



Mary Taylor, CPA
Auditor of State

MASON CITY SCHOOL DISTRICT
WARREN COUNTY

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**MASON CITY SCHOOL DISTRICT
WARREN COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2009**

Federal Grantor/ Pass Through Grantor Program Title	Grant Year & Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
U.S. DEPARTMENT OF AGRICULTURE						
<i>Passed Through Ohio Department of Education:</i>						
<i>Child Nutrition Cluster:</i>						
Non-Cash Assistance (Food Distribution):						
National School Lunch Program		10.555		\$413,155		\$456,122
Cash Assistance:						
National School Lunch Program	2009-3L60	10.555	\$398,515		\$398,515	
Total National School Lunch Program - Child Nutrition Cluster			398,515	413,155	398,515	456,122
Total U.S. Department of Agriculture			398,515	413,155	398,515	456,122
U.S. DEPARTMENT OF EDUCATION						
<i>Passed Through Ohio Department of Education:</i>						
<i>Special Education Cluster:</i>						
Special Education_Grants to States	2008-3M20	84.027	402,413		283,595	
	2009-3M20		1,214,194		1,239,627	
Total Special Education_Grants to States			1,616,607	0	1,523,222	0
Special Education_Preschool Grants	2008-3C50	84.173	8,286		8,310	
Special Education_Preschool Grants	2009-3C50		33,830		33,830	
Special Education_Preschool Child Outcome	2009-3C50		2,929		2,929	
Total Special Education_Preschool Grants			45,045	0	45,069	0
Total Special Education Cluster			1,661,652	0	1,568,291	0
Title I Grants to Local Educational Agencies	2008-3M00	84.010	37,186		38,311	
	2009-3M00		161,973		161,973	
Total Title I Grants to Local Educational Agencies			199,159	0	200,284	0
Safe and Drug-Free Schools and Communities_State Grants	2008-3D10	84.186	0		649	
	2009-3D10		21,553		21,530	
Total Safe and Drug-Free Schools and Communities_State Grants			21,553	0	22,179	0
State Grants for Innovative Programs	2008-3M10	84.298	10,245		1,149	
	2009-3M10		7,890		7,390	
Total State Grants for Innovative Programs			18,135	0	8,539	0
Education Technology State Grants	2009-3S20	84.318	1,871		1,634	
Total Education Technology State Grants			1,871	0	1,634	0
English Language Acquisition Grants		84.365				
Title III - LEP	2008-3Y70		15,270		15,160	
Title III - LEP	2009-3Y70		57,459		57,366	
Title III - Immigrant	2008-3Y70		2,821		3,828	
Total English Language Acquisition Grants			75,550	0	76,354	0
Improving Teacher Quality State Grants	2008-3Y60	84.367	14,704		4,455	
	2009-3Y60		139,841		118,503	
Total Improving Teacher Quality State Grants			154,545	0	122,958	0
<i>Total Passed Through Ohio Department of Education:</i>			<i>2,132,465</i>	<i>0</i>	<i>2,000,239</i>	<i>0</i>
<i>Passed Through Great Oaks Institute of Technology and Career Development</i>						
Vocational Education_Basic Grants to States	2009	84.048	18,666	0	9,254	0
<i>Total Passed Through Great Oaks Institute of Technology and Career Development</i>			<i>18,666</i>	<i>0</i>	<i>9,254</i>	<i>0</i>
Total U.S. Department of Education			2,151,131	0	2,009,493	0
U.S. DEPARTMENT OF HOMELAND SECURITY						
<i>Passed Through Ohio Department of Public Safety:</i>						
Disaster Grants - Public Assistance (Presidentially Declared Disasters)		FEMA-1805-DR-165-034C6	97.036	11,729	0	11,729
Total U.S. Department of Homeland Security			11,729	0	11,729	0
Total Federal Assistance			\$2,561,375	\$413,155	\$2,419,737	\$456,122

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

**MASON CITY SCHOOL DISTRICT
WARREN COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
FISCAL YEAR ENDED JUNE 30, 2009**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - CHILD NUTRITION CLUSTER

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

NOTE C – FOOD DONATION PROGRAM

Program regulations do not require the Government to maintain separate inventory records for purchased food versus food commodities it receives from the U.S. Department of Agriculture. The government reports commodities consumed on the Schedule at the fair value.



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' 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 the 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, 2009, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 14, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinion on the financial statements, but not to opine on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Government's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the Government's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the Government's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

We noted certain matters that we reported to the District's management in a separate letter dated December 14, 2009.

Compliance and Other Matters

As part of reasonably assuring whether the Government'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, providing an opinion 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*.

We did note certain noncompliance or other matters that we reported to the District's management in a separate letter dated December 14, 2009.

We intend this report solely for the information and use of the management, the Board of Education, and federal awarding agencies and pass-through entities. We intend it for no one other than these specified parties.



Mary Taylor, CPA
Auditor of State

December 14, 2009



Mary Taylor, CPA

Auditor of State

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

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

To the Board of Education:

Compliance

We have audited the compliance of Mason City School District, Warren County, Ohio (the District), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to each of its major federal programs for the year ended June 30, 2009. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the Mason City School District, Warren County, Ohio complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance.

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Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood that the District's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the District's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

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 that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we noted a matter involving the internal control over federal compliance not requiring inclusion in this report, that we reported to the District's management in a separate letter dated December 14, 2009.

Federal Awards Expenditures Schedule

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, Warren County, Ohio as of and for the year ended June 30, 2009, and have issued our report thereon dated December 14, 2009. Our audit was performed to form an opinion on the financial statements that collectively comprise the District's basic financial statements. The accompanying federal awards expenditures schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of management, the Board of Education, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



Mary Taylor, CPA
Auditor of State

December 14, 2009

**MASON CITY SCHOOL DISTRICT
WARREN COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2009**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<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 other 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 other significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	CFDA #10.555 – Child Nutrition Cluster CFDA #84.367 – Improving Teacher Quality
<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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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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

To the Board of Education:

Ohio Rev. Code Section 117.53 states "the auditor of state shall identify whether the school district or community school has adopted an anti-harassment policy in accordance with Section 3313.666 of the Revised Code. This determination shall be recorded in the audit report. The auditor of state shall not prescribe the content or operation of any anti-harassment policy adopted by a school district or community school."

Accordingly, we have performed the procedures enumerated below, which were agreed to by the Board, solely to assist the Board in evaluating whether Mason City School District (the District) has adopted an anti-harassment policy in accordance with Ohio Rev. Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Board. Consequently; we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the Board adopted an anti-harassment policy at its meeting on January 8, 2008.
2. We read the policy, noting it included the following requirements from Ohio Rev. Code Section 3313.666(B):
 - (1) A statement prohibiting harassment, intimidation, or bullying of any student on school property or at school-sponsored events;
 - (2) A definition of harassment, intimidation, or bullying that includes the definition in division (A) of Ohio Rev. Code Section 3313.666;
 - (3) A procedure for reporting prohibited incidents;
 - (4) A requirement that school personnel report prohibited incidents of which they are aware to the school principal or other administrator designated by the principal;
 - (5) A requirement that parents or guardians of any student involved in a prohibited incident be notified and, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended, have access to any written reports pertaining to the prohibited incident;

- (6) A procedure for documenting any prohibited incident that is reported;
- (7) A procedure for responding to and investigating any reported incident;
- (8) A strategy for protecting a victim from additional harassment, intimidation, or bullying, and from retaliation following a report;
- (9) A disciplinary procedure for any student guilty of harassment, intimidation, or bullying, which shall not infringe on any student's rights under the first amendment to the Constitution of the United States;
- (10) A requirement that the district administration semiannually provide the president of the district board a written summary of all reported incidents and post the summary on its web site, if the district has a web site, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the anti-harassment policy. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board and is not intended to be and should not be used by anyone other than these specified parties.

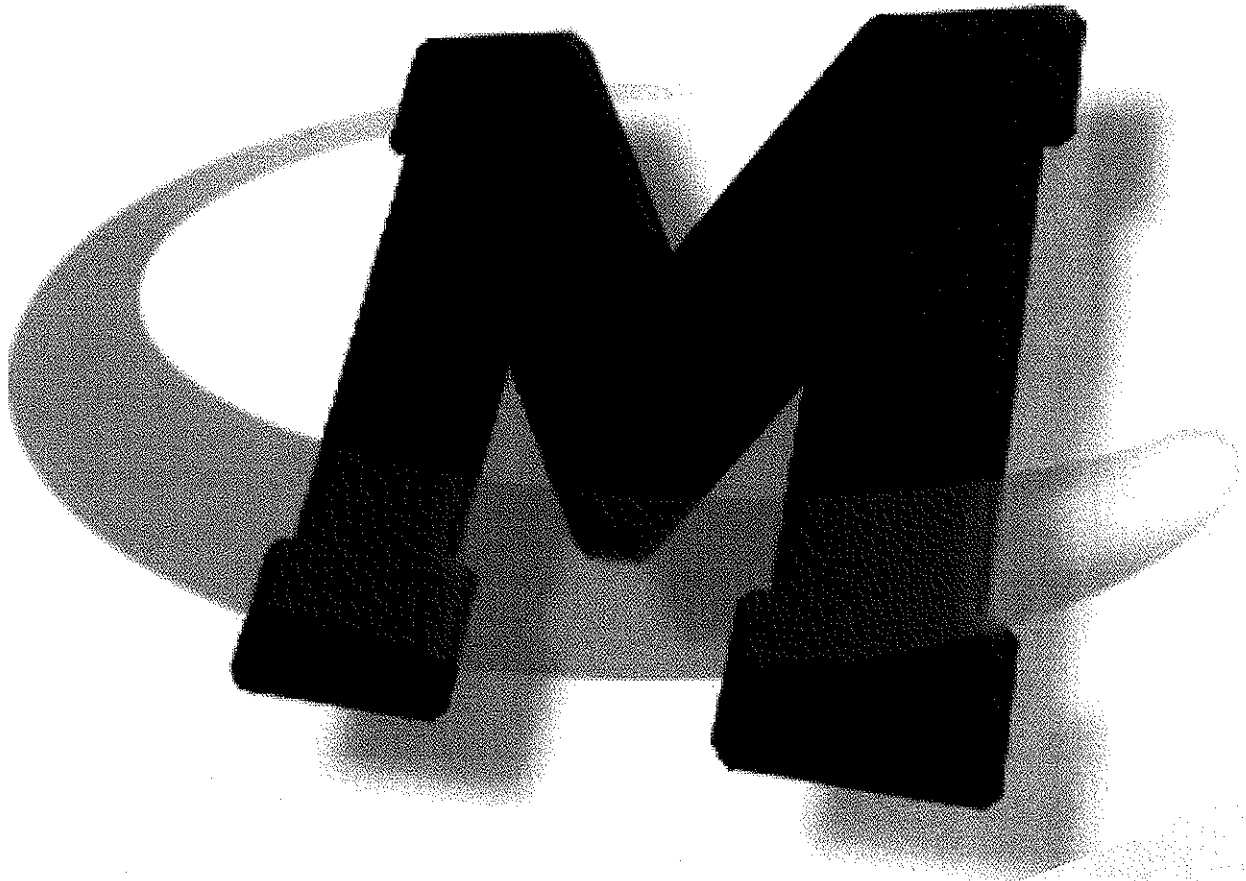


Mary Taylor, CPA
Auditor of State

December 14, 2009

MASON CITY SCHOOLS

COMPREHENSIVE ANNUAL FINANCIAL REPORT



**For the fiscal year ended
June 30, 2009**

“Welcoming, valuing and engaging each learner”

MASON, OHIO

MASON CITY SCHOOL DISTRICT
MASON, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the fiscal year ended
June 30, 2009

Prepared by:
Treasurer's Office

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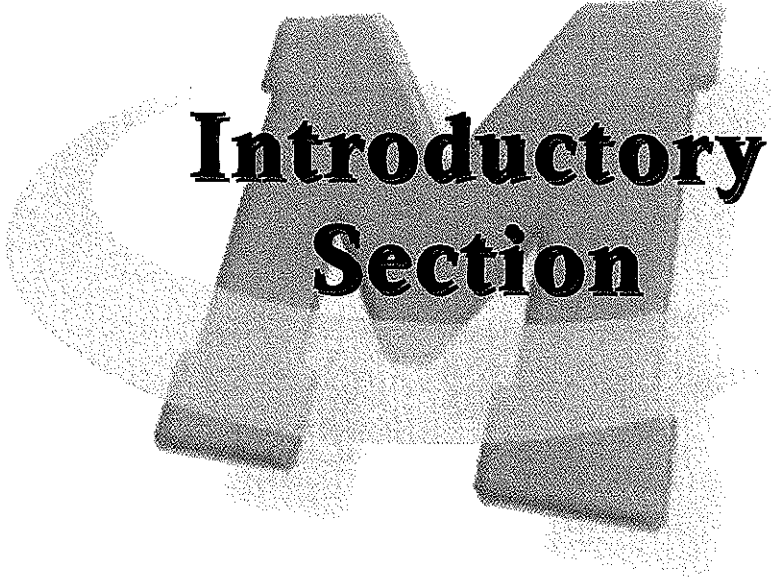
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**Introductory
Section**

MASON CITY SCHOOLS

Treasurer's Office

211 North East Street • Mason, Ohio • 45040

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

December 14, 2009

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, 2009.

