



Dave Yost • Auditor of State



MASON CITY SCHOOL DISTRICT  
WARREN COUNTY

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**MASON CITY SCHOOL DISTRICT  
WARREN COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2015**

<b>FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title</b>	<b>Grant Year</b>	<b>CFDA Number</b>	<b>Receipts</b>	<b>Non-Cash Receipts</b>	<b>Disbursements</b>	<b>Non-Cash Disbursements</b>
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>						
<i>Passed Through Ohio Department of Education:</i>						
<b><u>Child Nutrition Cluster:</u></b>						
Non-Cash Assistance (Food Distribution):						
National School Lunch Program	2015	10.555	0	\$499,767	0	\$490,531
Cash Assistance:						
National School Breakfast Program	2015	10.553	45,712	0	45,712	0
National School Lunch Program	2015	10.555	537,837	0	537,837	0
Total Child Nutrition Cluster			<u>583,549</u>	<u>499,767</u>	<u>583,549</u>	<u>490,531</u>
<b>Total U.S. Department of Agriculture</b>			<b><u>583,549</u></b>	<b><u>499,767</u></b>	<b><u>583,549</u></b>	<b><u>490,531</u></b>
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>						
<i>Passed Through Ohio Department of Education:</i>						
<b><u>Special Education Cluster:</u></b>						
Special Education-Grants to States	2015	84.027	1,391,327	0	1,447,174	0
Special Education-Grants to States	2014	84.027	303,022	0	290,242	0
Total Special Education-Grants to States			<u>1,694,349</u>	<u>0</u>	<u>1,737,416</u>	<u>0</u>
Special Education-Preschool Grants	2015	84.173	23,505	0	32,729	0
Total Special Education-Preschool Grants			<u>23,505</u>	<u>0</u>	<u>32,729</u>	<u>0</u>
Total Special Education Cluster			<u>1,717,854</u>	<u>0</u>	<u>1,770,145</u>	<u>0</u>
Title I Grants to Local Educational Agencies	2015	84.010	154,251	0	153,813	0
Title I Grants to Local Educational Agencies	2014	84.010	63,480	0	30,861	0
Total Title I Grants to Local Educational Agencies			<u>217,731</u>	<u>0</u>	<u>184,674</u>	<u>0</u>
Title III - LEP	2015	84.365	88,728	0	91,169	0
Title III - LEP	2014	84.365	264	0	1,041	0
Title III - Immigrant	2015	84.365	4,372	0	4,735	0
Title III - Immigrant	2014	84.365	87	0	0	0
Total Title III			<u>93,451</u>	<u>0</u>	<u>96,945</u>	<u>0</u>
Improving Teacher Quality State Grants	2015	84.367	73,082	0	80,166	0
Improving Teacher Quality State Grants	2014	84.367	45,266	0	20,956	0
Total Improving Teacher Quality State Grants			<u>118,348</u>	<u>0</u>	<u>101,122</u>	<u>0</u>
<i>Passed Through Great Oaks Institute of Technology and Career Development</i>						
Vocational Education Basic Grants to States	2015	84.048	10,000	0	6,908	0
Vocational Education Basic Grants to States	2014	84.048	0	0	2,484	0
Total Vocational Education Basic Grants to States			<u>10,000</u>	<u>0</u>	<u>9,392</u>	<u>0</u>
<b>Total U.S. Department of Education</b>			<b><u>2,157,384</u></b>	<b><u>0</u></b>	<b><u>2,162,278</u></b>	<b><u>0</u></b>
<b>Total Federal Assistance</b>			<b><u>\$2,740,933</u></b>	<b><u>\$499,767</u></b>	<b><u>\$2,745,827</u></b>	<b><u>\$490,531</u></b>

The accompanying notes to this schedule are an integral part of this schedule.

**MASON CITY SCHOOL DISTRICT  
WARREN COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FISCAL YEAR ENDED JUNE 30, 2015**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Receipts and Expenditures (the Schedule) reports the Mason City School District's (the District's) federal award programs' receipts and disbursements. The schedule has been prepared on the cash basis of accounting.

**NOTE B - CHILD NUTRITION CLUSTER**

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

**NOTE C – FOOD DONATION PROGRAM**

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



# Dave Yost • Auditor of State

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

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

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Mason City School District, Warren County, (the District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 4, 2015.

### ***Internal Control Over Financial Reporting***

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

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

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

### ***Compliance and Other Matters***

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

***Purpose of this Report***

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

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

**Dave Yost**  
Auditor of State

Columbus, Ohio

December 4, 2015





# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

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

To the Board of Education:

### ***Report on Compliance for the Major Federal Program***

We have audited the Mason City School District's, Warren County, (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the Mason City School District's major federal program for the year ended June 30, 2015. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal program.

### ***Management's Responsibility***

The District's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

### ***Auditor's Responsibility***

Our responsibility is to opine on the District's compliance for the District's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

### ***Opinion on the Major Federal Program***

In our opinion, the Mason City School District complied, in all material respects with the compliance requirements referred to above that could directly and materially affects its major federal program for the year ended June 30, 2015.

### ***Report on Internal Control Over Compliance***

The District's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the District's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

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

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

This report only describes the scope of our internal control over compliance tests and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

### ***Report on Schedule of Federal Awards Expenditures Required by OMB Circular A-133***

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Mason City School District (the District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 4, 2015. Our opinion also explained that the District adopted *Governmental Accounting Standard No. 68* during the year. We conducted our audit to opine on the District's' basic financial statements. The accompanying schedule of federal awards receipts and expenditures presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Mason City School District  
Warren County  
Independent Auditor's Report on Compliance with Requirements Applicable  
To The Major Federal Program and on Internal Control Over  
Compliance Required by OMB Circular A-133  
Page 3

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**Dave Yost**  
Auditor of State

Columbus, Ohio

December 4, 2015

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**MASON CITY SCHOOL DISTRICT  
WARREN COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2015**

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	CFDA #84.027 and 84.173: Special Education Cluster
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

None.

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None

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# **MASON CITY SCHOOLS**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**



**For the fiscal year ended  
June 30, 2015**

**“Welcoming, valuing and engaging each learner”  
MASON, OHIO**

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**MASON CITY SCHOOL DISTRICT**  
**MASON, OHIO**

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**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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**PREPARED BY:**  
**OFFICE OF THE TREASURER**

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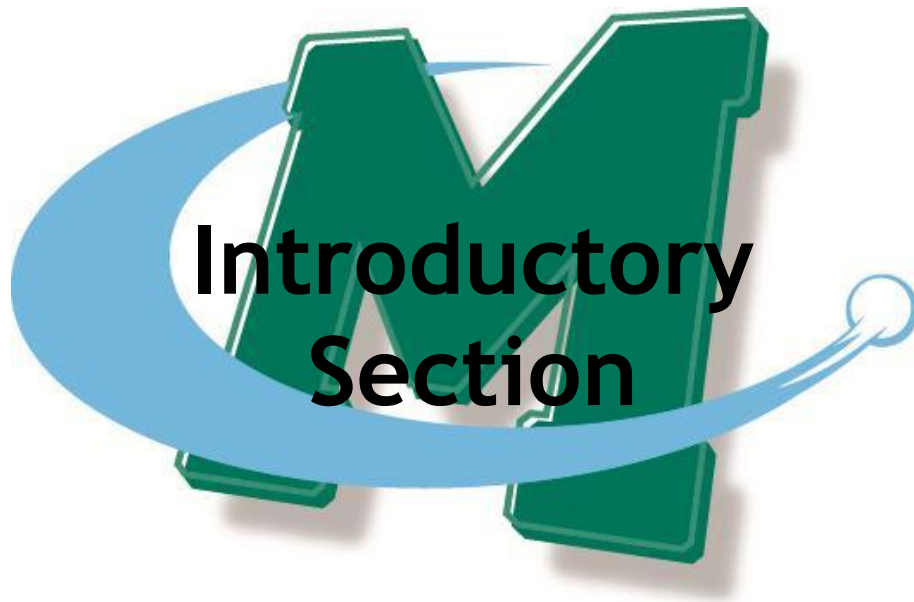
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**Introductory  
Section**

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December 4, 2015

To the Citizens and Board of Education of the Mason City School District:

State law requires that school districts publish a complete set of financial statements presented in conformance with generally accepted accounting principles (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States by the Auditor of State or a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Mason City School District for the fiscal year ended June 30, 2015.

This report consists of management's representations concerning the finances of the Mason City School District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Mason City School District has established a comprehensive internal control framework that is designed both to protect the school district's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Mason City School District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Mason City School District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Mason City School District's financial statements have been audited by the Auditor of State. The goal of the independent audit was to provide assurance that the financial statements of the Mason City School District for the fiscal year ended June 30, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Mason City School District's financial statements for the fiscal year ended June 30, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Mason City School District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited school district's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Mason City School District's separately issued Single Audit Report.

GAAP require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Mason City School District MD&A can be found immediately following the report of the independent auditors.

## Profile of the School District

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, Union and Turtle Creek Townships in Warren County, and a portion of West Chester Township in Butler County. The District is approximately 25 minutes northeast of downtown Cincinnati and 35 minutes southeast of downtown Dayton.

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, 2015, are:

<u>Board Member</u>	<u>Current Term</u>	<u>Total Years</u>
Mr. Randy Andrews	Jan. 2014 - Dec. 2017	1 ½
Mrs. Courtney Allen	Jan. 2012 - Dec. 2015	3 ½
Mr. Mathew Steele	Jan. 2014 - Dec. 2017	3 ½
Mrs. Connie Yingling	Jan. 2014 - Dec. 2017	15 ¾
Mr. Kevin Wise	Jan. 2012 - Dec. 2015	12 ½

The Superintendent is the chief executive officer of the District and is responsible directly to the Board for all operations of the District. Dr. Gail Kist-Kline was appointed Superintendent effective August 1, 2011 and her contract expires July 31, 2017

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. The Board appointed Mrs. Ronda Johnson as Treasurer effective August 1, 2014. Mrs. Johnson brought 15 years of educational and financial leadership to the District, having served as Treasurer for another large suburban school district in the Cincinnati region.

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, Little Leprechaun Academy, The Montessori Academy of Cincinnati, Royalmont Academy and Liberty Bible Academy in this category. While these organizations are similar in operations and services provided, they are distinct and separate entities. Due to the District's administrative involvement with these programs, these State subsidies are therefore presented as special revenue funds within this report.

The District served 10,715 students during the 2015 fiscal year in five buildings. The high school (9-12) was constructed in 2002 with an addition in 2009. The middle school (7-8) was constructed in 1959, with additions in 1967, 1980, 1987 and 1997. The intermediate school 45 building wing (4-5) was constructed in 1994. The intermediate school 56 building wing (5-6) was constructed in 1998. An addition was constructed in 2007 connecting the two intermediate building wings. Western Row

Elementary School (2-3) was constructed in 1962, with additions in 1987. Mason Early Childhood Center (PreK-2) was constructed in 2007.

The District employed 1,088 employees as of June 30, 2015. The District's current enrollment is 10,715. It is expected that the District's enrollment will continue to decrease slightly each year for the next several years, plateauing at approximately 10,000 students within the next 4 to 5 years.

The District teachers, educational specialists, tutors, counselors and curriculum leaders are represented by the Mason Education Association (MEA). The agreement on language, salary and fringe benefits was extended to June 30, 2016 in June 2014. The extended agreement provided MEA members with a 2.0% base salary increase for the 2014-15 school year. The District will negotiate with MEA in the spring of 2016.

The District custodial, grounds, maintenance and HVAC technicians are represented by the Ohio Association of Public School Employees (OAPSE) Local 070. The current agreement on language, salary and fringe benefits expires on June 30, 2016 and included a 2.0% base salary increase for the 2014-15 school year. The District will negotiate with MEA in the spring of 2016.

The District's other 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 and OAPSE #070. Their salary and wages were frozen for the 2012-13 and 2013-14 school years and increased by 2.0% for the 14-15 school year.

### **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Mason City School District operates.

**Local Economy.** The City of Mason's population was last reported as 30,712 in the 2010 U.S. Census and has been growing steadily through targeted planning and development. The City continues to be a top choice for quality companies that are relocating or expanding. In choosing Mason, companies often cite the interstate access, rising property values, the established core of high-tech and bio-tech businesses, and an outstanding level of both city and educational services.

Over 700 businesses operate within the City's 18 square miles and over 90 corporations have headquarters or manufacturing operations in Mason's 24 commerce parks. Three of the 10 largest employers in Warren County are located in Mason. Mason's business community includes Procter & Gamble Healthcare Research Center (Mason's largest employer), Luxottica Retail, Cintas Corporation, Intelligrated Systems, Mitsubishi Electric, and Lindner Center of Hope. The Mason Community Center is one of the largest public recreation facilities in the state and is adjoined to Mason High School. It has two swimming pools, a gymnasium, field houses, a fitness center, a walking track, a senior center, a climbing wall and numerous community meeting spaces.

Mason's housing includes an abundance of large, high-value single family homes that sit on lots between .25 and one acre that are built within the last 10-20 years. The average household includes 2.8 family members. 43% of households are reported to have children under 18. Nearly 25% of Mason's working residents work in the City of Mason. 2012 US Census Data reports the median home value for

the District at \$234,000, which is 129% of the US median. Median household income is reported at \$89,023, 168% of the US median. Median family income is \$105,366, 163% of the US median. Home values range from \$70,000 to \$2 million. The City of Mason was ranked the 17th best place to live by CNN/Money Magazine in 2015 and is nationally recognized for its low cost of living, award-winning schools and economic development focus on bioscience innovation, advanced manufacturing, healthcare and technology.

It is estimated that approximately 15% to 20% of the land area within the district remains available for development, and it is projected that these areas will be slowly developed over the next five to ten years with the associated additional investments in plant and equipment and increasing job opportunities.

**Financial policies and planning.** Student enrollment growth has been the priority for the Board and Administration for the last 15 years. Current demographic projections indicate the District will see its population stabilize at approximately 10,000 over the next several years. The District closed the Mason Heights Elementary School in the summer of 2012 and consolidated those students into the Mason Early Childhood Center and Western Row Elementary. The District's facilities' student capacity with the five remaining school buildings is sufficient to cover its projected enrollment over the next ten years and it does not anticipate the need for any additional significant capital bond issues in the next ten years.

The District is ranked 9<sup>th</sup> in the State of Ohio for academic performance of public schools with a Performance Index of 110.55 and spends less per pupil than most of the other top twenty school districts. Spending is aligned with the state average for total expenditure per pupil but the District is more focused on - and spends more on - classroom instruction. The District's priorities and goals for the future are focused on high impact learning, superb staff support, and deep parent and community partnerships. All Mason students will graduate prepared to thrive in a global economy. We pledge to support our staff to ensure that every Mason child has great learning experiences. We believe that engaged parents and community members champion Mason students. The administrative team and Board of Education are mindful of these priorities and goals when making all financial decisions. Our plans for achievement of our goals strike a balance between resource reallocation, utilization of cash reserves, and eventually additional local taxes.

Ohio's school funding model continues to pose challenges to our long-term financial stability. On June 30, 2015, Ohio's Governor vetoed a portion of the State's biennium budget bill that would have provided significant additional revenue to our District. We will continue to advocate for the resources our District needs to be successful. The plan strikes a balance between staff and other cost reductions, utilization of cash reserves, and additional local taxes.

The state biennium budget for the two years beginning July 1, 2013 resulted in funding increases of 6.25% in the first year and an additional 10.5% in the second year. As Ohio begins the state budget process for the next biennium, the District will continue to carefully monitor K-12 education funding for public schools.

## **Awards and Acknowledgements**

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, 2014. 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.

The preparation of this report would not have been possible without the efficient and dedicated services of Chris Hofer, Assistant Treasurer, along with the entire staff of the Treasurer's Office and Plattenburg and Associates, Incorporated. Credit must also be given to the Board of Education for their unfailing support for maintaining the highest standards of professionalism in the management of the Mason City School District's finances.

Respectfully submitted,

A handwritten signature in cursive script that reads "Ronda Johnson". The signature is written in a dark ink and is positioned above the typed name.

Ronda C. Johnson  
Treasurer and CFO

**MASON CITY SCHOOL DISTRICT  
LIST OF PRINCIPAL OFFICIALS  
AS OF JUNE 30, 2015**

**ELECTED OFFICIALS**

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President, Board of Education.....Courtney Allen  
Vice President, Board of Education.....Matthew Steele  
Board Member.....Randy Andrews  
Board Member.....Kevin Wise  
Board Member.....Connie Yingling

**ADMINISTRATIVE OFFICIALS**

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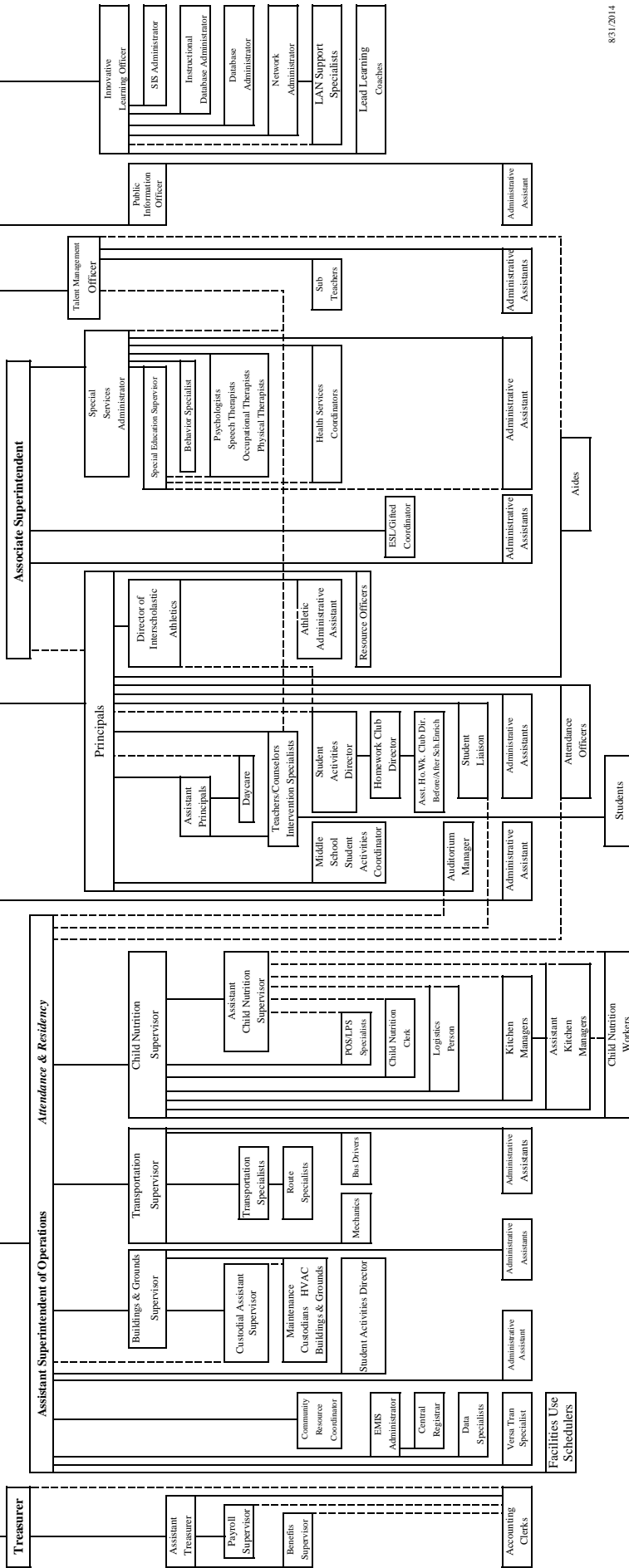
Superintendent.....Gail Kist-Kline  
Chief Academic Officer.....Heather Sass  
Assistant Superintendent of Operations.....Michael Brannon  
Innovative Learning Officer.....Jonathan Cooper  
HR Talent Management Officer.....Marla Niebling  
Treasurer.....Ronda C. Johnson  
Assistant Treasurer.....Chris Hofer  
Payroll Supervisor.....Terri Ross  
Building and Grounds Supervisor.....George Highfill  
Food Service Supervisor.....Tamara Earl  
Special Services Supervisor.....Jody Bergman  
Special Services Supervisor.....Katherine Marshall  
Transportation Supervisor.....Carolyn Thornton  
Public Information Officer.....Tracey Carson

# ORGANIZATIONAL CHART

## Citizens of Mason City School District

### Board of Education

### Superintendent





Government Finance Officers Association

**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, 2014**

Executive Director/CEO





**Financial  
Section**

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

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

To the Board of Education:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Mason City School District, Warren County, Ohio, (the District), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Mason City School District, Warren County, Ohio, as of June 30, 2015, and the respective changes in financial position for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in Note 21 to the financial statements, during the year ended June 30, 2015, the District adopted Governmental Accounting Standard No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. We did not modify our opinion regarding this matter.

**Other Matters**

*Required Supplementary Information*

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

*Supplementary and Other Information*

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

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

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

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2015, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

**Dave Yost**  
Auditor of State

Columbus, Ohio

December 4, 2015

**Mason City School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2015**  
**(Unaudited)**

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The discussion and analysis of Mason City School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2015. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the District's performance.

**Financial Highlights**

Key financial highlights for 2015 are as follows:

- Net position of governmental activities increased \$14,763,896 which represents a 28% increase from 2014.
- General revenues accounted for \$121,121,648 in revenue or 87% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$18,355,976 or 13% of total revenues of \$139,477,624.
- The District had \$124,713,728 in expenses related to governmental activities; \$18,355,976 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$121,121,648 were also used to provide for these programs.

**Overview of the Financial Statements**

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

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. The General Fund, the Debt Service Fund and the Capital Projects Fund are the major funds of the District.

