,190
Other Financing Sources (Uses):			
Proceeds from Sale of Long-Term Notes	74,691	0	(74,691)
Refund of Prior Year Expenditures	5,000	7,367	2,367
Advances In	6,336	20,752	14,416
Operating Transfers Out	(2,331)	(2,331)	0
Total Other Financing Sources (Uses)	83,696	25,788	(57,908)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	137,750	2,081,032	1,943,282
Fund Balance at July 1, 1999	6,053,227	6,053,227	0
Prior Year Encumbrances Appropriated	375,673	375,673	0
Fund Balance at June 30, 2000	\$6,566,650	\$8,509,932	\$1,943,282

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for revenue sources (other than major capital projects or expendable trusts) that are legally restricted to expenditure for specified purposes. The following are descriptions of each Special Revenue Fund:

Public School Support:

To account for specific local revenue sources (other than taxes) generated by individual school buildings. Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs.

Community Services:

To account for monies for developing, maximizing, coordinating, enhancing and strengthening the process of community interaction and communication with the District.

Venture Capital:

To account for monies targeted for school improvement. Each award is for \$25,000 per building and is guaranteed for five years, for a total of \$125,000 per award.

District Managed Student Activity:

To account for those student activity programs which have student participation in the activity but do not have student management in the programs.

Auxiliary Services:

To account for monies which provide services and materials to pupils attending non-public schools within the District's boundaries. These monies are received and disbursed on behalf of the non-public school by the Treasurer of the District, as directed by the non-public school.

Career Development:

To account for state funds which are provided to introduce various career opportunities to students.

Block Grant:

To account for state funds which are provided to assist in local professional development of certified staff.

Gifted Education Grant:

To account for research and demonstration projects and other purposes in the area of gifted education.

Continued

**SPECIAL REVENUE FUNDS
(CONTINUED)**

Management Information System:

To account for expenditures made in conjunction with the implementation of a system to gather student, staff and financial information to comply with Senate Bill 140.

SchoolNet Professional Development Fund:

To account for a state subsidy designed to provide professional development in the area of technology.

Textbook Fund:

To account for a state subsidy distributed on a per pupil basis for the purchase of textbooks and instructional materials.

Ohio Reads Fund

To account for funds used to implement a summer reading academy and a school year tutoring program to increase the reading opportunities and academic achievement of students.

Summer Intervention Fund

To account for funds used for summer remediation services for fourth grade students.

Safe School Help Line Fund

To account for funds to provide an anonymous phone hot line which students and parents can use to report safety concerns.

Eisenhower:

To account for funds used to expand the awareness of elementary grade teachers in the area of science and math education through inservice training.

Title VI-B:

To account for funds used to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least-restrictive, alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

Continued

**SPECIAL REVENUE FUNDS
(CONTINUED)**

Vocational Education:

To account for federal funds used in the development of vocational education programs in the following categories: secondary, post-secondary, adult, disadvantaged and handicapped persons, cooperative education, advisory committee, and work-study projects.

Title I:

To account for federal funds whose purpose is to provide financial assistance to enable state and local educational agencies to meet the special needs of educationally deprived children.

Title VI:

To account for federal funds to provide programs for at-risk students; instructional materials to improve the quality of instruction; programs of professional development; and programs to enhance personal excellence of students and student achievement.

Emergency Immigrant Education Fund:

To account for funds to provide supplemental services to immigrant students.

Drug Free Schools:

To account for federal funds used to implement programs to educate and encourage students to live their lives free of drug dependency.

Public School Preschool:

To account for federal funds received for the purpose of assisting 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 preschool.

E-Rate

To account for funds received for qualifying telecommunications services.

Continuous Improvement:

To account for federal funds received through the state for the development of a continuous improvement plan. The grant is in the amount of \$10,000 and the plan is expected to be completed during the 1999-2000 school year.

MASON CITY SCHOOL DISTRICT, OHIO
 COMBINING BALANCE SHEET
 ALL SPECIAL REVENUE FUNDS
 AS OF JUNE 30, 2000

	Public School Support Fund	Community Services Fund	Venture Capital Fund	District Managed Student Activity Fund
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$101,199	\$95,572	\$11,275	\$27,555
Receivables				
Accounts	3,805	0	0	880
Prepaid Items	0	0	0	0
Total Assets	\$105,004	\$95,572	\$11,275	\$28,435
Liabilities and Fund Equity:				
Liabilities:				
Accounts Payable	\$10,026	\$5,121	\$0	\$10,022
Accrued Wages and Benefits	0	5,627	0	0
Intergovernmental Payable	0	0	0	0
Total Liabilities	10,026	10,748	0	10,022
Fund Equity:				
Fund Balance:				
Reserved for Encumbrances	13,956	4,997	0	3,368
Reserved for Prepays	0	0	0	0
Unreserved:				
Undesignated (Deficit)	81,022	79,827	11,275	15,045
Total Fund Equity	94,978	84,824	11,275	18,413
Total Liabilities and Fund Equity	\$105,004	\$95,572	\$11,275	\$28,435

Auxiliary Services Fund	Career Development Fund	Block Grant Fund	Gifted Education Fund	Management Information System Fund	SchoolNet Professional Development Fund
\$95,343	\$380	\$1,253	\$0	\$27,297	\$2,515
0	0	0	0	0	0
488	0	0	0	0	0
\$95,831	\$380	\$1,253	\$0	\$27,297	\$2,515

\$5,317	\$0	\$0	\$0	\$0	\$0
10,313	0	0	0	0	0
1,711	0	0	0	0	0
17,341	0	0	0	0	0

41,363	148	0	0	0	0
488	0	0	0	0	0
36,639	232	1,253	0	27,297	2,515
78,490	380	1,253	0	27,297	2,515
\$95,831	\$380	\$1,253	\$0	\$27,297	\$2,515

Continued

MASON CITY SCHOOL DISTRICT, OHIO
 COMBINING BALANCE SHEET
 ALL SPECIAL REVENUE FUNDS
 AS OF JUNE 30, 2000
 (CONTINUED)

	Textbook Fund	Ohio Reads Fund	Summer Intervention Fund	Safe School Help Line Fund	Eisenhower Fund
Assets:					
Equity in Pooled Cash and Cash Equivalents	\$971	\$3,557	\$0	\$4,886	\$7,101
Receivables					
Accounts	0	0	0	0	0
Prepaid Items	0	0	0	0	0
Total Assets	\$971	\$3,557	\$0	\$4,886	\$7,101
Liabilities and Fund Equity:					
Liabilities:					
Accounts Payable	\$0	\$565	\$0	\$0	\$0
Accrued Wages and Benefits	0	0	0	0	0
Intergovernmental Payable	0	0	0	0	0
Total Liabilities	0	565	0	0	0
Fund Equity:					
Fund Balance:					
Reserved for Encumbrances	0	0	0	0	0
Reserved for Prepays	0	0	0	0	0
Unreserved:					
Undesignated (Deficit)	971	2,992	0	4,886	7,101
Total Fund Equity	971	2,992	0	4,886	7,101
Total Liabilities and Fund Equity	\$971	\$3,557	\$0	\$4,886	\$7,101

Title VI-B Fund	Vocational Education Fund	Title I Fund	Title VI Fund	Emergency Immigrant Education Fund	Drug Free Schools Fund
\$16,525	\$4,093	\$14,037	\$3,995	\$2,618	\$8,325
0	0	0	0	0	0
1,072	0	414	0	0	0
<u>\$17,597</u>	<u>\$4,093</u>	<u>\$14,451</u>	<u>\$3,995</u>	<u>\$2,618</u>	<u>\$8,325</u>

\$0	\$0	\$0	\$0	\$0	\$0
14,786	0	10,230	0	0	0
2,284	0	1,581	0	0	0
<u>17,070</u>	<u>0</u>	<u>11,811</u>	<u>0</u>	<u>0</u>	<u>0</u>

0	0	0	0	0	0
1,072	0	414	0	0	0
(545)	4,093	2,226	3,995	2,618	8,325
<u>527</u>	<u>4,093</u>	<u>2,640</u>	<u>3,995</u>	<u>2,618</u>	<u>8,325</u>
<u>\$17,597</u>	<u>\$4,093</u>	<u>\$14,451</u>	<u>\$3,995</u>	<u>\$2,618</u>	<u>\$8,325</u>

Continued

MASON CITY SCHOOL DISTRICT, OHIO
 COMBINING BALANCE SHEET
 ALL SPECIAL REVENUE FUNDS
 AS OF JUNE 30, 2000
 (CONTINUED)

	Public School Preschool Fund	E-Rate Fund	Continuous Improvement Fund	Totals
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$0	\$2,783	\$32,511	\$463,791
Receivables				
Accounts	0	0	0	4,685
Prepaid Items	0	0	0	1,974
Total Assets	\$0	\$2,783	\$32,511	\$470,450
Liabilities and Fund Equity:				
Liabilities:				
Accounts Payable	\$0	\$0	\$0	\$31,051
Accrued Wages and Benefits	0	0	0	40,956
Intergovernmental Payable	0	0	0	5,576
Total Liabilities	0	0	0	77,583
Fund Equity:				
Fund Balance:				
Reserved for Encumbrances	0	0	0	63,832
Reserved for Prepaids	0	0	0	1,974
Unreserved:				
Undesignated (Deficit)	0	2,783	32,511	327,061
Total Fund Equity	0	2,783	32,511	392,867
Total Liabilities and Fund Equity	\$0	\$2,783	\$32,511	\$470,450

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**MASON CITY SCHOOL DISTRICT, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Public School Support Fund	Community Services Fund	Venture Capital Fund	District Managed Student Activity Fund
Revenues:				
Intergovernmental	\$0	\$0	\$50,000	\$0
Interest	0	0	0	0
Tuition and Fees	0	60,708	0	0
Extracurricular Activities	308,875	0	0	178,900
Gifts and Donations	46,961	1,392	0	936
Miscellaneous	7,085	82,081	0	977
Total Revenues	362,921	144,181	50,000	180,813
Expenditures:				
Current:				
Instruction:				
Regular	252,087	98,020	10,473	0
Special	0	20,371	0	0
Vocational	0	0	0	0
Support Services:				
Pupils	0	1,254	0	0
Instructional Staff	0	7,879	32,077	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	1,256	0	0	0
Central	0	0	0	0
Operation of Non-Instructional				
Services	0	0	0	0
Extracurricular Activities	85,165	0	0	171,299
Total Expenditures	338,508	127,524	42,550	171,299
Excess (Deficiency) of Revenues Over (Under) Expenditures	24,413	16,657	7,450	9,514
Fund Balances (Deficit) at July 1, 1999	70,565	68,167	3,825	8,899
Fund Balances (Deficit) at June 30, 2000	\$94,978	\$84,824	\$11,275	\$18,413

Auxiliary Services Fund	Career Development Fund	Block Grant Fund	Gifted Education Fund	Management Information System Fund	SchoolNet Professional Development Fund
\$217,134	\$8,400	\$22,918	\$0	\$15,215	\$3,000
2,582	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
219,716	8,400	22,918	0	15,215	3,000
0	0	0	0	0	0
0	0	0	2,681	0	0
0	8,830	0	0	0	0
0	0	0	0	0	0
0	0	22,064	0	0	819
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	7,829	0
235,243	0	0	0	0	0
0	0	0	0	0	0
235,243	8,830	22,064	2,681	7,829	819
(15,527)	(430)	854	(2,681)	7,386	2,181
94,017	810	399	2,681	19,911	334
\$78,490	\$380	\$1,253	\$0	\$27,297	\$2,515