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, 2009, 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 unqualified opinion that the Mason City School District's financial statements for the fiscal year ended June 30, 2009, 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, 2009, are:

<u>Board Member</u>	<u>Current Term</u>	<u>Total Years</u>
Mr. Kevin Wise	Jan. 2008 - Dec. 2011	6 ½
Mrs. Marianne Culbertson	Jan. 2006 - Dec. 2009	15 ½
Mrs. Deborah Delp	Jan. 2009 - Dec. 2011	5 ½
Mrs. Jennifer Miller	Jan. 2006 - Dec. 2009	3 ½
Mrs. Connie Yingling	Jan. 2006 - Dec. 2009	9 ¾

The Superintendent is the chief executive officer of the District and is responsible directly to the Board for all operations of the District. Dr. Kevin L. Bright was appointed Superintendent effective August 1, 1998 and his current contract expires July 31, 2012.

The Treasurer and CFO is the chief financial officer of the District and is directly responsible to the Board for all financial operations, investments, custody of all District funds and assets, and serves as Secretary to the Board. Mr. Richard L. Gardner was initially appointed Treasurer effective May 1, 2000, and his current contract will expire on December 31, 2008. On August 27, 2008 he was given a new contract that will expire July 31, 2011 with an option to extend for two more years.

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 10,803 students during the 2009 fiscal year in six 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 Heights Elementary School (2-3) was constructed in 1967, with additions in 1978 and 1987. Mason Early Childhood Center (PreK-1) was constructed in 2007.

The District employed 1,269 full-time equivalent employees as of June 30, 2009. The number of employees has been increasing due to the increase in student population. The District's current enrollment is 10,803. It is expected that the District's enrollment will be approximately 11,000 for fiscal year 2010 and will continue to increase for the next several years.

The District teachers, educational specialists, tutors and counselors are represented by the Mason Education Association (MEA). The current three year agreement on language, salary and fringe benefits will expire on June 30, 2012. The current agreement provided MEA members with a 0.0% base salary increase for the 2009-2010 school year, leaving the base teaching salary at \$36,484; a 2.50% base salary increase for the 2010-2011 school year, bringing the base teaching salary to \$37,396; and a 2.50% base salary increase for the 2011-2012 school year, bringing the base teaching salary to \$38,331.

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 will expire on June 30, 2011. The current agreement provided OAPSE #070 members with a 2.25% increase for the 2009-2010 school year, and a 2.50% increase for the 2010-2011 school year.

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.

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 22,016 in the 2000 U.S. Census and has been growing steadily through planning and development. The District is served by Sprint Telephone and Duke Energy. The Mason Pulse Journal, Community Press and The Western Star newspapers regularly cover District events. The District is also served by newspapers, radio and television stations in both Cincinnati and Dayton. Major universities easily accessible from the District are the University of Cincinnati and Xavier University in Cincinnati, Miami University in Oxford, and Wright State University and the University of Dayton, both in Dayton.

Although the Mason City School District is being impacted by the current economic slowdown, it still currently enjoys a reasonably favorable economic environment. The region has a varied manufacturing and industrial base that adds to the relative stability of the unemployment rate, which has averaged significantly less than the United States and State of Ohio averages in recent years. The City of Mason and Deerfield Township target high tech companies, corporate headquarters and light industry for the District's business community. The diverse business base is home to national and international blue chip corporations' headquarters and divisions that include a major health care research center, uniforms manufacturer and distributor, insurance, automotive component manufacturers, condiments, electronics, software and technology companies and institutions.

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 continue to be developed over the next five to ten years with the associated additional investments in plant and equipment and increasing job opportunities.

Long-term financial planning. Student enrollment growth has been the priority for the Board and Administration for the last 15 years. Demographic projections indicate the District will see its population exceed 11,000 in the next few years. The District added a fourth classroom wing to the high school in August 2009 that gives the District a student capacity of approximately 13,000, and that should be the last major construction project that will be needed.

The District utilizes a continuous improvement process. A committee of parents, students, and community members meets regularly to address issues such as: What do we want for our students? What makes a high quality education? How do we reach success? It is the goal of the group to create a culture of continuous improvement in the District.

Cash management policies and practices. The District operates a cash management program designed to provide safety, liquidity and yield in that order. Funds are invested in certificates of deposit, in the Ohio State Treasurer's Investment Pool (Star Ohio), U.S. Treasury and Agency Notes and Bonds, US Treasury Bills, repurchase agreements, commercial paper and mutual funds. The amount of interest income in fiscal year 2009 for all District funds was \$1,955,147. A more detailed description of the District's investment functions is provided in Note 3 to the financial statements.

Risk Management. The District maintains protection for its assets and employees through a comprehensive insurance program. Insurance policies for vehicle fleet liability, general liability, property loss and boiler and machinery coverage are purchased from insurance companies licensed to do business in the State of Ohio. The maximum deductible amount for these coverages is \$5,000 per loss incurred.

Through September 30, 2008 the District paid the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate was calculated based on accident history and administrative costs. Effective October 1, 2009 the district's Workers' Compensation was changed to a self-funded program.

The District provides health, dental, optical and life insurance to all regular employees who work 20 or more hours per week. Employees share the cost with the Board. The cost varies depending on the terms of the negotiated agreements and Board Policy. The health, dental and optical programs are all on a self-insured basis.

Relevant Financial Policies. In July, 2009, the Ohio's Governor signed HB 1, the state biennium budget bill. Included in this bill was a complete overhaul of the school funding model for all school districts in Ohio. The new Ohio Evidence-Based Model (OEBM) replaces the long-standing foundation formula that was declared unconstitutional by the Ohio Supreme Court. If ever fully-funded, the new model has the potential to drive funding based on student needs and could result in additional revenue. However, the current economic crisis has reduced revenue at the state level prompting budget reduction measures across the State. As such, the OEBM model is being phased in with FY 10 and FY 11 funding being allocated based on 99% of FY 09 funding and 98% of FY 10 funding, respectively. Federal stimulus funds are being used in Ohio to balance the education budget and as such, funding for public education at the current level is not secure beyond FY 11. This uncertainty could have a major impact on our instructional and operational programs. The need for additional revenue and or expenditure reductions will need to be monitored closely.

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, 2008. 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 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 black ink, appearing to read "Richard L. Gardner". The signature is written in a cursive style with a large, prominent initial "R".

Richard L. Gardner
Treasurer and CFO

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Mason City School District
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

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



A handwritten signature in black ink, appearing to read "M. L. P.", is positioned above the title "President".

President

A handwritten signature in black ink, reading "Jeffrey R. Emer", is positioned above the title "Executive Director".

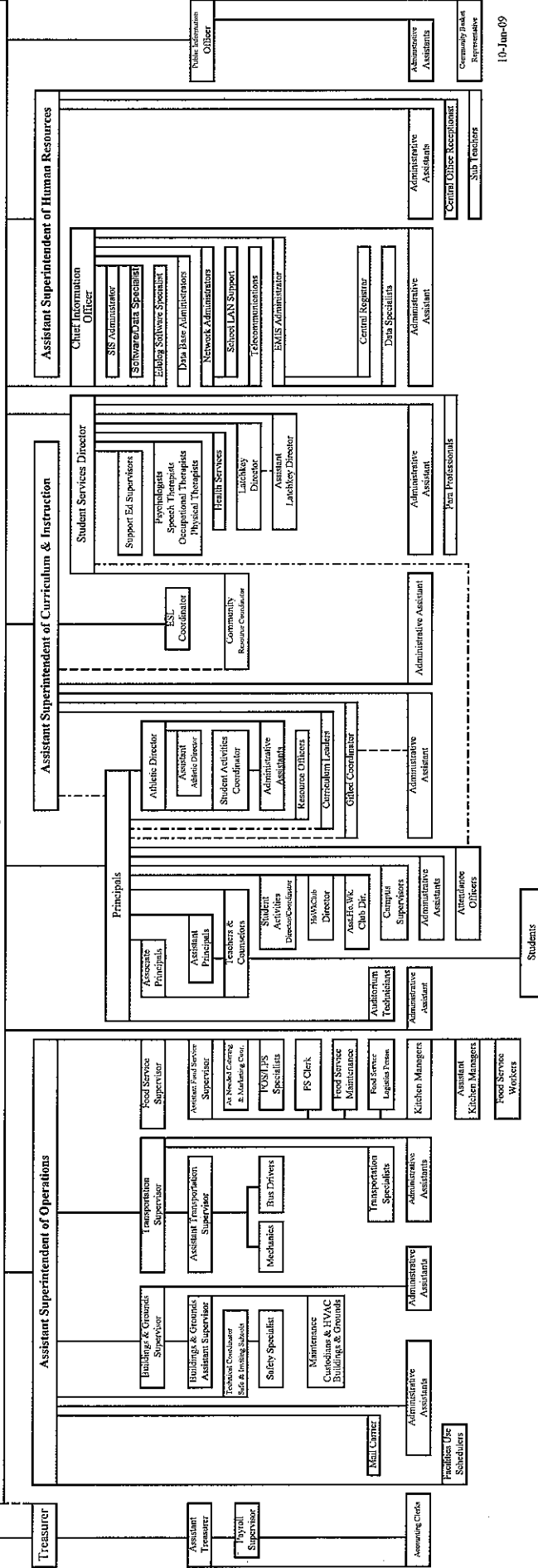
Executive Director

ORGANIZATIONAL CHART

Citizens of Mason City School District

Board of Education

Superintendent



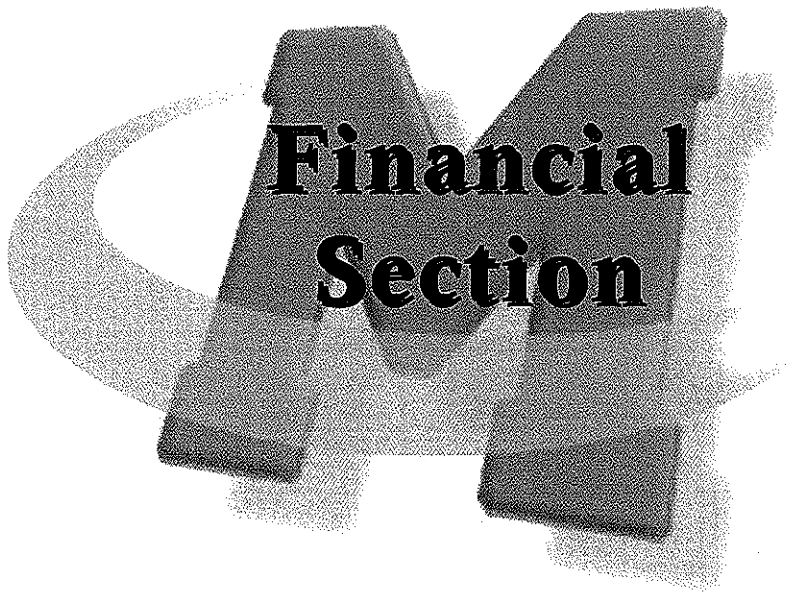
**MASON CITY SCHOOL DISTRICT
LIST OF PRINCIPAL OFFICIALS
AS OF JUNE 30, 2009**

ELECTED OFFICIALS

President, Board of Education	Connie Yingling
Vice President, Board of Education	Deborah Delp
Board Member	Marianne Culbertson
Board Member	Jennifer Miller
Board Member	Kevin Wise

ADMINISTRATIVE OFFICIALS

Superintendent	Kevin L. Bright
Assistant Superintendent - Curriculum and Instruction	Amy Spicher
Assistant Superintendent - Business	Michael Brannon
Assistant Superintendent - Human Resources	Craig C. Ullery
Treasurer	Richard L. Gardner
Assistant Treasurer.....	Chris Hofer
Pupil Personnel Director	Tom Morris
Chief Information Officer	Dave Hickey
Payroll Supervisor.....	Terri Ross
Building and Grounds Supervisor	George Highfill
Food Service Supervisor	Darlene Hicks
Support Education Supervisor	Jody Bergman
Support Education Supervisor	Susan Klein
Support Education Supervisor	Victoria Miller
Transportation Supervisor	Carole Abrams
Public Information Officer	Tracey Carson





Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

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

To the Board of Education:

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, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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, and the respective changes in financial position, thereof and for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2009, 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

The Management Discussion and Analysis and the budgetary comparison for the General Fund are not a required part of the basic financial statements but are supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

Corporate Centre of Blue Ash / 11117 Kenwood Rd. / Blue Ash, OH 45242

Telephone: (513) 361-8550 (800) 368-7419 Fax: (513) 361-8577

www.auditor.state.oh.us

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

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining nonmajor fund statements and schedules and statistical tables provide additional information and are not a required part of the basic financial statements. We subjected the combining nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is 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 tables to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



Mary Taylor, CPA
Auditor of State

December 14, 2009

**Mason City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
(Unaudited)**

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, 2009. 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 2009 are as follows:

- Net assets of governmental activities increased \$11,560,783 which represents a 15% increase from 2008.
- General revenues accounted for \$116,103,620 in revenue or 89% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$14,116,906 or 11% of total revenues of \$130,220,526 .
- The District had \$118,659,743 in expenses related to governmental activities; \$14,116,906 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$116,103,620 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 Assets* 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 Building 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.

These two statements report the District's *net assets* and changes in those assets. This change in net assets 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 Assets and the Statement of Activities) and governmental *funds* is reconciled in the financial statements.