**Government-wide Financial Statements**

The analysis of the District as a whole begins with the Government-wide Financial Statements. These reports provide information that will help the reader to determine if the Mason City School District is financially better off or worse off as a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

**Mason City School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2015**  
(Unaudited)

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These two statements report the District's *net* position and changes in those assets. This change in net position is important because it tells the reader that, for the District as a whole, the financial position has improved or diminished. The causes of this change may be the result of many factors, both financial and non-financial. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the Government-wide Financial Statements, the District presents governmental activities. The District's programs and services are reported here including instruction, support services, operation of non-instructional services, extracurricular activities and interest and fiscal charges.

**Fund Financial Statements**

Information about the District's major funds is presented in the Fund Financial Statements (see table of contents). Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds.

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

**Fiduciary Funds** Fiduciary Funds are used to account for resources held for the benefits of parties outside the government. Fiduciary Funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs.

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**Mason City School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2015**  
(Unaudited)

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**The District as a Whole**

As stated previously, the Statement of Net Position looks at the District as a whole. Table 1 provides a summary of the District's net position for 2015 compared to 2014:

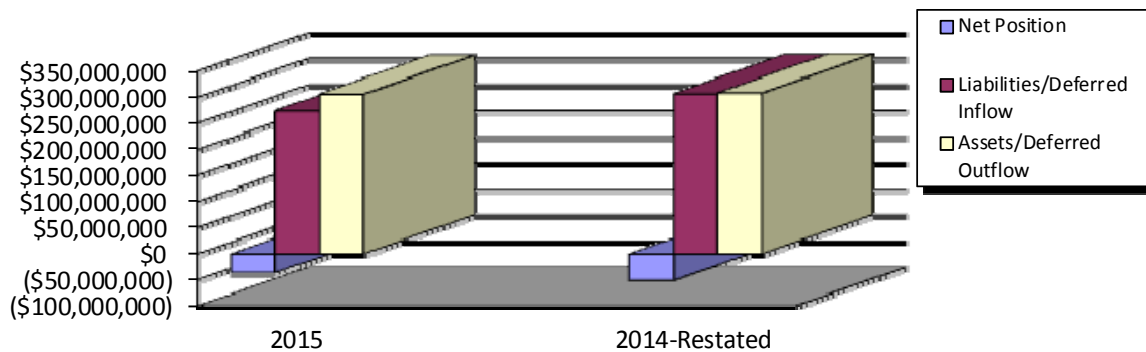
**Table 1**  
**Net Position**

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	<u>Governmental Activities</u>	
	<u>2015</u>	<u>2014 Restated</u>
Assets:		
Current and Other Assets	\$145,489,624	\$139,208,249
Capital Assets	<u>160,837,639</u>	<u>169,142,761</u>
Total Assets	<u>306,327,263</u>	<u>308,351,010</u>
Deferred Outflows of Resources:		
Deferred Charge on Refunding	2,924,851	3,121,644
Pension	<u>10,380,065</u>	<u>8,708,638</u>
Total Deferred Outflows of Resources	<u>13,304,916</u>	<u>11,830,282</u>
Liabilities:		
Other Liabilities	24,215,950	23,730,236
Long-Term Liabilities	<u>249,879,226</u>	<u>283,464,162</u>
Total Liabilities	<u>274,095,176</u>	<u>307,194,398</u>
Deferred Inflows of Resources:		
Property Taxes	52,591,190	59,849,185
Revenue in Lieu of Taxes	4,362,340	4,222,665
Pension	<u>24,904,533</u>	<u>0</u>
Total Deferred Inflows of Resources	<u>81,858,063</u>	<u>64,071,850</u>
Net Position:		
Net Investment in Capital Assets	51,834,565	50,767,119
Restricted	31,879,104	27,740,454
Unrestricted	<u>(120,034,729)</u>	<u>(129,592,529)</u>
Total Net Position	<u>(\$36,321,060)</u>	<u>(\$51,084,956)</u>



**Mason City School District, Ohio**  
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During 2015, the District adopted GASB Statement 68, “Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27,” which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District’s actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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

Under the new standards required by GASB 68, the net pension liability equals the District’s proportionate share of each plan’s collective:

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

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

**Mason City School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2015**  
**(Unaudited)**

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legal means to enforce the unfunded liability of the pension system *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

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

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

As a result of implementing GASB 68, the District is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2014, from \$103,792,114 to \$(51,084,956).

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2015, the District's liabilities exceeded assets by \$36,321,060.

At year-end, capital assets represented 53% of total assets. Capital assets include land, buildings and improvements, and equipment. Capital assets, net of related debt to acquire the assets at June 30, 2015, were \$51,834,565. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's net position, \$31,879,104 represents resources that are subject to external restriction on how they must be used. The external restriction will not affect the availability of fund resources for future use. The balance of unrestricted net position of \$(120,034,729) may be used to meet the District's ongoing obligations to the students and creditors.

Regarding significant changes in Table 1 above, Capital Assets, net decreased mainly due to current year depreciation expense exceeding current year additions. Current and Other Assets increased mainly due to an increase in bank balance. Long-Term Liabilities decreased mainly due to the District continuing to make regularly scheduled principal payments to pay off its long term debt obligations and a decrease in Net Pension Liability.

Table 2 shows the changes in net position for fiscal years 2015 and 2014.

**Mason City School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2015**  
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**Table 2**  
**Changes in Net Position**

	Governmental Activities	
	2015	2014-Restated
Revenues:		
Program Revenues		
Charges for Services	\$11,315,347	\$11,027,378
Operating Grants, Contributions	7,040,629	6,630,987
General Revenues:		
Property Taxes	70,403,671	58,108,011
Grants and Entitlements	45,646,771	43,444,518
Investment Earnings	85,326	185,110
Other	4,985,880	4,603,046
Total Revenues	<u>139,477,624</u>	<u>123,999,050</u>
Program Expenses:		
Instruction	71,759,192	65,567,175
Support Services:		
Pupil and Instructional Staff	9,305,116	9,341,530
School Administrative, General		
Administration, Fiscal and Business	7,611,354	7,783,017
Operations and Maintenance	12,433,209	12,976,097
Pupil Transportation	6,221,325	6,619,587
Central	3,105,493	3,279,666
Operation of Non-Instructional Services	6,484,771	5,988,246
Extracurricular Activities	3,290,127	3,351,887
Interest and Fiscal Charges	4,503,141	7,025,687
Total Program Expenses	<u>124,713,728</u>	<u>121,932,892</u>
Increase (Decrease) in Net Position	14,763,896	2,066,158
Net Position - Beginning of Year	<u>(51,084,956)</u>	N/A
Net Position - End of Year	<u>(\$36,321,060)</u>	<u>(\$51,084,956)</u>

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 expenses still include pension expense of \$8,708,638 computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expenses of \$6,722,035. Consequently, in order to compare 2015 total expenses to 2014, the following adjustments are needed:

**Mason City School District, Ohio**  
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**For the Fiscal Year Ended June 30, 2015**  
(Unaudited)

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Total 2015 program expenses under GASB 68	\$124,713,728
Program expenses under GASB 68	(6,722,035)
2015 contractually required contributions	<u>9,082,297</u>
Adjusted 2015 program expenses	127,073,990
Total 2014 program expenses under GASB 27	<u>121,932,892</u>
Increase in program expenses not related to pension	<u><u>\$5,141,098</u></u>

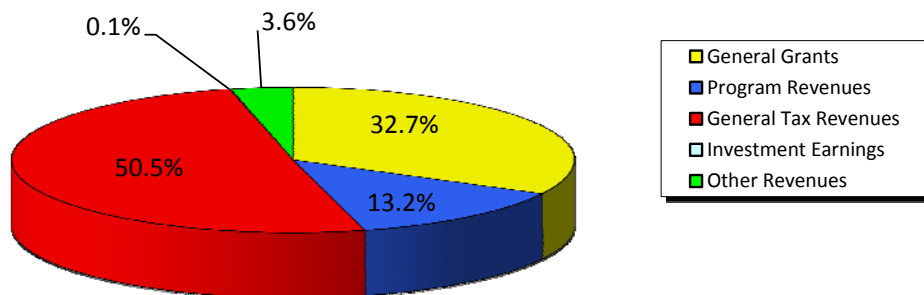
**Governmental Activities**

The District revenues are mainly from two sources. Property taxes and grants and entitlements comprised 83.2% of the District's revenues for governmental activities.

The District depends greatly on property taxes as a revenue source. The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenues generated by an existing levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 whose taxes include a 1.0 mill outside operating levy would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate for the outside operating levy would become .5 mills and the owner would still pay \$35.00.

Thus Ohio school districts do not receive additional tax revenue related to the increase in appraised value and must regularly return to the voters to maintain a constant level of service. Property taxes made up 50% of revenue for governmental activities for the District in fiscal year 2015.

<u>Revenue Sources</u>	<u>2015</u>	<u>Percentage</u>
General Grants	\$45,646,771	32.73%
Program Revenues	18,355,976	13.16%
General Tax Revenues	70,403,671	50.48%
Investment Earnings	85,326	0.06%
Other Revenues	<u>4,985,880</u>	<u>3.57%</u>
Revenue Sources	<u><u>\$139,477,624</u></u>	<u><u>100.00%</u></u>



**Mason City School District, Ohio**  
**Management’s Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2015**  
(Unaudited)

Instruction comprises 57.54% of governmental program expenses. Support services expenses were 31.01% of governmental program expenses. All other expenses and interest expense was 11.45%. Interest expense was attributable to the outstanding bond and borrowing for capital projects.

Property taxes increased mainly due to an increase in advances available at fiscal year end 2015 as compared to fiscal year end 2014. Total Expenses increased due to the District’s increase in personnel costs and general inflationary factors.

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

**Table 3**  
**Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2015	2014	2015	2014
Instruction	\$71,759,192	\$65,567,175	\$62,947,307	\$57,260,828
Support Services:				
Pupil and Instructional Staff	9,305,116	9,341,530	8,739,720	8,801,153
School Administrative, General				
Administration, Fiscal and Business	7,611,354	7,783,017	7,444,975	7,608,841
Operations and Maintenance	12,433,209	12,976,097	11,174,260	11,530,420
Pupil Transportation	6,221,325	6,619,587	6,095,742	6,525,294
Central	3,105,493	3,279,666	3,096,493	3,279,649
Operation of Non-Instructional Services	6,484,771	5,988,246	1,006,082	927,841
Extracurricular Activities	3,290,127	3,351,887	1,350,032	1,314,814
Interest and Fiscal Charges	4,503,141	7,025,687	4,503,141	7,025,687
Total Expenses	<u>\$124,713,728</u>	<u>\$121,932,892</u>	<u>\$106,357,752</u>	<u>\$104,274,527</u>

**The District’s Funds**

The District has three major governmental funds: the General Fund, the Debt Service Fund and the Capital Projects Fund. Assets of the General Fund comprised \$96,250,305 (66%), the Debt Service Fund comprised \$17,478,920 (12%) and the Capital Projects Fund comprised \$24,328,814 (17%) of the total \$145,579,750 governmental funds’ assets.

**General Fund:** Fund balance at June 30, 2015 was \$37,285,441 including \$36,194,522 of unassigned balance. The primary reason for the increase in fund balance was due to an increase in taxes revenue.

**Debt Service Fund:** Fund balance at June 30, 2015 was \$7,802,150. The primary reason for the increase in fund balance was due to an increase in tax revenue.

**Capital Projects Fund:** Fund balance at June 30, 2015 was \$19,360,045. The primary reason for the increase in fund balance was mainly due to increase in TIF monies received.

**Mason City School District, Ohio**  
**Management’s Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2015**  
(Unaudited)

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**General Fund Budgeting Highlights**

The District’s budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the current fiscal year, the District amended its general fund budget numerous times, however none were significant. The District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management. During the course of the year, the District revised the Budget to address unexpected changes in revenues and expenditures.

The final revenue budget for the General Fund was \$99,135,555. The actual revenue was \$100,400,352. The \$1,264,797 difference was primarily due to a conservative estimate for taxes and intergovernmental revenue. The final budget expenditures were \$101,176,142. The actual expenditures were \$98,703,080. The \$2,473,062 difference was primarily due to an overestimate for regular expenditures.

The District’s ending unobligated General Fund cash balance was \$35,221,536.

**Capital Assets and Debt Administration**

***Capital Assets***

At fiscal year end, the District had \$160,837,639 invested in land, buildings and improvements and equipment. Table 4 shows fiscal 2015 balances compared to fiscal 2014:

**Table 4**  
**Capital Assets at Year End**  
**(Net of Depreciation)**

---

	<u>Governmental Activities</u>	
	<u>2015</u>	<u>2014</u>
Land	\$3,655,645	\$3,678,645
Buildings and Improvements	147,973,903	154,764,948
Equipment	<u>9,208,091</u>	<u>10,699,168</u>
Total Net Capital Assets	<u><u>\$160,837,639</u></u>	<u><u>\$169,142,761</u></u>

Overall, capital assets decreased due to current year depreciation expense exceeding current year additions. See Note 6 to the Basic Financial Statements for more details on the District’s capital assets.

***Debt***

At year end, the District had \$104,722,595 in bonds and capital leases outstanding, \$8,873,000 due within one year. Table 5 summarizes bonds and capital leases outstanding.

**Mason City School District, Ohio**  
**Management’s Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2015**  
(Unaudited)

**Table 5**  
**Outstanding Debt at Year End**

	Governmental Activities	
	2015	2014
General Obligation Bonds:		
2005 Refunding High School/Recreation Center and Intermediate	\$42,015,000	\$46,900,000
2005 Refunding Bond Premium on High School/Recreation Center	2,424,975	2,798,048
2003 Refunding Middle/High School	2,670,000	5,095,000
2004 Early Childhood Center	0	1,050,000
2007 Refunding Early Childhood Center	27,230,000	27,230,000
2007 Refunding Bond Premium on Early Childhood Center	1,683,413	1,790,843
2013 Refunding High School Addition - Current Interest Bonds	16,100,000	16,100,000
2013 Refunding High School Addition - Capital Appreciation Bonds	720,000	720,000
2013 Refunding High School Addition - Accreted Interest on Capital Appreciation Bonds	244,670	113,744
2013 Refunding High School Addition - Premium	2,817,800	2,983,553
2013 Refunding High School/Recreation Center	3,640,000	3,640,000
2013 Refunding High School/Recreation Center - Premium	399,737	456,842
Capital Leases	4,827,000	4,933,000
Total Bonds and Capital Leases	<u>\$104,772,595</u>	<u>\$113,811,030</u>

Overall, Debt at year end decreased mainly due to the District making timely principal payments throughout the fiscal year. See notes 8, 9 and 10 to the basic financial statements for further details on the District’s debt.

**For the Future**

Despite uncertain revenue projections from the State, the District plans to meet its commitment through significant budgetary controls and spending restrictions. The District intends to continue to spend less per pupil than the State average, while producing results that rank it in the top 10 school districts in the State.

All of the District’s financial management abilities and controls will be needed to meet the challenges of the future. However, with careful planning and monitoring of the District’s finances and continued support from the community, the District’s management is confident that the District will continue to provide a high quality education for our students while maintaining a balanced, cost efficient budget.

**Contacting the District’s Financial Management**

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District’s finances and to show the District’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact Ronda Johnson Treasurer at Mason City Schools, 211 North East Street, Mason, Ohio 45040. Or E-mail at JohnsonR@mason.k12.oh.us.

Mason City School District, Ohio  
Statement of Net Position  
June 30, 2015

	Governmental Activities
Assets:	
Equity in Pooled Cash and Investments	\$78,243,044
Restricted Cash and Investments	85,593
Receivables (Net):	
Taxes	62,062,550
Accounts	214,764
Interest	4,781
Intergovernmental	4,806,308
Inventory	72,584
Nondepreciable Capital Assets	3,655,645
Depreciable Capital Assets, Net	<u>157,181,994</u>
 Total Assets	 <u>306,327,263</u>
Deferred Outflows of Resources:	
Deferred Charge on Refunding Pension	2,924,851
	<u>10,380,065</u>
 Total Deferred Outflows of Resources	 <u>13,304,916</u>
Liabilities:	
Accounts Payable	748,607
Accrued Wages and Benefits	13,665,495
Accrued Interest Payable	468,531
Claims Payable	1,933,317
General Obligation Notes Payable	7,400,000
Long-Term Liabilities:	
Due Within One Year	10,321,094
Due In More Than One Year	
Net Pension Liability	137,992,340
Other Amounts	<u>101,565,792</u>
 Total Liabilities	 <u>274,095,176</u>
Deferred Inflows of Resources:	
Property Taxes	52,591,190
Grants and Other Taxes	4,362,340
Pension	<u>24,904,533</u>
 Total Deferred Inflows of Resources	 <u>81,858,063</u>
Net Position:	
Net Investment in Capital Assets	51,834,565
Restricted for:	
Debt Service	7,506,622
Capital Projects	19,363,045
Community Services	2,319,723
District Managed Student Activities	538,447
One Network Connectivity	9,000
Auxiliary Services	94,943
Food Service	1,939,057
Federal Grants	108,267
Unrestricted	<u>(120,034,729)</u>
 Total Net Position	 <u>(\$36,321,060)</u>

See accompanying notes to the basic financial statements.



Mason City School District, Ohio  
Statement of Activities  
For the Fiscal Year Ended June 30, 2015

	Expenses	Program Revenues		Net (Expense) Revenue
		Charges for Services and Sales	Operating Grants and Contributions	and Changes in Net Position Governmental Activities
<b>Governmental Activities:</b>				
<b>Instruction:</b>				
Regular	\$51,731,852	\$3,755,103	\$0	(\$47,976,749)
Special	16,303,762	705,372	4,280,972	(11,317,418)
Vocational	31,222	0	11,912	(19,310)
Other	3,692,356	56,614	1,912	(3,633,830)
<b>Support Services:</b>				
Pupil	6,915,158	4,222	456,450	(6,454,486)
Instructional Staff	2,389,958	6,661	98,063	(2,285,234)
General Administration	60,845	0	0	(60,845)
School Administration	5,269,714	5,468	0	(5,264,246)
Fiscal	1,859,141	0	0	(1,859,141)
Business	421,654	160,911	0	(260,743)
Operations and Maintenance	12,433,209	1,258,416	533	(11,174,260)
Pupil Transportation	6,221,325	3,588	121,995	(6,095,742)
Central	3,105,493	0	9,000	(3,096,493)
Operation of Non-Instructional Services	6,484,771	3,418,897	2,059,792	(1,006,082)
Extracurricular Activities	3,290,127	1,940,095	0	(1,350,032)
Interest and Fiscal Charges	4,503,141	0	0	(4,503,141)
<b>Total Governmental Activities</b>	<b>124,713,728</b>	<b>11,315,347</b>	<b>7,040,629</b>	<b>(106,357,752)</b>
<b>General Revenues:</b>				
<b>Property Taxes Levied for:</b>				
				56,481,261
				13,292,896
				629,514
				45,646,771
				4,318,908
				108,151
				85,326
				558,821
<b>Total General Revenues</b>				<b>121,121,648</b>
<b>Change in Net Position</b>				<b>14,763,896</b>
<b>Net Position - Beginning of Year, Restated</b>				<b>(51,084,956)</b>
<b>Net Position - End of Year</b>				<b>(\$36,321,060)</b>

See accompanying notes to the basic financial statements.

Mason City School District, Ohio  
Balance Sheet  
Governmental Funds  
June 30, 2015

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$45,856,017	\$6,040,520	\$19,382,224	\$6,964,283	\$78,243,044
Restricted Cash and Investments	85,593	0	0	0	85,593
<b>Receivables (Net):</b>					
Taxes	50,052,400	11,438,400	571,750	0	62,062,550
Accounts	161,388	0	12,500	40,876	214,764
Interest	4,781	0	0	0	4,781
Intergovernmental	0	0	4,362,340	443,968	4,806,308
Interfund	90,126	0	0	0	90,126
Inventory	0	0	0	72,584	72,584
<b>Total Assets</b>	<b>96,250,305</b>	<b>17,478,920</b>	<b>24,328,814</b>	<b>7,521,711</b>	<b>145,579,750</b>
<b>Liabilities:</b>					
Accounts Payable	397,135	0	118,109	233,363	748,607
Accrued Wages and Benefits	12,987,409	0	0	678,086	13,665,495
Compensated Absences	884,895	0	0	0	884,895
Accrued Interest Payable	0	0	0	38,542	38,542
Interfund Payable	0	0	0	90,126	90,126
Claims Payable	1,933,317	0	0	0	1,933,317
General Obligation Notes Payable	0	0	0	7,400,000	7,400,000
<b>Total Liabilities</b>	<b>16,202,756</b>	<b>0</b>	<b>118,109</b>	<b>8,440,117</b>	<b>24,760,982</b>
<b>Deferred Inflows of Resources:</b>					
Property Taxes	42,757,400	9,676,770	488,320	0	52,922,490
Grants and Other Taxes	0	0	4,362,340	443,968	4,806,308
Investment Revenue	4,708	0	0	0	4,708
<b>Total Deferred Inflows of Resources</b>	<b>42,762,108</b>	<b>9,676,770</b>	<b>4,850,660</b>	<b>443,968</b>	<b>57,733,506</b>
<b>Fund Balances:</b>					
Restricted	0	7,802,150	19,360,045	4,985,145	32,147,340
Assigned	1,090,919	0	0	0	1,090,919
Unassigned	36,194,522	0	0	(6,347,519)	29,847,003
<b>Total Fund Balances</b>	<b>37,285,441</b>	<b>7,802,150</b>	<b>19,360,045</b>	<b>(1,362,374)</b>	<b>63,085,262</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$96,250,305</b>	<b>\$17,478,920</b>	<b>\$24,328,814</b>	<b>\$7,521,711</b>	<b>\$145,579,750</b>

See accompanying notes to the basic financial statements.