Continued

MASON CITY SCHOOL DISTRICT, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000
(CONTINUED)

	Textbook Fund	Ohio Reads Fund	Summer Intervention Fund	Safe School Help Line Fund
Revenues:				
Intergovernmental	\$0	\$17,000	\$16,537	\$4,886
Interest	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Gifts and Donations	0	0	0	0
Miscellaneous	0	0	0	0
Total Revenues	0	17,000	16,537	4,886
Expenditures:				
Current:				
Instruction:				
Regular	1,409	12,368	6,733	0
Special	0	0	0	0
Vocational	0	0	0	0
Support Services:				
Pupils	0	0	9,804	0
Instructional Staff	0	1,640	0	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services				
Services	0	0	0	0
Extracurricular Activities	0	0	0	0
Total Expenditures	1,409	14,008	16,537	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,409)	2,992	0	4,886
Fund Balances (Deficit) at July 1, 1999	2,380	0	0	0
Fund Balances (Deficit) at June 30, 2000	\$971	\$2,992	\$0	\$4,886

Eisenhower Fund	Title VI-B Fund	Vocational Education Fund	Title I Fund	Title VI Fund	Emergency Immigrant Education Fund
\$13,817	\$163,145	\$9,360	\$87,873	\$32,304	\$2,618
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
13,817	163,145	9,360	87,873	32,304	2,618
0	0	0	0	490	0
0	121,232	0	81,911	0	0
0	0	5,267	0	0	0
0	0	0	0	0	0
16,660	32,945	0	0	28,963	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	12,175	0	3,710	2,424	0
0	0	0	0	0	0
16,660	166,352	5,267	85,621	31,877	0
(2,843)	(3,207)	4,093	2,252	427	2,618
9,944	3,734	0	388	3,568	0
\$7,101	\$527	\$4,093	\$2,640	\$3,995	\$2,618

Continued

MASON CITY SCHOOL DISTRICT, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 ALL SPECIAL REVENUE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000
 (CONTINUED)

	Drug Free Schools Fund	Public School Preschool Fund	E-Rate Fund	Continuous Improvement Fund
Revenues:				
Intergovernmental	\$21,831	\$21,468	\$43,623	\$32,511
Interest	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Gifts and Donations	0	0	0	0
Miscellaneous	0		0	0
Total Revenues	21,831	21,468	43,623	32,511
Expenditures:				
Current:				
Instruction:				
Regular	0	0	0	0
Special	0	(4,491)	0	0
Vocational	0	0	0	0
Support Services:				
Pupils	20,812	0	0	0
Instructional Staff	0	26,456	0	0
Operation and Maintenance of Plant	0	0	40,840	0
Pupil Transportation	0	0	0	0
Central	0	0	0	10,000
Operation of Non-Instructional Services	1,302	0	0	0
Extracurricular Activities	0	0	0	0
Total Expenditures	22,114	21,965	40,840	10,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(283)	(497)	2,783	22,511
Fund Balances (Deficit) at July 1, 1999	8,608	497	0	10,000
Fund Balances (Deficit) at June 30, 2000	\$8,325	\$0	\$2,783	\$32,511

Totals

\$783,640
2,582
60,708
487,775
49,289
90,143

1,474,137

381,580
221,704
14,097

31,870
169,503
40,840
1,256
17,829

254,854
256,464

1,389,997

84,140

308,727

\$392,867

MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PUBLIC SCHOOL SUPPORT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Extracurricular Activities	\$309,226	\$308,875	(\$351)
Gifts and Donations	30,304	46,961	16,657
Miscellaneous	2,744	2,937	193
Total Revenues	342,274	358,773	16,499
Expenditures:			
Current:			
Instruction:			
Regular:			
Purchased Services	1,920	1,920	0
Materials and Supplies	20,002	17,237	2,765
Other	262,117	246,384	15,733
Total Regular	284,039	265,541	18,498
Support Services:			
Pupil Transportation:			
Other	2,996	1,256	1,740
Total Pupil Transportation	2,996	1,256	1,740
Extracurricular Activities:			
Academic Oriented Activities:			
Other	86,391	81,123	5,268
Total Academic Oriented Activities	86,391	81,123	5,268
School & Public Service Co-Curricular Activities:			
Other	5,826	5,665	161
Total School & Public Service Co-Curricular Activities	5,826	5,665	161
Total Expenditures	379,252	353,585	25,667
Excess (Deficiency) of Revenues Over (Under) Expenditures	(36,978)	5,188	42,166
Other Financing Sources (Uses):			
Refund of Prior Year Expenditures	275	343	68
Total Other Financing Sources (Uses)	275	343	68
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(36,703)	5,531	42,234
Fund Balance at July 1, 1999	60,570	60,570	0
Prior Year Encumbrances Appropriated	11,414	11,414	0
Fund Balance at June 30, 2000	\$35,281	\$77,515	\$42,234

**MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY SERVICES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Tuition and Fees	\$44,745	\$60,708	\$15,963
Gifts and Donations	3,392	1,392	(2,000)
Miscellaneous	80,683	82,081	1,398
Total Revenues	128,820	144,181	15,361
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries	50,709	42,424	8,285
Fringe Benefits	9,298	8,697	601
Purchased Services	7,850	7,844	6
Materials and Supplies	36,026	27,504	8,522
Other	17,121	14,792	2,329
Total Regular	121,004	101,261	19,743
Special:			
Purchased Services	9,113	5,859	3,254
Materials and Supplies	20,562	17,806	2,756
Total Special	29,675	23,665	6,010
Support Services:			
Pupil			
Salaries	1,126	978	148
Fringe Benefits	255	151	104
Materials and Supplies	300	125	175
Total Pupil	1,681	1,254	427
Instructional Staff:			
Salaries	6,479	6,429	50
Purchased Services	250	250	0
Materials and Supplies	1,200	1,200	0
Total Instructional Staff	7,929	7,879	50
Pupil Transportation:			
Salaries	5,000	0	5,000
Fringe Benefits	875	0	875
Total Pupil Transportation	5,875	0	5,875
Total Expenditures	166,164	134,059	32,105
Excess (Deficiency) of Revenues Over (Under) Expenditures	(37,344)	10,122	47,466
Fund Balance at July 1, 1999	70,058	70,058	0
Prior Year Encumbrances Appropriated	5,273	5,273	0
Fund Balance at June 30, 2000	\$37,987	\$85,453	\$47,466

**MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
VENTURE CAPITAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$50,000	\$50,000	\$0
Total Revenues	50,000	50,000	0
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	9,993	9,068	925
Fringe Benefits	1,410	1,405	5
Total Regular	11,403	10,473	930
Instructional Staff:			
Salaries and Wages	1,690	1,690	0
Fringe Benefits	317	240	77
Purchased Services	39,568	29,301	10,267
Materials and Supplies	1,619	1,619	0
Total Instructional Staff	43,194	32,850	10,344
Total Expenditures	54,597	43,323	11,274
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,597)	6,677	11,274
Fund Balance at July 1, 1999	3,638	3,638	0
Prior Year Encumbrances Appropriated	959	959	0
Fund Balance at June 30, 2000	\$0	\$11,274	\$11,274

**MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DISTRICT MANAGED STUDENT ACTIVITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Extracurricular Activities	\$166,128	\$178,900	\$12,772
Gifts and Donations	5,000	936	(4,064)
Total Revenues	171,128	179,836	8,708
Expenditures:			
Current:			
Support Services:			
Extracurricular Activities:			
Academic Oriented Activities:			
Other	2,869	2,869	0
Total Academic Oriented Activities	2,869	2,869	0
Sport Oriented Activities:			
Purchased Services	11,177	11,032	145
Materials and Supplies	4,000	3,086	914
Other	164,448	152,943	11,505
Total Sport Oriented Activities	179,625	167,061	12,564
Total Expenditures	182,494	169,930	12,564
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,366)	9,906	21,272
Other Financing Sources (Uses):			
Refund of Prior Year Expenditures	100	97	(3)
Total Other Financing Sources (Uses)	100	97	(3)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(11,266)	10,003	21,269
Fund Balance at July 1, 1999	5,020	5,020	0
Prior Year Encumbrances Appropriated	7,255	7,255	0
Fund Balance at June 30, 2000	\$1,009	\$22,278	\$21,269

**MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
AUXILIARY SERVICES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$217,833	\$217,134	(\$699)
Interest	1,562	2,582	1,020
Total Revenues	<u>219,395</u>	<u>219,716</u>	<u>321</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services:			
Community Services:			
Salaries	77,341	67,028	10,313
Fringe Benefits	20,497	18,038	2,459
Purchased Services	19,893	19,643	250
Materials and Supplies	204,803	171,744	33,059
Capital Outlay - New	1,200	1,200	0
Total Community Services	<u>323,734</u>	<u>277,653</u>	<u>46,081</u>
Total Expenditures	<u>323,734</u>	<u>277,653</u>	<u>46,081</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(104,339)	(57,937)	46,402
Fund Balance at July 1, 1999	15,469	15,469	0
Prior Year Encumbrances Appropriated	<u>91,130</u>	<u>91,130</u>	<u>0</u>
Fund Balance at June 30, 2000	<u>\$2,260</u>	<u>\$48,662</u>	<u>\$46,402</u>

**MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAREER DEVELOPMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$8,400	\$8,400	\$0
Total Revenues	8,400	8,400	0
Expenditures:			
Current:			
Instruction:			
Vocational:			
Salaries and Wages	3,490	3,490	0
Fringe Benefits	543	543	0
Purchased Services	2,902	2,749	153
Materials and Supplies	2,275	2,196	79
Total Vocational	9,210	8,978	232
Total Expenditures	9,210	8,978	232
Excess (Deficiency) of Revenues Over (Under) Expenditures	(810)	(578)	232
Fund Balance at July 1, 1999	810	810	0
Fund Balance at June 30, 2000	\$0	\$232	\$232

**MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BLOCK GRANT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$22,918	\$22,918	\$0
Total Revenues	22,918	22,918	0
Expenditures:			
Current:			
Support Services:			
Instructional Staff:			
Salaries and Wages	15,399	14,909	490
Purchased Services	7,918	7,155	763
Total Instructional Staff	23,317	22,064	1,253
Total Expenditures	23,317	22,064	1,253
Excess (Deficiency) of Revenues Over (Under) Expenditures	(399)	854	1,253
Fund Balance at July 1, 1999	399	399	0
Fund Balance at June 30, 2000	\$0	\$1,253	\$1,253

**MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GIFTED EDUCATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Total Revenues	\$0	\$0	\$0
Expenditures:			
Current:			
Instruction:			
Special:			
Materials and Supplies	1,953	1,953	0
Total Special	1,953	1,953	0
Total Expenditures	1,953	1,953	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,953)	(1,953)	0
Other Financing Sources (Uses):			
Refund of Prior Year Receipts	(728)	(728)	0
Total Other Financing Sources (Uses)	(728)	(728)	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,681)	(2,681)	0
Fund Balance at July 1, 1999	500	500	0
Prior Year Encumbrances Appropriated	2,181	2,181	0
Fund Balance at June 30, 2000	\$0	\$0	\$0