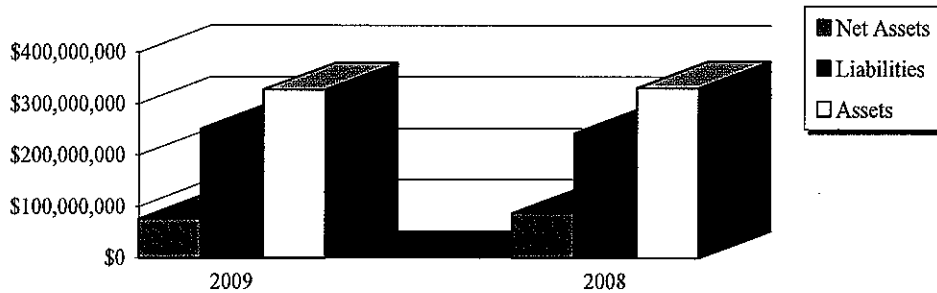
Fiduciary Funds Fiduciary Funds are used to account for resources held for the benefits of parties outside the government. Fiduciary Funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs.

The District as a Whole

As stated previously, the Statement of Net Assets looks at the District as a whole. Table 1 provides a summary of the District’s net assets for 2009 compared to 2008:

Table 1
Net Assets

	Governmental Activities	
	2009	2008
Assets:		
Current and Other Assets	\$150,576,799	\$170,350,513
Capital Assets	<u>179,884,070</u>	<u>157,121,128</u>
Total Assets	<u>330,460,869</u>	<u>327,471,641</u>
Liabilities:		
Other Liabilities	88,331,411	95,642,992
Long-Term Liabilities	<u>154,728,550</u>	<u>155,988,524</u>
Total Liabilities	<u>243,059,961</u>	<u>251,631,516</u>
Invested in Capital Assets, Net of Related Debt	19,761,272	18,655,396
Restricted	25,165,469	20,469,256
Unrestricted	<u>42,474,167</u>	<u>36,715,473</u>
Total Net Assets	<u>\$87,400,908</u>	<u>\$75,840,125</u>



Over time, net assets can serve as a useful indicator of a government’s financial position. At June 30, 2009, the District’s assets exceeded liabilities by \$87,400,908 .

At year-end, capital assets represented 54% 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, 2009, was \$19,761,272 . 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 assets, \$25,165,469 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.

Regarding significant changes in Table 1 above, current assets decreased mainly due to a decrease in the balance of investments in 2009 as compared to 2008. Other Liabilities decreased mainly due to a decrease in unearned revenue, which was due to a decrease in taxes receivable.

The balance of unrestricted net assets of \$42,474,167 may be used to meet the District's ongoing obligations to the students and creditors.

Table 2 shows the changes in net assets for fiscal years 2009 and 2008.

Table 2
Changes in Net Assets

	Governmental Activities	
	2009	2008
Revenues:		
Program Revenues		
Charges for Services	\$8,455,148	\$8,031,496
Operating Grants, Contributions	5,537,453	5,812,292
Capital Grants and Contributions	124,305	61,192
General Revenues:		
Property Taxes	76,008,926	73,734,056
Grants and Entitlements	34,790,728	34,292,967
Other	5,303,966	6,394,411
Total Revenues	<u>130,220,526</u>	<u>128,326,414</u>
Program Expenses:		
Instruction	55,303,869	53,120,606
Support Services:		
Pupil and Instructional Staff	13,606,575	12,607,299
School Administrative, General		
Administration, Fiscal and Business	8,086,985	7,990,413
Operations and Maintenance	14,272,035	13,072,818
Pupil Transportation	7,076,294	7,734,614
Central	4,224,174	4,569,098
Operation of Non-Instructional Services	6,074,836	5,553,265
Extracurricular Activities	2,881,756	2,312,308
Interest and Fiscal Charges	7,133,219	7,011,371
Total Program Expenses	<u>118,659,743</u>	<u>113,971,792</u>
Increase (Decrease) in Net Assets	11,560,783	14,354,622
Net Assets Beginning of Year	<u>75,840,125</u>	<u>61,485,503</u>
Net Assets End of Year	<u>\$87,400,908</u>	<u>\$75,840,125</u>

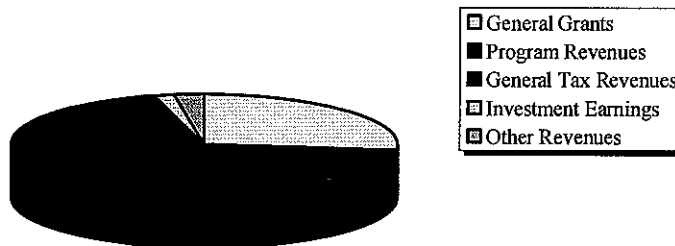
Governmental Activities

The District revenues are mainly from two sources. Property taxes and grants and entitlements comprised 85.1% 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 58.4% of revenue for governmental activities for the District in fiscal year 2009.

<u>Revenue Sources</u>	<u>2009</u>	<u>Percentage</u>
General Grants	\$34,790,728	26.72%
Program Revenues	14,116,906	10.84%
General Tax Revenues	76,008,926	58.37%
Investment Earnings	1,955,147	1.50%
Other Revenues	3,348,819	2.57%
Total Revenue Sources	\$130,220,526	100.00%



Instruction comprises 46.61% of governmental program expenses. Support services expenses were 39.83% of governmental program expenses. All other expenses and interest expense was 13.56%. Interest expense was attributable to the outstanding bond and borrowing for capital projects.

Property taxes increased mainly due to an increase in property tax receipts in 2009 as compared to 2008. Instructional expenses increased mainly due to increases in personnel costs and general inflationary costs. Operation and Maintenance expense increased mainly due to an increase in the amount of maintenance and repairs throughout the District.

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	
	2009	2008	2009	2008
Instruction	\$55,303,869	\$53,120,606	\$50,181,997	\$47,859,430
Support Services:				
Pupil and Instructional Staff	13,606,575	12,607,299	12,923,051	11,945,806
School Administrative, General				
Administration, Fiscal and Business	8,086,985	7,990,413	7,975,784	7,863,301
Operations and Maintenance	14,272,035	13,072,818	13,132,971	11,968,748
Pupil Transportation	7,076,294	7,734,614	6,751,879	7,409,795
Central	4,224,174	4,569,098	4,174,169	4,513,264
Operation of Non-Instructional Services	6,074,836	5,553,265	322,780	(94,834)
Extracurricular Activities	2,881,756	2,312,308	1,946,987	1,589,931
Interest and Fiscal Charges	7,133,219	7,011,371	7,133,219	7,011,371
Total Expenses	\$118,659,743	\$113,971,792	\$104,542,837	\$100,066,812

The District's Funds

The District has three major governmental funds: the General Fund, the Debt Service Fund and the Building Fund. Assets of the General Fund comprised \$108,359,539 (72%), the Debt Service Fund comprised \$22,564,965 (15%) and the Building Fund comprised \$8,221,747 (5%) of the total \$150,681,770 governmental funds assets.

General Fund: Fund balance at June 30, 2009 was \$45,101,718 including \$39,626,965 of unreserved balance. The primary reason for the increase in fund balance was due to an increase in property taxes revenue and grants revenue.

Debt Service Fund: Fund balance at June 30, 2009 was \$10,012,515 including \$8,888,165 of unreserved balance. The primary reason for the increase in fund balance was due to an increase in property taxes revenue.

Building Fund: Fund balance at June 30, 2009 was (\$2,581,644) including (\$6,670,876) of unreserved balance. The decrease in fund balance was due to the construction of the high school addition and the atrium building project.

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 \$97,354,451. The original revenue budget estimate was \$96,686,433. The \$668,018 difference was primarily due to estimates for taxes and intergovernmental revenue.

The District's ending unobligated General Fund cash balance was \$42,037,723.

Capital Assets and Debt Administration

Capital Assets

At fiscal year end, the District had \$179,884,070 invested in land, construction in progress, buildings and improvements and equipment. Table 4 shows fiscal 2009 balances compared to fiscal 2008:

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

	Governmental Activities	
	2009	2008
Land	\$4,134,921	\$4,134,921
Construction in Progress	970,153	6,705,472
Buildings and Improvements	161,472,565	131,681,973
Equipment	13,306,431	14,598,762
Total Net Capital Assets	<u>\$179,884,070</u>	<u>\$157,121,128</u>

Overall, capital assets increased due to the completion and continuing progress of the building projects in the District. See Note 6 to the Basic Financial Statements for more details on the District's capital assets.

Debt

At year end, the District had \$150,872,798 in bonds outstanding, \$6,949,000 due within one year. Table 5 summarizes bonds outstanding.

Table 5
Outstanding Debt at Year End

	Governmental Activities	
	2009	2008
General Obligation Bonds:		
2005 Refunding High School/Recreation Center and Intermediate	\$59,080,000	\$59,220,000
Premium on 2005 Refunding Bonds	4,663,413	5,036,486
1995 Building Construction and Equipment	2,695,000	2,695,000
1998 Building Construction and Equipment	260,000	500,000
2001 High School/Recreation Center Construction and Equipment	13,680,000	16,705,000
2003 Refunding Middle/High School	9,810,000	11,080,000
2004 Early Childhood Center	5,325,000	5,775,000
2007 Refunding Early Childhood Center	27,230,000	27,230,000
Premium on 2007 Refunding Bonds	2,327,992	2,435,421
Deferred Amount on 2007 Refunding Bonds	(1,157,607)	(1,393,052)
2008 High School Addition	21,710,000	23,000,000
Capital Leases	5,249,000	0
Total Bonds and Capital Leases	<u>\$150,872,798</u>	<u>\$152,283,855</u>

Overall, Debt at year end decreased mainly due to the District making timely principal payments throughout the fiscal year. The District also issued a \$5,249,000 capital lease during the current fiscal year. See notes 8, 9 and 10 to the basic financial statements for further details on the District's debt.

For the Future

In June of 2005, the State legislature passed House Bill 66. House Bill 66 phases out the tax on tangible personal property of general business, telephone, and telecommunications companies, and railroads. The tax on general business and railroad property began being phased out in 2006 and will be eliminated by 2009. The tax on telephone and telecommunication property will begin being phased out in 2009 and will be eliminated by 2011. The tax is being phased out by reducing the assessment rate on the property each year. In the first five years, school districts are being reimbursed fully for the lost revenue; in the following seven years, the reimbursements are phased out.

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

It is no surprise that all of the District's financial management abilities and controls will be needed to meet the challenges of the future. However, with continued 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 Richard Gardner, Treasurer at Mason City Schools, 211 North East Street, Mason, Ohio 45040. Or E-mail at gardnerr@mason.k12.oh.us.

BASIC FINANCIAL STATEMENTS

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Mason City School District, Ohio
Statement of Net Assets
June 30, 2009

	Governmental Activities
Assets:	
Equity in Pooled Cash and Investments	\$76,713,699
Restricted Cash and Investments	85,593
Cash and Cash Equivalents with Fiscal Agent	1,904,797
Receivables:	
Taxes	70,592,433
Accounts	184,875
Interest	9,281
Intergovernmental	284,880
Deferred Bond Issuance Costs	772,631
Inventory	28,610
Nondepreciable Capital Assets	5,105,074
Depreciable Capital Assets, Net	<u>174,778,996</u>
 Total Assets	 <u>330,460,869</u>
Liabilities:	
Accounts Payable	427,899
Accrued Wages and Benefits	11,561,548
Retainage Payable	547,744
Accrued Interest Payable	680,709
Unearned Revenue	63,467,120
Claims Payable	1,426,238
Contracts Payable	970,153
General Obligation Notes Payable	9,250,000
Long-Term Liabilities:	
Due Within One Year	7,651,602
Due In More Than One Year	<u>147,076,948</u>
 Total Liabilities	 <u>243,059,961</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	19,761,272
Restricted for:	
Debt Service	9,541,915
Capital Projects	11,642,905
Set-Aside	85,593
Other Purposes	3,895,056
Unrestricted	<u>42,474,167</u>
 Total Net Assets	 <u>\$87,400,908</u>

See accompanying notes to the Basic Financial Statements.

Mason City School District, Ohio
Statement of Activities
For the Fiscal Year Ended June 30, 2009

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
Instruction:					
Regular	\$43,099,695	\$1,458,123	\$81,872	\$0	(\$41,559,700)
Special	11,524,295	435,921	3,021,993	0	(8,066,381)
Vocational	9,254	0	21,786	0	12,532
Other	670,625	57,115	45,062	0	(568,448)
Support Services:					
Pupil	6,475,271	60,584	475,715	0	(5,938,972)
Instructional Staff	7,131,304	4,105	143,120	0	(6,984,079)
General Administration	38,910	0	0	0	(38,910)
School Administration	5,522,215	0	17,445	0	(5,504,770)
Fiscal	2,124,953	0	0	0	(2,124,953)
Business	400,907	93,756	0	0	(307,151)
Operations and Maintenance	14,272,035	1,125,267	13,797	0	(13,132,971)
Pupil Transportation	7,076,294	16,471	183,639	124,305	(6,751,879)
Central	4,224,174	761	49,244	0	(4,174,169)
Operation of Non-Instructional Services	6,074,836	4,268,276	1,483,780	0	(322,780)
Extracurricular Activities	2,881,756	934,769	0	0	(1,946,987)
Interest and Fiscal Charges	7,133,219	0	0	0	(7,133,219)
Total Governmental Activities	\$118,659,743	\$8,455,148	\$5,537,453	\$124,305	(104,542,837)

General Revenues:

Property Taxes Levied for:	
General Purposes	62,105,251
Debt Service Purposes	13,272,994
Capital Projects Purposes	630,681
Grants and Entitlements not Restricted to Specific Programs	34,790,728
Payment in Lieu of Taxes	2,945,631
Investment Earnings	1,955,147
Refunds and Reimbursements	106,833
Other Revenues	296,355
Total General Revenues	116,103,620
Change in Net Assets	11,560,783
Net Assets Beginning of Year	75,840,125
Net Assets End of Year	\$87,400,908

See accompanying notes to the Basic Financial Statements.