Mason City School District, Ohio  
 Reconciliation of Total Governmental Fund Balance to  
 Net Position of Governmental Activities  
 June 30, 2015

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Total Governmental Fund Balance		\$63,085,262
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets used in the operation of Governmental Funds		160,837,639
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Intergovernmental	\$331,300	
Interest	4,708	
Special Assessments	<u>443,968</u>	
		779,976
In the statement of net position interest payable is accrued when incurred; whereas, in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.		
		(429,989)
Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds.		
Compensated Absences		(6,229,396)
Deferred charge on refunding associated with long-term liabilities that are not reported in the funds.		
		2,924,851
Deferred outflows and inflows or resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	\$10,380,065	
Deferred inflows of resources related to pensions	<u>(24,904,533)</u>	
		(14,524,468)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Net Pension Liability	(\$137,992,340)	
Other Amounts	<u>(104,772,595)</u>	
		<u>(242,764,935)</u>
Net Position of Governmental Activities		<u><u>(\$36,321,060)</u></u>

See accompanying notes to the basic financial statements.

Mason City School District, Ohio  
Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Governmental Funds  
For the Fiscal Year Ended June 30, 2015

	General	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property and Other Taxes	\$56,621,192	\$13,326,297	\$631,097	\$0	\$70,578,586
Tuition and Fees	3,135,177	0	0	302,091	3,437,268
Investment Earnings	86,542	1,240	3,789	1,196	92,767
Intergovernmental	46,265,458	2,225,157	102,418	4,227,697	52,820,730
Extracurricular Activities	582,417	0	0	1,097,694	1,680,111
Charges for Services	1,226,752	0	0	5,089,165	6,315,917
Revenue in Lieu of Taxes	0	0	4,318,908	0	4,318,908
Other Revenues	286,164	0	132,639	130,220	549,023
<b>Total Revenues</b>	<b>108,203,702</b>	<b>15,552,694</b>	<b>5,188,851</b>	<b>10,848,063</b>	<b>139,793,310</b>
Expenditures:					
Current:					
Instruction:					
Regular	46,698,278	0	870,782	221,910	47,790,970
Special	15,032,311	0	6,553	1,604,623	16,643,487
Vocational	0	0	0	9,519	9,519
Other	3,737,952	0	0	0	3,737,952
Support Services:					
Pupil	6,546,665	0	2,339	505,995	7,054,999
Instructional Staff	2,292,914	0	0	111,730	2,404,644
General Administration	61,315	0	0	0	61,315
School Administration	5,465,908	10,329	601	4,503	5,481,341
Fiscal	1,742,375	164,309	25,159	0	1,931,843
Business	301,690	0	0	132,682	434,372
Operations and Maintenance	8,768,134	0	999,064	1,040,426	10,807,624
Pupil Transportation	5,727,846	0	0	2,955	5,730,801
Central	2,060,328	0	851,260	9,000	2,920,588
Operation of Non-Instructional Services	912,459	0	8,075	5,540,261	6,460,795
Extracurricular Activities	1,682,431	0	76,200	1,485,871	3,244,502
Capital Outlay	0	0	20,544	72,197	92,741
Debt Service:					
Principal Retirement	0	8,360,000	0	106,000	8,466,000
Interest and Fiscal Charges	0	4,597,454	0	315,919	4,913,373
<b>Total Expenditures</b>	<b>101,030,606</b>	<b>13,132,092</b>	<b>2,860,577</b>	<b>11,163,591</b>	<b>128,186,866</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>7,173,096</b>	<b>2,420,602</b>	<b>2,328,274</b>	<b>(315,528)</b>	<b>11,606,444</b>
Other Financing Sources (Uses):					
Proceeds from Sale of Capital Assets	0	0	0	1,024,531	1,024,531
Transfers In	0	7,400,000	0	7,897,229	15,297,229
Transfers (Out)	0	(7,897,229)	0	(7,400,000)	(15,297,229)
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>(497,229)</b>	<b>0</b>	<b>1,521,760</b>	<b>1,024,531</b>
<b>Net Change in Fund Balance</b>	<b>7,173,096</b>	<b>1,923,373</b>	<b>2,328,274</b>	<b>1,206,232</b>	<b>12,630,975</b>
<b>Fund Balance - Beginning of Year</b>	<b>30,112,345</b>	<b>5,878,777</b>	<b>17,031,771</b>	<b>(2,568,606)</b>	<b>50,454,287</b>
<b>Fund Balance - End of Year</b>	<b>\$37,285,441</b>	<b>\$7,802,150</b>	<b>\$19,360,045</b>	<b>(\$1,362,374)</b>	<b>\$63,085,262</b>

See accompanying notes to the basic financial statements.

Mason City School District, Ohio  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes  
 in Fund Balance of Governmental Funds to the Statement of Activities  
 For the Fiscal Year Ended June 30, 2015

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Net Change in Fund Balance - Total Governmental Funds \$12,630,975

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

Governmental funds report capital asset additions as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of the difference between capital asset additions and depreciation in the current period.

Capital assets used in governmental activities	\$681,880	
Depreciation Expense	<u>(3,812,885)</u>	
		(3,131,005)

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. The amount of the proceeds must be removed and the gain or loss on the disposal of capital assets must be recognized. This is the amount of the difference between the proceeds and the gain or loss. (5,174,117)

Governmental funds report district pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

District pension contributions	\$9,082,297	
Cost of benefits earned net of employee contributions	<u>(6,722,035)</u>	
		2,360,262

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

Delinquent Property Taxes	(\$174,915)	
Interest	(7,441)	
Intergovernmental	<u>(133,330)</u>	
		(315,686)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 8,466,000

In the statement of activities interest expense is accrued when incurred; whereas, in governmental funds an interest expenditure is reported when due. 34,590

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated Absences	(\$482,765)	
Amortization of Bond Premium	703,361	
Amortization of Deferred Charge on Refunding	(196,793)	
Bond Accretion	<u>(130,926)</u>	
		<u>(107,123)</u>

Change in Net Position of Governmental Activities \$14,763,896

See accompanying notes to the basic financial statements.

Mason City School District, Ohio  
Statement of Fiduciary Net Position  
Fiduciary Funds  
June 30, 2015

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	Education Private Purpose Trust	Agency
	<u>          </u>	<u>          </u>
Assets:		
Equity in Pooled Cash and Investments	\$98,642	\$649,980
Receivables (Net):		
Accounts	<u>          0</u>	<u>          4,969</u>
Total Assets	<u>          98,642</u>	<u>          654,949</u>
Liabilities:		
Accounts Payable	0	15,125
Other Liabilities	<u>          0</u>	<u>          639,824</u>
Total Liabilities	<u>          0</u>	<u>          \$654,949</u>
Net Position:		
Held in Trust	<u>          98,642</u>	
Total Net Position	<u>          \$98,642</u>	

See accompanying notes to the basic financial statements.

Mason City School District, Ohio  
Statement of Changes in Fiduciary Net Position  
Fiduciary Fund  
For the Fiscal Year Ended June 30, 2015

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	Education Private Purpose Trust
Additions:	
Donations	\$3,405
Investment Earnings	21
Total Additions	<u>3,426</u>
Deductions:	
Scholarships	<u>6,300</u>
Total Deductions	<u>6,300</u>
Change in Net Position	(2,874)
Net Position - Beginning of Year	<u>101,516</u>
Net Position - End of Year	<u><u>\$98,642</u></u>

See accompanying notes to the basic financial statements.

**Mason City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2015**

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**Note 1 – Description of the District**

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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 five instructional facilities, staffed by 540 full-time equivalent classified personnel, 658 certified full-time equivalent teaching personnel and administrative employees to provide services to students and other community members.

The District is located in Warren and Butler Counties in southwest Ohio. The District contains 25 square miles, with 99% of its territory located within Warren County and the remaining 1% in Butler County. Political subdivisions included in the District are the City of Mason, portions of Deerfield, Union and Turtle Creek Townships in Warren County, and a portion of West Chester Township in Butler County. The District is approximately 25 minutes northeast of downtown Cincinnati and 35 minutes southwest of downtown Dayton. The enrollment for the District during the current fiscal year was 10,715. The District operates one early childhood center (Pre-K-2), one elementary school and (2-3), one intermediate school (4-6), one middle school (7-8) and a high school (9-12).

**Note 2 - Summary of Significant Accounting Policies**

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

**Reporting Entity**

In accordance with Governmental Accounting Standards Board [GASB] Statement 14, the financial reporting entity consists of a primary government. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments.

There are no component units combined with the District for financial statement presentation purposes, and it is not included in any other governmental reporting entity. Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing body is financially accountable. The District's major operations include education, pupil transportation, food service, and maintenance of District facilities.

The District is associated with three organizations, which are defined as jointly governed. These organizations are presented in Note 18 to the basic financial statements.

**Fund Accounting**

The District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid 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. The various funds of the District are grouped into the categories governmental and fiduciary.



**Mason City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2015**

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Governmental Funds

Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds:

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

Debt Service Fund – The debt service fund is used to account for the accumulation of resources for the payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the District is obligated in some manner for the payment.

Capital Projects Fund – The capital projects fund is used to account for all transactions related to improvements to existing District facilities.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's only fiduciary funds are a private purpose trust fund and two agency funds. The private purpose trust fund accounts for scholarship programs for students. The student managed activity (agency) fund accounts for those student activity programs. The Section 125 insurance (agency) fund accounts for employee insurance contributions.

**Measurement Focus**

Government-wide Financial Statements

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

The government-wide statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the District are included on the statement of net position. Fiduciary Funds are not included in entity-wide statements.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of

**Mason City School District, Ohio**  
**Notes to the Basic Financial Statements**  
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the goods or services offered by the program and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The private purpose trust fund is reported using the economic resources measurement focus.

**Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds use the accrual basis of accounting. Differences in the actual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange and Non-exchange Transactions

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

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

**Mason City School District, Ohio**  
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Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: property taxes available for advance, grants and interest.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, grants and other taxes, which included tax increment financing (TIF's), pension and investment earnings. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2015, but which were levied to finance year 2016 operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. TIF's have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements in the grants and other taxes line item.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. 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 a component of intergovernmental 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. However, debt service expenditures as well as expenditures related to compensated absences and claims are recorded only when due and payable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

**Equity in Pooled Cash and Investments**

Cash received by the District is pooled for investment purposes. Interest in the pool is presented as "Equity in Pooled Cash and Investments" on the financial statements. The District utilizes a financial institution for escrow related to retainage liabilities and to service bonded debt as principal and interest payments come due. These balances are presented on the financial statements as "Cash and Cash Equivalents with Fiscal Agent".

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposits and repurchase agreements are reported at cost.

**Mason City School District, Ohio**  
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The District has invested certain funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during the current fiscal year. 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 at year end.

Following Ohio statutes, the Board has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue during the current fiscal year amounted to \$86,542 credited to the General Fund; \$1,240 credited to the Debt Service Fund, \$3,789 credited to the Capital Projects Fund and \$1,196 credited to Other Governmental Funds.

For presentation on the financial statements, investments of the cash management pool are considered to be cash equivalents.

**Inventory**

Inventories are presented at cost on a first in, first out basis and are expensed/expensed when used. Inventory consists of food held for resale and consumable supplies.

**Capital Assets**

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of five hundred dollars (\$500). The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized.

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

<u>Description</u>	Governmental Activities <u>Estimated Lives</u>
Buildings and Improvements	15-100 years
Equipment	5-20 years

**Pensions**

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

**Mason City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2015**

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**Compensated Absences**

The District reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. The District records a liability for accumulated unused vacation time, when earned, for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements, compensated absences represent amounts due and payable. 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 District's policies regarding compensated absences are determined by the state laws and/or negotiated agreements. In summary, the policies are as follows:

<u>Vacation</u>	<u>Certified</u>	<u>Administrators</u>	<u>Non-Certificated</u>
How Earned	Not Eligible	0-20 days annually depending on length of service and days worked	10-20 days per year depending on length of service and days worked
Maximum Accumulation	Not Applicable	Amount equal to three years accrual	Amount equal to three years accrual
Vested	Not Applicable	As Earned	As Earned
Termination Entitlement	Not Applicable	Paid upon termination	Paid upon termination
<u>Sick Leave</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	240 days	240 days	240 days
Vested	5-10 years of service Eligible for retirement	5-10 years of service Eligible for retirement	5-10 years of service Eligible for retirement
Termination Entitlement	Paid upon retirement at 25%-50%	Paid upon retirement at 25%-50%	Paid upon retirement at 25%-50%

**Mason City School District, Ohio**  
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**Fund Balance**

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting*, the District classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The following categories are used:

Nonspendable – resources that are not in spendable form (inventory) or have legal or contractual requirements to maintain the balance intact.

Restricted – resources that have external purpose restraints imposed on them by providers, such as creditors, grantors, or other regulators.

Committed – resources that are constrained for specific purposes that are internally imposed by the government at its highest level of decision making authority, the Board of Education. The formal action that is required to establish a fund balance commitment is a Board Resolution.

Assigned – resources that are intended to be used for specific purposes as approved through the District’s formal purchasing procedure by the Treasurer, as established by the board approved purchasing policy.

Unassigned – residual fund balance within the General Fund that is not restricted, committed, or assigned. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from incurred expenses for specific purposes exceeding amounts which had been restricted, committed or assigned for said purposes.

The District considers committed, assigned, and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used.

**Net Position**

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Of the District’s \$31,879,104 in restricted net position, none were restricted by enabling legislation.

**Interfund Activity**

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are

**Mason City School District, Ohio**  
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**For The Fiscal Year Ended June 30, 2015**

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reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables". These amounts are eliminated in the governmental activities column on the Statement of Net Position.

As a general rule the effect of interfund (internal) activity has been eliminated from the government-wide statement of activities. The interfund services provided and used are not eliminated in the process of consolidation.

**Restricted Assets**

Assets are reported as restricted when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. Restricted assets represent amounts followed by statute to be set-aside to create a reserve for budget stabilization.

**Accrued Liabilities and Long Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred are paid in a timely manner and in full from current financial resources, are reported as obligations of the governmental funds. However, compensated absences and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment at year end. Long term loans are recognized as a liability on the statement of net position when due.

**Estimates**

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

**Note 3 - Equity In Pooled Cash and Investments**

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The District maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as "Equity in Pooled Cash and Investments."

State statute requires the classification of monies held by the District into three categories:

Active Monies - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the District. Such monies must by law be maintained either as cash in the District treasury, in depository accounts payable or withdrawable on demand.

**Mason City School District, Ohio**  
**Notes to the Basic Financial Statements**  
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Inactive Monies – Those monies not required for use within the current two year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories, or as savings or deposit accounts, including, but not limited to passbook accounts.

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. Ohio law permits interim monies to be invested or deposited in the following securities:

- (1) Bonds, 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 governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but limited to, passbook accounts.
- (5) Bonds and other obligations of the State of Ohio.
- (6) The Ohio State Treasurer's investment pool (STAR Ohio).
- (7) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Sec. 135.142.
- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public moneys deposited with the institution.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years



**Mason City School District, Ohio**  
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must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of June 30, 2015, \$74,931,161 of the District's bank balance of \$75,181,961 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name.

Ohio Revised Code Chapter 135, Uniform Depository Act, authorizes pledging of pooled securities in lieu of specific securities. Specifically, a designated public depository may pledge a single pool of eligible securities to secure repayment of all public monies deposited in the financial institution, provided that all times the total value of the securities so pledged is at least equal to 105% of the total amount of all public deposits secured by the pool, including the portion of such deposits covered by any federal deposit insurance.

**Investments**

As of June 30, 2015, the District had the following investments:

Investment Type	Fair Value	Aggregate Credit Risk	Weighted Average Maturity (Years)
Federal National Mortgage Association	\$2,350,224	53.0%	0.91
Negotiable CDs	\$1,248,493	28.2%	1.20
Ohio State Cap	\$270,481	6.1%	0.25
STAROhio	563,121	12.7%	0.15
Total Fair Value	\$4,432,319	100.00%	
Portfolio Weighted Average Maturity			0.86

Interest Rate Risk - In accordance with the investment policy, the District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to three years.

Credit Risk – It is the District's policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have a credit quality rating of the top 2 ratings issued by nationally recognized statistical rating organizations. The District's investments in Federal National Mortgage Association, and Ohio State Cap were rated AA+ by Standard & Poor's and Fitch Ratings and Aaa by Moody's Investors Service. Investments in STAROhio were rated AAAM by Standard & Poor's. Investments in Negotiable CD's were not negotiable.

**Mason City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2015**

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Concentration of Credit Risk – The District’s investment policy allows investments in Federal Agencies or Instrumentalities. Investments of the District are diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issue or a specific class of securities. Strategies to achieve this are determined and revised periodically. Custodial Credit Risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the District’s securities are either insured and registered in the name of the District or at least registered in the name of the District.

**Note 4 - Property Taxes**

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Real property taxes collected in 2015 were levied in April on the assessed values as of January 1, 2014, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. A re-evaluation of real property is required to be completed no less than every six years, with a statistical update every third year.

Real property taxes are payable annually or semi-annually. In 2015, if paid annually, payment was due by January 20th. If paid semi-annually, the first payment (at least 1/2 amount billed) was due January 20th with the remainder due on June 20th.

The County Auditor remits portions of the taxes collected to all taxing districts with periodic settlements of real and public utility property taxes in February and August and tangible personal property taxes in June and October. The District records billed but uncollected property taxes as receivables at their estimated net realizable value.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, personal property and public utility taxes, which became measurable at June 30, 2015. Delinquent property taxes collected within 60 days are included as a receivable and tax revenue as of June 30, 2015 on the fund financial statements. The entire amount of delinquent taxes receivable is recognized as revenue in the government-wide financial statements. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is available 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, 2015, was \$7,295,000 for General Fund, \$1,761,630 for Debt Service Fund and \$83,430 for Capital Projects Fund, and is recognized as revenue.

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

The assessed values upon which the fiscal year 2015 taxes were collected are:

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	<u>Amount</u>
Agricultural/Residential and Other Real Estate	\$1,482,387,880
Public Utility	<u>32,320,460</u>
Total	<u><u>\$1,514,708,340</u></u>

**Note 5 – Receivables**

Receivables at fiscal year-end consisted of taxes, accounts, interest, intergovernmental and interfund. 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.

**Note 6 - Capital Assets**

Capital asset activity for the current fiscal year end was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
<b>Capital Assets, not being depreciated:</b>				
Land	\$3,678,645	\$0	\$23,000	\$3,655,645
<b>Capital Assets, being depreciated:</b>				
Buildings and Improvements	184,115,890	0	7,608,430	176,507,460
Equipment	<u>30,848,034</u>	<u>681,880</u>	<u>1,325,692</u>	<u>30,204,222</u>
Totals at Historical Cost	<u><u>218,642,569</u></u>	<u><u>681,880</u></u>	<u><u>8,957,122</u></u>	<u><u>210,367,327</u></u>
Less Accumulated Depreciation:				
Buildings and Improvements	29,350,942	1,916,468	2,733,853	28,533,557
Equipment	<u>20,148,866</u>	<u>1,896,417</u>	<u>1,049,152</u>	<u>20,996,131</u>
Total Accumulated Depreciation	<u><u>49,499,808</u></u>	<u><u>3,812,885</u></u>	<u><u>3,783,005</u></u>	<u><u>49,529,688</u></u>
Governmental Activities Capital Assets, Net	<u><u>\$169,142,761</u></u>	<u><u>(\$3,131,005)</u></u>	<u><u>\$5,174,117</u></u>	<u><u>\$160,837,639</u></u>

Depreciation expense was charged to governmental functions as follows:

**Mason City School District, Ohio**  
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Instruction:	
Regular	\$444,703
Special	5,523
Support Services:	
Pupil	21,785
Instructional Staff	14,324
School Administration	20,537
Fiscal	9,600
Business	1,059
Operations and Maintenance	1,877,621
Pupil Transportation	615,316
Central	400,818
Operation of Non-Instructional Services	203,905
Extracurricular Activities	197,694
Total Depreciation Expense	<u>\$3,812,885</u>

**Note 7 - Short-Term Notes Payable**

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Short-Term Notes Payable activity of the District for the current year end was as follows:

	Beginning Principal <u>Outstanding</u>	<u>Additions</u>	<u>Deletions</u>	Ending Principal <u>Outstanding</u>
Mason Intermediate Construction 2011 2.00%	\$7,800,000	\$0	\$7,800,000	\$0
Mason Intermediate Construction 2012 2.00%	<u>0</u>	<u>7,400,000</u>	<u>0</u>	<u>7,400,000</u>
Total	<u>\$7,800,000</u>	<u>\$7,400,000</u>	<u>\$7,800,000</u>	<u>\$7,400,000</u>

The 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 notes were issued to fund building construction in the District.

Principal and interest requirements to retire these short-term notes payable outstanding at year end are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$7,400,000	\$92,500	\$7,492,500

**Mason City School District, Ohio**  
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**Note 8 - Long-Term Liabilities**

	Interest Rate	Restated Beginning Balance	Issued	Retired	Ending Balance	Due In One Year
<b>Governmental Activities:</b>						
General Obligation Bonds:						
2006 Refunding High School/ Recreation Center	5.16%	46,900,000	0	(4,885,000)	42,015,000	4,990,000
2006 Refund Bond Premium		2,798,048	0	(373,073)	2,424,975	0
2003 Refunding Middle/High School	3.97%	5,095,000	0	(2,425,000)	2,670,000	2,670,000
2004 Early Childhood Center	4.76%	1,050,000	0	(1,050,000)	0	0
2007 Refunding Early Childhood Center	4.98%	27,230,000	0	0	27,230,000	1,090,000
2007 Refund Bond Premium		1,790,843	0	(107,430)	1,683,413	0
2013 Refunding High School Addition Current Interest Bonds		16,100,000	0	0	16,100,000	0
2013 Refunding High School Addition Capital Appreciation Bonds		720,000	0	0	720,000	0
2013 Refunding High School Accreted Interest on Capital Appreciation Bonds		113,744	130,926	0	244,670	0
2013 Refunding High School Addition Premium		2,983,553	0	(165,753)	2,817,800	0
2013 Refunding High School/ Recreation Center		3,640,000	0	0	3,640,000	0
2013 Refunding High School/ Recreation Center Premium		456,842	0	(57,105)	399,737	123,000
<b>Total General Obligation Bonds</b>		<b>108,878,030</b>	<b>130,926</b>	<b>(9,063,361)</b>	<b>99,945,595</b>	<b>8,873,000</b>
Net Pension Liability:						
STRS		131,247,785	0	(20,768,503)	110,479,282	0
SERS		32,337,923	0	(4,824,865)	27,513,058	0
<b>Total Net Pension Liability</b>		<b>163,585,708</b>	<b>0</b>	<b>(25,593,368)</b>	<b>137,992,340</b>	<b>0</b>
Capital Leases	4.38%	4,933,000	0	(106,000)	4,827,000	0
<b>Total Long-Term Debt</b>		<b>277,396,738</b>	<b>130,926</b>	<b>(34,762,729)</b>	<b>242,764,935</b>	<b>8,873,000</b>
Compensated Absences		6,067,424	1,931,774	(884,907)	7,114,291	1,448,094
<b>Total Governmental Activities</b>		<b>\$283,464,162</b>	<b>\$2,062,700</b>	<b>(\$35,647,636)</b>	<b>\$249,879,226</b>	<b>\$10,321,094</b>

General obligation bonds will be paid from the debt service fund. The capital lease will be paid from the Community Services fund. Compensated absences will be paid from the fund from which the person is paid. The General Fund is typically used to liquidate the liability for compensated absences.