**MASON CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MANAGEMENT INFORMATION SYSTEM FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$11,278	\$15,215	\$3,937
Total Revenues	11,278	15,215	3,937
Expenditures:			
Current:			
Support Services:			
Central:			
Salaries and Wages	6,000	5,000	1,000
Fringe Benefits	1,125	778	347
Capital Outlay - New	20,000	2,051	17,949
Total Central	27,125	7,829	19,296
Total Expenditures	27,125	7,829	19,296
Excess (Deficiency) of Revenues Over (Under) Expenditures	(15,847)	7,386	23,233
Fund Balance at July 1, 1999	19,911	19,911	0
Fund Balance at June 30, 2000	\$4,064	\$27,297	\$23,233

**MASON CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SCHOOLNET PROFESSIONAL DEVELOPMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$3,000	\$3,000	\$0
Total Revenues	\$3,000	\$3,000	\$0
Expenditures:			
Current:			
Support Services:			
Instructional Staff:			
Salaries and Wages	3,034	819	2,215
Fringe Benefits	300	0	300
Total Instructional Staff	3,334	819	2,515
Total Expenditures	3,334	819	2,515
Excess (Deficiency) of Revenues Over (Under) Expenditures	(334)	2,181	2,515
Fund Balance at July 1, 1999	334	334	0
Fund Balance at June 30, 2000	\$0	\$2,515	\$2,515

MASON CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TEXTBOOK FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Total Revenues	\$0	\$0	\$0
Expenditures:			
Current:			
Instruction:			
Regular:			
Materials and Supplies	2,379	1,409	970
Total Regular	2,379	1,409	970
Total Expenditures	2,379	1,409	970
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,379)	(1,409)	970
Fund Balance at July 1, 1999	2,379	2,379	0
Fund Balance at June 30, 2000	\$0	\$970	\$970

**MASON CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
OHIO READS GRANT
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$17,000	\$17,000	\$0
Total Revenues	\$17,000	\$17,000	\$0
Expenditures:			
Current:			
Instruction:			
Regular:			
Materials and Supplies	15,000	13,000	2,000
Total Regular	15,000	13,000	2,000
Support Services:			
Instructional Staff:			
Salaries and Wages	1,730	931	799
Fringe Benefits	270	144	126
Total Instructional Staff	2,000	1,075	925
Total Expenditures	17,000	14,075	2,925
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	2,925	2,925
Fund Balance at July 1, 1999	0	0	0
Fund Balance at June 30, 2000	\$0	\$2,925	\$2,925

MASON CITY SCHOOL DISTRICT, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 SUMMER INTERVENTION PROGRAM
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$16,537	\$16,537	\$0
Total Revenues	16,537	16,537	0
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	6,000	6,000	0
Fringe Benefits	733	733	0
Total Regular	6,733	6,733	0
Support Services:			
Pupil			
Salaries	8,600	8,600	0
Fringe Benefits	1,204	1,204	0
Total Pupil	9,804	9,804	0
Total Expenditures	16,537	16,537	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at July 1, 1999	0	0	0
Fund Balance at June 30, 2000	\$0	\$0	\$0

MASON CITY SCHOOL DISTRICT, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 SAFE SCHOOL HELPLINE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$4,886	\$4,886	\$0
Total Revenues	4,886	4,886	0
Expenditures:			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,886	4,886	0
Fund Balance at July 1, 1999	0	0	0
Fund Balance at June 30, 2000	\$4,886	\$4,886	\$0

**MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EISENHOWER FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$12,437	\$13,817	\$1,380
Total Revenues	12,437	13,817	1,380
Expenditures:			
Support Services:			
Instructional Staff:			
Salaries and Wages	17,212	12,323	4,889
Fringe Benefits	2,639	1,807	832
Purchased Services	2,530	2,530	0
Total Instructional Staff	22,381	16,660	5,721
Total Expenditures	22,381	16,660	5,721
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,944)	(2,843)	7,101
Fund Balance at July 1, 1999	9,944	9,944	0
Fund Balance at June 30, 2000	\$0	\$7,101	\$7,101

**MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE VI-B FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$163,145	\$163,145	\$0
Total Revenues	163,145	163,145	0
Expenditures:			
Current:			
Instruction:			
Special:			
Salaries and Wages	99,982	90,249	9,733
Fringe Benefits	32,080	25,288	6,792
Total Special	132,062	115,537	16,525
Support Services:			
Instructional Staff:			
Salaries and Wages	32,945	32,945	0
Total Instructional Staff	32,945	32,945	0
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	12,175	12,175	0
Total Community Services	12,175	12,175	0
Total Expenditures	177,182	160,657	16,525
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,037)	2,488	16,525
Fund Balance at July 1, 1999	14,037	14,037	0
Fund Balance at June 30, 2000	\$0	\$16,525	\$16,525

MASON CITY SCHOOL DISTRICT, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 VOCATIONAL EDUCATION FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$9,360	\$9,360	\$0
Total Revenues	9,360	9,360	0
Expenditures:			
Current:			
Instruction:			
Vocational:			
Salaries and Wages	1,500	1,500	0
Fringe Benefits	210	210	0
Purchased Services	2,396	2,396	0
Materials and Supplies	5,254	1,161	4,093
Total Vocational	9,360	5,267	4,093
Total Expenditures	9,360	5,267	4,093
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	4,093	4,093
Fund Balance at July 1, 1999	0	0	0
Fund Balance at June 30, 2000	\$0	\$4,093	\$4,093

**MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE I FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$87,873	\$87,873	\$0
Total Revenues	87,873	87,873	0
Expenditures:			
Current:			
Instruction:			
Special:			
Salaries and Wages	75,501	64,935	10,566
Fringe Benefits	18,963	15,491	3,472
Purchased Services	1,931	1,931	0
Total Special	96,395	82,357	14,038
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	3,710	3,710	0
Total Community Services	3,710	3,710	0
Total Expenditures	100,105	86,067	14,038
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,232)	1,806	14,038
Fund Balance at July 1, 1999	12,232	12,232	0
Fund Balance at June 30, 2000	\$0	\$14,038	\$14,038

MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE VI FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$32,304	\$32,304	\$0
Total Revenues	32,304	32,304	0
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	3,626	490	3,136
Total Regular	3,626	490	3,136
Support Services:			
Instructional Staff:			
Purchased Services	20,110	20,029	81
Materials and Supplies	9,622	8,935	687
Total Instructional Staff:	29,732	28,964	768
Operation of Non-Instructional Services:			
Community Services:			
Materials and Supplies	2,514	2,423	91
Total Community Services	2,514	2,423	91
Total Expenditures	35,872	31,877	3,995
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,568)	427	3,995
Fund Balance at July 1, 1999	3,568	3,568	0
Fund Balance at June 30, 2000	\$0	\$3,995	\$3,995

**MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMERGENCY IMMIGRANT EDUCATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$2,618	\$2,618	\$0
Total Revenues	2,618	2,618	0
Expenditures:			
Current:			
Instruction:			
Special:			
Materials and Supplies	2,618	0	2,618
Total Special	2,618	0	2,618
Total Expenditures	2,618	0	2,618
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	2,618	2,618
Fund Balance at July 1, 1999	0	0	0
Fund Balance at June 30, 2000	\$0	\$2,618	\$2,618

**MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DRUG FREE SCHOOLS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$28,167	\$28,167	\$0
Total Revenues	28,167	28,167	0
Expenditures:			
Current:			
Support Services:			
Pupils:			
Salaries	1,296	1,296	0
Fringe Benefits	15	15	0
Purchased Services	18,882	15,658	3,224
Materials and Supplies	7,479	6,518	961
Total Pupils	27,672	23,487	4,185
Operation of Non-Instructional Services:			
Community Services:			
Materials and Supplies	3,000	1,302	1,698
Total Community Services	3,000	1,302	1,698
Total Expenditures	30,672	24,789	5,883
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,505)	3,378	5,883
Other Financing Sources (Uses):			
Advances Out	(6,336)	(6,336)	0
Total Other Financing Sources (Uses)	(6,336)	(6,336)	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(8,841)	(2,958)	5,883
Fund Balance at July 1, 1999	5,987	5,987	0
Prior Year Encumbrances Appropriated	5,295	5,295	0
Fund Balance at June 30, 2000	\$2,441	\$8,324	\$5,883

MASON CITY SCHOOL DISTRICT, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 PUBLIC SCHOOL PRESCHOOL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$21,468	\$21,468	\$0
Total Revenues	21,468	21,468	0
Expenditures:			
Current:			
Support Services:			
Instructional Staff:			
Salaries and Wages	24,150	24,150	0
Fringe Benefits	2,306	2,306	0
Total Instructional Staff	26,456	26,456	0
Total Expenditures	26,456	26,456	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,988)	(4,988)	0
Fund Balance at July 1, 1999	4,988	4,988	0
Fund Balance at June 30, 2000	\$0	\$0	\$0

**MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
E-RATE GRANT
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$42,354	\$43,623	\$1,269
Total Revenues	42,354	43,623	1,269
Expenditures:			
Current:			
Instruction:			
Operation and Maintenance of Plant:			
Purchased Services	1,514	0	1,514
Capital Outlay - New	40,840	40,840	0
Total Operation and Maintenance of Plant	42,354	40,840	1,514
Total Expenditures	42,354	40,840	1,514
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	2,783	2,783
Fund Balance at July 1, 1999	0	0	0
Fund Balance at June 30, 2000	\$0	\$2,783	\$2,783

**MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CONTINUOUS IMPROVEMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$36,123	\$32,511	(\$3,612)
Total Revenues	36,123	32,511	(3,612)
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	28,176	0	28,176
Materials and Supplies	4,335	0	4,335
Total Regular	32,511	0	32,511
Support Services:			
Central:			
Purchased Services	9,500	9,500	0
Materials and Supplies	500	500	0
Total Central	10,000	10,000	0
Total Expenditures	42,511	10,000	32,511
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,388)	22,511	28,899
Fund Balance at July 1, 1999	10,000	10,000	0
Fund Balance at June 30, 2000	\$3,612	\$32,511	\$28,899

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, interest and related costs.

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 statements are presented here.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). The following are descriptions of each Capital Projects Fund:

Capital Projects:

To account for all transactions relating to the improvements to existing District facilities and for the purchase of land.

Building:

To account for all transactions relating to the acquisition, addition or construction of new District facilities.

Insurance Replacement:

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

SchoolNet Plus:

To account for state funds received to implement technology into K-4 classrooms.