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Mason City School District, Ohio
 Balance Sheet
 Governmental Funds
 June 30, 2009

	General	Debt Service	Building	Other Governmental Funds	Total Governmental Funds
Assets:					
Equity in Pooled Cash and Investments	\$51,076,836	\$8,888,165	\$6,316,950	\$10,431,748	\$76,713,699
Restricted Cash and Investments	85,593	0	0	0	85,593
Cash and Cash Equivalents with Fiscal Agent	0	0	1,904,797	0	1,904,797
Receivables:					
Taxes	56,222,873	13,676,800	0	692,760	70,592,433
Accounts	87,354	0	0	97,521	184,875
Interest	9,281	0	0	0	9,281
Intergovernmental	0	0	0	284,880	284,880
Interfund	877,602	0	0	0	877,602
Inventory	0	0	0	28,610	28,610
Total Assets	108,359,539	22,564,965	8,221,747	11,535,519	150,681,770
Liabilities and Fund Balances:					
Liabilities:					
Accounts Payable	177,195	0	22,121	228,583	427,899
Accrued Wages and Benefits	10,816,908	0	0	744,640	11,561,548
Compensated Absences	166,980	0	0	0	166,980
Retainage Payable	0	0	547,744	0	547,744
Accrued Interest Payable	0	0	55,885	0	55,885
Interfund Payable	0	0	0	877,602	877,602
Deferred Revenue	50,670,500	12,552,450	0	954,542	64,177,492
Claims Payable	1,426,238	0	0	0	1,426,238
Contracts Payable	0	0	927,641	42,512	970,153
General Obligation Notes Payable	0	0	9,250,000	0	9,250,000
Total Liabilities	63,257,821	12,552,450	10,803,391	2,847,879	89,461,541
Fund Balances:					
Reserved for Encumbrances	998,210	0	4,089,232	1,245,836	6,333,278
Reserved for Inventory	0	0	0	28,610	28,610
Reserved for Property Tax Advances	4,390,950	1,124,350	0	56,480	5,571,780
Reserved for Set-Aside	85,593	0	0	0	85,593
Unreserved, Undesignated, Reported in:					
General Fund	39,626,965	0	0	0	39,626,965
Special Revenue Funds	0	0	0	3,322,528	3,322,528
Debt Service Funds	0	8,888,165	0	0	8,888,165
Capital Projects Funds	0	0	(6,670,876)	4,034,186	(2,636,690)
Total Fund Balances	45,101,718	10,012,515	(2,581,644)	8,687,640	61,220,229
Total Liabilities and Fund Balances	\$108,359,539	\$22,564,965	\$8,221,747	\$11,535,519	\$150,681,770

See accompanying notes to the Basic Financial Statements.

Mason City School District, Ohio
 Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2009

Total Governmental Fund Balance		\$61,220,229
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		179,884,070
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Delinquent Property Taxes	392,110	
Intergovernmental	283,341	
Other	<u>34,921</u>	
		710,372
In the statement of net assets 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.		(624,824)
Some liabilities reported in the statement of net assets do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds.		
Compensated Absences	(3,665,582)	
Claims Liability	<u>(23,190)</u>	
		(3,688,772)
Deferred bond issuance cost associated with long-term liabilities are not reported in the funds.		772,631
Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds.		<u>(150,872,798)</u>
Net Assets of Governmental Activities		<u>\$87,400,908</u>

See accompanying notes to the Basic Financial Statements.

Mason City School District, Ohio
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2009

	General	Debt Service	Building	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$55,045,992	\$12,918,473	\$0	\$648,943	\$68,613,408
Revenue in lieu of taxes	0	0	0	3,025,536	3,025,536
Tuition and Fees	905,831	0	0	617,909	1,523,740
Investment Earnings	1,373,088	89,624	427,452	64,984	1,955,148
Intergovernmental	43,935,078	2,207,164	0	3,440,383	49,582,625
Extracurricular Activities	0	0	0	1,358,760	1,358,760
Charges for Services	0	0	0	5,583,324	5,583,324
Other Revenues	114,776	0	0	290,667	405,443
Total Revenues	101,374,765	15,215,261	427,452	15,030,506	132,047,984
Expenditures:					
Current:					
Instruction:					
Regular	41,345,918	0	0	928,566	42,274,484
Special	9,862,020	0	0	1,652,425	11,514,445
Vocational	0	0	0	9,254	9,254
Other	670,625	0	0	0	670,625
Support Services:					
Pupil	5,895,935	0	0	567,277	6,463,212
Instructional Staff	6,955,765	0	0	164,821	7,120,586
General Administration	38,910	0	0	0	38,910
School Administration	5,436,687	16,296	0	21,381	5,474,364
Fiscal	1,899,143	194,778	0	9,671	2,103,592
Business	304,877	0	0	92,071	396,948
Operations and Maintenance	10,391,718	0	12	2,073,158	12,464,888
Pupil Transportation	6,432,058	0	0	2,366	6,434,424
Central	3,018,860	0	0	867,728	3,886,588
Operation of Non-Instructional Services	8,393	0	0	5,849,111	5,857,504
Extracurricular Activities	1,664,580	0	0	1,085,927	2,750,507
Capital Outlay	335	0	24,127,512	2,736,581	26,864,428
Debt Service:					
Principal Retirement	0	6,415,000	0	0	6,415,000
Interest and Fiscal Charges	0	6,907,270	365,456	0	7,272,726
Total Expenditures	93,925,824	13,533,344	24,492,980	16,060,337	148,012,485
Excess of Revenues Over (Under) Expenditures	7,448,941	1,681,917	(24,065,528)	(1,029,831)	(15,964,501)
Other Financing Sources (Uses):					
Proceeds from Sale of Capital Assets	179,406	0	0	0	179,406
Issuance of Long-Term Capital-Related Debt	0	0	5,249,000	0	5,249,000
Transfers In	0	9,250,000	10,016,635	193,709	19,460,344
Transfers (Out)	(193,709)	(10,016,635)	(9,250,000)	0	(19,460,344)
Total Other Financing Sources (Uses)	(14,303)	(766,635)	6,015,635	193,709	5,428,406
Net Change in Fund Balance	7,434,638	915,282	(18,049,893)	(836,122)	(10,536,095)
Fund Balance Beginning of Year	37,667,080	9,097,233	15,468,249	9,523,762	71,756,324
Fund Balance End of Year	\$45,101,718	\$10,012,515	(\$2,581,644)	\$8,687,640	\$61,220,229

See accompanying notes to the Basic Financial Statements.

Mason City School District, Ohio
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 For the Fiscal Year Ended June 30, 2009

Net Change in Fund Balance - Total Governmental Funds (\$10,536,095)

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	26,734,225	
Depreciation Expense	<u>(3,671,161)</u>	
		23,063,064

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. (300,122)

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

Delinquent Property Taxes	(1,860,282)	
Intergovernmental	125,662	
Other	<u>(92,838)</u>	
		(1,827,458)

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

Principal payments	6,415,000
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In the statement of activities interest expense is accrued when incurred,
 whereas in governmental funds an interest expenditure is reported
 when due. (53,408)

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	(120,923)	
Claims Liability	(23,190)	
Amortization of Deferred Charge	(235,445)	
Amortization of Bond Issuance Cost	(52,142)	
Amortization of Bond Premium	<u>480,502</u>	
		48,802

Proceeds from debt issues are an other financing source in the funds,
 but a debt issue increases long-term liabilities in the statement
 of net assets. (5,249,000)

Change in Net Assets of Governmental Activities \$11,560,783

See accompanying notes to the Basic Financial Statements.

Mason City School District, Ohio
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2009

	Education Private Purpose Trust	Agency
Assets:		
Equity in Pooled Cash and Investments	\$85,318	\$415,656
Receivables:		
Accounts	0	839
Total Assets	85,318	416,495
Liabilities:		
Accounts Payable	0	4,974
Other Liabilities	0	411,521
Total Liabilities	0	\$416,495
Net Assets:		
Held in Trust	85,318	
Total Net Assets	\$85,318	

See accompanying notes to the Basic Financial Statements.

Mason City School District, Ohio
Statement of Changes in Fiduciary Net Assets
Fiduciary Fund
For the Fiscal Year Ended June 30, 2009

	Education Private Purpose Trust
Additions:	
Donations	\$5,154
Investment Earnings	1,044
Total Additions	<u>6,198</u>
Deductions:	
Scholarships	<u>68,445</u>
Total Deductions	<u>68,445</u>
Change in Net Assets	(62,247)
Net Assets Beginning of Year	<u>147,565</u>
Net Assets End of Year	<u><u>\$85,318</u></u>

See accompanying notes to the Basic Financial Statements.

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Mason City School District
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2009

NOTE 1 - DESCRIPTION OF THE DISTRICT

The Mason City School District (the "District") operates under a locally elected five member Board and provides educational services as authorized by its charter or further mandated by state/or federal agencies. The Board controls the District's six instructional facilities, staffed by 530 full-time equivalent classified personnel, 739 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 10,803. The District operates one early childhood center (Pre-K-1), two elementary schools and (2-3), one intermediate school (4-6), one middle school (7-8) and a high school (9-12).

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 19 to the basic financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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. The District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements. The most significant of the District's accounting policies are described below.

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.

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.

Building Fund - The building fund is used to account for financial resources used in the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. 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 fund accounts for those student activity programs. The Section 125 insurance 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 assets 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 assets. 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 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.

Fiduciary Funds, excluding the agency funds, are 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.

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 Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of fiscal year end, but which were levied to finance subsequent fiscal year operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Unearned Revenue

Unearned revenue represents amounts under the accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not yet been met because such amounts have not yet been earned.

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.

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 \$1,373,088

credited to the General Fund; \$89,624 credited to the Debt Service Fund; \$427,452 credited to the Building Fund and \$64,984 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 expended/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 and construction in progress. 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>	<u>Governmental Activities Estimated Lives</u>
Buildings and Improvements	15-100 years
Equipment	5-20 years

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 yearly accrual	Amount equal to yearly 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%

NET ASSETS

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt 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 assets are 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 assets are available. Of the District's \$25,165,469 in restricted net assets, 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 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 Assets.

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.

FUND EQUITY

Reserved fund balances indicate a portion of fund equity which is not available for current appropriation or is legally segregated for a specific use. Fund balances are reserved for encumbrances, inventory, set aside, and property tax advances. The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under State statute. The unreserved portion of fund equity, reflected for the Governmental Funds, is available for use within the specific purpose of those funds.

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 assets 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

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 assets 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.

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 from the date of purchase unless matched to a specific obligation or debt of the District, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements".

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, 2009, \$40,853,799 of the District's bank balance of \$41,385,998 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, 2009, the District had the following investments:

Investment Type	Fair Value	Aggregate Credit Risk	Weighted Average Maturity (Years)
US Treasury Notes	\$249,366	0.7%	0.56
US Treasury Bills	3,376,895	8.8%	0.34
First American General Obligation Bond	1,407,431	3.7%	0.00
Federal Home Loan Bank	18,494,232	48.5%	1.08
Federal Home Loan Bank - Discount Note	1,734,653	4.5%	0.13
Freddie-Mac	7,224,513	18.9%	0.78
Fannie Mae	4,020,980	10.5%	0.75
Fannie Mae - Discount Note	434,646	1.1%	0.33
Federal Farm Credit Bank	108,774	0.3%	0.86
Federal National Mortgage Association - Discount Note	524,798	1.4%	0.18
Money Market Funds	32,728	0.1%	0.00
STAROhio	560,782	1.5%	0.16
Total Fair Value	<u>\$38,169,798</u>	100.00%	
Portfolio Weighted Average Maturity			0.80

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 US Treasury Notes, US Treasury Bills, First American General Obligation Bond, Federal Home Loan Bank, Federal Home Loan - Discount Note, Freddie Mac, Fannie Mae, Fannie Mae - Discount Note, Federal Farm Credit Bank, Federal National Mortgage Association - Discount Note and Money Market Funds were rated AAA by Standard & Poor’s and Fitch Ratings and Aaa by Moody’s Investors Service. Investments in STAROhio were rated AAA by Standard& Poor’s.

Concentration of credit risk – The District’s investment policy allows investments in Federal Agencies or Instrumentalities.

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

Real property taxes collected in 2009 were levied in April on the assessed values as of January 1, 2008, 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.

Tangible personal property tax is assessed on equipment and inventory held by businesses. Tangible property is assessed at 25 percent of true value (as defined). Each business was eligible to receive a \$10,000 exemption in assessed value which was reimbursed by the State.

The tangible personal property tax will phase out over a four-year period starting with tax year 2006 and ending with no tax due in 2009. This phase-out applies to most businesses and includes furniture and fixtures, machinery and equipment and inventory. New manufacturing and equipment first reportable on the 2006 and subsequent year returns is not subject to the personal property tax.

Real property taxes are payable annually or semi-annually. In 2008, 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 represent delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable at June 30, 2009. Delinquent property taxes collected within 60 days are included as a receivable and tax revenue as of June 30, 2009. 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, 2009, was \$5,571,780 and is recognized as revenue, with a corresponding reserve to fund balance since the Board did not appropriate these available advances for fiscal year 2009 operations.