On May 16, 2013 the District issued \$16,100,000 in Current Interest Bonds with an interest rate of 4.00% and \$720,000 in Capital Appreciation Bonds of which \$16,820,000 was used to advance refund \$16,820,000 of outstanding 2007 High School Addition General Obligation Bonds with an average interest rate between 4.00% and 5.00%. The net proceeds of \$19,969,306 (after payment of underwriting fees, insurance and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide all future debt service payments on the three bond issues. As a result, \$16,820,000 of the 2007 High

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School Addition General Obligation Bonds are considered to be defeased and the related liability for those bonds have been removed from the Statement of Net Position.

Principal and interest requirements to retire general obligation debt outstanding at year end are as follows:

Fiscal Year Ending June 30	General Obligation Bonds			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2016	\$8,750,000	\$4,238,899	\$12,988,899	\$0	\$0	\$0
2017	9,095,000	3,788,563	12,883,563	0	0	0
2018	9,560,000	3,313,462	12,873,462	0	0	0
2019	7,300,000	2,886,125	10,186,125	0	0	0
2020	7,935,000	2,508,384	10,443,384	0	0	0
2021-2025	22,720,000	8,057,212	30,777,212	720,000	1,920,000	2,640,000
2026-2030	17,720,000	4,150,514	21,870,514	0	0	0
3031-2034	8,575,000	405,988	8,980,988	0	0	0
Total	<u>\$91,655,000</u>	<u>\$29,349,147</u>	<u>\$121,004,147</u>	<u>\$720,000</u>	<u>\$1,920,000</u>	<u>\$2,640,000</u>

General Obligation bonds were issued to fund building construction in the District.

**Note 9 - Prior Year Defeasance of Debt**

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In prior years, the District defeased certain general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included on the District's financial statements. On June 30, 2015, \$41,898,000 of bonds outstanding are considered defeased.

**Note 10 – Capital Leases – Lessee Disclosure**

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The capital lease proceeds were recorded in the Building Fund relates to the acquisition, construction and installation of a multi-purpose building project and an addition to the existing high school for the District. The District obtained financing from the Columbus Regional Airport Authority. Columbus Regional Airport Authority will retain title to the project during the lease term. Columbus Regional Airport Authority assigned U.S. Bank National Association as trustee. U.S. Bank National Association deposited \$5,249,000 in the District's name for the construction and installation payments. The District made two interest payments to U.S. Bank National Association. The lease is renewable annually and expires in fiscal year 2032. The intention of the District is to renew the lease annually.

The trustee entered into an Interest Rate Exchange Agreement with respect to the loan, locking in the rate at 4.38% plus an annual administrative fee. The following is a schedule of the future long-term minimum lease payments required under the capital lease and the present value of the minimum lease payments as of June 30, 2015.

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Fiscal Year Ending June 30,	Long-Term Debt
2016	\$340,349
2017	349,619
2018	360,186
2019	370,961
2020	382,897
2021-2025	2,101,631
2026-2030	2,440,418
2031-3032	761,069
Total Minimum Lease Payments	7,107,130
Less: Amount Representing Interest (4.38%)	(2,204,629)
Less: Additional Program Cost Component	(75,501)
Present Value of Minimum Lease Payments	<u>\$4,827,000</u>

**Note 11 - Defined Benefit Pension Plans**

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**Net Pension Liability**

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

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

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

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

The proportionate share of each plan’s unfunded benefits is presented as a long-term net pension liability on the accrual basis of accounting. Any liability for the contractually-required pension

**Mason City School District, Ohio**  
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contribution outstanding at the end of the year is included in accrued wages and benefits on both the accrual and modified accrual bases of accounting.

**Plan Description - School Employees Retirement System (SERS)**

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

Age and service requirements for retirement are as follows:

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

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

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

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System’s funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2015, the allocation to pension, death benefits, and Medicare B was 13.18 percent. The remaining 0.82 percent of the 14 percent employer contribution rate was allocated to the Health Care Fund.

The District’s contractually required contribution to SERS was \$2,487,504 for fiscal year 2015. The full amount has been contributed for fiscal year 2015.



**Mason City School District, Ohio**  
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**Plan Description - State Teachers Retirement System (STRS)**

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

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. With certain exceptions, the basic benefit is increased each year by two percent of the original base benefit. For members retiring August 1, 2013, or later, the first two percent is paid on the fifth anniversary of the retirement benefit. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 25 years of service, or 30 years of service regardless of age. Age and service requirements for retirement will increase effective August 1, 2015, and will continue to increase periodically until they reach age 60 with 35 years of service or age 65 with five years of service on August 1, 2026.

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

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

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

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit that apply for disability benefits. Members in the DC Plan who

**Mason City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2015**

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become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member’s designated beneficiary is entitled to receive the member’s account balance.

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory maximum employee contribution rate was increased one percent July 1, 2014, and will be increased one percent each year until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2015, plan members were required to contribute 12 percent of their annual covered salary. The District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2015 contribution rates were equal to the statutory maximum rates.

The District’s contractually required contribution to STRS was \$6,594,792 for fiscal year 2015. Of this amount \$1,113,047 is reported as accrued wages and benefits.

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

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$27,513,058	\$110,479,282	\$137,992,340
Proportion of the Net Pension Liability	0.54363500%	0.45420873%	
Pension Expense	1,617,993	5,104,042	6,722,035

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**Mason City School District, Ohio**  
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At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$234,165	\$1,063,603	\$1,297,768
District contributions subsequent to the measurement date	<u>2,487,505</u>	<u>6,594,792</u>	<u>9,082,297</u>
Total Deferred Outflows of Resources	<u>\$2,721,670</u>	<u>\$7,658,395</u>	<u>\$10,380,065</u>
<b>Deferred Inflows of Resources</b>			
Net difference between projected and actual earnings on pension plan investments	<u>\$4,465,447</u>	<u>\$20,439,086</u>	<u>\$24,904,533</u>

\$9,082,297 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2016	(\$1,057,820)	(\$4,843,870)	(\$5,901,690)
2017	(1,057,820)	(4,843,871)	(5,901,691)
2018	(1,057,821)	(4,843,871)	(5,901,692)
2019	<u>(1,057,821)</u>	<u>(4,843,871)</u>	<u>(5,901,692)</u>
Total	<u>(\$4,231,282)</u>	<u>(\$19,375,483)</u>	<u>(\$23,606,765)</u>

**Actuarial Assumptions - SERS**

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan

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members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2014, are presented below:

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

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

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

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

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

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

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
District's proportionate share of the net pension liability	\$39,252,957	\$27,513,058	\$17,638,788

**Actuarial Assumptions - STRS**

The total pension liability in the June 30, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males’ ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89 and not set back from age 90 and above.

Actuarial assumptions used in the June 30, 2014, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

The 10 year expected real rate of return on pension plan investments was determined by STRS’ investment consultant by developing best estimates of expected future real rates of return for each

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major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	31.00 %	8.00 %
International Equity	26.00	7.85
Alternatives	14.00	8.00
Fixed Income	18.00	3.75
Real Estate	10.00	6.75
Liquidity Reserves	<u>1.00</u>	3.00
 Total	 <u>100.00 %</u>	

**Discount Rate** The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2014. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2014. Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2014.

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

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
District's proportionate share of the net pension liability	\$158,163,138	\$110,479,282	\$70,154,787

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**Note 12 - Post Employment Benefits**

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***School Employees Retirement System***

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

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2015, 0.82 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. For fiscal year 2015, this amount was \$20,450. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge.

The District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$145,697, \$29,280, and \$29,966, respectively. The full amount has been contributed for fiscal years 2015, 2014 and 2013.

***State Teachers Retirement System***

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most

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recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2015, STRS did not allocate any employer contributions to post-employment health care. The District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$0, \$477,821, and \$484,963 respectively. The full amount has been contributed for fiscal years 2015, 2014 and 2013.

**Note 13 - Contingent Liabilities**

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**Foundation Funding**

District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Effective for the 2014-2015 school year, traditional school districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the school district, which can extend past the fiscal year end. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2015 Foundation funding for the District; therefore, the financial statement impact is not determinable at this time. ODE and management believe this will result in either a receivable to or liability of the District.

**Litigation**

The District is not currently party to any legal proceedings which would have a material impact on the financial statements.

**Note 14 - Risk Management**

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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 the current fiscal year the District contracted with Insurance Associates for general liability insurance with a \$2,000,000 aggregate plus excess umbrella of an additional \$10,000,000 limit covering all employees and volunteers of the District.

Property and Fleet Insurance is provided by Insurance Associates and holds a \$5,000 deductible and a \$1,000,000 automobile liability limit per occurrence, plus excess umbrella of an additional \$4,000,000 limit.

The Travelers Insurance Company maintains a \$20,000 performance bond for the Board President and Superintendent and Travelers Insurance Company maintains a \$50,000 public official bond for the Treasurer. Dakin Company maintains a \$50,000 employee dishonesty blanket bond for all employees.

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

The District offers a High Deductible medical plan with a Health Savings Account (HSA) on a self-insured basis with third party administration services provided by Custom Design Benefits. Monthly premiums for the plan are \$1,715 for family coverage (\$4,000 deductible) and \$698 for individual coverage (\$2,000 deductible). For full time employees the District pays the premium and makes the following contributions to the employees' HSAs: \$1,627 family and \$648 single. The District pays 100% of claims after the deductible is met.



**Mason City School District, Ohio**  
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The District offers dental on a self-insured basis with third party administrative services provided by Dental Care Plus Group. Monthly premiums for dental coverage are \$99.51 for family coverage and \$37.45 for individual coverage. The district is responsible for payment of all claim amounts.

Vision is offered on a self-insured basis by the District with services provided by VSP (Vision Service Plan). Monthly premiums for vision are \$9.95 for family coverage and \$4.61 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 \$1,933,317 at fiscal year end 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.

The amount reported as claims payable in the General Fund in the Fund Financial Statements is \$1,933,317 since this amount is currently due and payable with expendable available financial resources. In the Government-wide Financial Statements, the total amount of the liability for claims of \$1,933,317 has been reported as claims payable.

Changes in the fund's claims liability amount for the current year were:

	Balance at Beginning of Year	Current Year Claims	Claims Payments	Balance at End of Year
2013	\$1,808,443	\$11,489,392	\$12,001,685	\$1,296,150
2014	1,296,140	12,978,306	12,889,722	1,384,724
2015	1,384,724	14,018,913	13,470,320	1,933,317

**Note 15 – Accountability**

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The following individual funds had a deficit in fund balance at year end:

Fund	Deficit
Special Revenue:	
Gifted Supplemental	\$11,979
Title VI B	402,076
Title III	28,744
Title I	43,633
Public School Preschool	14,785
Improving Teacher Quality	16,111
Capital Projects:	
Building	5,830,191

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 Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2015**

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**Note 16 - Required Set-Asides**

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

For the current fiscal year end, the District was no longer required to set aside funds in the budget reserve set-aside, with the exception of refund monies received from the Bureau of Workers' Compensation, which must be spent for specified purposes.

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

	Capital Acquisition	Budget Stabilization
Set-Aside Reserve Balance as of June 30, 2014	\$0	\$85,593
Current Year Set-aside Requirement	1,747,136	0
Qualified Disbursements	(1,517,495)	0
Current Year Offsets	(229,641)	0
Set-Aside Reserve Balance as of June 30, 2015	<u>\$0</u>	<u>\$85,593</u>
Restricted Cash as of June 30, 2015	<u>\$0</u>	<u>\$85,593</u>

**Note 17 - Interfund Transactions**

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Interfund transactions at fiscal year end, consisted of the following individual fund receivables and payables and transfers in and out:

	Interfund		Transfers	
	Receivable	Payable	In	Out
General Fund	\$90,126	\$0	\$0	\$0
Debt Service Fund	0	0	7,400,000	7,897,229
Other Governmental Funds	0	90,126	7,897,229	7,400,000
Total All Funds	<u>\$90,126</u>	<u>\$90,126</u>	<u>\$15,297,229</u>	<u>\$15,297,229</u>

The amounts due in the general fund are the result of the District moving unrestricted balances to support programs and projects accounted for in other funds. The general fund will be reimbursed when funds become available in the other governmental funds. Transfers are made to move unrestricted balances to support programs and projects accounted for in other funds. Transfers In and Out of the Debt Service Fund and the Building Fund were made to pay and set up short term debt obligations in the proper fund.

**Mason City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2015**

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**Note 18 - Jointly Governed Organizations**

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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 member's proportionate share. Financial information can be obtained from Michael Crumley, who serves as director, at 3603 Hamilton-Middletown Road, Hamilton, Ohio 45011.

The Great Oaks Institute of Technology and Career Development, 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 Institute of Technology and Career Development, Mr. Robert Giuffrè, Chief Financial Officer, at 3254 East Kemper Road, Cincinnati, Ohio 45241.

The District is a participant in the Jewell Education Foundation, which is a jointly governed educational foundation established to benefit the school districts in Warren County. The Foundation was created to promote and assist in funding through soliciting grants and charitable contributions for distributions to member educational institutions of participating school districts. The governing board is made up of the Warren County Vocational School District Superintendent, one member of the 1999 Warren County Vocational School District Board of Education, not on the current board, and one member submitted by each participating school district. The District made no financial contribution to the Foundation. Financial information can be obtained from the director of planned giving, Rick Wood, at P.O. Box 854, Lebanon, Ohio 45036.

**Note 19 - Fund Balances**

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Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

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**Mason City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2015**

Fund Balances	General	Debt Service	Capital Projects	Other Governmental Funds	Total
<b>Restricted for:</b>					
Community Services	0	0	0	2,390,784	2,390,784
District Managed Student Activity	0	0	0	538,447	538,447
Auxiliary Services	0	0	0	94,943	94,943
Vocational Education	0	0	0	2,995	2,995
OneNet Network Connectivity	0	0	0	9,000	9,000
Food Service Operations	0	0	0	1,948,976	1,948,976
Debt Service Payments	0	7,802,150	0	0	7,802,150
Capital Projects	0	0	19,360,045	0	19,360,045
<b>Total Restricted</b>	<b>0</b>	<b>7,802,150</b>	<b>19,360,045</b>	<b>4,985,145</b>	<b>32,147,340</b>
<b>Assigned to:</b>					
Encumbrances	1,090,919	0	0	0	1,090,919
<b>Total Assigned</b>	<b>1,090,919</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,090,919</b>
<b>Unassigned (Deficit)</b>	<b>36,194,522</b>	<b>0</b>	<b>0</b>	<b>(6,347,519)</b>	<b>29,847,003</b>
<b>Total Fund Balance</b>	<b>\$37,285,441</b>	<b>\$7,802,150</b>	<b>\$19,360,045</b>	<b>(\$1,362,374)</b>	<b>\$63,085,262</b>

**Note 20 – Construction and Other Commitments**

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed or assigned classifications of fund balance. At year end, the District’s commitments for encumbrances in the governmental funds were as follows:

<u>Description</u>	<u>Remaining Commitment</u>
General	\$1,293,385
Capital Construction Projects	1,709,945
Other Governmental	502,508

**Note 21 – Change in Accounting Principles and Restatement of Net Position**

The District adopted the provisions of GASB Statement Number 68, *Accounting and Financial Reporting for Pensions* – an amendment of GASB Statement No. 27 and GASB Statement Number 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* – an amendment of GASB Statement Number 68. GASB Statement Number 68 establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. The

**Mason City School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For The Fiscal Year Ended June 30, 2015**

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provisions of this Statement are effective for financial statements for periods beginning after June 15, 2014 and have been implemented by the District. GASB Statement Number 71 amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources of its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts. The provisions of this Statement are required to be applied simultaneously with the provisions of Statement 68.

The implementation of this pronouncement had the following effect on net position as reported June 30, 2014:

Net position June 30, 2014	\$103,792,114
Adjustments:	
Net Pension Liability	(163,585,708)
Deferred Outflow - Payments Subsequent to Measurement Date	<u>8,708,638</u>
Restated Net Position June 30, 2014	<u><u>(\$51,084,956)</u></u>

Other than employer contributions subsequent to the measurement date, the District made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

# **REQUIRED SUPPLEMENTARY INFORMATION**

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Mason City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2015

	General Fund			Variance from Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Taxes	\$50,636,095	\$50,595,886	\$51,241,402	\$645,516
Tuition and Fees	2,463,298	2,461,342	2,492,744	31,402
Investment Earnings	80,572	80,508	81,535	1,027
Intergovernmental	45,718,931	45,682,627	46,265,458	582,831
Charges for Services	116,556	116,463	117,949	1,486
Other Revenues	198,887	198,729	201,264	2,535
<b>Total Revenues</b>	<b>99,214,339</b>	<b>99,135,555</b>	<b>100,400,352</b>	<b>1,264,797</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
<u>Regular</u>				
Salaries and Wages	32,465,680	32,465,522	31,671,962	793,560
Fringe Benefits	12,746,744	12,746,682	12,435,113	311,569
Purchased Services	108,720	108,719	106,062	2,657
Materials and Supplies	1,151,178	1,151,172	1,123,034	28,138
Capital Outlay	29,547	29,547	28,825	722
Other Expenditures	59,008	59,007	57,565	1,442
<b>Total Regular</b>	<b>46,560,877</b>	<b>46,560,649</b>	<b>45,422,561</b>	<b>1,138,088</b>
<u>Special</u>				
Salaries and Wages	8,599,955	8,599,913	8,389,704	210,209
Fringe Benefits	4,714,891	4,714,868	4,599,622	115,246
Purchased Services	945,811	945,806	922,688	23,118
Materials and Supplies	43,803	43,803	42,732	1,071
Other Expenditures	71,015	71,015	69,279	1,736
<b>Total Special</b>	<b>14,375,475</b>	<b>14,375,405</b>	<b>14,024,025</b>	<b>351,380</b>
<u>Adult/Continuing</u>				
Salaries and Wages	16,126	16,126	15,732	394
Fringe Benefits	4,577	4,577	4,465	112
<b>Total Adult/Continuing</b>	<b>20,703</b>	<b>20,703</b>	<b>20,197</b>	<b>506</b>
<u>Other</u>				
Salaries and Wages	1,565,428	1,565,421	1,527,157	38,264
Fringe Benefits	666,736	666,733	650,436	16,297
Purchased Services	1,604,218	1,604,210	1,564,998	39,212
			0	
<b>Total Other</b>	<b>3,836,382</b>	<b>3,836,364</b>	<b>3,742,591</b>	<b>93,773</b>
<b>Support Services:</b>				
<u>Pupil</u>				
Salaries and Wages	4,251,828	4,251,808	4,147,880	103,928
Fringe Benefits	1,820,649	1,820,640	1,776,138	44,502
Purchased Services	517,464	517,461	504,813	12,648
Materials and Supplies	134,250	134,249	130,968	3,281
Capital Outlay	21	21	20	1
Other Expenditures	210	210	205	5
<b>Total Pupil</b>	<b>6,724,422</b>	<b>6,724,389</b>	<b>6,560,024</b>	<b>164,365</b>

Continued

Mason City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2015

	General Fund			Variance from Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<u>Instructional Staff</u>				
Salaries and Wages	1,699,976	1,699,968	1,658,415	41,553
Fringe Benefits	609,258	609,255	594,363	14,892
Purchased Services	42,523	42,522	41,483	1,039
Materials and Supplies	42,930	42,929	41,880	1,049
Capital Outlay	345	345	337	8
Other Expenditures	5,125	5,125	5,000	125
<b>Total Instructional Staff</b>	<b>2,400,157</b>	<b>2,400,144</b>	<b>2,341,478</b>	<b>58,666</b>
<u>General Administration</u>				
Salaries and Wages	12,813	12,813	12,500	313
Fringe Benefits	2,195	2,195	2,141	54
Purchased Services	1,120	1,120	1,093	27
Materials and Supplies	584	584	570	14
Other Expenditures	46,154	46,154	45,026	1,128
<b>Total General Administration</b>	<b>62,866</b>	<b>62,866</b>	<b>61,330</b>	<b>1,536</b>
<u>School Administration</u>				
Salaries and Wages	3,586,814	3,586,797	3,499,124	87,673
Fringe Benefits	1,675,039	1,675,031	1,634,088	40,943
Purchased Services	264,679	264,678	258,208	6,470
Materials and Supplies	19,377	19,377	18,903	474
Capital Outlay	410	410	400	10
Other Expenditures	74,265	74,264	72,449	1,815
<b>Total School Administration</b>	<b>5,620,584</b>	<b>5,620,557</b>	<b>5,483,172</b>	<b>137,385</b>
<u>Fiscal</u>				
Salaries and Wages	621,214	621,211	606,027	15,184
Fringe Benefits	332,955	332,953	324,815	8,138
Purchased Services	33,025	33,025	32,218	807
Materials and Supplies	26,285	26,284	25,642	642
Capital Outlay	610	610	595	15
Other Expenditures	779,711	779,708	760,649	19,059
<b>Total Fiscal</b>	<b>1,793,800</b>	<b>1,793,791</b>	<b>1,749,946</b>	<b>43,845</b>
<u>Business</u>				
Salaries and Wages	201,275	201,274	196,354	4,920
Fringe Benefits	95,863	95,862	93,519	2,343
Purchased Services	11,580	11,580	11,297	283
Materials and Supplies	1,449	1,449	1,414	35
Other Expenditures	1,258	1,258	1,227	31
			0	
<b>Total Business</b>	<b>311,425</b>	<b>311,423</b>	<b>303,811</b>	<b>7,612</b>