**MASON CITY SCHOOL DISTRICT, OHIO
 COMBINING BALANCE SHEET
 ALL CAPITAL PROJECTS FUNDS
 AS OF JUNE 30, 2000**

	Capital Projects Fund	Building Fund	Insurance Replacement Fund
Assets:			
Equity in Pooled Cash and Cash Equivalents	\$350,841	\$78,352	\$0
Receivables			
Taxes	310,433	0	0
Accounts Receivable	49,636	0	0
Intergovernmental	81,883	0	0
Restricted Assets			
Cash and Cash Equivalents With Fiscal Agents	0	11,912	0
Total Assets	\$792,793	\$90,264	\$0
Liabilities and Fund Equity:			
Liabilities:			
Accounts Payable	\$877,442	\$104,655	\$0
Retainage Payable	0	11,912	0
Deferred Revenue	276,370	0	0
Accrued Interest Payable	8,675	153,538	0
Notes Payable	315,000	8,900,000	0
Total Liabilities	1,477,487	9,170,105	0
Fund Equity:			
Fund Balance:			
Reserved for Encumbrances	99,673	21,079	0
Reserved for Property Taxes	34,063	0	0
Unreserved:			
Undesignated (Deficit)	(818,430)	(9,100,920)	0
Total Fund Equity	(684,694)	(9,079,841)	0
Total Liabilities and Fund Equity:	\$792,793	\$90,264	\$0

SchoolNet Plus	
Fund	Totals
\$0	\$429,193
0	310,433
0	49,636
0	81,883
0	11,912
\$0	\$883,057

\$0	\$982,097
0	11,912
0	276,370
0	162,213
0	9,215,000
0	10,647,592

0	120,752
0	34,063
0	(9,919,350)
0	(9,764,535)
\$0	\$883,057

MASON CITY SCHOOL DISTRICT, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 ALL CAPITAL PROJECTS FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Capital Projects Fund	Building Fund	Insurance Replacement Fund	SchoolNet Plus Fund
Revenues:				
Taxes	\$290,397	\$0	\$0	\$0
Intergovernmental	110,922	0	0	0
Interest	14,283	80,883	0	0
Gifts and Donations	60,000	0	0	0
Miscellaneous	341,718	1,164	51,844	0
Total Revenues	817,320	82,047	51,844	0
Expenditures:				
Current:				
Instruction:				
Regular	309,931	0	0	23,483
Support Services:				
Administration	537	0	0	0
Fiscal	4,102	0	0	0
Operation and Maintenance of Plant	23,275	0	578	0
Pupil Transportation	480,767	0	0	0
Central	0	(20)	0	0
Extracurricular Activities	54,496	0	0	0
Capital Outlay	962,606	1,593,491	46,563	0
Debt Service	46,108	347,714	0	0
Total Expenditures	1,881,822	1,941,185	47,141	23,483
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,064,502)	(1,859,138)	4,703	(23,483)
Other Financing Sources (Uses):				
Proceeds from the Sale of Fixed Assets	19,864	0	0	0
Operating Transfers In	0	403,355	2,331	0
Total Other Financing Sources (Uses)	19,864	403,355	2,331	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,044,638)	(1,455,783)	7,034	(23,483)
Fund Balances (Deficit) at July 1, 1999	359,944	(7,624,058)	(7,034)	23,483
Fund Balances at June 30, 2000	(\$684,694)	(\$9,079,841)	\$0	\$0

Totals

\$290,397
110,922
95,166
60,000
394,726

951,211

333,414

537
4,102
23,853
480,767
(20)
54,496
2,602,660
393,822

3,893,631

(2,942,420)

19,864
405,686

425,550

(2,516,870)

(7,247,665)

(\$9,764,535)

MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$272,813	\$272,871	\$58
Intergovernmental	29,039	29,039	0
Interest	12,070	14,283	2,213
Gifts and Donations	60,000	60,000	0
Miscellaneous	290,082	292,082	2,000
Total Revenues	664,004	668,275	4,271
Expenditures:			
Current:			
Instruction:			
Regular:			
Materials and Supplies	5,092	5,026	66
Capital Outlay - New	305,272	305,272	0
Total Regular	310,364	310,298	66
Support Services:			
Administration:			
Other	633	537	96
Total Administration	633	537	96
Fiscal:			
Other	4,206	4,102	104
Total Fiscal	4,206	4,102	104
Operation and Maintenance of Plant:			
Capital Outlay - New	38,275	38,275	0
Capital Outlay - Replacement	1,725	0	1,725
Total Operation and Maintenance of Plant	40,000	38,275	1,725
Pupil Transportation:			
Capital Outlay - Replacement	480,767	480,767	0
Total Pupil Transportation	480,767	480,767	0

Continued

**MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Extracurricular Activities:			
Sports Oriented Activities:			
Other	\$3,426	\$3,322	\$104
Capital Outlay - New	61,398	58,862	2,536
Total Sports Oriented Activities	64,824	62,184	2,640
Capital Outlay:			
Building Improvement Services:			
Capital Outlay - New	380,896	182,226	198,670
Total Building Improvement Services	380,896	182,226	198,670
Debt Services:			
Principal	625,000	625,000	0
Interest	49,558	44,689	4,869
Total Debt Service	674,558	669,689	4,869
Total Expenditures	1,956,248	1,748,078	208,170
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,292,244)	(1,079,803)	212,441
Other Financing Sources (Uses):			
Proceeds from Sale of Long-Term Notes	315,000	315,000	0
Proceeds from Sale of Fixed Assets	19,864	19,864	0
Total Other Financing Sources (Uses)	334,864	334,864	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(957,380)	(744,939)	212,441
Fund Balance at July 1, 1999	395,880	395,880	0
Prior Year Encumbrances Appropriated	580,202	580,202	0
Fund Balance at June 30, 2000	\$18,702	\$231,143	\$212,441

**MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BUILDING FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Interest	\$216,000	\$215,944	(\$56)
Total Revenues	216,000	215,944	(56)
Expenditures:			
Current:			
Capital Outlay:			
Site Improvement Services:			
Capital Outlay - New	116,396	115,221	1,175
Total Site Improvement Services	116,396	115,221	1,175
Architecture and Engineering Services:			
Purchased Services	40,175	40,175	0
Total Architecture and Engineering Services	40,175	40,175	0
Building Acquisition & Construction Services:			
Capital Outlay - New	714,250	708,273	5,977
Total Building Acquisition & Construction Services	714,250	708,273	5,977
Building Improvement Services:			
Capital Outlay - New	216,331	216,320	11
Total Building Improvement Services	216,331	216,320	11
Other Facilities Acquisition & Construction:			
Salaries	371	371	0
Fringe Benefits	12,784	12,784	0
Capital Outlay - New	505,019	485,669	19,350
Capital Outlay - Replacement	56,234	53,871	2,363
Total Other Facilities Acquisition & Construction	574,408	552,695	21,713
Total Capital Outlay	1,661,560	1,632,684	28,876
Total Expenditures	1,661,560	1,632,684	28,876
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,445,560)	(1,416,740)	28,820

Continued

MASON CITY SCHOOL DISTRICT, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 BUILDING FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Other Financing Sources (Uses):			
Refund of Prior Year Expenditures	1,100	1,164	64
Total Other Financing Sources (Uses)	1,100	1,164	64
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under)			
Expenditures and Other Financing Uses	(1,444,460)	(1,415,576)	28,884
Fund Balance at July 1, 1999	347,415	347,415	0
Prior Year Encumbrances Appropriated	1,097,045	1,097,045	0
Fund Balance at June 30, 2000	\$0	\$28,884	\$28,884

**MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INSURANCE REPLACEMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Miscellaneous	\$51,844	\$51,844	\$0
Total Revenues	51,844	51,844	0
Expenditures:			
Current:			
Support Services:			
Operation and Maintenance of Plant:			
Salaries and Wages	577	577	0
Total Operation and Maintenance of Plant	577	577	0
Capital Outlay:			
Other Facilities Acquisition & Construction:			
Capital Outlay - New	47,090	47,090	0
Total Other Facilities Acquisition & Construction	47,090	47,090	0
Total Expenditures	47,667	47,667	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,177	4,177	0
Other Financing Sources (Uses):			
Operating Transfers In	2,331	2,331	0
Advances Out	(14,416)	(14,416)	0
Total Other Financing Sources (Uses)	(12,085)	(12,085)	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(7,908)	(7,908)	0
Fund Balance at July 1, 1999	4,316	4,316	0
Prior Year Encumbrances Appropriated	3,592	3,592	0
Fund Balance at June 30, 2000	\$0	\$0	\$0

MASON CITY SCHOOL DISTRICT, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 SCHOOLNET PLUS FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
<i>Total Revenues</i>	\$0	\$0	\$0
Expenditures:			
Current:			
Instruction:			
Regular:			
Capital Outlay - New	23,483	23,483	0
Total Regular	23,483	23,483	0
Total Expenditures	23,483	23,483	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(23,483)	(23,483)	0
Fund Balance at July 1, 1999	23,334	23,334	0
Prior Year Encumbrances Appropriated	149	149	0
Fund Balance at June 30, 2000	\$0	\$0	\$0

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the board of education is that the costs (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 where the board of education 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. The following are descriptions of each Enterprise Fund:

Food Service:

To account for all revenues and expenses related to the provision of food service for the District.

Uniform School Supplies:

To account for the purchase by students of necessary supplies, materials or other school related items in addition to those items provided for general instruction.

Latchkey:

To account for the revenues and expenses related to providing latchkey and after school services for the District.

**MASON CITY SCHOOL DISTRICT, OHIO
 COMBINING BALANCE SHEET
 ALL ENTERPRISE FUNDS
 AS OF JUNE 30, 2000**

	Food Service Fund	Uniform School Supplies Fund	Latchkey Fund	Totals
Assets:				
Current Assets:				
Equity in Pooled Cash and Cash Equivalents	\$150,380	\$65,185	\$13,131	\$228,696
Prepaid Items	4,929	0	1,911	6,840
Inventory Held For Resale	29,935	0	0	29,935
Total Current Assets	185,244	65,185	15,042	265,471
Fixed Assets (Net of Accumulated Depreciation)	670,331	0	0	670,331
Total Assets	\$855,575	\$65,185	\$15,042	\$935,802
Liabilities and Fund Equity:				
Current Liabilities:				
Accounts Payable	17,806	0	0	17,806
Accrued Wages and Benefits	36,853	0	14,789	51,642
Intergovernmental Payable	35,760	0	3,510	39,270
Deferred Revenue	14,738	0	0	14,738
Total Current Liabilities	105,157	0	18,299	123,456
Long-Term Liabilities:				
Compensated Absences Payable	11,365	0	0	11,365
Capital Leases Payable	66,307	0	0	66,307
Total Long-Term Liabilities	77,672	0	0	77,672
Total Liabilities	182,829	0	18,299	201,128
Fund Equity:				
Contributed Capital	659,459	0	0	659,459
Retained Earnings:				
Unreserved (Deficit)	13,287	65,185	(3,257)	75,215
Total Fund Equity	672,746	65,185	(3,257)	734,674
Total Liabilities and Fund Equity	\$855,575	\$65,185	\$15,042	\$935,802

**MASON CITY SCHOOL DISTRICT, OHIO
 COMBINING STATEMENT OF REVENUES
 EXPENSES AND CHANGES IN RETAINED EARNINGS
 ALL ENTERPRISE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Food Service Fund	Uniform School Supplies Fund	Latchkey Fund	Totals
Operating Revenues:				
Sales	\$1,165,440		\$0	\$1,165,440
Charges for Services	32,454	0	0	32,454
Miscellaneous	0	368	157,135	157,503
Total Operating Revenues	1,197,894	368	157,135	1,355,397
Operating Expenses:				
Salaries	323,999	0	95,489	419,488
Fringe Benefits	122,506	0	37,753	160,259
Purchased Services	273,440	0	495	273,935
Materials and Supplies	78,915	0	15,778	94,693
Cost of Sales	474,371	34,987	0	509,358
Depreciation	46,962	0	0	46,962
Total Operating Expenses	1,320,193	34,987	149,515	1,504,695
Operating Income/(Loss)	(122,299)	(34,619)	7,620	(149,298)
Non-Operating Revenues:				
Federal Donated Commodities	49,977	0	0	49,977
Interest	5,204	0	0	5,204
Federal and State Subsidies	114,089	0	0	114,089
Interest and Fiscal Charges	(3,981)	0	0	(3,981)
Total Non-Operating Revenues	165,289	0	0	165,289
Net Income (Loss)	42,990	(34,619)	7,620	15,991
Retained Earnings (Deficit) at July 1, 1999	(29,703)	99,804	(10,877)	59,224
Retained Earnings (Deficit) at June 30, 2000	\$13,287	\$65,185	(\$3,257)	\$75,215