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 2009 taxes were collected are:

	<u>Amount</u>
Agricultural/Residential and Other Real Estate	\$1,575,278,820
Public Utility	21,172,320
Tangible Personal Property	<u>5,959,480</u>
Total	<u><u>\$1,602,410,620</u></u>

NOTE 5 – RECEIVABLES

Receivables at fiscal year end, consisted of taxes, accounts, 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>
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$4,134,921	\$0	\$0	\$4,134,921
Construction in Progress	6,705,472	24,253,284	29,988,603	970,153
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	149,573,689	31,464,836	0	181,038,525
Equipment	<u>28,067,552</u>	<u>1,004,708</u>	<u>1,192,703</u>	<u>27,879,557</u>
Totals at Historical Cost	<u>188,481,634</u>	<u>56,722,828</u>	<u>31,181,306</u>	<u>214,023,156</u>
Less Accumulated Depreciation:				
Buildings and Improvements	17,891,716	1,674,244	0	19,565,960
Equipment	<u>13,468,790</u>	<u>1,996,917</u>	<u>892,581</u>	<u>14,573,126</u>
Total Accumulated Depreciation	<u>31,360,506</u>	<u>3,671,161</u>	<u>892,581</u>	<u>34,139,086</u>
Governmental Activities Capital Assets, Net	<u><u>\$157,121,128</u></u>	<u><u>\$53,051,667</u></u>	<u><u>\$30,288,725</u></u>	<u><u>\$179,884,070</u></u>

*Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$589,607
Special	5,485
Support Services:	
Pupil	27,011
Instructional Staff	18,770
School Administration	23,366
Fiscal	12,708
Business	1,250
Operations and Maintenance	1,753,472
Pupil Transportation	628,082
Central	301,508
Operation of Non-Instructional Services	204,637
Extracurricular Activities	105,265
Total Depreciation Expense	<u>\$3,671,161</u>

NOTE 7 - SHORT-TERM NOTES PAYABLE

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

	Beginning Principal Outstanding	Additions	Deletions	Ending Principal Outstanding
Mason Intermediate				
Construction 2008 2.75%	\$9,750,000	\$0	\$9,750,000	\$0
Mason Intermediate				
Construction 2009 1.50%	<u>0</u>	<u>9,250,000</u>	<u>0</u>	<u>9,250,000</u>
Total	<u>\$9,750,000</u>	<u>\$9,250,000</u>	<u>\$9,750,000</u>	<u>\$9,250,000</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:

Fiscal Year Ending June 30	Principal	Interest	Total
2009	\$9,250,000	\$138,750	\$9,388,750

NOTE 8 - LONG-TERM LIABILITIES

	Interest Rate	Beginning Balance	Issued	Retired	Ending Balance	Due In One Year
Governmental Activities:						
General Obligation Bonds:						
2001 High School/Recreation Center	5.06%	\$16,705,000	\$0	(\$3,025,000)	\$13,680,000	\$3,180,000
2005 Refunding High School/ Recreation Center	5.16%	59,220,000	0	(140,000)	59,080,000	95,000
2005 Refund Bond Premium	0.00%	5,036,486	0	(373,073)	4,663,413	0
1995 High School Addition/ Bus Garage	5.65%	2,695,000	0	0	2,695,000	1,225,000
1998 Intermediate School	5.24%	500,000	0	(240,000)	260,000	260,000
2003 Refunding Middle/High School	3.97%	11,080,000	0	(1,270,000)	9,810,000	200,000
2004 Early Childhood Center	4.76%	5,775,000	0	(450,000)	5,325,000	665,000
2007 Refunding Early Childhood Center	4.98%	27,230,000	0	0	27,230,000	0
2007 Refund Bond Premium	0.00%	2,435,421	0	(107,429)	2,327,992	0
Deferred Amount on 2007 Refunding	0.00%	(1,393,052)	0	235,445	(1,157,607)	0
2008 High School Addition	4.00%	23,000,000	0	(1,290,000)	21,710,000	1,300,000
Total General Obligation Bonds		152,283,855	0	(6,660,057)	145,623,798	6,925,000
Capital Leases		0	5,249,000	0	5,249,000	24,000
Total Long-Term Debt		152,283,855	5,249,000	(6,660,057)	150,872,798	6,949,000
Claims Liability		0	23,190	0	23,190	23,190
Compensated Absences		3,704,669	681,923	(554,030)	3,832,562	679,412
Total Governmental Activities Long-Term Liabilities		\$155,988,524	\$5,954,113	(\$7,214,087)	\$154,728,550	\$7,651,602

General obligation bonds will be paid from the debt service 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.

During fiscal year 2007, the District issued \$27,565,000 of School Improvement Refunding General Obligation Bonds to partially defease the 2004 Early Childhood Center General Obligation Bonds.

The net proceeds of the Refunding General Obligation Bonds have been invested in obligations guaranteed as to both principal and interest by the United States and placed in irrevocable escrow accounts, which including interest earned was and will be used to pay the principal and interest on the refunded bonds. The refunded 2004 General Obligation Bonds are not included in the District's outstanding debt since the District has in-substance satisfied its obligation through the current and advance refunding.

The District reduced its aggregate debt service payments over the life of the refunded General Obligation Bonds by \$1,606,462 and obtained an economic gain of \$993,830.

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

Fiscal Year Ending June 30	General Obligation Bonds		
	Principal	Interest	Total
2010	\$6,925,000	\$6,632,704	\$13,557,704
2011	7,540,000	6,287,918	13,827,918
2012	8,545,000	5,934,698	14,479,698
2013	9,460,000	5,551,929	15,011,929
2014	8,340,000	5,155,197	13,495,197
2015-2019	47,225,000	18,626,472	65,851,472
2020-2024	25,850,000	9,046,445	34,896,445
2025-2029	12,565,000	5,081,729	17,646,729
2030-2034	11,160,000	1,670,382	12,830,382
2035-2036	2,180,000	110,250	2,290,250
Total	<u>\$139,790,000</u>	<u>\$64,097,724</u>	<u>\$203,887,724</u>

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

NOTE 9 - PRIOR YEAR DEFEASANCE OF DEBT

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, 2009, \$46,830,000 of bonds outstanding are considered defeased.

NOTE 10 - CAPITAL LEASES - LESSEE DISCLOSURE

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.

At fiscal year-end, the District drew down \$3,891,947 to finance the project. The District will begin making principal payments in fiscal year 2010. The principal amount owed on the lease at year end is \$5,249,000.

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, 2009.

Fiscal Year Ending June 30,	Long-Term Debt
2010	\$261,780
2011	291,127
2012	300,522
2013	308,350
2014	318,659
2015-2019	1,749,447
2020-2024	2,038,783
2025-2029	2,372,239
2030-2032	1,274,993
Total Minimum Lease Payments	8,915,900
Less: Amount Representing Interest (4.83%)	(3,545,479)
Less: Additional Program Cost Component	(121,421)
Present Value of Minimum Lease Payments	<u>\$5,249,000</u>

NOTE 11 – PENSION PLANS

SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

Plan Description

The District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple-employer defined benefit pension plan. 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 state statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report can be obtained by contacting SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free (800) 878-5853. It is also posted on SERS' website at www.ohsers.org under *Employers/Audit Resources*.

Funding Policy

Plan members are required to contribute 10% of their annual covered salary and District is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The Retirement Board acting with the advice of the actuary, allocates the employer contribution rate among four of the funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care fund) of the System. For fiscal year ending June 30, 2009, the allocation to pension and death benefits is 9.09%. The remaining 4.91% of the 14% employer contribution rate is allocated to the Health Care and Medicare B Funds. The District's contributions to SERS for the years ended June 30, 2009, 2008, and 2007 were \$2,579,844, \$2,429,772, and \$2,332,272, respectively; 48% has been contributed for fiscal year 2009 and 100% for fiscal years 2008 and 2007.

STATE TEACHERS RETIREMENT SYSTEM OF OHIO

Plan Description

The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple employer public employee retirement system. STRS Ohio is a statewide retirement plan for licensed teachers and other faculty members employed in the public schools of Ohio or any school, community school, college, university, institution, or other agency controlled, managed and supported, in whole or in part, by the state or any political subdivision thereof. Additional information or copies of STRS Ohio's *Comprehensive Annual Financial Report* can be requested by writing to STRS Ohio, 275 E. Broad Street, Columbus, OH 43215-3771, by calling toll-free 1-888-227-7877, or by visiting the STRS Ohio web site at www.strsoh.org.

Plan Options

New members have a choice of three retirement plan options. In addition to the Defined Benefit (DB) Plan, new members are offered a Defined Contribution (DC) Plan and a Combined Plan. The DC Plan allows members to allocate all their member contributions and employer contributions equal to 10.5% of earned compensation among various investment choices. The Combined Plan offers features of the DC Plan and DB Plan. In the Combined Plan, member contributions are allocated to 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. Contributions into the DC Plan and Combined Plan are credited to member accounts as employers submit their payroll information to STRS Ohio, generally on a biweekly basis. DC and Combined Plan members will transfer to the DB Plan during their fifth year of membership unless they permanently select the DC or Combined Plan.

DB Plan Benefits

Plan benefits are established under Chapter 3307 of the Revised Code. Any member may retire who has (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age. The annual retirement allowance, payable for life, is the greater of the "formula benefit" or the "money-purchase benefit" calculation. Under the "formula benefit," the retirement allowance is based on years of credited service and final average salary, which is the average of the member's three highest salary years. The annual allowance is calculated by using a base percentage of 2.2% multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 31st year of earned Ohio service credit is calculated at 2.5%. An additional one-tenth of a percent is added to the calculation for every year of earned Ohio service over 31 years (2.6% for 32 years, 2.7% for 33 years and so on) until 100% of final average salary is reached. For members with 35 or more years of Ohio contributing service, the first 30 years will be calculated at 2.5% instead of 2.2%. Under the "money-purchase benefit" calculation, a member's lifetime contributions plus interest at specified rates are matched by an equal amount from other STRS Ohio funds. This total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance.

DC Plan Benefits

Benefits are established under Sections 3307.80 to 3307.89 of the Revised Code. For members who select the DC Plan, all member contributions and employer contributions at a rate of 10.5% are placed in an investment account. The member determines how to allocate the member and employer money among various investment choices. 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. Employer contributions into members' accounts are vested after the first anniversary of the first day of paid service. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Combined Plan Benefits

Member contributions are allocated by the member, and employer contributions are used to fund a defined benefit payment. A member's defined benefit is determined by multiplying 1% of the member's final average salary by the member's years of service credit. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60. The defined contribution portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50.

A retiree of STRS Ohio or another Ohio public retirement system is eligible for reemployment as a teacher following the elapse of two months from the date of retirement. Contributions are made by the reemployed member and employer during the reemployment. Upon termination of reemployment or age 65, whichever comes later, the retiree is eligible for an annuity benefit or equivalent lump-sum payment in addition to the original retirement allowance. A reemployed retiree may alternatively receive a refund of only member contributions with interest before age 65, once employment is terminated.

Benefits are increased annually by 3% of the original base amount for DB Plan participants.

The DB and Combined Plans offer access to health care coverage to eligible retirees who participated in the plans and their eligible dependents. Coverage under the current program includes hospitalizations, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. By Ohio law, health care benefits are not guaranteed.

A DB or Combined Plan member with five or more years' credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of members who die before retirement may qualify for survivor benefits. A death benefit of \$1,000 is payable to the beneficiary of each deceased retired member who participated in the DB Plan. Death benefit coverage up to \$2,000 can be purchased by participants in the DB, DC or Combined Plans. Various other benefits are available to members' beneficiaries.

Funding Policy

Chapter 3307 of the Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers.

Contribution requirements and the contributions actually made for the fiscal year ended June 30, 2009, were 10% of covered payroll for members and 14% for employers. The District's contributions to STRS for the years ended June 30, 2009, 2008, and 2007 were \$6,668,916, \$5,911,040, and \$5,446,008, respectively; 82% has been contributed for fiscal year 2009 and 100% for fiscal years 2008 and 2007.

NOTE 12 - POST EMPLOYMENT BENEFITS

SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

Plan Description

In addition to a cost-sharing multiple-employer defined benefit pension plan, the School Employees Retirement System of Ohio (SERS) administers two postemployment benefit plans.

Medicare Part B Plan

The Medicare B plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code (ORC) 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B premium for calendar year 2009 was \$96.40; SERS' reimbursement to retirees was \$45.50.

The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For fiscal year 2009, the actuarially required allocation was .75%. District contributions for the year ended June 30, 2009, 2008 and 2007 were \$138,206, \$118,017 and \$113,282, respectively, which equaled the required contributions each year.

Health Care Plan

ORC 3309.375 and 3309.69 permit SERS to offer health care benefits to eligible retirees and beneficiaries. SERS' Retirement Board reserves the right to change or discontinue any health plan or program. SERS offers several types of health plans from various vendors, including HMO's, PPO's, Medicare Advantage and traditional indemnity plans. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively.

The ORC provides the statutory authority to fund SERS' postemployment benefits through employer contributions. Active members do not make contributions to the postemployment benefit plans.

The Health Care Fund was established under, and is administered in accordance with, Internal Revenue Code 105(e). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14% contribution to the Health Care Fund. At June 30, 2009, the health care allocation was 4.16%. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; not may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2009, the minimum compensation level was established at \$35,800. The surcharge, added to the unallocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District contributions assigned to health care for the years ended June 30, 2009, 2008, and 2007 were \$766,582, \$576,203 and \$553,082, respectively.

The SERS Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

The financial reports of SERS' Health Care and Medicare B plans are included in its *Comprehensive Annual Financial Report*. The report can be obtained by contacting SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free (800) 878-5853. It is also posted on SERS' website at www.ohsers.org under *Employers/Audit Resources*.