Continued



Mason City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2015

	General Fund			Variance from Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<u>Operations and Maintenance</u>				
Salaries and Wages	2,138,982	2,138,971	2,086,688	52,283
Fringe Benefits	1,290,538	1,290,532	1,258,987	31,545
Purchased Services	5,378,530	5,378,504	5,247,036	131,468
Materials and Supplies	652,576	652,573	636,622	15,951
Capital Outlay	30,853	30,853	30,099	754
Total Operations and Maintenance	<u>9,491,479</u>	<u>9,491,433</u>	<u>9,259,432</u>	<u>232,001</u>
<u>Pupil Transportation</u>				
Salaries and Wages	3,330,460	3,330,444	3,249,037	81,407
Fringe Benefits	1,609,538	1,609,530	1,570,188	39,342
Purchased Services	319,142	319,141	311,340	7,801
Materials and Supplies	611,945	611,942	596,984	14,958
Capital Outlay	110,159	110,159	107,466	2,693
Total Pupil Transportation	<u>5,981,244</u>	<u>5,981,216</u>	<u>5,835,015</u>	<u>146,201</u>
<u>Central</u>				
Salaries and Wages	983,276	983,271	959,237	24,034
Fringe Benefits	484,645	484,642	472,796	11,846
Purchased Services	521,055	521,052	508,316	12,736
Materials and Supplies	430,674	430,672	420,145	10,527
Capital Outlay	3,668	3,668	3,578	90
Other Expenditures	528	528	515	13
Total Central	<u>2,423,846</u>	<u>2,423,833</u>	<u>2,364,587</u>	<u>59,246</u>
<u>Operation of Non-Instructional Services</u>				
Purchased Services	10,026	10,026	9,781	245
Materials and Supplies	5,923	5,923	5,778	145
Other Expenditures	21,486	21,486	20,961	525
Total Operation of Non- Instructional Services	<u>37,435</u>	<u>37,435</u>	<u>36,520</u>	<u>915</u>
<u>Extracurricular Activities</u>				
Salaries and Wages	1,188,560	1,188,554	1,159,502	29,052
Fringe Benefits	267,049	267,047	260,520	6,527
Purchased Services	79,650	79,650	77,703	1,947
Materials and Supplies	252	252	246	6
Other Expenditures	431	431	420	11
Total Extracurricular Activities	<u>1,535,942</u>	<u>1,535,934</u>	<u>1,498,391</u>	<u>37,543</u>
Total Expenditures	<u>101,176,637</u>	<u>101,176,142</u>	<u>98,703,080</u>	<u>2,473,062</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,962,298)</u>	<u>(2,040,587)</u>	<u>1,697,272</u>	<u>3,737,859</u>

Continued

Mason City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2015

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Other Financing Sources (Uses):				
Advances In	1,044,374	1,043,544	1,056,858	13,314
Advances (Out)	(1,350,453)	(1,350,453)	(1,317,444)	33,009
Total Other Financing Sources (Uses)	(306,079)	(306,909)	(260,586)	46,323
Net Change in Fund Balance	(2,268,377)	(2,347,496)	1,436,686	3,784,182
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	33,784,850	33,784,850	33,784,850	0
Fund Balance - End of Year	\$31,516,473	\$31,437,354	\$35,221,536	\$3,784,182

See accompanying notes to the required supplementary information.

**Mason City School District, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended June 30, 2015**

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**Note 1 - Budgetary Process**

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All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriations resolution and the certificate of estimated resources which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Board. The legal level of control has been established by the Board at the fund level. Any budgetary modifications at this level may only be made by Board action.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during the fiscal year 2015.

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

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 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis) 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 as follows:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures for all funds (budget basis) rather than as an assignment of fund balance for governmental fund types and expendable trust funds (GAAP basis).
4. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions.
5. Some funds are reported as part of the general fund (GAAP basis as opposed to the general fund being reported alone (budget basis).

**Mason City School District, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Fiscal Year Ended June 30, 2015**

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The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

	<u>General Fund</u>
GAAP Basis	\$7,173,096
Revenue Accruals	(7,814,885)
Expenditures Accruals	3,734,327
Advances In	1,056,858
Advances (Out)	(1,317,444)
Encumbrances	(1,238,379)
Funds Budgeted Elsewhere	<u>(156,887)</u>
Budget Basis	<u><u>\$1,436,686</u></u>

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Mason City School District, Ohio  
 Required Supplementary Information  
 Schedule of the District's Proportionate Share  
 of the Net Pension Liability  
 State Teachers Retirement System of Ohio  
 Last Two Fiscal Years (1)

	2014	2013
District's Proportion of the Net Pension Liability	0.45420873%	0.45420873%
District's Proportionate Share of the Net Pension Liability	\$110,479,282	\$131,247,785
District's Covered-Employee Payroll	\$46,836,019	\$48,150,963
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	235.89%	272.58%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.70%	69.30%

(1) - Information prior to 2013 is not available

Mason City School District  
 Required Supplementary Information  
 Schedule of the District's Proportionate Share  
 of the Net Pension Liability  
 School Employees Retirement System of Ohio  
 Last Two Fiscal Years (1)

	2014	2013
District's Proportion of the Net Pension Liability	0.543635%	0.543635%
District's Proportionate Share of the Net Pension Liability	\$27,513,058	\$32,337,923
District's Covered-Employee Payroll	\$14,439,796	\$15,323,775
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	190.54%	211.03%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.70%	65.52%

(1) - Information prior to 2013 is not available

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

	2015	2014	2013	2012	2011
Contractually Required Contribution	\$6,594,792	\$6,497,062	\$6,789,480	\$6,854,604	\$6,779,952
Contributions in Relation to the Contractually Required Contribution	<u>(6,594,792)</u>	<u>(6,497,062)</u>	<u>(6,789,480)</u>	<u>(6,854,604)</u>	<u>(6,779,952)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
District Covered-Employee Payroll	\$47,378,532	\$46,836,019	\$48,150,963	\$49,829,224	\$49,036,458
Contributions as a Percentage of Covered-Employee Payroll	13.92%	13.87%	14.10%	13.76%	13.83%



2010	2009	2008	2007	2006
\$6,793,128	\$6,668,916	\$5,911,404	\$5,446,008	\$5,214,768
<u>(6,793,128)</u>	<u>(6,668,916)</u>	<u>(5,911,404)</u>	<u>(5,446,008)</u>	<u>(5,214,768)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$47,079,797	\$46,478,769	\$43,052,330	\$39,500,785	\$36,370,426
14.43%	14.35%	13.73%	13.79%	14.34%

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

	2015	2014	2013	2012	2011
Contractually Required Contribution	\$2,487,504	\$2,211,576	\$2,622,000	\$2,791,776	\$2,808,360
Contributions in Relation to the Contractually Required Contribution	<u>(2,487,504)</u>	<u>(2,211,576)</u>	<u>(2,622,000)</u>	<u>(2,791,776)</u>	<u>(2,808,360)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
District Covered-Employee Payroll	\$14,225,486	\$14,439,796	\$15,323,775	\$16,217,762	\$16,382,282
Contributions as a Percentage of Covered-Employee Payroll	17.49%	15.32%	17.11%	17.21%	17.14%

2010	2009	2008	2007	2006
\$2,738,604	\$2,579,844	\$2,429,772	\$2,332,272	\$2,285,304
<u>(2,738,604)</u>	<u>(2,579,844)</u>	<u>(2,429,772)</u>	<u>(2,332,272)</u>	<u>(2,285,304)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$17,074,491	\$17,317,711	\$15,598,297	\$14,690,416	\$14,032,022
16.04%	14.90%	15.58%	15.88%	16.29%

# COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES



## **MAJOR GOVERNMENTAL FUNDS**

**Debt Service Fund** - The debt service fund is used to account for the accumulation of resources for the payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the District is obligated in some manner for the payment. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance are included in the Basic Financial Statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

**Capital Projects Fund**- To account for all transactions related to improvements to existing District facilities. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance are included in the Basic Financial Statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

Mason City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2015

	Debt Service Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Taxes	\$12,011,346	\$12,026,347	\$15,001
Investment Earnings	1,238	1,240	2
Intergovernmental	2,222,382	2,225,157	2,775
<b>Total Revenues</b>	<b>14,234,966</b>	<b>14,252,744</b>	<b>17,778</b>
Expenditures:			
Current:			
Support Services:			
School Administration	10,330	10,329	1
Fiscal	164,331	164,309	22
Principal Retirement	16,162,193	16,160,000	2,193
Interest and Fiscal Charges	4,759,538	4,758,892	646
<b>Total Expenditures</b>	<b>21,096,392</b>	<b>21,093,530</b>	<b>2,862</b>
Excess of Revenues Over (Under) Expenditures	(6,861,426)	(6,840,786)	20,640
Other Financing Sources (Uses):			
Issuance of Tax Anticipation Notes	7,454,899	7,464,209	9,310
<b>Total Other Financing Sources (Uses)</b>	<b>7,454,899</b>	<b>7,464,209</b>	<b>9,310</b>
Net Change in Fund Balance	593,473	623,423	29,950
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	5,417,095	5,417,095	0
<b>Fund Balance - End of Year</b>	<b>\$6,010,568</b>	<b>\$6,040,518</b>	<b>\$29,950</b>

Mason City School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2015

	Capital Projects Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>Revenues:</b>			
Taxes	\$492,891	\$569,530	\$76,639
Revenue in lieu of taxes	3,737,736	4,318,908	581,172
Investment Earnings	3,279	3,789	510
Intergovernmental	88,636	102,418	13,782
Other Revenues	115,007	132,889	17,882
<b>Total Revenues</b>	<b>4,437,549</b>	<b>5,127,534</b>	<b>689,985</b>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular	1,044,003	892,781	151,222
Special	11,681	9,989	1,692
<b>Support Services:</b>			
Pupil	2,991	2,558	433
School Administration	5,089	4,352	737
Fiscal	29,421	25,159	4,262
Operations and Maintenance	1,850,575	1,582,522	268,053
Pupil Transportation	1,058,883	905,505	153,378
Central	1,105,399	945,284	160,115
Operation of Non-Instructional Services	9,443	8,075	1,368
Extracurricular Activities	87,002	74,400	12,602
Capital Outlay	35,718	30,544	5,174
<b>Total Expenditures</b>	<b>5,240,205</b>	<b>4,481,169</b>	<b>759,036</b>
<b>Net Change in Fund Balance</b>	<b>(802,656)</b>	<b>646,365</b>	<b>1,449,021</b>
<b>Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>17,025,907</b>	<b>17,025,907</b>	<b>0</b>
<b>Fund Balance - End of Year</b>	<b>\$16,223,251</b>	<b>\$17,672,272</b>	<b>\$1,449,021</b>

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## **NONMAJOR GOVERNMENTAL FUNDS**

### **Special Revenue Funds**

Special Revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The term *proceeds of specific revenue sources* establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

### **Capital Projects Funds**

The Capital Projects Funds is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Mason City School District, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2015

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$5,355,932	\$1,608,351	\$6,964,283
<b>Receivables (Net):</b>			
Accounts	40,876	0	40,876
Intergovernmental	443,968	0	443,968
Inventory	72,584	0	72,584
<b>Total Assets</b>	<b>5,913,360</b>	<b>1,608,351</b>	<b>7,521,711</b>
<b>Liabilities:</b>			
Accounts Payable	233,363	0	233,363
Accrued Wages and Benefits	678,086	0	678,086
Accrued Interest Payable	0	38,542	38,542
Interfund Payable	90,126	0	90,126
General Obligation Notes Payable	0	7,400,000	7,400,000
<b>Total Liabilities</b>	<b>1,001,575</b>	<b>7,438,542</b>	<b>8,440,117</b>
<b>Deferred Inflows of Resources:</b>			
Grants and Other Taxes	443,968	0	443,968
<b>Total Deferred Inflows of Resources</b>	<b>443,968</b>	<b>0</b>	<b>443,968</b>
<b>Fund Balances:</b>			
Restricted	4,985,145	0	4,985,145
Unassigned	(517,328)	(5,830,191)	(6,347,519)
<b>Total Fund Balances</b>	<b>4,467,817</b>	<b>(5,830,191)</b>	<b>(1,362,374)</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$5,913,360</b>	<b>\$1,608,351</b>	<b>\$7,521,711</b>

Mason City School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2015

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>			
Tuition and Fees	\$302,091	\$0	\$302,091
Investment Earnings	866	330	1,196
Intergovernmental	4,227,697	0	4,227,697
Extracurricular Activities	1,097,694	0	1,097,694
Charges for Services	5,089,165	0	5,089,165
Other Revenues	130,220	0	130,220
<b>Total Revenues</b>	<b>10,847,733</b>	<b>330</b>	<b>10,848,063</b>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular	221,910	0	221,910
Special	1,604,623	0	1,604,623
Vocational	9,519	0	9,519
<b>Support Services:</b>			
Pupil	505,995	0	505,995
Instructional Staff	111,730	0	111,730
School Administration	4,503	0	4,503
Business	132,682	0	132,682
Operations and Maintenance	1,040,074	352	1,040,426
Pupil Transportation	2,955	0	2,955
Central	9,000	0	9,000
Operation of Non-Instructional Services	5,540,261	0	5,540,261
Extracurricular Activities	1,485,871	0	1,485,871
Capital Outlay	0	72,197	72,197
<b>Debt Service:</b>			
Principal Retirement	106,000	0	106,000
Interest and Fiscal Charges	232,148	83,771	315,919
<b>Total Expenditures</b>	<b>11,007,271</b>	<b>156,320</b>	<b>11,163,591</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(159,538)</b>	<b>(155,990)</b>	<b>(315,528)</b>
<b>Other Financing Sources (Uses):</b>			
Proceeds from Sale of Capital Assets	0	1,024,531	1,024,531
Transfers In	0	7,897,229	7,897,229
Transfers (Out)	0	(7,400,000)	(7,400,000)
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>1,521,760</b>	<b>1,521,760</b>
<b>Net Change in Fund Balance</b>	<b>(159,538)</b>	<b>1,365,770</b>	<b>1,206,232</b>
<b>Fund Balance - Beginning of Year</b>	<b>4,627,355</b>	<b>(7,195,961)</b>	<b>(2,568,606)</b>
<b>Fund Balance - End of Year</b>	<b>\$4,467,817</b>	<b>(\$5,830,191)</b>	<b>(\$1,362,374)</b>

## **NONMAJOR SPECIAL REVENUE FUNDS**

### **Fund Descriptions**

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

**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. This fund includes athletic programs as well as the band, cheerleaders, flag corps and other similar types of activities.

**Auxiliary Services** - To account for state funds which provide services and materials to students attending non-public schools within the boundaries of the District as provided by state law.

**OneNet Network Connectivity** - To account for state funds designed to provide network connections for technology in the District.

**Gifted Supplemental:** To account for funds which are used for gifted supplemental programs.

**Title VI-B** - To account for federal funds for the provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels; assist in the training of teachers, supervisors and other specialist in providing educational services to the handicapped.

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

**Title III** - Federal grant used to account for federal monies provided to support the District's ESL population.

**Title I** - To account for federal funds for services provided to meet special educational needs of educationally deprived children.

**Public School Preschool** - This program, Section 619 of Public Law 99-457, addresses the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

**Improving Teacher Quality** - To account for state funds provided for staff development programs.

**Food Service** - To account for all revenues and expenses related to the provision of food services, including breakfast and lunch, for the District students and staff.

Mason City School District, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2015

	Community Services	District Managed Student Activity	Auxiliary Services	OneNet Network Connectivity
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$2,427,245	\$546,379	\$249,946	\$9,000
<b>Receivables (Net):</b>				
Accounts	28,010	12,866	0	0
Intergovernmental	0	0	0	0
Inventory	0	0	0	0
<b>Total Assets</b>	<b>2,455,255</b>	<b>559,245</b>	<b>249,946</b>	<b>9,000</b>
<b>Liabilities:</b>				
Accounts Payable	59,789	20,798	141,889	0
Accrued Wages and Benefits	4,682	0	13,114	0
Interfund Payable	0	0	0	0
<b>Total Liabilities</b>	<b>64,471</b>	<b>20,798</b>	<b>155,003</b>	<b>0</b>
<b>Deferred Inflows of Resources:</b>				
Grants and Other Taxes	0	0	0	0
<b>Total Deferred Inflows of Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balances:</b>				
Restricted	2,390,784	538,447	94,943	9,000
Unassigned	0	0	0	0
<b>Total Fund Balances</b>	<b>2,390,784</b>	<b>538,447</b>	<b>94,943</b>	<b>9,000</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$2,455,255</b>	<b>\$559,245</b>	<b>\$249,946</b>	<b>\$9,000</b>

Gifted Supplemental	Title VI-B	Vocational Education	Title III	Title I	Public School Preschool	Improving Teacher Quality
\$0	\$2,229	\$3,861	\$1,027	\$437	\$33	\$11,847
0	0	0	0	0	0	0
0	250,770	0	18,923	83,941	9,259	81,075
0	0	0	0	0	0	0
0	252,999	3,861	19,950	84,378	9,292	92,922
0	0	866	0	0	0	9,024
11,952	346,229	0	25,941	44,070	5,559	0
27	58,076	0	3,830	0	9,259	18,934
11,979	404,305	866	29,771	44,070	14,818	27,958
0	250,770	0	18,923	83,941	9,259	81,075
0	250,770	0	18,923	83,941	9,259	81,075
0	0	2,995	0	0	0	0
(11,979)	(402,076)	0	(28,744)	(43,633)	(14,785)	(16,111)
(11,979)	(402,076)	2,995	(28,744)	(43,633)	(14,785)	(16,111)
\$0	\$252,999	\$3,861	\$19,950	\$84,378	\$9,292	\$92,922

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Mason City School District, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2015

	Food Service	Total Nonmajor Special Revenue Funds
Assets:		
Equity in Pooled Cash and Investments	\$2,103,928	\$5,355,932
Receivables (Net):		
Accounts	0	40,876
Intergovernmental	0	443,968
Inventory	<u>72,584</u>	<u>72,584</u>
Total Assets	<u>2,176,512</u>	<u>5,913,360</u>
Liabilities:		
Accounts Payable	997	233,363
Accrued Wages and Benefits	226,539	678,086
Interfund Payable	<u>0</u>	<u>90,126</u>
Total Liabilities	<u>227,536</u>	<u>1,001,575</u>
Deferred Inflows of Resources:		
Grants and Other Taxes	<u>0</u>	<u>443,968</u>
Total Deferred Inflows of Resources	<u>0</u>	<u>443,968</u>
Fund Balances:		
Restricted	1,948,976	4,985,145
Unassigned	<u>0</u>	<u>(517,328)</u>
Total Fund Balances	<u>1,948,976</u>	<u>4,467,817</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$2,176,512</u>	<u>\$5,913,360</u>



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Mason City School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2015

	Community Services	District Managed Student Activity	Auxiliary Services	OneNet Network Connectivity
<b>Revenues:</b>				
Tuition and Fees	\$73,141	\$228,950	\$0	\$0
Investment Earnings	236	100	88	0
Intergovernmental	0	0	926,270	9,000
Extracurricular Activities	20,692	1,077,002	0	0
Charges for Services	1,742,385	1,149	0	0
Other Revenues	(68,223)	198,443	0	0
<b>Total Revenues</b>	<b>1,768,231</b>	<b>1,505,644</b>	<b>926,358</b>	<b>9,000</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	221,910	0	0	0
Special	0	0	0	0
Vocational	0	0	0	0
<b>Support Services:</b>				
Pupil	2,544	696	0	0
Instructional Staff	5,486	0	0	0
School Administration	4,503	0	0	0
Business	132,682	0	0	0
Operations and Maintenance	1,038,219	0	0	0
Pupil Transportation	2,955	0	0	0
Central	0	0	0	9,000
Operation of Non-Instructional Services	109,869	0	1,118,809	0
Extracurricular Activities	45,872	1,439,999	0	0
<b>Debt Service:</b>				
Principal Retirement	106,000	0	0	0
Interest and Fiscal Charges	232,148	0	0	0
<b>Total Expenditures</b>	<b>1,902,188</b>	<b>1,440,695</b>	<b>1,118,809</b>	<b>9,000</b>
<b>Net Change in Fund Balance</b>	<b>(133,957)</b>	<b>64,949</b>	<b>(192,451)</b>	<b>0</b>
<b>Fund Balance - Beginning of Year</b>	<b>2,524,741</b>	<b>473,498</b>	<b>287,394</b>	<b>9,000</b>
<b>Fund Balance - End of Year</b>	<b>\$2,390,784</b>	<b>\$538,447</b>	<b>\$94,943</b>	<b>\$9,000</b>