MASON CITY SCHOOL DISTRICT , OHIO
 COMBINING STATEMENT OF CASH FLOWS
 ALL ENTERPRISE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Food Service Fund	Uniform School Supplies Fund	Latchkey Fund	Totals
Cash Flows from Operating Activities:				
Cash Received from Customers	\$1,200,082	\$368	\$157,135	\$1,357,585
Cash Payments to Suppliers for Goods and Services	(483,248)	(37,826)	0	(521,074)
Cash Payments to Employees for Services	(330,243)	0	(94,026)	(424,269)
Cash Payments for Employee Benefits	(125,554)	0	(37,979)	(163,533)
Cash Payments for Purchased Services	(263,843)	0	(495)	(264,338)
Cash Payments for Materials and Supplies	0	0	(15,841)	(15,841)
Net Cash Provided by (Used for) Operating Activities	(2,806)	(37,458)	8,794	(31,470)
Cash Flows from Noncapital Financing Activities:				
Federal and State Grants Received	127,896	0	0	127,896
Net Cash Provided by Noncapital Financing Activities	127,896	0	0	127,896
Cash Flows from Capital and Related Financing Activities:				
Purchase of Fixed Assets	(32,820)	0	0	(32,820)
Principal payments on Capital Leases	(18,775)	0	0	(18,775)
Interest payments on Capital Leases	(3,981)	0	0	(3,981)
Net cash used in Capital and Related Financing Activities	(55,576)	0	0	(55,576)
Cash Flows from Investing Activities:				
Interest on Investments	5,204	0	0	5,204
Net Cash (Used for) Investing Activities:	5,204	0	0	5,204
Net Increase (Decrease) in Cash and Cash Equivalents	74,718	(37,458)	8,794	46,054
Cash and Cash Equivalents at July 1, 1999	75,662	102,643	4,337	182,642
Cash and Cash Equivalents at June 30, 2000	\$150,380	\$65,185	\$13,131	\$228,696
Reconciliation of Operating Income/(Loss) to Net Cash Provided by (Used for) Operating Activities:				
Operating Income/(Loss)	(\$122,299)	(\$34,619)	\$7,620	(\$149,298)
Adjustments to Reconcile Operating Income/ (Loss) to Net Cash Provided by (Used for) Operating Activities:				
Depreciation Expense	46,962	0	0	46,962
Donated Commodities Used During Year	49,977	0	0	49,977
Changes in Assets and Liabilities:				
Decrease in Intergovernmental Receivable	13,807	0	0	13,807
Decrease in Accounts Receivable	2,188	0	0	2,188
(Increase) in Inventory Held for Resale	(1,955)	0	0	(1,955)
(Increase)/Decrease in Prepaid Items	(801)	0	(167)	(968)
Increase/(Decrease) in Accounts Payable	17,806	(2,839)	(63)	14,904
Increase/(Decrease) in Accrued Wages and Benefits	(5,869)	0	1,463	(4,406)
(Decrease) in Compensated Absences Payable	(375)	0	0	(375)
Increase/(Decrease) in Intergovernmental Payable	(2,247)	0	(59)	(2,306)
Total Adjustments	119,493	(2,839)	1,174	117,828
Net Cash Provided by (Used for) Operating Activities	(\$2,806)	(\$37,458)	\$8,794	(\$31,470)

MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOOD SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000
(CONTINUED)

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Operating Revenues:			
Sales	\$1,154,808	\$1,167,628	\$12,820
Charges for Services	32,500	32,454	(46)
Total Revenue	1,187,308	1,200,082	12,774
Expenses:			
Salaries:			
Food Service Operations	426,475	330,243	96,232
Total Salaries	426,475	330,243	96,232
Fringe Benefits:			
Food Service Operations	128,650	125,554	3,096
Total Fringe Benefits	128,650	125,554	3,096
Purchased Services:			
Food Service Operations	266,770	264,543	2,227
Total Purchased Services	266,770	264,543	2,227
Materials and Supplies:			
Food Service Operations	513,574	506,003	7,571
Total Materials and Supplies	513,574	506,003	7,571
Capital Outlay:			
Capital Outlay - New:			
Food Service Operations	72,717	32,821	39,896
Total Capital Outlay - New	72,717	32,821	39,896
Total Expenses	1,408,186	1,259,164	149,022

Continued

MASON CITY SCHOOL DISTRICT, OHIO
 SCHEDULE OF REVENUES, EXPENSES
 AND CHANGES IN FUND EQUITY
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOOD SERVICE FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000
 (CONTINUED)

	Budget	Actual	Variance Favorable (Unfavorable)
Operating Income (Loss)	(220,878)	(59,082)	161,796
Non-Operating Revenues and Expenses:			
Interest	4,930	5,205	275
Federal and State Subsidies	140,287	127,896	(12,391)
Total Non-Operating Revenues and Expenses	145,217	133,101	(12,116)
Excess (Deficiency) of Revenues Over (Under) Expenses	(75,661)	74,019	149,680
Fund Equity at July 1, 1999	73,587	73,587	0
Prior Year Encumbrances Appropriated	2,074	2,074	0
Fund Equity at June 30, 2000	\$0	\$149,680	\$149,680

**MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
UNIFORM SCHOOL SUPPLIES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Sales	\$0	(\$30)	(\$30)
Refund of Prior Year Expense	368	398	30
Total Revenues	<u>368</u>	<u>368</u>	<u>0</u>
Expenses:			
Materials and Supplies:			
Regular Instruction	<u>103,012</u>	<u>37,826</u>	<u>65,186</u>
Total Materials and Supplies	<u>103,012</u>	<u>37,826</u>	<u>65,186</u>
Total Expenses	<u>103,012</u>	<u>37,826</u>	<u>65,186</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	(102,644)	(37,458)	65,186
Fund Equity at July 1, 1999	70,985	70,985	0
Prior Year Encumbrances Appropriated	<u>31,659</u>	<u>31,659</u>	<u>0</u>
Fund Equity at June 30, 2000	<u>\$0</u>	<u>\$65,186</u>	<u>\$65,186</u>

**MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LATCHKEY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Other Revenues	\$150,000	\$157,135	\$7,135
Total Revenues	150,000	157,135	7,135
Expenses:			
Salaries:			
Community Services	94,414	94,027	387
Total Salaries	94,414	94,027	387
Fringe Benefits:			
Community Services	38,432	37,979	453
Total Fringe Benefits	38,432	37,979	453
Purchased Services:			
Community Services	1,105	495	610
Total Purchased Services	1,105	495	610
Materials and Supplies:			
Community Services	20,386	18,221	2,165
Total Materials and Supplies	20,386	18,221	2,165
Total Expenses	154,337	150,722	3,615
Excess (Deficiency) of Revenues Over (Under) Expenses and Operating Transfers	(4,337)	6,413	10,750
Fund Equity at July 1, 1999	4,113	4,113	0
Prior Year Encumbrances Appropriated	224	224	0
Fund Equity at June 30, 2000	\$0	\$10,750	\$10,750

INTERNAL SERVICE FUND

Internal Service Funds account for the financing of services provided by one department or agency to another department or agency of the District on a cost-reimbursement basis. The Employee Benefits Self-Insurance Fund accounts for monies received from other funds as payment for providing dental insurance. The Employee Benefits Self-Insurance Fund reimburses employees who have paid providers, and makes payments for claims and administration.

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

FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. These include non-expendable trust funds and agency funds. The following are descriptions of each fiduciary fund.

NON-EXPENDABLE TRUST FUND

Endowment:

To account for money or securities which have been set aside as an investment. The interest revenue is expended for scholarships, but the principal remains intact.

AGENCY FUNDS

Section 125 Insurance:

To account for monies voluntarily withheld from employees on a pre-tax basis to reimburse employees for medical and dental expenses not covered by group insurance. Employees may also elect to be reimbursed for qualified childcare expenses.

Student Activity:

To account for those student activity programs which have student participation in the activity and have students included in the management of the program.

MASON CITY SCHOOL DISTRICT, OHIO
 COMBINING BALANCE SHEET
 ALL FIDUCIARY FUNDS
 AS OF JUNE 30, 2000

	Non-Expendable			Totals
	----- Trust ----- Endowment Fund	Student Activity Fund	Agency ----- Section 125 Insurance Fund	
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$4,648	\$69,928	\$6,592	\$81,168
Investments	\$14,750	\$0	\$0	\$14,750
Total Assets	\$19,398	\$69,928	\$6,592	\$95,918
Liabilities and Fund Equity:				
Liabilities:				
Undistributed Monies	0	0	6,592	6,592
Due to Students	0	69,928	0	69,928
Total Liabilities	0	69,928	6,592	76,520
Fund Equity:				
Fund Balance:				
Unreserved:				
Undesignated	19,398	0	0	19,398
Total Fund Equity	19,398	0	0	19,398
Total Liabilities and Fund Equity	\$19,398	\$69,928	\$6,592	\$95,918

MASON CITY SCHOOL DISTRICT, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Beginning Balance July 1, 1999	Additions	Deductions	Ending Balance June 30, 2000
Student Activity				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$46,711	\$131,488	\$108,271	\$69,928
Total Assets	\$46,711	\$131,488	\$108,271	\$69,928
Liabilities:				
Due to Students	\$46,711	\$131,488	\$108,271	\$69,928
Total Liabilities	\$46,711	\$131,488	\$108,271	\$69,928
Section 125 Insurance				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$2,465	\$60,607	\$56,480	\$6,592
Total Assets	\$2,465	\$60,607	\$56,480	\$6,592
Liabilities:				
Undistributed Monies	\$2,465	\$60,607	\$56,480	\$6,592
Total Liabilities	\$2,465	\$60,607	\$56,480	\$6,592
Total All Agency Funds				
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$49,176	\$192,095	\$164,751	\$76,520
Total Assets	\$49,176	\$192,095	\$164,751	\$76,520
Liabilities:				
Undistributed Monies	\$2,465	\$60,607	\$56,480	\$6,592
Due to Students	46,711	131,488	108,271	69,928
Total Liabilities	\$49,176	\$192,095	\$164,751	\$76,520

GENERAL FIXED ASSETS ACCOUNT GROUP

This account group is used to account for all sites, buildings, equipment and vehicles not used in the operations of the Proprietary Funds. The majority of the District's assets are reflected in the General Fixed Assets Account Group.

MASON CITY SCHOOL DISTRICT, OHIO
 SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE
 AS OF JUNE 30, 2000

General fixed assets:

Land	\$5,029,869
Buildings	55,416,144
Furniture and Equipment	8,990,452
Vehicles	3,797,461
Construction in Progress	<u>686,223</u>
Total General Fixed Assets	<u><u>\$73,920,149</u></u>

Investment in general fixed asset by source:

General Fund	\$2,604,108
Special Revenue Funds	95,514
Debt Service Fund	903,642
Capital Projects Funds	59,263,539
Donations	77,408
Capital Leases	54,398
Acquired Before July 1, 1992*	<u>10,921,540</u>
Total Investment in General Fixed Assets	<u><u>\$73,920,149</u></u>

*Represents older assets for which fund source cannot practically be obtained.

MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY FUNCTION AND TYPE
AS OF JUNE 30, 2000

Function	Land	Buildings	Furniture and Equipment	Vehicles	Construction In Progress	Total
Instruction:						
Regular	\$46,922	\$9,971,886	\$4,954,073	\$0	\$0	\$14,972,881
Special	0	0	18,759	0	0	18,759
Vocational	0	0	4,283	0	0	4,283
Support Services:						
Pupil	0	0	127,251	0	0	127,251
Instructional Staff	0	0	49,639	0	0	49,639
School Administration	0	0	102,777	0	0	102,777
Fiscal	0	0	66,383	0	0	66,383
Business	0	0	12,310	0	0	12,310
Operation of Plant	0	0	149,342	196,040	0	345,382
Pupil Transportation	2,085	0	35,245	3,552,593	0	3,589,923
Central	0	0	103,444	0	0	103,444
Community Services	0	0	10,960	0	0	10,960
Extracurricular Activities	10,135	34,131	205,684	4,450	0	254,400
Capital Outlay	4,970,727	45,410,127	3,150,302	44,378	686,223	54,261,757
Total General Fixed Assets	\$5,029,869	\$55,416,144	\$8,990,452	\$3,797,461	\$686,223	\$73,920,149

MASON CITY SCHOOL DISTRICT, OHIO
SCHEDULE OF CHANGES IN FIXED ASSETS
BY FUNCTION
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

Function	Balance at June 30, 1999	Additions	Deletions	Balance at June 30, 2000
Instruction:				
Regular	\$14,835,485	\$271,380	\$133,984	\$14,972,881
Special	17,870	889	0	18,759
Vocational	4,283	0	0	4,283
Support Services:				
Pupil	123,850	3,401	0	127,251
Instructional Staff	43,849	5,790	0	49,639
School Administration	108,529	0	5,752	102,777
Fiscal	54,740	11,643	0	66,383
Business	11,029	1,281	0	12,310
Operation of Plant	319,850	27,143	1,611	345,382
Pupil Transportation	2,914,188	710,196	34,461	3,589,923
Central	47,020	59,785	3,361	103,444
Community Services	9,760	1,200	0	10,960
Extracurricular Activities	220,783	33,617	0	254,400
Capital Outlay	53,320,371	1,125,148	183,762	54,261,757
Total General Fixed Assets	\$72,031,607	\$2,251,473	\$362,931	\$73,920,149

MASON CITY SCHOOL DISTRICT, OHIO
 SCHEDULE OF FEDERAL AWARDS EXPENDITURES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2000

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>						
<i>Passed through Ohio Department of Education:</i>						
Nutrition Cluster:						
Food Distribution Program		10.550	\$0	\$55,795	\$0	\$54,239
National School Lunch Program (1)		10.555	126,320	0	126,320	0
Total U.S. Department of Agriculture - Nutrition Cluster			\$126,320	\$55,795	\$126,320	\$54,239
<u>U.S. DEPARTMENT OF EDUCATION</u>						
<i>Passed through Ohio Department of Education:</i>						
Special Education Cluster:						
Special Education Grants to States (IDEA Part B)		84.027	163,145	0	160,657	0
Special Education - Preschool Grant		84.173	21,468	0	26,456	0
Total Special Education Cluster			\$184,613	\$0	\$187,113	\$0
Grants to Local Educational Agencies (ESEA Title 1)		84.010	87,873	0	86,068	0
Title VI		84.298	32,304	0	31,877	0
Emergency Immigrant		84.162	2,618	0	0	0
Drug-Free Schools Grant		84.186	28,166	0	31,124	0
Eisenhower		84.281	13,817	0	16,660	0
Continuous Improvement		84.276	0	0	10,000	0
Title VI-R		84.340	32,511	0	0	0
<i>Passed through the Great Oaks Institute & Career Development:</i>						
Carl Perkins/Vocational Education	051060	84.049	9,360	0	5,267	0
Total Department of Education			206,649	0	180,996	0
Totals			\$517,582	\$55,795	\$494,429	\$54,239

Note (1) - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the Government's Federal Award Programs. The schedule has been prepared on the cash basis of accounting.

Note (2) - FOOD DISTRIBUTION

Nonmonetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first. At June 30, 2000, the District had no significant food commodities in inventory.

Statistical Section

STATISTICAL TABLES

The following unaudited statistical tables reflect social and economic data, financial trends and fiscal capacity of the District.

MASON CITY SCHOOL DISTRICT, OHIO
GENERAL FUND
EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS

	2000 (a)	1999 (a)	1998 (a)	1997 (a)
Current:				
Instruction:				
Regular	\$15,636,456	\$13,210,555	\$11,566,931	\$9,447,228
Special	2,325,817	1,752,373	1,786,033	1,402,853
Vocational		976	53,908	146,108
Adult Continuing	-	-	-	0
Other Instruction	26,034	92,084	79,258	68,829
Support Services:				
Pupils	1,935,035	1,691,591	1,404,157	1,160,350
Instructional Staff	2,540,641	1,930,057	794,102	603,098
Board of Education	40,083	42,098	37,001	28,380
Administration	2,425,189	2,289,868	1,807,065	1,375,131
Fiscal	769,359	670,861	593,025	499,780
Business	154,879	97,767	87,650	75,078
Operation and Maintenance of Plant Services	3,876,115	3,499,804	2,552,327	2,004,935
Pupil Transportation	2,338,707	1,969,889	1,694,702	1,435,736
Central	864,088	689,812	389,904	245,385
Operation of Non-Instructional Services	36,449	37,517	31,725	24,258
Extracurricular Activities	480,008	373,919	342,360	306,259
Capital Outlay	551,768	4,284	5,000	36,070
Debt Service	75,273	4,825	8,351	527,122
Total	\$34,075,901	\$28,358,280	\$23,233,499	\$19,386,600

Source: School District Financial Records

(a) Reported on GAAP Basis.

(b) Reported on Cash Basis.

TABLE 1

1996 (a)	1995 (a)	1994 (a)	1993 (a)	1992 (a)	1991 (b)
\$8,363,374	\$7,506,310	\$6,696,654	\$5,975,659	\$5,585,596	\$5,317,366
1,119,742	954,666	680,066	698,658	540,574	534,602
128,513	130,081	120,575	157,912	147,889	137,590
0	0	37,066	0	0	0
28,432	48,322	4,752	0	23,717	19,180
735,965	566,827	525,134	465,113	394,430	376,157
396,937	329,300	275,189	254,168	183,158	189,484
34,388	30,748	36,352	28,330	32,527	18,502
1,329,407	1,150,504	1,114,513	1,039,139	972,275	880,215
432,019	333,669	351,626	297,472	284,891	344,938
11,502	0	0	0	0	0
1,936,272	1,746,923	1,350,667	1,316,813	1,376,195	1,156,471
1,313,261	1,189,795	1,065,216	893,978	840,813	786,604
108,589	98,470	9,063	12,213	21,641	24,930
0	67,295	43,017	36,103	66,959	2,837
319,021	309,175	285,233	283,559	261,783	259,335
0	6,514	3,080	19,169	33,375	33,717
0	0	0	0	0	0
\$16,257,422	\$14,468,599	\$12,598,203	\$11,478,286	\$10,765,823	\$10,081,928

**MASON CITY SCHOOL DISTRICT, OHIO
GENERAL FUND
REVENUES BY SOURCE
LAST TEN FISCAL YEARS**

	2000 (a)	1999 (a)	1998 (a)	1997 (a)
Taxes	\$21,419,332	\$18,100,212	\$15,618,561	\$12,200,649
Intergovernmental	13,956,754	11,514,719	9,593,628	7,553,888
Interest	607,941	431,026	289,501	152,358
Tuition and Fees	333,160	41,137	34,236	44,294
Rent	44,510	41,945	20,339	0
Extracurricular	0	0	0	0
Customer Services	18,181	37,212	111,246	0
Miscellaneous	7,892	9,165	2,235	39,398
Total	\$36,387,770	\$30,175,416	\$25,669,746	\$19,990,587

Source: School District Financial Records

(a) Reported on GAAP Basis.

(b) Reported on Cash Basis.

TABLE 2

1996 (a)	1995 (a)	1994 (a)	1993 (a)	1992 (a)	1991 (b)
\$9,421,138	\$8,904,411	\$8,160,643	\$7,329,939	\$6,967,839	\$6,309,363
5,836,834	5,002,516	4,108,440	3,932,854	3,776,350	3,774,977
148,533	156,463	120,901	86,242	143,314	200,644
29,993	47,355	37,209	29,824	15,663	5,400
0	0	0	0	0	0
0	0	300	0	0	0
0	0	45,112	69,971	0	14,021
74,630	126,852	59,850	12,706	44,397	68,800
\$15,511,128	\$14,237,597	\$12,532,455	\$11,461,536	\$10,947,563	\$10,373,205

MASON CITY SCHOOL DISTRICT, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
REAL AND TANGIBLE PERSONAL PROPERTY (1)
LAST TEN CALENDAR YEARS (2)

TABLE 3

Year (3)	Current Levy	Delinquent Levy (4)	Total Levy	Current Collection	Percent of Current Levy Collected	Delinquent Collection	Total Collection	Total Collection As a Percent of Current Levy
1999	\$25,101,477	\$1,054,502	\$26,155,979	\$24,590,242	97.96%	\$305,654	\$24,895,896	99.18%
1998	22,694,987	1,047,925	23,742,912	22,594,774	99.56%	339,122	22,933,896	101.05%
1997	19,249,501	1,028,609	20,278,110	18,885,003	98.11%	363,613	19,248,616	100.00%
1996	11,969,696	0	11,969,696	12,098,720	101.08%	130,539	12,229,259	102.17%
1995	8,417,152	0	8,417,152	8,287,046	98.45%	114,281	8,401,327	99.81%
1994	7,736,942	0	7,736,942	7,460,697	96.43%	62,769	7,523,466	97.24%
1993	7,522,885	0	7,522,885	7,432,176	98.79%	130,874	7,563,050	100.53%
1992	7,126,146	0	7,126,146	7,018,535	98.49%	176,329	7,194,864	100.96%
1991	6,073,035	0	6,073,035	5,928,361	97.62%	87,099	6,015,460	99.05%
1990	5,527,345	0	5,527,345	5,420,861	98.07%	72,567	5,493,428	99.39%

Source: Warren County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

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

(2) Ten years was all of the information available from the County Auditor.

(3) Represents collection year. 2000 information cannot be presented because all collections have not been made by June 30.

(4) The delinquent levy has not been calculated based on other information in this statistical table because of retroactive additions and reductions which are brought on in one lump sum. The County Auditor has changed reporting procedures to permit this disclosure beginning in tax year 1997.