STATE TEACHERS RETIREMENT SYSTEM OF OHIO

Plan Description

STRS Ohio administers a pension plan that is comprised of: a Defined Benefit Plan; a self-directed Defined Contribution Plan and a Combined Plan that is a hybrid of the Defined Benefit and the Defined Contribution Plan.

Ohio law authorized STRS Ohio to offer a cost-sharing, multiple-employer health care plan. STRS Ohio provides access to health care coverage to eligible retirees who participated in the Defined Benefit or Combined Plans. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums.

Pursuant to 3307 of the Revised Code, the Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by STRS Ohio. All benefit recipients, for the most recent year, pay a portion of the health care costs in the form of a monthly premium.

STRS Ohio issues a stand-alone financial report. Interested parties can view the most recent *Comprehensive Annual Financial Report* by visiting www.strsoh.org or by requesting a copy by calling toll-free 1-888-227-7877.

Funding Policy

Under Ohio law, funding for post-employment health care may be deducted from employer contributions. Of the 14% employer contributions rate, 1% of covered payroll was allocated to post-employment health care for the year ended June 30, 2009, 2008 and 2007. The 14% employer contribution rate is the maximum rate established under Ohio law. The District contributions for the years ended June 30, 2009, 2008, and 2007 were \$476,351, \$422,217 and \$389,001, respectively.

NOTE 13 - CONTINGENT LIABILITIES

The District receives significant financial assistance from numerous federal, state and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds.

However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District as of fiscal year end.

NOTE 14 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During the current fiscal year the District contracted with Indiana Insurance for general liability insurance with a \$2,000,000 aggregate plus excess umbrella of an additional \$4,000,000 limit covering all employees and volunteers of the District.

Property and Fleet Insurance is provided by Indiana Insurance 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 Nationwide maintains a \$50,000 public official bond for the Treasurer. Cincinnati Insurance 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.

Through September 30, 2008, the District paid the State Workers' Compensation a premium based on a rate per \$100 of salaries. This rate was calculated based on accident history and administrative costs. Effective October 1, 2008, the District became self-insured.

The District offers medical on a self-insured basis with third party administration services provided by Custom Design Benefits. Monthly premiums for medical coverage are \$1,374 for family coverage or \$572 for individual coverage. The District is responsible for payment of all claim amounts in excess of the employee payment percentages established in the plan document.

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 for family coverage and \$37 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 \$1,449,428 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 \$1,426,238 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 \$1,449,428 has been reported as claims payable in the amount of \$1,426,238 and as amount due within one year for the long-term portion in the amount of \$23,190.

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

	Balance at <u>Beginning of Year</u>	Current Year <u>Claims</u>	Claims <u>Payments</u>	Balance at <u>End of Year</u>
2007	\$570,756	\$10,430,178	\$9,736,807	\$1,264,127
2008	\$1,264,127	\$12,423,394	\$12,446,543	\$1,240,978
2009	\$1,240,978	\$14,259,422	\$14,074,162	\$1,426,238

NOTE 15 – ACCOUNTABILITY

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

<u>Fund</u>	<u>Deficit</u>
Special Revenue:	
Public School Support	\$93,687
Gifted Supplemental	54,945
Title VI B	266,506
Title III	14,394
Title I	41,102
Capital Projects:	
Building	2,581,644
Insurance Replacement	127,608

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.

NOTE 16 - FUND BALANCE RESERVES FOR SET-ASIDES

The District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount 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.

	Textbooks	Capital Acquisition	Budget Stabilization
Set-aside Reserve Balance as of June 30, 2008	(\$586,707)	\$0	\$85,593
Current Year Set-aside Requirement	1,684,859	1,684,859	0
Qualified Disbursements	(1,574,739)	(1,000,696)	0
Current Year Offsets	0	(31,496,277)	0
Set-Aside Reserve Balance as of June 30, 2009	<u>(\$476,587)</u>	<u>(\$30,812,114)</u>	<u>\$85,593</u>
Restricted Cash as of June 30, 2009			<u>\$85,593</u>
Carried Forward as of June 30, 2009	<u>(\$476,587)</u>		

NOTE 17 - INTERFUND TRANSACTIONS

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

	Interfund		Transfers	
	Receivable	Payable	In	Out
General Fund	\$877,602	\$0	\$0	\$193,709
Debt Service Fund	0	0	9,250,000	10,016,635
Building Fund	0	0	10,016,635	9,250,000
Other Governmental Funds	0	877,602	193,709	0
Total All Funds	<u>\$877,602</u>	<u>\$877,602</u>	<u>\$19,460,344</u>	<u>\$19,460,344</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.

NOTE 18 - SIGNIFICANT CONTRACTUAL OBLIGATIONS

Listed below are the District's contracts that had outstanding balances in excess of \$100,000 at year end:

Beacon Electronic Company	\$612,184
Butler County Electric	137,921
Elite Fitness	280,881
George Steel Fabricating, Inc.	1,567,719
Kendall Construction Co.	1,463,829
Milner Masonry Contractors, Inc.	123,078
Queen City Mechanicals, Inc.	147,804
Staffco Construction	460,330
TP Mechanical Contractors	2,551,434
Turner Construction Co.	317,860
Virco	578,198
Voorhis, Slone, Welsh	688,286
	<hr/>
Total	<u>\$8,929,524</u>

NOTE 19 - JOINTLY GOVERNED ORGANIZATIONS

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

The Governing Board of SWOCA consists of six members elected by majority vote of all charter member schools plus one representative from the fiscal agent. The District has an equity interest that is explicit and measurable in that the jointly governed agreement stipulates that the participants have a future claim to the net resources of SWOCA upon dissolution. The agreement sets forth the method to determine each member's proportionate share. Financial information can be obtained from Michael Crumley, who serves as director, at 3603 Hamilton-Middletown Road, Hamilton, Ohio 45011.

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

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REQUIRED SUPPLEMENTARY INFORMATION

Mason City School District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2009

	General Fund			Variance from Final Budget Favorable (Unfavorable)
	Original Budget	Final Budget	Actual	
Revenues:				
Taxes	\$51,077,733	\$51,556,148	\$51,556,148	\$0
Tuition and Fees	880,843	869,323	889,093	19,770
Investment Earnings	1,092,659	1,001,000	1,102,893	101,893
Intergovernmental	43,527,382	43,881,775	43,935,078	53,303
Other Revenues	107,816	46,205	108,826	62,621
Total Revenues	96,686,433	97,354,451	97,592,038	237,587
Expenditures:				
Current:				
Instruction:				
<u>Regular</u>				
Salaries and Wages	31,990,789	31,060,761	31,046,909	13,852
Fringe Benefits	11,247,546	10,922,535	10,915,690	6,845
Purchased Services	83,656	112,189	81,188	31,001
Materials and Supplies	2,067,391	2,414,786	2,006,393	408,393
Capital Outlay	20,598	23,241	19,990	3,251
Capital Outlay - Replacement	14,279	17,315	13,858	3,457
Other Expenditures	5,896	10,085	5,722	4,363
Total Regular	45,430,155	44,560,912	44,089,750	471,162
<u>Special</u>				
Salaries and Wages	7,007,111	7,149,232	6,800,368	348,864
Fringe Benefits	2,882,655	2,973,233	2,797,603	175,630
Purchased Services	203,113	251,548	197,120	54,428
Materials and Supplies	43,824	59,757	42,531	17,226
Capital Outlay	720	1,000	699	301
Other Expenditures	239,528	274,038	232,461	41,577
Total Special	10,376,951	10,708,808	10,070,782	638,026
<u>Other</u>				
Purchased Services	845,499	1,125,558	820,553	305,005
Total Other	845,499	1,125,558	820,553	305,005
Support Services:				
<u>Pupil</u>				
Salaries and Wages	4,035,971	3,917,683	3,916,891	792
Fringe Benefits	1,563,927	1,555,679	1,517,784	37,895
Purchased Services	609,033	640,045	591,064	48,981
Materials and Supplies	44,845	72,838	43,522	29,316
Capital Outlay	1,029	2,785	999	1,786
Capital Outlay - Replacement	342	366	332	34
Other Expenditures	319	543	310	233
Total Pupil	6,255,466	6,189,939	6,070,902	119,037

Continued

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
<u>Instructional Staff</u>				
Salaries and Wages	4,799,768	4,698,974	4,658,152	40,822
Fringe Benefits	2,417,361	2,439,581	2,346,037	93,544
Purchased Services	23,454	39,300	22,762	16,538
Materials and Supplies	87,056	107,835	84,487	23,348
Capital Outlay	5,249	6,753	5,094	1,659
Capital Outlay - Replacement	0	100	0	100
Other Expenditures	14,490	20,340	14,062	6,278
Total Instructional Staff	7,347,378	7,312,883	7,130,594	182,289
<u>General Administration</u>				
Salaries and Wages	15,198	18,800	14,750	4,050
Fringe Benefits	2,649	3,184	2,571	613
Purchased Services	1,850	2,054	1,795	259
Materials and Supplies	224	853	217	636
Other Expenditures	20,172	77,320	19,577	57,743
Total Board of Education	40,093	102,211	38,910	63,301
<u>School Administration</u>				
Salaries and Wages	3,959,870	3,861,710	3,843,035	18,675
Fringe Benefits	1,666,493	1,652,897	1,617,324	35,573
Purchased Services	192,240	233,103	186,568	46,535
Materials and Supplies	20,369	27,111	19,768	7,343
Capital Outlay	1,907	4,351	1,851	2,500
Capital Outlay - Replacement	1,561	2,000	1,515	485
Other Expenditures	105,257	110,309	102,151	8,158
Total Administration	5,947,697	5,891,481	5,772,212	119,269
<u>Fiscal</u>				
Salaries and Wages	666,491	650,432	646,826	3,606
Fringe Benefits	277,392	270,835	269,208	1,627
Purchased Services	46,541	48,760	45,168	3,592
Materials and Supplies	20,938	24,751	20,320	4,431
Capital Outlay	105	200	102	98
Other Expenditures	1,024,812	1,026,978	994,575	32,403
Total Fiscal	2,036,279	2,021,956	1,976,199	45,757
<u>Business</u>				
Salaries and Wages	207,608	201,645	201,483	162
Fringe Benefits	96,789	94,729	93,933	796
Purchased Services	15,342	21,654	14,889	6,765
Materials and Supplies	5,002	5,780	4,854	926
Other Expenditures	1,180	1,145	1,145	0
Total Business	325,921	324,953	316,304	8,649

Continued

Mason City School District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2009

	General Fund			Variance from Final Budget Favorable (Unfavorable)
	Original Budget	Final Budget	Actual	
<u>Operations and Maintenance</u>				
Salaries and Wages	3,453,348	3,352,894	3,351,458	1,436
Fringe Benefits	1,571,017	1,585,314	1,524,665	60,649
Purchased Services	4,999,162	4,867,359	4,851,663	15,696
Materials and Supplies	856,917	840,336	831,634	8,702
Capital Outlay	58,734	57,610	57,001	609
Total Operations and Maintenance	<u>10,939,178</u>	<u>10,703,513</u>	<u>10,616,421</u>	<u>87,092</u>
<u>Pupil Transportation</u>				
Salaries and Wages	4,055,726	4,106,713	3,936,063	170,650
Fringe Benefits	1,818,089	1,838,470	1,764,447	74,023
Purchased Services	228,031	342,715	221,303	121,412
Materials and Supplies	748,203	853,096	726,127	126,969
Capital Outlay	15,694	19,784	15,231	4,553
Capital Outlay - Replacement	209,755	203,566	203,566	0
Other Expenditures	103	103	100	3
Total Pupil Transportation	<u>7,075,601</u>	<u>7,364,447</u>	<u>6,866,837</u>	<u>497,610</u>
<u>Central</u>				
Salaries and Wages	1,684,928	1,667,285	1,635,215	32,070
Fringe Benefits	706,574	712,440	685,727	26,713
Purchased Services	369,859	513,801	358,946	154,855
Materials and Supplies	454,102	541,983	440,704	101,279
Capital Outlay	25,483	35,478	24,731	10,747
Capital Outlay - Replacement	247,008	249,984	239,720	10,264
Other Expenditures	3,028	2,966	2,939	27
Total Central	<u>3,490,982</u>	<u>3,723,937</u>	<u>3,387,982</u>	<u>335,955</u>
<u>Operation of Non-Instructional Services</u>				
Salaries and Wages	0	3,989	0	3,989
Fringe Benefits	1,256	1,289	1,219	70
Purchased Services	677	19,166	657	18,509
Materials and Supplies	7,021	10,100	6,814	3,286
Other Expenditures	0	3,090	0	3,090
Total Non-Instructional Services	<u>8,954</u>	<u>37,634</u>	<u>8,690</u>	<u>28,944</u>
<u>Extracurricular Activities</u>				
Salaries and Wages	1,210,185	1,190,997	1,174,479	16,518
Fringe Benefits	286,978	285,681	278,511	7,170
Purchased Services	215,570	212,592	209,210	3,382
Materials and Supplies	11,509	23,083	11,169	11,914
Capital Outlay	613	595	595	0
Other Expenditures	10,976	13,431	10,652	2,779
Total Extracurricular Activities	<u>1,735,831</u>	<u>1,726,379</u>	<u>1,684,616</u>	<u>41,763</u>
Capital Outlay	<u>355</u>	<u>400</u>	<u>335</u>	<u>65</u>
Total Expenditures	<u>101,856,340</u>	<u>101,795,011</u>	<u>98,851,087</u>	<u>2,943,924</u>
Excess of Revenues Over (Under) Expenditures	<u>(5,169,907)</u>	<u>(4,440,560)</u>	<u>(1,259,049)</u>	<u>3,181,511</u>

Continued

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	General Fund			Variance from Final Budget Favorable (Unfavorable)
	Original Budget	Final Budget	Actual	
Other financing sources (uses):				
Proceeds from Sale of Capital Assets	177,741	100,000	179,406	79,406
Advances In	1,740,440	1,756,741	1,756,742	1
Advances (Out)	(904,283)	(927,000)	(877,602)	49,398
Transfers (Out)	(199,598)	(194,000)	(193,709)	291
Total Other Financing Sources (Uses)	814,300	735,741	864,837	129,096
Net Change in Fund Balance	(4,355,607)	(3,704,819)	(394,212)	3,310,607
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	42,431,935	42,431,935	42,431,935	0
Fund Balance End of Year	\$38,076,328	\$38,727,116	\$42,037,723	\$3,310,607

See accompanying notes to the required supplementary information.