Gifted Supplemental	Title VI-B	Vocational Education	Title III	Title I	Public School Preschool	Improving Teacher Quality
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
43,770	1,694,349	10,000	93,451	217,731	23,505	118,348
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>43,770</u>	<u>1,694,349</u>	<u>10,000</u>	<u>93,451</u>	<u>217,731</u>	<u>23,505</u>	<u>118,348</u>
0	0	0	0	0	0	0
0	1,276,498	0	96,210	184,983	46,932	0
0	0	9,519	0	0	0	0
55,362	447,393	0	0	0	0	0
0	2,053	0	2,417	0	0	101,774
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	46,016	0	0	100	0	240
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>55,362</u>	<u>1,771,960</u>	<u>9,519</u>	<u>98,627</u>	<u>185,083</u>	<u>46,932</u>	<u>102,014</u>
(11,592)	(77,611)	481	(5,176)	32,648	(23,427)	16,334
<u>(387)</u>	<u>(324,465)</u>	<u>2,514</u>	<u>(23,568)</u>	<u>(76,281)</u>	<u>8,642</u>	<u>(32,445)</u>
<u>(\$11,979)</u>	<u>(\$402,076)</u>	<u>\$2,995</u>	<u>(\$28,744)</u>	<u>(\$43,633)</u>	<u>(\$14,785)</u>	<u>(\$16,111)</u>

Continued

Mason City School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2015

	Food Service	Total Nonmajor Special Revenue Funds
Revenues:		
Tuition and Fees	\$0	\$302,091
Investment Earnings	442	866
Intergovernmental	1,091,273	4,227,697
Extracurricular Activities	0	1,097,694
Charges for Services	3,345,631	5,089,165
Other Revenues	0	130,220
<b>Total Revenues</b>	<b>4,437,346</b>	<b>10,847,733</b>
Expenditures:		
Current:		
Instruction:		
Regular	0	221,910
Special	0	1,604,623
Vocational	0	9,519
Support Services:		
Pupil	0	505,995
Instructional Staff	0	111,730
School Administration	0	4,503
Business	0	132,682
Operations and Maintenance	1,855	1,040,074
Pupil Transportation	0	2,955
Central	0	9,000
Operation of Non-Instructional Services	4,265,227	5,540,261
Extracurricular Activities	0	1,485,871
Debt Service:		
Principal Retirement	0	106,000
Interest and Fiscal Charges	0	232,148
<b>Total Expenditures</b>	<b>4,267,082</b>	<b>11,007,271</b>
<b>Net Change in Fund Balance</b>	<b>170,264</b>	<b>(159,538)</b>
<b>Fund Balance - Beginning of Year</b>	<b>1,778,712</b>	<b>4,627,355</b>
<b>Fund Balance - End of Year</b>	<b>\$1,948,976</b>	<b>\$4,467,817</b>

Mason City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2015

	Community Services Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Tuition and Fees	\$72,044	\$73,141	\$1,097
Investment Earnings	232	236	4
Extracurricular Activities	20,382	20,692	310
Charges for Services	1,025,906	1,041,531	15,625
Other Revenues	817,526	829,978	12,452
<b>Total Revenues</b>	<b>1,936,090</b>	<b>1,965,578</b>	<b>29,488</b>
Expenditures:			
Current:			
Instruction:			
Regular	257,626	225,474	32,152
Support Services:			
Pupil	3,370	2,949	421
Instructional Staff	6,268	5,486	782
School Administration	5,145	4,503	642
Business	151,413	132,517	18,896
Operations and Maintenance	1,194,162	1,045,130	149,032
Pupil Transportation	3,376	2,955	421
Operation of Non-Instructional Services	133,950	117,233	16,717
Extracurricular Activities	52,491	45,940	6,551
Debt Service:			
Principal Retirement	121,115	106,000	15,115
Interest and Fiscal Charges	265,251	232,148	33,103
<b>Total Expenditures</b>	<b>2,194,167</b>	<b>1,920,335</b>	<b>273,832</b>
<b>Net Change in Fund Balance</b>	<b>(258,077)</b>	<b>45,243</b>	<b>303,320</b>
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	2,312,028	2,312,028	0
<b>Fund Balance - End of Year</b>	<b>\$2,053,951</b>	<b>\$2,357,271</b>	<b>\$303,320</b>

Mason City School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2015

	District Managed Student Activity Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Tuition and Fees	\$226,969	\$228,950	\$1,981
Investment Earnings	99	100	1
Extracurricular Activities	1,053,855	1,063,051	9,196
Charges for Services	1,139	1,149	10
Other Revenues	198,938	200,674	1,736
Total Revenues	<u>1,481,000</u>	<u>1,493,924</u>	<u>12,924</u>
Expenditures:			
Current:			
Instruction:			
Pupil	820	696	124
Extracurricular Activities	1,851,841	1,571,701	280,140
Total Expenditures	<u>1,852,661</u>	<u>1,572,397</u>	<u>280,264</u>
Excess of Revenues Over (Under) Expenditures	<u>(371,661)</u>	<u>(78,473)</u>	<u>293,188</u>
Other Financing Sources (Uses):			
Advances In	2,250	2,270	20
Advances (Out)	(2,675)	(2,270)	405
Total Other Financing Sources (Uses)	<u>(425)</u>	<u>0</u>	<u>425</u>
Net Change in Fund Balance	(372,086)	(78,473)	293,613
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>472,367</u>	<u>472,367</u>	<u>0</u>
Fund Balance - End of Year	<u>\$100,281</u>	<u>\$393,894</u>	<u>\$293,613</u>

Mason City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2015

	Auxiliary Services Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Investment Earnings	\$88	\$88	\$0
Intergovernmental	926,269	926,270	1
Total Revenues	926,357	926,358	1
Expenditures:			
Current:			
Operation of Non-Instructional Services	1,304,352	1,298,931	5,421
Total Expenditures	1,304,352	1,298,931	5,421
Net Change in Fund Balance	(377,995)	(372,573)	5,422
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	377,996	377,996	0
Fund Balance - End of Year	\$1	\$5,423	\$5,422

Mason City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2015

	OneNet Network Connectivity Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$0	\$9,000	\$9,000
Total Revenues	0	9,000	9,000
Expenditures:			
Current:			
Support Services:			
Central	9,000	9,000	0
Total Expenditures	9,000	9,000	0
Net Change in Fund Balance	(9,000)	0	9,000
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	9,000	9,000	0
Fund Balance - End of Year	\$0	\$9,000	\$9,000



Mason City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2015

	Gifted Supplemental Fund		Variance from Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$55,523	\$55,523	\$0
Total Revenues	55,523	55,523	0
Expenditures:			
Current:			
Support Services:			
Pupil	49,293	49,293	0
Total Expenditures	49,293	49,293	0
Excess of Revenues Over (Under) Expenditures	6,230	6,230	0
Other Financing Sources (Uses):			
Advances In	27	27	0
Advances (Out)	(6,257)	(6,257)	0
Total Other Financing Sources (Uses)	(6,230)	(6,230)	0
Net Change in Fund Balance	0	0	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance - End of Year	\$0	\$0	\$0

Mason City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2015

	Title VI-B Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$1,694,349	\$1,694,349	\$0
Total Revenues	<u>1,694,349</u>	<u>1,694,349</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Special	1,246,056	1,246,055	1
Support Services:			
Pupil	444,979	444,979	0
Instructional Staff	2,278	2,278	0
Operation of Non-Instructional Services	46,332	46,332	0
Total Expenditures	<u>1,739,645</u>	<u>1,739,644</u>	<u>1</u>
Excess of Revenues Over (Under) Expenditures	<u>(45,296)</u>	<u>(45,295)</u>	<u>1</u>
Other Financing Sources (Uses):			
Advances In	58,076	58,076	0
Advances (Out)	(51,498)	(51,498)	0
Total Other Financing Sources (Uses)	<u>6,578</u>	<u>6,578</u>	<u>0</u>
Net Change in Fund Balance	(38,718)	(38,717)	1
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>38,718</u>	<u>38,718</u>	<u>0</u>
Fund Balance - End of Year	<u>\$0</u>	<u>\$1</u>	<u>\$1</u>

Mason City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2015

	Vocational Education Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$10,000	\$10,000	\$0
Total Revenues	10,000	10,000	0
Expenditures:			
Current:			
Instruction:			
Vocational	13,251	12,159	1,092
Total Expenditures	13,251	12,159	1,092
Net Change in Fund Balance	(3,251)	(2,159)	1,092
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	3,251	3,251	0
Fund Balance - End of Year	\$0	\$1,092	\$1,092

Mason City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2015

	Title III Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$93,451	\$93,451	\$0
Total Revenues	93,451	93,451	0
Expenditures:			
Current:			
Instruction:			
Special	95,554	95,554	0
Support Services:			
Instructional Staff	2,417	2,417	0
Total Expenditures	97,971	97,971	0
Excess of Revenues Over (Under) Expenditures	(4,520)	(4,520)	0
Other Financing Sources (Uses):			
Advances In	3,830	3,830	0
Advances (Out)	(351)	(351)	0
Total Other Financing Sources (Uses)	3,479	3,479	0
Net Change in Fund Balance	(1,041)	(1,041)	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	1,041	1,041	0
Fund Balance - End of Year	\$0	\$0	\$0

Mason City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2015

	Title I Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$217,731	\$217,731	\$0
Total Revenues	217,731	217,731	0
Expenditures:			
Current:			
Instruction:			
Special	184,945	184,574	371
Operation of Non-Instructional Services	100	100	0
Total Expenditures	185,045	184,674	371
Excess of Revenues Over (Under) Expenditures	32,686	33,057	371
Other Financing Sources (Uses):			
Advances (Out)	(32,686)	(32,620)	66
Total Other Financing Sources (Uses)	(32,686)	(32,620)	66
Net Change in Fund Balance	0	437	437
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance - End of Year	\$0	\$437	\$437

Mason City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2015

	Public School Preschool Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$23,505	\$23,505	\$0
Total Revenues	23,505	23,505	0
Expenditures:			
Current:			
Instruction:			
Special	41,407	41,373	34
Total Expenditures	41,407	41,373	34
Excess of Revenues Over (Under) Expenditures	(17,902)	(17,868)	34
Other Financing Sources (Uses):			
Advances In	9,259	9,259	0
Total Other Financing Sources (Uses)	9,259	9,259	0
Net Change in Fund Balance	(8,643)	(8,609)	34
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	8,643	8,643	0
Fund Balance - End of Year	\$0	\$34	\$34

Mason City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2015

	Improving Teacher Quality Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$118,347	\$118,348	\$1
Total Revenues	<u>118,347</u>	<u>118,348</u>	<u>1</u>
Expenditures:			
Current:			
Support Services:			
Instructional Staff	111,946	111,744	202
Operation of Non-Instructional Services	961	959	2
Total Expenditures	<u>112,907</u>	<u>112,703</u>	<u>204</u>
Excess of Revenues Over (Under) Expenditures	<u>5,440</u>	<u>5,645</u>	<u>205</u>
Other Financing Sources (Uses):			
Advances In	18,934	18,934	0
Advances (Out)	(35,563)	(35,499)	64
Total Other Financing Sources (Uses)	<u>(16,629)</u>	<u>(16,565)</u>	<u>64</u>
Net Change in Fund Balance	(11,189)	(10,920)	269
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>11,189</u>	<u>11,189</u>	<u>0</u>
Fund Balance - End of Year	<u>\$0</u>	<u>\$269</u>	<u>\$269</u>

Mason City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2015

	Food Service Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Investment Earnings	\$441	\$442	\$1
Intergovernmental	590,811	591,506	695
Charges for Services	3,341,700	3,345,631	3,931
Total Revenues	3,932,952	3,937,579	4,627
Expenditures:			
Current:			
Support Services:			
Operations and Maintenance	1,873	1,855	18
Operation of Non-Instructional Services	3,852,170	3,816,161	36,009
Total Expenditures	3,854,043	3,818,016	36,027
Net Change in Fund Balance	78,909	119,563	40,654
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	1,966,445	1,966,445	0
Fund Balance - End of Year	\$2,045,354	\$2,086,008	\$40,654



## **NONMAJOR CAPITAL PROJECTS FUNDS**

### **Fund Descriptions**

**Building** - To account for receipts and expenditures related to the acquisition and construction of capital facilities including real property.

**Insurance Replacement** - To account for all transactions related to equipment replacement of the District.

Mason City School District, Ohio  
Combining Balance Sheet  
Nonmajor Capital Projects Funds  
June 30, 2015

	Building	Insurance Replacement	Total Nonmajor Capital Projects Funds
Assets:			
Equity in Pooled Cash and Investments	\$1,608,351	\$0	\$1,608,351
<b>Total Assets</b>	<b>1,608,351</b>	<b>0</b>	<b>1,608,351</b>
Liabilities:			
Accrued Interest Payable	38,542	0	38,542
General Obligation Notes Payable	7,400,000	0	7,400,000
<b>Total Liabilities</b>	<b>7,438,542</b>	<b>0</b>	<b>7,438,542</b>
Fund Balances:			
Unassigned	(5,830,191)	0	(5,830,191)
<b>Total Fund Balances</b>	<b>(5,830,191)</b>	<b>0</b>	<b>(5,830,191)</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$1,608,351</b>	<b>\$0</b>	<b>\$1,608,351</b>

Mason City School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2015

	Building	Insurance Replacement	Total Nonmajor Capital Projects Funds
Revenues:			
Investment Earnings	\$330	\$0	\$330
Total Revenues	330	0	330
Expenditures:			
Current:			
Support Services:			
Operations and Maintenance	352	0	352
Capital Outlay	37,689	34,508	72,197
Debt Service:			
Interest and Fiscal Charges	83,771	0	83,771
Total Expenditures	121,812	34,508	156,320
Excess of Revenues Over (Under) Expenditures	(121,482)	(34,508)	(155,990)
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	1,000,000	24,531	1,024,531
Transfers In	7,897,229	0	7,897,229
Transfers (Out)	(7,400,000)	0	(7,400,000)
Total Other Financing Sources (Uses)	1,497,229	24,531	1,521,760
Net Change in Fund Balance	1,375,747	(9,977)	1,365,770
Fund Balance - Beginning of Year	(7,205,938)	9,977	(7,195,961)
Fund Balance - End of Year	(\$5,830,191)	\$0	(\$5,830,191)

Mason City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2015

	Building Fund		Variance from Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Investment Earnings	\$0	\$330	\$330
Total Revenues	0	330	330
Expenditures:			
Current:			
Support Services:			
Operations and Maintenance	5,978	352	5,626
Capital Outlay	640,083	37,689	602,394
Total Expenditures	646,061	38,041	608,020
Excess of Revenues Over (Under) Expenditures	(646,061)	(37,711)	608,350
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	0	1,000,000	1,000,000
Total Other Financing Sources (Uses)	0	1,000,000	1,000,000
Net Change in Fund Balance	(646,061)	962,289	1,608,350
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	646,061	646,061	0
Fund Balance - End of Year	\$0	\$1,608,350	\$1,608,350

Mason City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2015

	Insurance Replacement Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Other Revenues	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Support Services:			
Capital Outlay	34,508	34,508	0
Total Expenditures	34,508	34,508	0
Excess of Revenues Over (Under) Expenditures	(34,508)	(34,508)	0
Other Financing Sources (Uses):			
Proceeds from Sale of Capital Assets	24,531	24,531	0
Total Other Financing Sources (Uses)	24,531	24,531	0
Net Change in Fund Balance	(9,977)	(9,977)	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	9,977	9,977	0
Fund Balance - End of Year	\$0	\$0	\$0

## **OTHER GENERAL FUNDS**

With the implementation of GASB Statement No. 54, certain funds that the District prepares legally adopted budgets for no longer meet the definition to be reported as Special Revenue funds and have been included with the General Fund in the governmental fund financial statements. The District has only presented the budget schedules for these funds.

### **Fund Descriptions**

**Public School Support** - To account for specific local revenue sources (other than taxes) generated by individual school buildings (i.e. sales of pictures, profits from vending machines, etc.). Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs. This fund is only presented for budgetary purposes.

**Latchkey** - To account for all revenues and expenses related to the operation of the Latchkey Program for the District students. This fund is only presented for budgetary purposes.

Mason City School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2015

	Public School Support Fund (1)		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>Revenues:</b>			
Tuition and Fees	\$640,763	\$642,310	\$1,547
Extracurricular Activities	580,430	581,831	1,401
Other Revenues	111,581	111,850	269
<b>Total Revenues</b>	<b>1,332,774</b>	<b>1,335,991</b>	<b>3,217</b>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular	724,836	672,852	51,984
Special	1,011,539	938,993	72,546
<b>Support Services:</b>			
General Administration	70	65	5
Pupil Transportation	539	500	39
Central	375	348	27
Operation of Non-Instructional Services	34,619	32,136	2,483
Extracurricular Activities	48,236	44,777	3,459
<b>Total Expenditures</b>	<b>1,820,214</b>	<b>1,689,671</b>	<b>130,543</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(487,440)</b>	<b>(353,680)</b>	<b>133,760</b>
<b>Other Financing Sources (Uses):</b>			
Advances In	1,224,362	1,227,318	2,956
Advances (Out)	(1,002,536)	(930,635)	71,901
<b>Total Other Financing Sources (Uses)</b>	<b>221,826</b>	<b>296,683</b>	<b>74,857</b>
<b>Net Change in Fund Balance</b>	<b>(265,614)</b>	<b>(56,997)</b>	<b>208,617</b>
<b>Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>303,277</b>	<b>303,277</b>	<b>0</b>
<b>Fund Balance - End of Year</b>	<b>\$37,663</b>	<b>\$246,280</b>	<b>\$208,617</b>

(1) - For GAAP reporting this fund is combined with the General Fund.

Mason City School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2015

	Latchkey Fund (1)		Variance from Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Investment Earnings	\$206	\$215	\$9
Extracurricular Activities	339	354	15
Charges for Services	1,062,121	1,108,803	46,682
Other Revenues	4,889	5,104	215
		0	
Total Revenues	<u>1,067,555</u>	<u>1,114,476</u>	<u>46,921</u>
Expenditures:			
Current:			
Instruction:			
Regular	9,299	7,954	1,345
Support Services:			
Operations and Maintenance	11,691	10,000	1,691
Operation of Non-Instructional Services	1,030,777	881,655	149,122
Extracurricular Activities	168,068	143,754	24,314
Total Expenditures	<u>1,219,835</u>	<u>1,043,363</u>	<u>176,472</u>
Net Change in Fund Balance	(152,280)	71,113	223,393
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>937,005</u>	<u>937,005</u>	<u>0</u>
Fund Balance - End of Year	<u>\$784,725</u>	<u>\$1,008,118</u>	<u>\$223,393</u>

(1) - For GAAP reporting this fund is combined with the General Fund.



## **NONMAJOR FUNDS**

### **Fiduciary funds**

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

### **Fund Descriptions**

**Education Private Purpose Trust Fund** - To account for scholarship programs for students.

**Agency Fund - Student Activity** - To account for the resources that belong to the various student groups in the District. The funds account for sales and other revenue generating activities by student activity programs, which have students involved in the management of the program.

**Agency Fund - 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.

**Agency Fund - District Agency** - To account for assets held by the District as an agent for individuals, private organizations, other governmental units, and/or other funds.

Mason City School District, Ohio  
Statement of Changes In Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended June 30, 2015

	Student Activity			Ending Balance
	Beginning Balance	Additions	Deductions	
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$482,546	\$1,194,184	\$1,087,984	\$588,746
Receivables (Net):				
Accounts	0	4,264	0	4,264
<b>Total Assets</b>	<b>482,546</b>	<b>1,198,448</b>	<b>1,087,984</b>	<b>593,010</b>
<b>Liabilities:</b>				
Accounts Payable	37,796	15,014	37,796	15,014
Other Liabilities	444,750	1,183,434	1,050,188	577,996
<b>Total Liabilities</b>	<b>\$482,546</b>	<b>\$1,198,448</b>	<b>\$1,087,984</b>	<b>\$593,010</b>

	Section 125 Insurance			Ending Balance
	Beginning Balance	Additions	Deductions	
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$54,442	\$87,065	\$92,606	\$48,901
<b>Total Assets</b>	<b>54,442</b>	<b>87,065</b>	<b>92,606</b>	<b>48,901</b>
<b>Liabilities:</b>				
Other Liabilities	54,442	87,065	92,606	48,901
<b>Total Liabilities</b>	<b>\$54,442</b>	<b>\$87,065</b>	<b>\$92,606</b>	<b>\$48,901</b>

	District Agency			Ending Balance
	Beginning Balance	Additions	Deductions	
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$8,687	\$213,179	\$209,533	\$12,333
Receivables (Net):				
Accounts	672	705	672	705
<b>Total Assets</b>	<b>9,359</b>	<b>213,884</b>	<b>210,205</b>	<b>13,038</b>
<b>Liabilities:</b>				
Accounts Payable	5,759	111	5,759	111
Other Liabilities	3,600	213,773	204,446	12,927
<b>Total Liabilities</b>	<b>\$9,359</b>	<b>\$213,884</b>	<b>\$210,205</b>	<b>\$13,038</b>

Continued

Mason City School District, Ohio  
Statement of Changes In Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended June 30, 2015

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	Total All Agency Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$545,675	\$1,494,428	\$1,390,123	\$649,980
Receivables (Net):				
Accounts	672	4,969	672	4,969
Total Assets	<u>546,347</u>	<u>1,499,397</u>	<u>1,390,795</u>	<u>654,949</u>
Liabilities:				
Accounts Payable	43,555	15,125	43,555	15,125
Other Liabilities	<u>502,792</u>	<u>1,484,272</u>	<u>1,347,240</u>	<u>639,824</u>
Total Liabilities	<u>\$546,347</u>	<u>\$1,499,397</u>	<u>\$1,390,795</u>	<u>\$654,949</u>

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## STATISTICAL SECTION

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

### **Contents**

**Financial Trends** - These schedules contain trend information to help the reader understand how the District's financial position has changed over time.

**Revenue Capacity** - These schedules contain information to help the reader understand and assess the District's most significant local revenue source, the property tax.