MASON CITY SCHOOL DISTRICT, OHIO
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN CALENDAR YEARS

TABLE 4

Year (1)	Real Property			Public Utility Personal Property			Tangible Personal Property			Total		
	Assessed Value	Estimated Actual Value	Ratio	Assessed Value	Estimated Actual Value	Ratio	Assessed Value	Estimated Actual Value	Ratio	Assessed Value	Estimated Actual Value	Ratio
2000	\$584,567,320	\$1,670,192,343	34%	\$27,966,800	\$40,272,192	34%	\$110,006,159	\$440,024,636	34%	\$722,540,279	\$2,150,489,171	34%
1999	507,879,160	1,451,083,314	34%	28,916,380	41,639,587	34%	99,696,766	398,787,064	34%	636,492,306	1,891,509,965	34%
1998	447,470,900	1,278,488,286	34%	28,019,150	40,347,576	34%	82,819,360	331,277,440	34%	558,309,410	1,650,113,302	34%
1997	345,531,240	987,232,114	34%	26,469,100	38,115,504	34%	74,145,702	296,582,808	34%	446,146,042	1,321,930,426	34%
1996	308,029,880	880,085,371	34%	25,750,470	37,080,677	34%	61,598,063	246,392,252	34%	395,378,413	1,163,558,300	34%
1995	276,071,590	788,775,971	34%	24,507,380	35,290,627	34%	59,009,495	236,037,980	34%	359,588,465	1,060,104,579	34%
1994	224,411,120	641,174,629	34%	22,539,340	32,456,650	34%	59,281,640	237,126,560	34%	306,232,100	910,757,838	34%
1993	206,409,310	589,740,886	34%	21,629,460	31,146,422	34%	54,135,139	216,540,556	34%	282,173,909	837,427,864	34%
1992	198,354,710	566,727,743	34%	17,193,560	24,758,726	34%	48,409,903	186,191,935	34%	263,958,173	777,678,404	34%
1991	166,340,510	475,258,600	34%	15,234,450	21,937,608	34%	44,718,225	165,623,056	34%	226,293,185	662,819,264	34%

Source: Warren County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

(1) Represents tax collection year

MASON CITY SCHOOL DISTRICT, OHIO
 PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
 (PER \$1,000 OF ASSESSED VALUATION)
 LAST TEN CALENDAR YEARS

TABLE 5

Tax Year	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
Mason City School District	61.95	61.95	61.95	62.36	53.26	51.00	51.07	48.40	48.20	48.50
Warren County	4.00	4.75	5.00	5.00	7.07	7.10	7.10	7.10	7.10	5.10
City of Mason	7.32	2.32	2.32	1.89	1.89	1.90	1.90	1.90	1.90	2.10
Deefield Township	9.75	9.75	4.80	4.30	5.80	7.05	8.05	8.05	8.05	8.30
Warren-Clinton Community Mental Health	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Great Oaks Joint Vocational School	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70
Turtlecreek Township	5.62	5.62	5.62	5.62	5.62	5.60	5.60	5.60	5.60	5.60
Union Township	6.20	6.20	5.20	5.20	5.20	6.20	6.20	5.20	5.20	5.80
Warren County Health District	0.50	0.50	0.50	0.50	0.00	0.00	0.00	0.00	0.00	0.00

Source: Warren County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

MASON CITY SCHOOL DISTRICT, OHIO
 RATIO OF GENERAL OBLIGATION BONDED DEBT TO
 ASSESSED VALUE AND BONDED DEBT PER CAPITA
 LAST TEN YEARS

TABLE 6

Year	General Obligation Bonded Debt	Assessed Value	District Population	Less Debt Service Fund	Net Bonded Debt	Ratio of Debt to Assessed Value	Net Debt Per Capita
2000 (a)	\$46,925,000	\$722,540,279	21,150	\$1,982,737	\$44,942,263	6.22%	\$2,218.68
1999 (a)	\$48,250,000	\$636,492,306	19,200	\$901,279	\$47,348,721	7.44%	\$2,513.02
1998 (a)	49,135,000	558,309,410	17,500	1,964,055	47,170,945	8.45%	2,807.71
1997 (a)	28,610,000	446,146,042	15,863	1,532,457	27,077,543	6.07%	1,803.57
1996 (a)	29,536,000	395,378,413	14,366	693,336	28,842,664	7.29%	2,055.97
1995 (a)	11,700,000	359,589,075	13,240	480,807	11,219,193	3.12%	883.69
1994 (a)	12,370,000	306,232,100	12,495	694,293	11,675,707	3.81%	934.43
1993 (a)	12,940,000	304,971,170	11,452	467,124	12,472,876	4.09%	1,089.14
1992 (a)	3,360,000	281,185,409	11,452	294,678	3,065,322	1.09%	267.67
1991 (b)	3,780,000	263,209,136	11,452	298,535	3,481,465	1.32%	304.00

Source: City of Mason and School District Records

(a) Reported on GAAP Basis.

(b) Reported on Cash Basis.

MASON CITY SCHOOL DISTRICT, OHIO
 COMPUATION OF LEGAL DEBT MARGIN
 AS OF JUNE 30, 2000

TABLE 7

Assessed Valuation	<u>\$722,540,279</u>
Voted Debt:	
Debt Limit - 9% of Assessed Value (1)	<u>\$65,028,625</u>
Amount of Debt Applicable to Debt Limit:	
General Obligation Bond	\$6,200,000
General Obligation Bond	18,525,000
General Obligation Bond	21,970,000
Bond Anticipation Note	9,215,000
Sub-total	<u>\$55,910,000</u>
Less: Amount Available in Debt Service Fund	<u>(1,982,737)</u>
Total Debt Subject to Limit	<u>\$53,927,263</u>
Voted Debt Margin	<u>\$11,101,362</u>
Unvoted Debt:	
Debt Limit - .10% of Assessed Value (1)	\$722,540
Amount of Debt Applicable	<u>315,000</u>
Unvoted Debt Margin	<u>\$407,540</u>

Source: Warren County Auditor and School District Financial Records

- (1) Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt. All District debt subject to the limitation is voted.
- (2) School Bus Acquisition Bonds are exempt from the voted debt limits. Amount outstanding at June 30, 2000 was \$450,000.

MASON CITY SCHOOL DISTRICT, OHIO
 COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT
 AS OF JUNE 30, 2000

TABLE 8

Jurisdiction	General Obligation Debt Outstanding	Percentage Applicable to School District (1)	Amount Applicable to School District
Mason CSD	\$55,910,000	100.00%	\$55,910,000
Butler County	30,575,000	0.06%	18,345
Warren County	4,830,454	22.60%	1,091,683
City of Mason	10,875,000	89.80%	9,765,750
Deerfield Township	2,746,332	63.05%	1,731,562
Township of Union (Butler County)	<u>16,655,000</u>	0.26%	<u>43,303</u>
Total	<u><u>\$121,591,786</u></u>		<u><u>\$68,560,643</u></u>

Source: Ohio Municipal Advisory Council

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 1999 collection year.

MASON CITY SCHOOL DISTRICT, OHIO
 RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
 GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL FUND EXPENDITURES
 LAST TEN CALENDAR YEARS

TABLE 9

Year (1)	Principal	Interest	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service to General Fund Expenditures
2000	\$1,105,000	\$2,554,382	\$3,659,382	\$34,075,901	10.74%
1999	\$1,335,000	\$2,618,210	\$3,953,210	\$28,358,280	13.94%
1998	1,479,200	1,992,231	3,471,431	23,233,499	14.94%
1997	926,000	1,623,493	2,549,493	19,326,196	13.19%
1996	771,993	1,783,629	2,555,622	16,257,422	15.72%
1995	940,518	728,284	1,668,802	14,468,599	11.53%
1994	693,756	782,463	1,476,219	12,598,203	11.72%
1993	543,756	613,256	1,157,012	11,478,286	10.08%
1992	543,756	287,512	831,268	10,765,823	7.72%
1991	574,695	279,133	853,828	10,081,928	8.47%

Source: School District Financial Records.

MASON CITY SCHOOL DISTRICT, OHIO
 DEMOGRAPHIC STATISTICS
 LAST TEN CALENDAR YEARS

TABLE 10

Year	Warren County Population (1)	Mason City Population (1)	School Enrollment (2)	Unemployment Rate Warren County (3)	Unemployment Rate State of Ohio (3)	Unemployment Rate U.S.A. (3)
2000	113,909	21,150	6,057	3.20%	4.20%	4.20%
1999	113,909	19,200	5,364	3.20%	4.50%	4.50%
1998	113,909	17,500	4,783	3.40%	4.50%	4.70%
1997	113,909	15,863	4,371	2.90%	4.30%	5.20%
1996	113,909	14,366	3,845	3.80%	4.60%	5.40%
1995	113,909	13,240	3,420	4.00%	4.50%	5.50%
1994	113,909	12,495	3,091	5.00%	5.40%	6.20%
1993	113,909	11,452	2,866	5.60%	6.00%	7.10%
1992	113,909	11,452	2,731	6.00%	7.20%	7.40%
1991	113,909	11,452	2,653	5.90%	6.40%	6.80%

Source:

(1) 1990 Census

(2) School District Records

(3) Ohio Bureau Employment Services - Data for 2000 based upon June.

MASON CITY SCHOOL DISTRICT, OHIO
PROPERTY VALUE, FINANCIAL INSTITUTION DEPOSITS
AND BUILDING PERMITS
LAST TEN CALENDAR YEARS

TABLE 11

Year	Property Value (Real Estate Only)	County Bank Deposits (1) (3)	Value of Building Permits Issued (2)
1999	\$584,567,320	\$1,200,862,000	\$118,161,589
1998	507,879,160	1,150,159,000	111,291,583
1997	447,470,900	1,080,081,000	78,812,560
1996	345,531,240	1,044,777,000	74,115,054
1995	308,029,880	968,832,000	70,303,062
1994	276,071,590	885,766,000	44,414,494
1993	224,411,120	0	57,635,020
1992	206,409,310	0	24,861,185
1991	198,354,710	0	17,604,939
1990	166,340,510	0	36,773,815

Source:

(1) Federal Reserve Bank of Cleveland & Federal Deposit Insurance Corp. (www2.FDIC.GOV)

(2) City of Mason Department of Economic Development and Planning

(3) Information Unavailable

**MASON CITY SCHOOL DISTRICT, OHIO
 PRINCIPAL TAXPAYERS
 REAL ESTATE TAX**

TABLE 12

Name of Taxpayer	Type of Business	Assessed Value (1)	Percent of Total Real Estate Assessed Value
Duke Realty Ltd. Partnership	Commercial Property Leasing	\$28,641,410	4.90%
Procter & Gamble	Health Care Research	15,165,060	2.59%
Northeast Cincinnati Hotels	Hotel	4,732,270	0.81%
Mason Christian Village	Retirement Community	4,566,000	0.78%
Zaring Homes Inc.	Residential Builder and Developer	3,465,450	0.59%
Kenwood Lincoln Mercury	Automobile Dealership	3,218,930	0.55%
Community Insurance Co.	Insurance	3,050,700	0.52%
Uniroyal Goodrich Tire Co.	Tire	2,316,030	0.40%
Hills Real Estate Group	Real Estate	2,295,760	0.39%
A Mold Corporation	Manufacture Aluminum Wheels	1,992,980	0.34%
Total		<u>\$69,444,590</u>	<u>11.87%</u>

Source: Warren County Auditor

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

MASON CITY SCHOOL DISTRICT, OHIO
 PRINCIPAL TAXPAYERS
 TANGIBLE PERSONAL PROPERTY TAX

TABLE 13

Name of Taxpayer	Type of Business	Assessed Value (1)	Percent of Total Tangible Personal Property Assessed Value
Mitsubishi Electric	Manufactures Automobile Parts	\$17,447,460	15.86%
Procter & Gamble	Health Care Research	11,586,870	10.53%
Facs Group Inc.	Retail Credit Company	3,980,530	3.62%
Michelin North America Inc.	Tires	3,528,370	3.21%
Buckeye Steel Castings	Manufactures Bed Frames	3,160,990	2.87%
Deerfield Manufacturing Company	Stamping for HVAC Equipment	2,809,910	2.55%
Kings Toyota Inc.	Automobile Dealership	2,475,030	2.25%
Hi-Tek	Machine Shop	2,350,080	2.14%
Portion Pac Inc.	Manufacture Condiments	2,160,550	1.96%
Superior Label Systems	Labeling Machines	2,010,040	1.83%
		<u>\$51,509,830</u>	<u>46.82%</u>

Source: Warren County Auditor

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

(2) Type of business information was not available from the County Auditor.