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Mason City School District
Notes to the Required Supplementary Information
For The Fiscal Year Ended June 30, 2009

NOTE 1 - BUDGETARY PROCESS

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 2009.

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 (Non-GAAP Basis) and Actual 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 a reservation 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.

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

Net Change in Fund Balance

	<u>General Fund</u>
GAAP Basis	\$7,434,638
Revenue Accruals	(3,782,727)
Expenditures Accruals	(3,762,067)
Advances In	1,756,742
Advances (Out)	(877,602)
Encumbrances	<u>(1,163,196)</u>
Budget Basis	<u><u>(\$394,212)</u></u>

**COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

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FUND DESCRIPTIONS

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS: Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

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.

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.

MANAGEMENT INFORMATION SYSTEM: To account for state funds which are provided to assist the District in implementing a staff, student and financial system to comply with Senate Bill 140.

ENTRY YEAR PROGRAMS: To account for state funds provided for entry year programs.

ONENET NETWORK CONNECTIVITY: To account for state funds designed to provide network connections for technology in the District.

SCHOOLNET PROFESSIONAL DEVELOPMENT: To account for a limited number of professional development subsidy grants.

OHIO READS: To account for state funds, which are designated reading.

SUMMER INTERVENTION: To account for funds which are used for summer intervention.

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.

REFUGEE IMPACT: To account for federal funds to provide supplemental services to refugees.

TITLE I: To account for federal funds for services provided to meet special educational needs of educationally deprived children.

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

DRUG FREE SCHOOLS: To account for federal funds used for establishment, operation and improvement of programs of drug abuse prevention, early intervention, rehabilitation referral and education in schools.

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.

CONTINUOUS IMPROVEMENT: To account for federal funds received through the state for the development of a continuous improvement plan.

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.

LATCHKEY: To account for all revenues and expenses related to the operation of the Latchkey Program for the District students.

CAPITAL PROJECTS FUNDS: The Capital Projects Funds is used to account for the financial resources to be used for the acquisition or construction of major capital facilities.

CAPITAL PROJECTS: To account for all transactions related to improvements to existing District facilities.

INSURANCE REPLACEMENT: To account for all transactions related to equipment replacement of the District.

Mason City School District, Ohio
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2009

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:			
Equity in Pooled Cash and Investments	\$5,162,470	\$5,269,278	\$10,431,748
Receivables:			
Taxes	0	692,760	692,760
Accounts	77,386	20,135	97,521
Intergovernmental	284,880	0	284,880
Inventory	28,610	0	28,610
Total Assets	5,553,346	5,982,173	11,535,519
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	95,585	132,998	228,583
Accrued Wages and Benefits	744,640	0	744,640
Interfund Payable	755,332	122,270	877,602
Deferred Revenue	303,462	651,080	954,542
Contracts Payable	0	42,512	42,512
Total Liabilities	1,899,019	948,860	2,847,879
Fund Balances:			
Reserved for Encumbrances	303,189	942,647	1,245,836
Reserved for Inventory	28,610	0	28,610
Reserved for Property Tax Advances	0	56,480	56,480
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	3,322,528	0	3,322,528
Capital Projects Funds	0	4,034,186	4,034,186
Total Fund Balances	3,654,327	5,033,313	8,687,640
Total Liabilities and Fund Balances	\$5,553,346	\$5,982,173	\$11,535,519

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Mason City School District, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009

	Public School Support	Community Services	District Managed Student Activity	Auxiliary Services	Management Information System
Assets:					
Equity in Pooled Cash and Investments	\$415,065	\$2,454,347	\$241,862	\$114,421	\$75
Receivables:					
Accounts	746	76,043	230	100	0
Intergovernmental	0	0	0	0	0
Inventory	0	0	0	0	0
Total Assets	415,811	2,530,390	242,092	114,521	75
Liabilities and Fund Balances:					
Liabilities:					
Accounts Payable	19,549	1,467	11,669	47,700	0
Accrued Wages and Benefits	0	102,907	11,728	0	0
Interfund Payable	489,949	27,955	112,672	0	0
Deferred Revenue	0	20,121	0	0	0
Total Liabilities	509,498	152,450	136,069	47,700	0
Fund Balances:					
Reserved for Encumbrances	148,586	22,408	11,603	69,215	0
Reserved for Inventory	0	0	0	0	0
Unreserved, Undesignated, Reported in: Special Revenue Funds	(242,273)	2,355,532	94,420	(2,394)	75
Total Fund Balances	(93,687)	2,377,940	106,023	66,821	75
Total Liabilities and Fund Balances	\$415,811	\$2,530,390	\$242,092	\$114,521	\$75

Entry Year Programs	OneNet Network Connectivity	SchoolNet Professional Development	Ohio Reads	Summer Intervention	Gifted Supplemental	Title VI-B
\$22	\$4,519	\$0	\$2,000	\$464	\$22	\$2,628
0	0	0	0	0	0	0
0	0	0	0	0	13,311	226,367
0	0	0	0	0	0	0
<u>22</u>	<u>4,519</u>	<u>0</u>	<u>2,000</u>	<u>464</u>	<u>13,333</u>	<u>228,995</u>
0	0	0	0	0	0	1,583
0	0	0	0	0	10,021	239,635
0	0	0	0	0	44,946	27,916
0	0	0	0	0	13,311	226,367
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>68,278</u>	<u>495,501</u>
0	0	0	0	0	22	900
0	0	0	0	0	0	0
<u>22</u>	<u>4,519</u>	<u>0</u>	<u>2,000</u>	<u>464</u>	<u>(54,967)</u>	<u>(267,406)</u>
<u>22</u>	<u>4,519</u>	<u>0</u>	<u>2,000</u>	<u>464</u>	<u>(54,945)</u>	<u>(266,506)</u>
<u>\$22</u>	<u>\$4,519</u>	<u>\$0</u>	<u>\$2,000</u>	<u>\$464</u>	<u>\$13,333</u>	<u>\$228,995</u>

Continued

Mason City School District, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009

	Vocational Education	Title III	Refugee Impact	Title I	Title VI
Assets:					
Equity in Pooled Cash and Investments	\$13,667	\$95	\$455	\$0	\$496
Receivables:					
Accounts	0	0	0	0	0
Intergovernmental	0	8,750	0	0	0
Inventory	0	0	0	0	0
Total Assets	13,667	8,845	455	0	496
Liabilities and Fund Balances:					
Liabilities:					
Accounts Payable	0	0	0	0	0
Accrued Wages and Benefits	0	14,489	0	41,102	0
Interfund Payable	0	0	0	0	0
Deferred Revenue	0	8,750	0	0	0
Total Liabilities	0	23,239	0	41,102	0
Fund Balances:					
Reserved for Encumbrances	702	0	0	0	110
Reserved for Inventory	0	0	0	0	0
Unreserved, Undesignated, Reported in: Special Revenue Funds	12,965	(14,394)	455	(41,102)	386
Total Fund Balances	13,667	(14,394)	455	(41,102)	496
Total Liabilities and Fund Balances	\$13,667	\$8,845	\$455	\$0	\$496

Drug-Free Schools	Public School Preschool	Improving Teacher Quality	Continuous Improvement	Food Service	Latchkey	Total Nonmajor Special Revenue Funds
\$1,002	\$0	\$21,338	\$851	\$1,696,358	\$192,783	\$5,162,470
0	0	0	0	192	75	77,386
453	0	33,050	1,410	1,539	0	284,880
0	0	0	0	28,610	0	28,610
<u>1,455</u>	<u>0</u>	<u>54,388</u>	<u>2,261</u>	<u>1,726,699</u>	<u>192,858</u>	<u>5,553,346</u>
436	0	11,700	0	1,022	459	95,585
0	0	0	0	254,704	70,054	744,640
0	0	0	0	0	51,894	755,332
453	0	33,050	1,410	0	0	303,462
<u>889</u>	<u>0</u>	<u>44,750</u>	<u>1,410</u>	<u>255,726</u>	<u>122,407</u>	<u>1,899,019</u>
239	0	7,297	10	37,573	4,524	303,189
0	0	0	0	28,610	0	28,610
<u>327</u>	<u>0</u>	<u>2,341</u>	<u>841</u>	<u>1,404,790</u>	<u>65,927</u>	<u>3,322,528</u>
566	0	9,638	851	1,470,973	70,451	3,654,327
<u>\$1,455</u>	<u>\$0</u>	<u>\$54,388</u>	<u>\$2,261</u>	<u>\$1,726,699</u>	<u>\$192,858</u>	<u>\$5,553,346</u>

Mason City School District, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2009

	Capital Projects	Insurance Replacement	Total Nonmajor Capital Projects Funds
Assets:			
Equity in Pooled Cash and Investments	\$5,150,463	\$118,815	\$5,269,278
Receivables:			
Taxes	692,760	0	692,760
Accounts	20,135	0	20,135
Total Assets	5,863,358	118,815	5,982,173
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	8,845	124,153	132,998
Interfund Payable	0	122,270	122,270
Deferred Revenue	651,080	0	651,080
Contracts Payable	42,512	0	42,512
Total Liabilities	702,437	246,423	948,860
Fund Balances:			
Reserved for Encumbrances	825,371	117,276	942,647
Reserved for Property Tax Advances	56,480	0	56,480
Unreserved, Undesignated, Reported in: Capital Projects Funds	4,279,070	(244,884)	4,034,186
Total Fund Balances	5,160,921	(127,608)	5,033,313
Total Liabilities and Fund Balances:	\$5,863,358	\$118,815	\$5,982,173

Mason City School District, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2009

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Taxes	\$0	\$648,943	\$648,943
Revenue in lieu of taxes	0	3,025,536	3,025,536
Tuition and Fees	617,909	0	617,909
Investment Earnings	31,204	33,780	64,984
Intergovernmental	3,316,285	124,098	3,440,383
Extracurricular Activities	1,358,760	0	1,358,760
Charges for Services	5,583,324	0	5,583,324
Other Revenues	193,943	96,724	290,667
Total Revenues	11,101,425	3,929,081	15,030,506
Expenditures:			
Current:			
Instruction:			
Regular	792,145	136,421	928,566
Special	1,652,143	282	1,652,425
Vocational	9,254	0	9,254
Support Services:			
Pupil	561,628	5,649	567,277
Instructional Staff	157,943	6,878	164,821
School Administration	20,562	819	21,381
Fiscal	0	9,671	9,671
Business	92,071	0	92,071
Operations and Maintenance	1,265,451	807,707	2,073,158
Pupil Transportation	2,366	0	2,366
Central	56,800	810,928	867,728
Operation of Non-Instructional Services	5,849,111	0	5,849,111
Extracurricular Activities	1,080,744	5,183	1,085,927
Capital Outlay	0	2,736,581	2,736,581
Total Expenditures	11,540,218	4,520,119	16,060,337
Excess of Revenues Over (Under) Expenditures	(438,793)	(591,038)	(1,029,831)
Other Financing Sources (Uses):			
Transfers In	193,709	0	193,709
Total Other Financing Sources (Uses)	193,709	0	193,709
Net Change in Fund Balance	(245,084)	(591,038)	(836,122)
Fund Balance Beginning of Year	3,899,411	5,624,351	9,523,762
Fund Balance End of Year	\$3,654,327	\$5,033,313	\$8,687,640

Mason City School District, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2009

	Public School Support	Community Services	District Managed Student Activity	Auxiliary Services	Management Information System
Revenues:					
Tuition and Fees	\$427,982	\$107,893	\$82,034	\$0	\$0
Investment Earnings	0	13,966	1,857	1,251	0
Intergovernmental	0	0	0	687,597	31,244
Extracurricular Activities	534,123	25,680	798,957	0	0
Charges for Services	0	1,325,293	0	0	0
Other Revenues	36,856	79,097	77,130	100	0
Total Revenues	998,961	1,551,929	959,978	688,948	31,244
Expenditures:					
Current:					
Instruction:					
Regular	516,023	194,162	211	0	0
Special	427,794	0	0	0	0
Vocational	0	0	0	0	0
Support Services:					
Pupil	0	3,224	0	0	0
Instructional Staff	570	133	0	0	0
School Administration	0	0	0	0	0
Business	0	92,071	0	0	0
Operations and Maintenance	0	1,253,108	0	0	0
Pupil Transportation	674	1,692	0	0	0
Central	800	0	0	0	38,000
Operation of Non-Instructional Services	36,916	37,305	0	723,553	0
Extracurricular Activities	39,660	17,680	1,023,404	0	0
Total Expenditures	1,022,437	1,599,375	1,023,615	723,553	38,000
Excess of Revenues Over (Under) Expenditures	(23,476)	(47,446)	(63,637)	(34,605)	(6,756)
Other Financing Sources (Uses):					
Transfers In	0	193,709	0	0	0
Total Other Financing Sources (Uses)	0	193,709	0	0	0
Net Change in Fund Balance	(23,476)	146,263	(63,637)	(34,605)	(6,756)
Fund Balance Beginning of Year	(70,211)	2,231,677	169,660	101,426	6,831
Fund Balance End of Year	(\$93,687)	\$2,377,940	\$106,023	\$66,821	\$75