**Debt Capacity** - These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

**Economic and Demographic Information** - These schedules offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

**Operating Information** - These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

**Sources** - Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**Mason City School District, Ohio**  
**Net Position by Component,**  
**Last Ten Fiscal Years**  
 (accrual basis of accounting)  
**Schedule 1**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014 Restated	2015
Governmental Activities										
Net Investment In Capital Assets	\$8,832,373	\$12,537,357	\$18,655,396	\$19,761,272	\$28,790,298	\$34,400,901	\$40,667,026	\$46,466,926	\$50,767,119	\$51,834,565
Restricted	18,181,961	18,486,365	20,469,256	25,165,469	22,124,030	23,791,786	25,059,547	27,840,790	27,740,454	31,879,104
Unrestricted	17,303,412	30,461,781	36,715,473	42,474,167	39,041,011	37,547,433	30,049,791	27,418,240	(129,592,529)	(120,034,729)
Total Net Position	\$44,317,746	\$61,485,503	\$75,840,125	\$87,400,908	\$89,955,339	\$95,740,120	\$95,776,364	\$101,725,956	(\$51,084,956)	(\$36,321,060)

**Source:** District Records



**Mason City School District, Ohio**  
**Expenses, Program Revenues and Net (Expense)/Revenue**  
**Last Ten Fiscal Years**  
 (accrual basis of accounting)  
**Schedule 2**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014 Reclassified	2015
<b>Expenses</b>										
<b>Governmental Activities:</b>										
Instruction	\$42,950,729	\$47,562,678	\$53,120,606	\$55,303,869	\$59,693,695	\$62,149,103	\$64,220,741	\$65,304,074	\$65,567,175	\$71,759,192
Pupil	5,165,312	5,170,132	5,914,562	6,475,271	6,467,313	7,015,312	6,997,992	6,620,329	6,956,891	6,915,158
Instructional Staff	6,363,227	6,321,764	6,692,737	7,131,304	7,349,240	8,118,256	7,965,043	1,422,550	2,384,639	2,389,958
General Administration	95,124	83,619	85,525	38,910	46,528	60,567	58,014	250,134	57,685	60,845
School Administration	4,941,644	5,134,189	5,412,530	5,522,215	5,623,539	5,894,519	5,473,265	5,245,939	5,345,653	5,269,714
Fiscal	1,853,347	2,018,476	2,053,489	2,124,953	1,952,877	1,851,351	1,788,154	1,797,291	1,932,376	1,859,141
Business	341,031	301,922	438,869	400,907	418,485	422,415	453,915	472,876	447,303	421,654
Operation and Maintenance	9,897,131	14,141,628	13,072,818	14,272,035	13,318,720	13,504,242	12,666,272	13,096,862	12,976,097	12,433,209
Pupil Transportation	6,978,574	7,209,800	7,734,614	7,076,294	7,895,529	7,615,345	6,686,897	6,497,196	6,619,587	6,221,325
Central	3,463,529	3,759,249	4,569,098	4,224,174	4,357,847	3,790,359	3,700,107	3,542,809	3,279,666	3,105,493
Operation of Non-instructional Services	4,565,582	5,505,957	5,553,265	6,074,836	5,759,571	6,058,518	6,449,265	6,119,224	5,988,246	6,484,771
Extracurricular Activities	2,075,978	2,170,808	2,312,308	2,881,756	2,408,819	2,848,531	3,052,085	3,241,891	3,351,887	3,290,127
Interest and Fiscal Charges	10,143,855	6,049,096	7,011,371	7,133,219	6,725,808	6,348,747	6,025,236	5,148,229	7,025,687	4,503,141
<b>Total Government Expenses</b>	<b>98,835,063</b>	<b>105,429,318</b>	<b>113,971,792</b>	<b>118,659,743</b>	<b>122,017,971</b>	<b>125,677,265</b>	<b>125,536,986</b>	<b>118,759,404</b>	<b>121,932,892</b>	<b>124,713,728</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for Services										
Instruction	1,141,570	1,457,026	1,878,034	1,951,159	1,930,782	3,295,198	3,695,339	3,581,819	4,074,943	4,517,089
Pupil	149	928	6,245	60,584	58,884	55,023	5,834	1,034	1,522	4,222
Instructional Staff	292	538	4,183	4,105	6,067	12,302	366	16,647	11,783	6,661
General Administration	1,264	75	0	0	0	0	0	0	0	0
School Administration	705	0	0	0	0	0	0	0	0	5,468
Business	5,307	6,681	83,436	93,756	66,345	185,500	131,781	96,480	174,176	160,911
Operations and Maintenance	105,237	1,194,715	1,104,070	1,125,267	1,792,142	1,322,932	1,133,157	826,183	1,445,552	1,258,416
Pupil Transportation	1,597	2,984	46,014	16,471	6,291	0	0	0	422	3,588
Central	0	377	1,002	761	3,826	0	590	1	17	0
Operation of Non-instructional Services	4,135,876	3,859,467	4,136,135	4,268,276	4,230,020	3,525,476	3,645,072	3,501,751	3,281,890	3,418,897
Extracurricular Activities	615,389	656,776	722,377	934,769	864,221	1,481,703	1,947,812	1,794,764	2,037,073	1,940,095
Operating Grants and Contributions	3,204,017	5,416,262	5,812,292	5,537,453	7,748,872	9,870,113	5,697,717	5,360,476	6,630,987	7,040,629
Capital Grants and Contributions	51,235	158,292	61,192	124,305	0	0	0	0	0	0
<b>Total Government Revenues</b>	<b>9,262,638</b>	<b>12,754,121</b>	<b>13,904,980</b>	<b>14,116,906</b>	<b>16,707,450</b>	<b>19,748,247</b>	<b>16,257,668</b>	<b>15,179,155</b>	<b>17,658,365</b>	<b>18,355,976</b>
<b>Net (Expense)/Revenue</b>										
<b>Total Government Net Expense</b>	<b>(\$89,572,425)</b>	<b>(\$92,675,197)</b>	<b>(\$100,066,812)</b>	<b>(\$104,542,837)</b>	<b>(\$105,310,521)</b>	<b>(\$105,929,018)</b>	<b>(\$109,279,318)</b>	<b>(\$103,580,249)</b>	<b>(\$104,274,527)</b>	<b>(\$106,357,752)</b>

Source: District Records

Mason City School District, Ohio  
 General Revenues and Total Change in Net Position,  
 Last Ten Fiscal Years  
 (accrual basis of accounting)  
 Schedule 3

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Net (Expense)/Revenue</b>										
Total Government Net Expense	(\$89,572,425)	(\$92,675,197)	(\$100,066,812)	(\$104,542,837)	(\$105,310,521)	(\$105,929,018)	(\$109,279,318)	(\$103,580,249)	(\$104,274,527)	(\$106,357,752)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Taxes										
Property Taxes Levied for General Purposes	47,623,796	53,301,379	53,549,026	53,567,568	45,848,200	52,288,070	49,004,611	50,625,797	46,641,011	56,481,261
Property Taxes Levied for Debt Service Purposes	11,408,572	12,919,464	13,348,993	13,272,994	11,152,734	12,121,055	11,350,361	11,837,442	10,948,558	13,292,896
Property Taxes Levied for Capital Projects	536,353	578,593	706,642	630,681	560,240	608,871	570,167	572,491	518,442	629,514
Grants and Entitlements not Restricted to Specific Programs	33,333,355	37,182,527	40,422,362	43,328,411	44,953,615	43,721,854	42,386,226	41,301,384	43,444,518	45,646,771
Payment in Lieu of Taxes	2,402,107	2,508,735	2,328,775	2,945,631	3,246,149	2,239,232	4,778,155	5,555,468	3,771,193	4,318,908
Unrestricted Contributions	60,000	81,274	0	0	0	0	31,069	101,247	150,018	108,151
Investment Earnings	2,282,902	2,741,989	3,718,075	1,955,147	546,300	199,006	486,293	21,871	185,110	85,326
Gain on Sale of Capital Assets	2,226,474	212,123	72,056	106,833	0	0	0	0	0	0
Other Revenues	1,780,703	316,870	275,505	296,355	1,557,714	535,711	708,680	393,022	681,835	558,821
Total primary government	101,654,262	109,842,954	114,421,434	116,103,620	107,864,952	111,713,799	109,315,562	110,408,722	106,340,685	121,121,648
<b>Change in Net Position</b>										
Total primary government	\$12,081,837	\$17,167,757	\$14,354,622	\$11,560,783	\$2,554,431	\$5,784,781	\$36,244	\$6,828,473	\$2,066,158	\$14,763,896

Source: District Records

Mason City School District, Ohio  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(Modified accrual basis of accounting)  
Schedule 4

	2006	2007	2008	2009	2010	2011*	2012*	2013*	2014*	2015*
General Fund										
Reserved	\$2,754,393	\$2,692,180	\$3,207,706	\$5,474,753	\$2,915,141					
Unreserved	16,689,386	28,765,463	34,459,374	39,626,965	39,064,608					
Nonspendable										
Restricted										
Committed										
Assigned						\$915,078	\$453,699	\$6,458,415	\$2,085,713	\$1,090,919
Unassigned						38,344,772	31,456,329	25,600,588	28,026,632	36,194,522
Total General Fund	19,443,779	31,457,643	37,667,080	45,101,718	41,979,749	39,259,850	31,910,028	32,059,003	30,112,345	37,285,441
All Other Governmental Funds										
Reserved	7,938,306	4,546,107	23,982,418	6,544,608	2,036,230					
Unreserved, Reported in:										
Special Revenue Funds	3,067,590	3,065,602	3,377,932	3,322,528	2,865,349					
Debt Service Funds	5,989,954	6,628,582	8,570,237	8,888,165	8,791,501					
Capital Project Funds	1,460,524	949,692	(1,841,343)	(2,636,690)	(1,096,645)					
Nonspendable										
Restricted						98,674	40,450	60,368	0	0
Committed						20,685,463	23,567,432	27,134,389	27,995,049	32,147,340
Assigned						10,811	0	9,977	9,977	0
Unassigned						0	0	0	2,085,713	1,090,919
Total All Other Governmental Funds	\$18,456,374	\$15,189,983	\$34,089,244	\$16,118,611	\$12,596,435	(6,895,100)	(7,257,846)	(7,315,115)	20,363,548	29,847,003
						\$13,899,848	\$16,350,036	\$19,889,619	\$50,454,287	\$63,085,262

Source: District Records

Note:

\* Prior year amounts have not been restated for the implementation of Statement 54.

Mason City School District, Ohio  
 Governmental Funds Revenues,  
 Last Ten Fiscal Years (1)  
 (modified accrual basis of accounting)  
 Schedule 5

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Revenues:</b>										
Taxes	\$58,668,824	\$65,126,501	\$66,161,138	\$68,613,408	\$57,194,629	\$63,731,625	\$60,288,880	\$65,182,145	\$58,136,666	\$70,578,586
Revenue in Lieu of Taxes	2,462,107	2,150,536	2,688,343	3,025,536	3,246,149	2,239,232	4,778,155	5,555,468	3,771,193	4,318,908
Tuition and Fees	862,322	1,019,509	1,465,590	1,523,740	1,509,382	2,329,960	2,515,311	2,655,445	3,040,814	3,437,268
Investment Earnings	2,282,903	2,741,989	3,718,075	1,955,148	406,189	199,756	603,465	26,968	177,608	92,767
Intergovernmental	37,324,432	43,458,744	46,998,659	49,582,625	52,871,835	52,069,359	49,089,810	46,877,573	49,608,589	52,820,730
Extracurricular Activities	1,009,189	1,118,356	1,209,310	1,358,760	1,329,655	1,439,532	1,884,715	1,681,678	1,853,772	1,680,111
Charges for Services	4,709,748	4,943,610	5,444,011	5,583,324	5,643,348	6,669,397	6,215,452	5,562,734	6,227,734	6,315,917
Other Revenues	1,228,441	930,211	590,877	405,443	1,589,710	454,073	679,903	395,557	771,206	549,023
<b>Total Revenues</b>	<b>\$108,547,966</b>	<b>\$121,489,456</b>	<b>\$128,276,003</b>	<b>\$132,047,984</b>	<b>\$123,790,897</b>	<b>\$129,132,934</b>	<b>\$126,055,691</b>	<b>\$127,937,568</b>	<b>\$123,587,582</b>	<b>\$139,793,310</b>

Source: District Records

(1) - Prior to 2004 the district reported the food service fund as an enterprise fund. Starting in 2004 the food service fund was reported as a special revenue fund, therefore charges for services shows a significant increase.

Mason City School District, Ohio  
 Governmental Funds Expenditures and Debt Service Ratio,  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 Schedule 6

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Instruction	\$42,354,099	\$46,602,549	\$52,771,742	\$54,468,808	\$59,143,129	\$61,249,413	\$63,516,740	\$64,031,836	\$64,497,627	\$68,181,928
Pupil	5,210,686	5,108,372	5,887,042	6,463,212	6,444,095	6,983,336	7,042,546	6,547,920	6,914,148	7,054,999
Instructional Staff	6,347,333	6,224,230	6,611,946	7,120,586	7,355,141	8,077,645	7,896,816	1,518,557	2,365,585	2,404,644
General Administration	95,124	83,619	85,525	38,910	46,528	60,567	58,014	250,134	57,685	61,315
School Administration	4,900,814	5,100,493	5,374,528	5,474,364	5,568,335	5,932,932	5,401,632	5,206,190	5,269,650	5,481,341
Fiscal	1,841,158	1,999,081	2,120,418	2,103,592	1,943,552	1,830,777	1,766,689	1,788,716	1,957,646	1,931,843
Business	315,862	324,550	438,801	396,948	411,529	423,721	453,580	441,407	445,040	434,372
Operation and Maintenance	10,189,943	11,695,982	11,984,656	12,464,888	11,557,719	11,476,277	10,593,149	11,144,409	11,538,247	10,807,624
Pupil Transportation	6,472,242	6,471,731	7,629,347	6,434,424	7,611,602	7,542,715	5,998,494	5,832,777	6,556,743	5,730,801
Central	3,343,900	3,460,243	4,622,781	3,886,588	4,254,192	3,596,498	3,666,498	3,474,086	2,911,398	2,920,588
Operation of Non-instructional Services	4,449,404	5,258,877	5,500,280	5,857,504	5,664,258	5,886,282	6,300,558	5,899,742	5,503,217	6,460,795
Extracurricular Activities	1,996,818	2,057,756	2,362,869	2,750,507	2,660,674	2,732,756	2,868,870	3,034,665	3,168,911	3,244,502
Capital Outlay	25,917,835	7,257,028	8,512,330	26,864,428	4,257,718	605,199	532,743	523,717	20,507	92,741
Debt Service										
Principal Retirement	4,250,000	4,990,000	5,095,000	6,415,000	6,949,000	7,595,000	8,612,000	9,538,000	6,647,000	8,466,000
Interest and Fiscal Charges	6,894,023	6,556,069	7,268,569	7,272,726	6,945,574	6,571,523	6,246,996	5,390,008	7,228,513	4,913,373
Bond Issuance Cost	0	0	0	0	0	0	0	314,815	0	0
Total Expenditures	\$124,579,241	\$113,190,580	\$126,265,834	\$148,012,485	\$130,813,046	\$130,564,641	\$130,955,325	\$124,636,979	\$125,081,917	\$128,186,866
Debt Service as a Percentage of Noncapital Expenditures	11.52%	10.83%	10.72%	11.29%	11.10%	11.00%	11.46%	12.04%	11.18%	10.49%

Source: District Records

Mason City School District, Ohio  
**Other Financing Sources and Uses and Net Change in Fund Balances,**  
**Governmental Funds,**

Last Ten Fiscal Years  
(modified accrual basis of accounting)  
**Schedule 7**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Other Financing Sources (Uses)</b>										
Issuance of Capital Leases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Proceeds from Sale of Capital Assets	4,053,490	132,275	98,529	179,406	378,104	15,221	0	73,154	0	0
Issuance of Bonds	0	0	0	0	0	0	0	0	0	0
Issuance of Long Term Debt	0	0	23,000,000	5,249,000	0	0	0	0	0	0
Issuance of Refunding Bonds	59,380,000	27,565,000	0	0	0	0	0	0	0	0
Payment to Refunded Bonds Escrow Agent	(65,349,169)	(29,826,979)	0	0	0	0	0	20,460,000	0	0
Refunding Bond Premium	5,969,169	2,578,301	0	0	0	0	0	(23,808,438)	0	0
Premium on Bonds and Notes Issued	0	0	0	0	0	0	0	0	0	0
Transfers In	13,187,317	8,621,787	20,341,705	19,460,344	18,513,505	18,036,569	16,951,461	16,060,000	15,819,000	15,297,229
Transfers Out	(13,187,317)	(8,621,787)	(20,341,705)	(19,460,344)	(18,513,505)	(18,036,569)	(16,951,461)	(16,060,000)	(15,819,000)	(15,297,229)
<b>Total Other Financing Sources (Uses)</b>	<b>4,053,490</b>	<b>448,597</b>	<b>23,098,529</b>	<b>5,428,406</b>	<b>378,104</b>	<b>15,221</b>	<b>0</b>	<b>387,969</b>	<b>0</b>	<b>0</b>
<b>Net Change in Fund Balances</b>	<b>(\$11,977,785)</b>	<b>\$8,747,473</b>	<b>\$25,108,698</b>	<b>(\$10,536,095)</b>	<b>(\$6,644,045)</b>	<b>(\$1,416,486)</b>	<b>(\$4,899,634)</b>	<b>\$3,688,558</b>	<b>(\$1,494,335)</b>	<b>\$11,606,444</b>

Source: District Records

**Mason City School District, Ohio**  
**Assessed Value and Actual Value of Taxable Property**  
**Last Ten Calendar Years**  
**Schedule 8**

Calendar Year	Assessed Value			Total Assessed Value	Total Estimated Value	Total Direct Rate
	Real Property	Public Utility Personal	Tangible Personal			
2005	1,224,869,470	23,975,720	128,380,195	1,377,225,385	4,047,672,874	80.65
2006	1,461,205,840	27,382,510	109,110,197	1,597,698,547	4,548,619,680	81.76
2007	1,530,034,250	20,283,610	48,975,855	1,599,293,715	4,786,382,823	83.45
2008	1,571,051,330	21,158,000	5,915,050	1,598,124,380	4,607,402,066	83.45
2009	1,480,572,180	22,788,680	4,489,250	1,507,850,110	4,327,930,455	83.45
2010	1,492,898,890	10,198,936	0	1,503,097,826	4,277,015,100	83.45
2011	1,505,970,130	21,168,660	0	1,527,138,790	6,033,500,162	83.45
2012	1,443,664,060	27,216,000	0	1,470,880,060	4,143,965,650	83.97
2013	1,461,234,590	29,850,640	0	1,491,085,230	4,197,159,004	83.97
2014	1,482,387,830	32,320,460	0	1,514,708,290	4,272,121,594	83.97

Source: County Auditor

Mason City School District, Ohio  
 Direct and Overlapping Property Tax Rates,  
 Last Ten Calendar Years  
 Schedule 9

Calendar Year	District Direct Rate	Total District Direct Rate	Overlapping Rates											
			General Bond Improvement	Warren County	City of Mason	Mason Public Library	Deerfield Township	Great Oaks JVSD	Warren-Clinton Community Mental Health	Turtlecreek Township	Union Township	Warren County Health District	City of Lebanon	Lebanon Library
2005	71.07	9.15	0.43	6.46	7.32	0.00	10.60	2.70	1.00	5.62	9.20	0.50	0.00	0.00
2006	72.77	8.56	0.43	6.71	7.32	0.00	10.60	2.70	1.00	5.62	9.20	0.50	0.00	0.00
2007	74.46	8.56	0.43	6.71	7.32	0.00	10.60	2.70	1.00	5.62	9.20	0.50	0.00	0.00
2008	74.46	8.56	0.43	6.71	7.32	0.00	10.60	2.70	1.00	5.62	9.20	0.50	0.00	0.00
2009	74.46	8.56	0.43	5.78	6.44	0.00	10.60	2.70	1.00	9.12	9.20	0.50	7.82	1.00
2010	74.46	8.56	0.43	5.78	7.32	0.75	12.60	2.70	1.00	9.12	9.20	0.50	8.32	1.00
2011	74.46	8.56	0.43	7.78	7.32	0.75	12.60	2.70	1.00	9.12	9.20	0.50	7.82	1.00
2012	74.46	9.08	0.43	7.78	7.32	0.75	12.60	2.70	1.00	9.12	9.20	0.50	7.82	1.00
2013	74.46	9.08	0.43	7.78	6.72	0.75	14.10	2.70	1.00	9.12	9.20	0.50	8.32	1.00
2014	74.46	9.08	0.43	7.78	6.72	0.75	14.10	2.70	1.00	9.12	9.20	0.50	8.32	1.00



Mason City School District, Ohio  
Principal Property Tax Payers -- Warren County  
Tax Collection Year 2015 & 2006 (1)  
Schedule 10

Taxpayer	2015	
	Assessed Value	Percentage of Total Assessed Value
Duke Energy Ohio Inc.	\$31,738,060	2.13%
Deerfield Realty Holding	15,889,860	1.07%
GC Net Lease	15,717,210	1.05%
Hills Properties LTD	10,995,500	0.74%
Twin Fountains of Mason	8,044,720	0.54%
Kenwood Lincoln Mercury	7,478,770	0.50%
Northeast Cincinnati Hotel	6,773,000	0.45%
Mason Christian Village	6,428,110	0.43%
Tennis for Charity Inc.	5,941,490	0.40%
Cintas Sale Corp	5,920,370	0.40%
Total:	<u>\$114,927,090</u>	7.71%

Taxpayer	2006	
	Assessed Value	Percentage of Total Assessed Value
Cincinnati Gas and Electric	\$25,120,134	1.57%
Somerset Deerfield Holdings	14,726,453	0.92%
Mitsubishi Electric Automotive	13,487,815	0.84%
Cintas Corporation	11,277,817	0.71%
Duke Realty Ltd. Partnership	9,940,290	0.62%
Twin Fountains of Mason	8,695,050	0.54%
Mason Christian Village	6,966,732	0.44%
Proctor & Gamble	6,841,274	0.43%
Kenwood Lincoln Mercury	6,784,235	0.42%
Sterling Lakes Apartments	6,284,243	0.39%
Total:	<u>\$110,124,043</u>	6.89%

Source: County Auditor

(1) - Information for prior years not available from the County Auditor in the format needed.