MASON CITY SCHOOL DISTRICT, OHIO
 PRINCIPAL TAXPAYERS
 PUBLIC UTILITY PERSONAL PROPERTY TAX

TABLE 14

Name of Taxpayer	Assessed Value (1)	Percentage of Total Public Utility Personal Property Assessed Value
Cincinnati Gas and Electric	\$21,612,730	77.28%
United Telephone	4,043,520	14.46%
LCI International	228,260	0.82%
New Par	221,170	0.79%
Dayton Power & Light Company	185,040	0.66%
Cincinnati SMSA LTD Partnership	150,470	0.54%
GTE Wireless	150,290	0.54%
Time Warner	105,690	0.38%
Cincinnati Bell	68,890	0.25%
Cincinnati Bell Wireless	60,970	0.22%
	<u>\$26,827,030</u>	<u>95.94%</u>

Source: Warren County Auditor

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

MASON CITY SCHOOL DISTRICT, OHIO
 COST TO EDUCATE A 2000 GRADUATE
 MASON CITY SCHOOL DISTRICT VERSUS STATE OF OHIO

TABLE 15

School Year	Grade	----- Cost Per Pupil -----		Comparison
		Mason CSD (1)	State Average (1)	
1987-88	K	2,742	3,563	(821)
1988-89	1	3,136	3,852	(716)
1989-90	2	3,577	4,166	(589)
1990-91	3	3,934	4,390	(456)
1991-92	4	4,266	4,436	(170)
1992-93	5	4,238	4,822	(584)
1993-94	6	4,461	4,882	(421)
1994-95	7	4,440	5,117	(677)
1995-96	8	4,475	5,299	(824)
1996-97	9	4,458	5,555	(1,097)
1997-98 (2)	10	5,285	5,469	(184)
1998-99 (2)	11	6,271	6,800	(529)
1999-00 (2)	12	6,354	7,108	(754)
		<u>\$57,637</u>	<u>\$65,459</u>	<u>(\$7,822)</u>

Source: School District Financial Records.

(1) The Department of Education has no mechanism in place to provide this data on a GAAP basis. As a result, all figures are presented on a cash basis to provide a more meaningful comparison.

(2) The Department of Education adopted a new calculation for per pupil spending. Beginning in 1997-98 per pupil spending is based upon the departments expenditures flow model.

MASON CITY SCHOOL DISTRICT, OHIO
 MISCELLANEOUS STATISTICAL DATA

TABLE 16

Year of Original Charter:	June 10, 1968
Current Charter:	September 9, 1991
Form of Government:	Public School District
Area of District:	25 Square Miles
Number Miles Traveled by Transportation	
Fleet for the 1999-2000 School Year:	835,076 Miles
Number Meals Served by Food Service	
Department for the 1999-2000 School Year:	677,249 Meals

School Buildings	Grade Levels	Enrollment
Mason Heights Elementary	1-2	1,005
Western Row Elementary	3-4	1,079
Mason Middle School	5-6	926
Mason Intermediate	7-8	930
William Mason High School	9-12	1,495
Mason Early Childhood Center	PS-K	622
		<u>6,057</u>

Degree	Number of Certified Staff	Percentage of Total
Bachelor's Degree	89	24.18%
Bachelor + 150	128	34.78%
Master's Degree	148	40.22%
Doctorate	3	0.82%
Total	<u>368</u>	<u>100.00%</u>

Years of Experience	Number of Certified Staff	Percentage of Total
0 - 5	198	53.80%
6 - 10	53	14.40%
11 - 15	41	11.14%
16 - 20	30	8.15%
21 - 25	26	7.07%
26 - 30	17	4.62%
31 - 35	3	0.82%
36 - 40	0	0.00%
	<u>368</u>	<u>100.00%</u>

Source: School District Records

MASON CITY SCHOOL DISTRICT, OHIO
 LARGEST EMPLOYERS

TABLE 17

Employer	Nature of Activity or Business	Number of Employees
Procter & Gamble	Health Care Research Center	1,600
Cintas	Manufacture Uniforms	1,373
Anthem Insurance	Insurance	920
Entex Information Services	Computer Systems	888
Mason City School District	Education	700
Blackhawk Automotive	Manufacture Plastic Moldings	650
Portion Pac	Manufacture Condiments	490
A-Mold Corp.	Manufacture Aluminum Wheels	460
Mitsubishi Electric Manufacturing	Manufacture Automobile Brakes	430
Cincinnati Electronics	Manufacture Surveillance Equipment	325

Source: Mason Landen Kings Chamber of Commerce

MASON CITY SCHOOL DISTRICT, OHIO
LEVY HISTORY

TABLE 18

Date of Election	Type of Issue	Millage	For	Against	% For
11/7/67	General Operating 10 year	4.00	916	754	54.85%
11/5/68	General Operating (Renewal Continuing)	16.10	1,667	906	64.79%
8/19/69	Special Operating	6.80	270	513	34.48%
11/4/69	Special - General Operating	4.90	839	938	47.21%
12/11/69	Special - General Operating (Cont.)	4.90	821	664	55.29%
11/8/77	General Operating (Renewal)	4.00	1,970	692	74.00%
11/8/77	Bond Issue (SAH) *	1.60	1,681	931	64.36%
3/14/78	General Operating (New Cont.)	6.50	902	505	64.11%
6/5/79	Bond Issue (SAH) *	1.10	295	77	79.30%
9/8/81	Bond Issue (SAH) *	1.30	330	86	79.33%
2/5/85	Bond Issue	6.50	651	1,037	38.57%
11/5/85	Bond Issue	4.70	1,642	1,518	51.96%
5/3/88	General Operating (New Cont.)	8.60	1,567	1,407	52.69%
5/7/91	Special Levy (Land Purchase)	0.70	994	868	53.38%
11/5/91	Bond Issue	3.78	1,978	2,115	48.33%
2/4/92	Bond Issue	3.27	1,470	1,524	49.10%
6/2/92	Bond Issue	3.27	1,909	1,889	50.26%
5/5/95	Bond Issue	3.98	1,644	1,068	60.62%
3/19/96	General Operating (New Cont.)	9.80	2,832	2,218	56.08%
2/4/97	Bond Issue	5.01	1,895	802	70.26%
3/7/00	Bond Issue	6.78	3,690	3,248	53.19%

Source: School District Records

* SAH - Stay at Home Issues

MASON CITY SCHOOL DISTRICT, OHIO
 STUDENT POPULATION BY SEX AND BY RACE
 FOR THE 1999-2000 SCHOOL YEAR

TABLE 19

Grade	Male	Female	Total
PS	32	25	57
K	274	291	565
1	248	252	500
2	261	244	505
3	262	251	513
4	295	271	566
5	226	227	453
6	253	220	473
7	250	208	458
8	239	233	472
9	209	194	403
10	188	206	394
11	194	173	367
12	154	166	320
Ungraded	9	2	11
	3,094	2,963	6,057

Race	Total	Percent
American Indian/Alaskan	9	0.15%
Asian	157	2.59%
Black	133	2.20%
Caucasian	5,678	93.74%
Hispanic	50	0.82%
Multi-Racial	30	0.50%
	6,057	100.00%

Source: School District Financial Records.

MASON CITY SCHOOL DISTRICT, OHIO
 SCHEDULE OF INSURANCE POLICIES
 AND BONDING INSURANCE

TABLE 20

Agent	Insurance Company	Policy #	Policy Period	Description	Liability Limit	Premium
Dakin Insurance	Indiana Insurance	CBP9219173	2/1/00-2/1/01	Comprehensive Property and Plant	\$77,875,274	\$32,537
Dakin Insurance	Indiana Insurance	BA9143978	2/1/00-2/1/01	Fleet Insurance	1,000,000	31,167
Harcum Insurance	Nationwide Insurance	EGL005671	2/1/00-2/1/01	Liability Insurance	2,000,000 each occurrence and 5,000,000 aggregate	13,457
Dakin Insurance	Peerless Insurance	A25694	2/1/00-2/1/01	Public Employee Bond	10,000	337
OSBA Bond Program	Nationwide Insurance	3-289-897	1/1/97 - 1/1/01	Treasurer's Bond	50,000	1,080
OSBA Bond Program	Nationwide Insurance	BR005671	1/1/00-1/1/03	Board President's Bond	20,000	102
OSBA Bond Program	Nationwide Insurance	BR005671	1/1/00-1/1/03	Superintendent's Bond	20,000	102

Source: School District Records.

MASON CITY SCHOOL DISTRICT, OHIO
 ENROLLMENT HISTORY
 LAST TEN YEARS

TABLE 21

School Year (1)	Preschool	KDN	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Grade 7	Grade 8	Grade 9	Grade 10	Grade 11	Grade 12	Total	% Increase
1999-00	57	565	500	505	513	566	453	473	458	472	403	394	367	331	6,057	12.92%
1998-99	51	437	455	454	511	410	418	404	446	376	392	358	331	321	5,364	12.15%
1997-98	49	402	410	467	370	388	360	399	350	358	336	312	316	266	4,783	9.43%
1996-97	64	388	418	333	341	334	361	323	325	326	309	314	276	259	4,371	13.68%
1995-96	45	386	309	307	296	318	293	298	298	282	299	258	275	181	3,845	12.43%
1994-95	42	291	293	256	302	269	278	280	266	269	245	255	188	186	3,420	10.64%
1993-94	27	272	254	281	250	248	269	232	259	233	242	174	189	161	3,091	7.85%
1992-93	25	253	255	233	236	257	215	246	226	228	168	184	164	176	2,866	4.94%
1991-92	0	269	229	231	240	218	240	218	220	163	191	171	178	163	2,731	2.94%
1990-91	0	237	246	247	217	231	219	219	176	181	164	188	160	168	2,653	

(1) All figures represent actual enrollment during the first full week of October each school year.

Source: School District Records

MASON CITY SCHOOLS DISTRICT, OHIO
 DIRECTORY OF SCHOOL FACILITIES
 AS OF JUNE 30, 2000

TABLE 22

Facility	Address	Principal	Grades	Phone Numbers
Early Childhood Center	211 North East Street	Barbara Harding	PS-K	398-3741
Mason Heights School	200 Northcrest Drive	Tom Morris	1-2	398-8866
Western Row School	755 Western Row Road	Will Becker	3-4	398-5821
Mason Intermediate	707B S. Mason-Montgomery Rd.	Catherine Hunter	5-6	459-2850
Mason Middle School	707A S. Mason-Montgomery Rd.	Scott Inskip	7-8	398-9035
Mason High School	770 S. Mason-Montgomery Rd.	Amy Spicher	9-12	398-5025
Technology	200 Northcrest Drive	Dan Mason		336-7367
Bus Garage	5025 Enterprise Drive	Bill Frauenknecht		398-6682
Maintenance Garage	5120 Enterprise Drive	George Highfill		398-2781

TABLE 23

This Comprehensive Annual Financial Report
was prepared by:

The Treasurer's Office
Mason City School District
Richard Gardner, Treasurer

The Mason City School District Treasurer's Office:

Chris Hofer	Assistant Treasurer
Rosita Dobbins	Accounting Clerk
Amy Elliott	Accounting Clerk
Ericka Hood	Accounting Clerk
Stefanie Howland	Accounting Clerk
Pat Nurre	Accounting Clerk

Additional copies of this report may be obtained from:

Richard Gardner, Treasurer
Mason City School District
211 North East Street
Mason, OH 45040
Phone: (513) 398-3623
Email: gardnerr@mason.k12.oh.us
Web Page: ww2.mason.k12.oh.us



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

MASON CITY SCHOOL DISTRICT

WARREN 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 18, 2001**