The amounts presented represent the assessed values upon which 2014 and 2006 collections were based. The earliest data available was 2006.

**Mason City School District, Ohio  
Property Tax Levies and Collections,  
Last Ten Calendar Years  
Schedule 11**

Calendar Year	Taxes Levied	Collected within the Calendar Year of the Levy		Delinquent Collections in Subsequent Levy Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2004	52,725,826	52,648,787	99.85%	77,039	52,725,826	100.00%
2005	54,223,863	53,944,910	99.49%	278,953	54,223,863	100.00%
2006	56,733,533	56,472,883	99.54%	260,650	56,733,533	100.00%
2007	62,500,926	61,130,056	97.81%	1,182,624	62,312,680	99.70%
2008	67,096,885	65,579,262	97.74%	1,517,623	67,096,885	100.00%
2009	68,754,298	66,782,787	97.13%	1,334,015	68,116,802	99.07%
2010	68,964,253	66,990,013	97.14%	1,297,700	68,287,713	99.02%
2011	70,093,350	68,714,230	98.03%	1,379,120	70,093,350	100.00%
2012	70,237,102	69,277,930	98.63%	959,172	70,237,102	100.00%
2013	71,446,609	70,531,504	98.72%	915,105	71,446,609	100.00%
2014	71,144,660	69,751,930	98.04%	1,038,720	70,790,650	99.50%

Source: County Auditor and District records

Mason City School District, Ohio  
 Outstanding Debt by Type,  
 Last Ten Fiscal Years  
 Schedule 12

Fiscal Year	Capital Leases	General		Debt Service Fund Balance	Net General Obligation Notes & Bonds	Net Bonded Debt Per Capita	Ratio of Net Bonded Debt to Estimated Value	Primary Government		
		Obligation Bonds						Total Outstanding Debt	Percentage of Personal Income	Per Capita
2005	\$0	\$140,110,000		\$5,930,453	\$134,179,547	\$709	3.43%	\$140,110,000	2.26%	\$740
2006	0	139,627,632		6,462,916	133,164,716	677	3.29%	139,627,632	2.12%	710
2007	0	134,623,912		7,134,025	127,489,887	652	2.80%	134,623,912	1.87%	688
2008	0	152,283,855		9,097,233	143,186,622	701	2.99%	152,283,855	1.98%	745
2009	5,249,000	145,623,798		10,012,515	135,611,283	654	2.94%	145,623,798	1.79%	702
2010	5,225,000	138,453,741		9,226,109	129,227,632	613	2.99%	138,453,741	1.69%	657
2011	5,170,000	130,668,684		8,754,032	121,914,652	573	2.85%	130,668,684	1.51%	614
2012	5,103,000	121,878,627		6,936,422	114,942,205	535	1.91%	121,878,627	1.32%	567
2013	5,025,000	112,488,385		6,528,744	105,959,641	488	2.56%	112,488,385	1.14%	518
2014	4,933,000	108,878,030		5,878,777	102,999,253	470	2.45%	108,878,030	NA	497
2015	4,827,000	99,945,595		7,802,150	92,143,445	416	2.16%	99,945,595	NA	451

Source: District Records

N/A - Information not available

**Mason City School District, Ohio**  
**Direct and Overlapping Governmental Activities Debt**  
**As of June 30, 2015**  
**Schedule 13**

<b>Governmental Unit</b>	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
<b>Overlapping Debt:</b>			
Butler County	\$51,823,110	0.06%	\$31,094
Warren County	2,000,000	26.49%	529,800
Lebanon City	9,616,603	0.00%	0
City of Mason	50,955,000	91.22%	46,481,151
Deerfield Township	7,064,000	58.12%	4,105,597
Turtle Creek Township	1,425,000	0.03%	428
Union Township	175,136	2.79%	4,886
West Chester Township	46,390,000	0.23%	106,697
Great Oaks Joint Vocational School	12,985,000	8.31%	1,079,054
<b>Subtotal, Overlapping Debt</b>	182,433,849		52,338,707
<b>District direct debt</b>	99,945,595	100.00%	99,945,595
<b>Total direct and overlapping debt</b>	\$282,379,444		\$152,284,302

**Source:** Ohio Municipal Advisory Council

(1)- Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the District by the total assessed valuation of the government.

Mason City School District, Ohio  
 Legal Debt Margin Information,  
 Last Ten Fiscal Years (1)  
 Schedule 14

Legal Debt Margin Calculation for Fiscal Year 2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt Limit	\$215,911,053	\$215,911,053	\$247,858,540	\$247,858,540	\$247,858,540	\$247,858,540	\$247,858,540	\$247,858,540	\$247,858,540	\$247,858,540
Total Net Debt Applicable to Limit	132,582,084	124,165,975	146,857,767	139,027,485	132,638,891	125,070,968	117,843,578	125,413,385	121,611,030	112,172,595
Legal Debt Margin	\$83,328,969	\$91,745,078	\$101,000,773	\$108,831,055	\$115,219,649	\$122,787,572	\$130,014,962	\$122,445,155	\$126,247,510	\$135,685,945
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	61.41%	57.51%	59.25%	56.09%	53.51%	50.46%	47.54%	50.60%	49.06%	45.26%

Source: District Records

(1) - Assessed values are on a calendar year basis (i.e. fiscal year 2006 is calendar year 2005)

(2) Under Section 133.06(E) of the Ohio Revised Code, if a board of education determines that its students are not being adequately serviced by existing facilities, and that sufficient funds to provide such facilities cannot be obtained when needed by the issuance of bonds within the nine percent limitation, it may qualify as a "special needs district", and thereby be permitted to incur net indebtedness in excess of the nine mill limitation. The district applied for and received approval of the Ohio Department of Taxation and the Ohio Department of Education to become a special needs district.

**Mason City School District, Ohio**  
**Demographic and Economic Statistics**  
**Last Ten Calendar Years**  
**Schedule 15**

<b>Calendar Year</b>	<b>Population (1)</b>	<b>Personal Income (Thousands of Dollars) (2)</b>	<b>Per Capita Personal Income (3)</b>	<b>Unemployment Rate (4)</b>
2004	189,276	\$6,213,055	\$32,745	4.00%
2005	196,622	6,597,227	33,524	4.70%
2006	195,575	7,211,608	36,134	4.50%
2007	204,390	7,709,497	37,865	4.90%
2008	207,353	8,121,993	39,156	5.60%
2009	210,712	8,189,840	38,867	9.30%
2010	212,693	8,645,056	40,536	8.10%
2011	214,910	9,202,095	42,818	6.30%
2012	217,241	9,880,531	45,482	6.50%
2013	219,169	10,131,284	46,226	6.40%
2014	221,659	NA	NA	5.20%

(1) Population estimates provided by U.S. Census Bureau for Warren County

(2) Bureau of Economic Analysis Data. Information for Warren County

(3) State of Ohio Bureau of Employment Services Annual averages. Information for Warren County.

(4) Ohio Bureau of Employment Services, rates are for Warren County

N/A - Information not available

**Mason City School District, Ohio  
Principal Employers,  
Current Year and Nine Years Prior  
Schedule 16**

Employer	2015 (1)	
	Number of Employees	Percentage of Total Employment
Procter & Gamble	1,943	1.80%
WellPoint	1,748	1.62%
Luxottica Retail	1,533	1.42%
Cintas Corporate	1,322	1.22%
Mason City Schools	1,088	1.01%
L3 Cincinnati Electronics	609	0.56%
Cengage Learning, Inc.	575	0.53%
Intelligrated Systems, LLC	468	0.43%
Portion Pac	455	0.42%
Mitsubishi Electric	395	0.37%
	<u>10,136</u>	<u>9.38%</u>
Total County Employment (3)	108,100	

Employer	2005 (2)	
	Number of Employees	Percentage of Total Employment
Procter & Gamble	2,400	2.41%
Cintas	1,800	1.81%
Anthem Blue Cross & Blue Shield	1,300	1.31%
Mason City Schools	1,207	1.21%
Luxottica Retail	1,162	1.17%
Blackhawk Automotive	733	0.74%
Siemens Business Services, Inc.	500	0.50%
Portion Pac	483	0.49%
UBE Automotive Inc.	458	0.46%
Mitsubishi Electric Automotive	435	0.44%
	<u>10,478</u>	<u>10.53%</u>
Total County Employment (3)	99,500	

Source: (1) Warren County Economic Development Department & City of Mason Economic Development - most recent information available

Source: (2) City of Mason Income Tax Department

Source: (3) Historical Civilian Labor Force Estimates

**Mason City School District, Ohio**  
**Full-time-Equivalent District Employees by Type**  
**Last Ten Year Years**  
**Schedule 17**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Office/Administrative</b>										
Superintendent/Associate/Assistants	4.00	4.00	4.00	4.00	4.00	4.00	3.00	3.00	3.00	3.00
Principals/Assistant	23.00	24.00	24.00	25.00	26.00	26.00	23.00	21.00	20.33	21.00
Other	19.93	20.56	22.75	20.75	21.75	21.00	20.00	17.90	17.00	19.00
<b>Official/Administrative</b>	<u>46.93</u>	<u>48.56</u>	<u>50.75</u>	<u>49.75</u>	<u>51.75</u>	<u>51.00</u>	<u>46.00</u>	<u>41.90</u>	<u>40.33</u>	<u>43.00</u>
<b>Professional- Educational</b>										
Total General Education	466.62	503.01	528.82	558.55	547.53	544.00	527.26	511.05	513.00	482.33
Special Education	82.00	90.84	94.27	86.58	96.51	94.91	93.12	88.67	87.72	78.63
Curriculum Specialist	12.00	12.00	12.50	13.00	12.00	12.00	10.50	12.50	10.00	8.00
Counseling	17.00	17.00	20.50	22.10	22.10	21.00	21.00	20.00	20.00	19.80
Librarian/Media	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Other Professional	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00	14.00
<b>Professional-Educational</b>	<u>580.62</u>	<u>625.85</u>	<u>659.09</u>	<u>683.23</u>	<u>681.14</u>	<u>674.91</u>	<u>654.88</u>	<u>634.22</u>	<u>632.72</u>	<u>604.76</u>
<b>Professional - Other</b>										
Public Relations	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Psychologists	5.00	5.00	5.00	5.00	8.00	9.00	9.00	9.00	9.00	10.00
Social Work	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Speech, OT, PT	14.65	19.74	14.13	13.87	13.87	14.15	13.95	14.12	14.88	13.34
<b>Professional - Other</b>	<u>21.65</u>	<u>26.74</u>	<u>21.13</u>	<u>20.87</u>	<u>23.87</u>	<u>25.15</u>	<u>24.95</u>	<u>25.12</u>	<u>25.88</u>	<u>25.34</u>
<b>Technical</b>										
Information Technology	12.00	13.00	13.00	13.00	13.00	12.00	11.00	11.00	9.00	8.00
Practical Nursing	8.52	8.02	8.02	8.96	9.46	9.93	8.99	8.52	8.46	8.46
Library Aide	10.77	11.84	11.97	11.70	9.70	10.20	10.20	7.20	7.20	8.63
Other Technical	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00
<b>Technical</b>	<u>33.29</u>	<u>34.86</u>	<u>34.99</u>	<u>35.66</u>	<u>34.16</u>	<u>34.13</u>	<u>32.19</u>	<u>28.72</u>	<u>25.66</u>	<u>26.09</u>
<b>Office/ Clerical</b>	<u>58.23</u>	<u>60.73</u>	<u>67.73</u>	<u>70.19</u>	<u>69.99</u>	<u>67.89</u>	<u>62.50</u>	<u>56.77</u>	<u>55.52</u>	<u>58.03</u>
<b>Crafts &amp; Trades</b>	<u>17.00</u>	<u>16.00</u>	<u>14.00</u>	<u>14.00</u>	<u>13.00</u>	<u>13.00</u>	<u>12.00</u>	<u>11.00</u>	<u>9.00</u>	<u>10.00</u>
<b>Bus Drivers</b>	<u>80.71</u>	<u>82.38</u>	<u>89.04</u>	<u>91.35</u>	<u>90.81</u>	<u>80.28</u>	<u>68.80</u>	<u>69.75</u>	<u>66.37</u>	<u>70.56</u>
<b>Extra- Curricular</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Service Work/ Laborer</b>										
Attendance Officer	0.94	0.94	0.94	0.94	0.94	0.94	0.94	0.94	0.94	0.94
Custodian	71.00	67.00	65.00	60.00	59.00	56.00	44.00	41.00	37.00	34.00
Groundskeeping	3.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00
Food Service	40.92	46.35	46.33	51.65	54.64	51.48	48.43	46.77	45.18	47.76
Guard/ Watchman	3.00	3.00	3.00	3.00	4.00	4.00	4.00	1.00	1.00	0.00
Monitoring (Recess)	17.68	19.96	23.47	24.70	21.50	24.57	28.24	22.08	21.86	24.95
Attendent (Paraprofessionals)	147.50	151.52	155.31	160.91	163.55	171.04	158.94	141.71	134.11	130.32
Other Services Worker/ Laborer	0.27	0.27	0.27	0.27	1.14	0.27	0.27	0.00	0.00	9.43
Total support and administration	<u>284.31</u>	<u>291.04</u>	<u>296.32</u>	<u>303.47</u>	<u>306.77</u>	<u>310.30</u>	<u>286.82</u>	<u>256.50</u>	<u>243.09</u>	<u>250.40</u>
<b>Total employees</b>	<u>1122.74</u>	<u>1186.16</u>	<u>1233.05</u>	<u>1268.52</u>	<u>1271.49</u>	<u>1256.66</u>	<u>1188.14</u>	<u>1123.98</u>	<u>1098.57</u>	<u>1088.18</u>

Source: State Department of Education



Mason City School District, Ohio  
 Operating Statistics  
 Last Ten Fiscal Years  
 Schedule 18

Fiscal Year	Enrollment	Operating Expenditure	Cost Per Pupil	Percentage Change	Expenses	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
2006	9,792	\$87,517,383	\$8,938	5.11%	\$98,835,063	\$10,093	5.22%	588.10	16.7	4.48%
2007	10,379	94,387,483	9,094	1.75%	105,429,318	10,158	0.64%	681.00	15.2	4.47%
2008	10,710	105,389,935	9,840	8.21%	113,971,792	10,642	4.76%	711.00	15.1	3.83%
2009	10,803	107,460,331	9,947	1.09%	118,659,743	10,984	3.22%	744.00	14.5	4.55%
2010	10,974	112,660,754	10,266	3.21%	122,017,971	11,119	1.23%	761.00	14.4	5.37%
2011	11,013	115,792,919	10,514	2.42%	125,677,265	11,412	2.63%	755.00	14.6	6.44%
2012	10,991	115,563,586	10,514	0.00%	125,536,986	11,422	0.09%	708.50	15.5	6.94%
2013	10,911	108,870,439	9,978	-5.10%	118,759,404	10,884	-4.71%	691.50	15.8	7.68%
2014	10,773	111,185,897	10,321	3.44%	\$121,628,249	11,290	3.73%	672.50	16.0	8.00%
2015	10,715	114,714,752	10,706	3.73%	\$124,713,728	11,639	3.09%	656.00	16.3	8.00%

Source: Nonfinancial information from district records.

N/A - Information not available

**Mason City School District, Ohio**  
**School Building Information,**  
**Last Ten Fiscal Years**  
**Schedule 19**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>School</b>										
<b>Elementary</b>										
MECC - Annex- Preschool (1973)										
Square feet	9,034									
Capacity	175									
Enrollment	161									
Mason Early Childhood (1911)										
Square feet	56,926									
Capacity	475									
Enrollment	801									
Mason Early Childhood (2006)										
Square feet		172,211	172,211	172,211	172,211	172,211	172,211	172,211	172,211	172,211
Capacity		2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
Enrollment		1,850	1,797	1,754	1,747	1,706	1,549	1,905	1,854	1,825
Mason Heights (1965)										
Square feet	101,863	101,863	101,863	101,863	101,863	101,863	101,863			
Capacity	1,200	1,200	1,200	1,200	1,200	1,200	1,200			
Enrollment	1,216	844	890	874	833	821	838			
Western Row (1961)										
Square feet	100,002	100,002	100,002	100,002	100,002	100,002	100,002	100,002	100,002	100,002
Capacity	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Enrollment	1,208	857	888	907	866	855	840	1,164	1,050	1,025
Mason Intermediate (1998/1994)										
Square feet	290,552	356,700	356,700	356,700	356,700	356,700	356,700	356,700	356,700	356,700
Capacity	2,400	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Enrollment	2,387	2,519	2,592	2,608	2,715	2,700	2,678	2,617	2,606	2,554
<b>Junior High School</b>										
Mason Middle (1958)										
Square feet	276,378	276,378	276,378	276,378	276,378	276,378	276,378	276,378	276,378	276,378
Capacity	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850
Enrollment	1,452	1,542	1,663	1,713	1,724	1,773	1,800	1,845	1,853	1,749
<b>High School</b>										
William Mason High (2002) (2010)										
Square feet	375,010	375,010	375,010	375,010	539,236	539,236	539,236	539,236	539,236	539,236
Capacity	2,950	2,950	2,950	2,950	3,513	3,513	3,700	3,700	3,700	3,700
Enrollment	2,567	2,767	2,880	2,947	3,089	3,158	3,286	3,380	3,410	3,562

Source: School District Records

**Mason City School District, Ohio**  
**MISCELLANEOUS STATISTICAL DATA**  
**Schedule 20**

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 2014-2015 School Year:	937,800
Number Meals Served by Food Service	
Department for the 2014-2015 School Year:	1,217,813

School Buildings	Grade Levels	Enrollment
Mason Early Childhood Center	PS-2	1,825
Western Row Elementary	2-3	1,025
Mason Intermediate	4-6	2,554
Mason Middle School	7-8	1,749
William Mason High School	9-12	3,562
		10,715

Degree	Number of Certified Staff	Percentage of Total
Bachelor's Degree	30.0	4.57%
Bachelor + 150	65.5	9.98%
Master's Degree	557.5	84.98%
Doctorate	3.0	0.46%
Total	656.0	100.00%

Years of Experience	Number of Certified Staff	Percentage of Total
<b>0 - 5</b>	91.5	13.95%
<b>6 - 10</b>	210.5	32.09%
<b>11 - 15</b>	156.0	23.78%
<b>16 - 20</b>	105.0	16.01%
<b>21 - 25</b>	58.0	8.84%
<b>26 - 30</b>	25.0	3.81%
<b>31 - 35</b>	10.0	1.52%
<b>36 - 40</b>	0.0	0.00%
	656.0	100.00%

Source: School District Records

Mason City School District, Ohio  
 STUDENT POPULATION BY SEX AND BY RACE  
 FOR THE 2014-2015 SCHOOL YEAR  
 Schedule 21

Grade	Male	Female	Total
PS	94	70	164
K	292	288	580
1	341	321	662
2	371	331	702
3	359	383	742
4	438	368	806
5	422	440	862
6	459	427	886
7	447	425	872
8	476	401	877
9	486	455	941
10	450	423	873
11	440	443	883
12	416	418	834
Ungraded	17	14	31
	5,508	5,207	10,715

Race	Total	Percent
American Indian/Alaskan	18	0.17%
Asian	2,041	19.05%
Black	412	3.85%
Caucasian	7,353	68.62%
Hispanic	419	3.91%
Multi-Racial	460	4.29%
Hawaiian/Pac Island	12	0.11%
	10,715	100.00%

Source: School District Financial Records.

Mason City School District, Ohio  
**ENROLLMENT HISTORY**  
**LAST TEN YEARS**  
**Schedule 22**

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
2014-15	164	580	662	702	742	806	862	886	872	877	941	873	883	865	10,715	-0.54%
2013-14	171	575	679	713	766	867	876	863	878	977	857	878	832	841	10,773	-1.26%
2012-13	191	601	687	743	847	872	866	879	969	877	867	828	812	872	10,911	-0.73%
2011-12	193	623	733	826	852	845	872	961	880	917	850	809	851	779	10,991	-0.20%
2010-11	201	689	816	828	848	862	959	879	899	874	814	849	755	740	11,013	0.36%
2009-10	211	727	809	827	872	931	885	899	867	857	852	768	719	750	10,974	1.58%
2008-09	196	751	807	855	926	861	890	857	853	860	767	727	746	707	10,803	0.87%
2007-08	180	765	852	923	855	885	843	864	863	800	721	736	683	740	10,710	3.19%
2006-07	168	798	886	826	873	834	831	854	798	744	729	693	741	604	10,379	5.99%
2005-06	161	801	802	840	782	813	812	762	725	727	674	713	593	587	9,792	5.91%

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

Source: School District Records

**Mason City School District, Ohio**  
**DIRECTORY OF SCHOOL FACILITIES**  
**AS OF JUNE 30, 2015**  
**Schedule 23**

Facility	Address	Administrator / Contact	Grades	Phone Numbers
Early Childhood Center	4631 Hickory Woods Dr.	Melissa Bly	PS-2	398-3741
Western Row School	755 Western Row Road	Eric Messer	2-3	398-5821
Mason Intermediate	6307 Mason-Montgomery Rd.	Greg Sears	4-6	459-2850
Mason Middle School	6370 Mason-Montgomery Rd.	Tonya McCall	7-8	398-9035
Mason High School	6100 Mason-Montgomery Rd.	Mindy McCarty-Stewart	9-12	398-5025
Mason Central Administration	211 North East Street	Gail Kist-Kline		398-0474
Transportation Center	5025 Enterprise Drive	Carolyn Thornton		398-6682
Maintenance Garage	5120 Enterprise Drive	George Highfill		398-2784



# Dave Yost • Auditor of State

**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  
DECEMBER 17, 2015**