Entry Year Programs	OneNet Network Connectivity	SchoolNet Professional Development	Ohio Reads	Summer Intervention	Gifted Supplemental	Title VI-B
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
28,700	18,000	4,770	0	0	35,050	1,267,100
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>28,700</u>	<u>18,000</u>	<u>4,770</u>	<u>0</u>	<u>0</u>	<u>35,050</u>	<u>1,267,100</u>
27,483	0	0	0	0	0	0
0	0	0	0	0	31,545	966,547
0	0	0	0	0	0	0
0	0	0	0	0	61,440	416,831
2,100	0	4,963	0	0	0	7,103
0	0	0	0	0	0	5,000
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	18,000	0	0	0	0	0
0	0	0	0	0	0	28,691
0	0	0	0	0	0	0
<u>29,583</u>	<u>18,000</u>	<u>4,963</u>	<u>0</u>	<u>0</u>	<u>92,985</u>	<u>1,424,172</u>
<u>(883)</u>	<u>0</u>	<u>(193)</u>	<u>0</u>	<u>0</u>	<u>(57,935)</u>	<u>(157,072)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(883)</u>	<u>0</u>	<u>(193)</u>	<u>0</u>	<u>0</u>	<u>(57,935)</u>	<u>(157,072)</u>
<u>905</u>	<u>4,519</u>	<u>193</u>	<u>2,000</u>	<u>464</u>	<u>2,990</u>	<u>(109,434)</u>
<u>\$22</u>	<u>\$4,519</u>	<u>\$0</u>	<u>\$2,000</u>	<u>\$464</u>	<u>(\$54,945)</u>	<u>(\$266,506)</u>

Continued

Mason City School District, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2009

	Vocational Education	Title III	Refugee Impact	Title I	Title VI
Revenues:					
Tuition and Fees	\$0	\$0	\$0	\$0	\$0
Investment Earnings	0	0	0	0	0
Intergovernmental	14,933	61,162	0	167,650	7,890
Extracurricular Activities	0	0	0	0	0
Charges for Services	0	0	0	0	0
Other Revenues	0	0	0	0	0
Total Revenues	14,933	61,162	0	167,650	7,890
Expenditures:					
Current:					
Instruction:					
Regular	0	0	0	0	7,006
Special	0	42,783	0	183,474	0
Vocational	9,254	0	0	0	0
Support Services:					
Pupil	0	0	0	0	0
Instructional Staff	0	23,693	0	0	0
School Administration	0	888	0	7,900	384
Business	0	0	0	0	0
Operations and Maintenance	0	0	0	0	0
Pupil Transportation	0	0	0	0	0
Central	0	0	0	0	0
Operation of Non-Instructional Services	0	0	0	335	1,149
Extracurricular Activities	0	0	0	0	0
Total Expenditures	9,254	67,364	0	191,709	8,539
Excess of Revenues Over (Under) Expenditures	5,679	(6,202)	0	(24,059)	(649)
Other Financing Sources (Uses):					
Transfers In	0	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0	0
Net Change in Fund Balance	5,679	(6,202)	0	(24,059)	(649)
Fund Balance Beginning of Year	7,988	(8,192)	455	(17,043)	1,145
Fund Balance End of Year	\$13,667	(\$14,394)	\$455	(\$41,102)	\$496

Drug-Free Schools	Public School Preschool	Improving Teacher Quality	Continuous Improvement	Food Service	Latchkey	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$0	\$617,909
0	0	0	0	12,531	1,599	31,204
22,531	36,759	140,308	14,214	778,377	0	3,316,285
0	0	0	0	0	0	1,358,760
0	0	0	0	3,653,167	604,864	5,583,324
0	0	0	0	598	162	193,943
<u>22,531</u>	<u>36,759</u>	<u>140,308</u>	<u>14,214</u>	<u>4,444,673</u>	<u>606,625</u>	<u>11,101,425</u>
0	2,446	38,000	74	0	6,740	792,145
0	0	0	0	0	0	1,652,143
0	0	0	0	0	0	9,254
21,800	483	0	0	57,850	0	561,628
0	29,608	88,213	1,560	0	0	157,943
390	0	6,000	0	0	0	20,562
0	0	0	0	0	0	92,071
0	0	0	12,343	0	0	1,265,451
0	0	0	0	0	0	2,366
0	0	0	0	0	0	56,800
1,403	0	864	0	4,350,777	668,118	5,849,111
0	0	0	0	0	0	1,080,744
<u>23,593</u>	<u>32,537</u>	<u>133,077</u>	<u>13,977</u>	<u>4,408,627</u>	<u>674,858</u>	<u>11,540,218</u>
<u>(1,062)</u>	<u>4,222</u>	<u>7,231</u>	<u>237</u>	<u>36,046</u>	<u>(68,233)</u>	<u>(438,793)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>193,709</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>193,709</u>
<u>(1,062)</u>	<u>4,222</u>	<u>7,231</u>	<u>237</u>	<u>36,046</u>	<u>(68,233)</u>	<u>(245,084)</u>
<u>1,628</u>	<u>(4,222)</u>	<u>2,407</u>	<u>614</u>	<u>1,434,927</u>	<u>138,684</u>	<u>3,899,411</u>
<u>\$566</u>	<u>\$0</u>	<u>\$9,638</u>	<u>\$851</u>	<u>\$1,470,973</u>	<u>\$70,451</u>	<u>\$3,654,327</u>

Mason City School District, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2009

	Capital Projects	Insurance Replacement	Total Nonmajor Capital Projects Funds
Revenues:			
Taxes	\$648,943	\$0	\$648,943
Revenue in lieu of taxes	3,025,536	0	3,025,536
Investment Earnings	33,780	0	33,780
Intergovernmental	124,098	0	124,098
Other Revenues	96,724	0	96,724
Total Revenues	3,929,081	0	3,929,081
Expenditures:			
Current:			
Instruction:			
Regular	136,421	0	136,421
Special	282	0	282
Support Services:			
Pupil	5,649	0	5,649
Instructional Staff	0	6,878	6,878
School Administration	819	0	819
Fiscal	9,671	0	9,671
Business	0	0	0
Operations and Maintenance	807,707	0	807,707
Central	810,928	0	810,928
Extracurricular Activities	5,183	0	5,183
Capital Outlay	2,608,324	128,257	2,736,581
Total Expenditures	4,384,984	135,135	4,520,119
Net Change in Fund Balance	(455,903)	(135,135)	(591,038)
Fund Balance Beginning of Year	5,616,824	7,527	5,624,351
Fund Balance End of Year	\$5,160,921	(\$127,608)	\$5,033,313

Mason City School District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2009

	Public School Support Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Tuition and Fees	\$427,982	\$427,982	\$0
Extracurricular Activities	527,476	533,377	5,901
Other Revenues	41,703	43,003	1,300
Total Revenues	997,161	1,004,362	7,201
Expenditures:			
Current:			
Instruction:			
Regular	643,956	532,070	111,886
Special	566,747	565,747	1,000
Support Services:			
Instructional Staff	1,806	713	1,093
Operations and Maintenance	107	0	107
Pupil Transportation	1,080	795	285
Central	1,300	800	500
Operation of Non-Instructional Services	48,450	37,323	11,127
Extracurricular Activities	55,215	39,744	15,471
Total Expenditures	1,318,661	1,177,192	141,469
Excess of Revenues Over (Under) Expenditures	(321,500)	(172,830)	148,670
Other financing sources (uses):			
Advances In	489,949	489,949	0
Advances (Out)	(322,149)	(432,095)	(109,946)
Total Other Financing Sources (Uses)	167,800	57,854	(109,946)
Net Change in Fund Balance	(153,700)	(114,976)	38,724
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	364,096	364,096	0
Fund Balance End of Year	\$210,396	\$249,120	\$38,724

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	Community Services Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Tuition and Fees	\$111,413	\$113,686	\$2,273
Investment Earnings	13,756	13,966	210
Extracurricular Activities	25,680	25,680	0
Charges for Services	1,277,149	1,325,293	48,144
Other Revenues	56,942	57,262	320
Total Revenues	1,484,940	1,535,887	50,947
Expenditures:			
Current:			
Instruction:			
Regular	235,922	171,203	64,719
Special	9,379	9,109	270
Support Services:			
Pupil	20,246	9,099	11,147
Instructional Staff	34,943	3,940	31,003
Business	121,800	103,699	18,101
Operations and Maintenance	1,429,476	1,262,741	166,735
Pupil Transportation	18,008	17,907	101
Operation of Non-Instructional Services	45,509	41,052	4,457
Extracurricular Activities	101,585	18,700	82,885
Total Expenditures	2,016,868	1,637,450	379,418
Excess of Revenues Over (Under) Expenditures	(531,928)	(101,563)	430,365
Other financing sources (uses):			
Advances In	27,955	27,955	0
Advances (Out)	(3,142)	(3,142)	0
Transfers In	193,710	193,710	0
Total Other Financing Sources (Uses)	218,523	218,523	0
Net Change in Fund Balance	(313,405)	116,960	430,365
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,313,512	2,313,512	0
Fund Balance End of Year	\$2,000,107	\$2,430,472	\$430,365

Mason City School District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2009

	District Managed Student Activity Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Tuition and Fees	\$81,854	\$81,854	\$0
Investment Earnings	1,808	1,857	49
Extracurricular Activities	795,663	800,398	4,735
Other Revenues	81,860	82,056	196
Total Revenues	961,185	966,165	4,980
Expenditures:			
Current:			
Instruction:			
Regular	211	211	0
Extracurricular Activities	1,136,246	1,029,543	106,703
Total Expenditures	1,136,457	1,029,754	106,703
Excess of Revenues Over (Under) Expenditures	(175,272)	(63,589)	111,683
Other financing sources (uses):			
Advances In	112,752	112,672	(80)
Advances (Out)	(77,814)	(77,814)	0
Total Other Financing Sources (Uses)	34,938	34,858	(80)
Net Change in Fund Balance	(140,334)	(28,731)	111,603
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	247,321	247,321	0
Fund Balance End of Year	\$106,987	\$218,590	\$111,603

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	Auxiliary Services Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Investment Earnings	\$1,251	\$1,251	\$0
Intergovernmental	687,597	687,597	0
Total Revenues	688,848	688,848	0
Expenditures:			
Current:			
Operation of Non-Instructional Services	826,656	826,628	28
Total Expenditures	826,656	826,628	28
Net Change in Fund Balance	(137,808)	(137,780)	28
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	137,810	137,810	0
Fund Balance End of Year	\$2	\$30	\$28

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	Management Information System Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$31,244	\$31,244	\$0
Total Revenues	31,244	31,244	0
Expenditures:			
Current:			
Support Services:			
Central	38,000	38,000	0
Total Expenditures	38,000	38,000	0
Net Change in Fund Balance	(6,756)	(6,756)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	6,831	6,831	0
Fund Balance End of Year	\$75	\$75	\$0

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	Entry Year Programs Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$28,700	\$28,700	\$0
Total Revenues	28,700	28,700	0
Expenditures:			
Current:			
Instruction:			
Regular	27,507	27,483	24
Support Services:			
Instructional Staff	2,100	2,100	0
Total Expenditures	29,607	29,583	24
Net Change in Fund Balance	(907)	(883)	24
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	905	905	0
Fund Balance End of Year	(\$2)	\$22	\$24

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	OneNet Network Connectivity Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$18,000	\$18,000	\$0
Total Revenues	18,000	18,000	0
Expenditures:			
Current:			
Support Services:			
Central	22,519	18,000	4,519
Total Expenditures	22,519	18,000	4,519
Net Change in Fund Balance	(4,519)	0	4,519
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	4,519	4,519	0
Fund Balance End of Year	\$0	\$4,519	\$4,519

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	SchoolNet Professional Development Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$4,770	\$4,770	\$0
Total Revenues	4,770	4,770	0
Expenditures:			
Current:			
Support Services:			
Instructional Staff	4,963	4,963	0
Total Expenditures	4,963	4,963	0
Net Change in Fund Balance	(193)	(193)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	193	193	0
Fund Balance End of Year	\$0	\$0	\$0

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	Ohio Reads Fund		
	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Support Services:			
Instructional Staff	2,000	0	2,000
Total Expenditures	2,000	0	2,000
Net Change in Fund Balance	(2,000)	0	2,000
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,000	2,000	0
Fund Balance End of Year	\$0	\$2,000	\$2,000

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	Summer Intervention Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Regular	463	0	463
Total Expenditures	463	0	463
Net Change in Fund Balance	(463)	0	463
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	464	464	0
Fund Balance End of Year	\$1	\$464	\$463

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	Gifted Supplemental Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$35,050	\$35,050	\$0
Total Revenues	35,050	35,050	0
Expenditures:			
Current:			
Instruction:			
Special	31,567	31,567	0
Support Services:			
Pupil	51,469	51,419	50
Total Expenditures	83,036	82,986	50
Excess of Revenues Over (Under) Expenditures	(47,986)	(47,936)	50
Other financing sources (uses):			
Advances In	44,996	44,946	(50)
Total Other Financing Sources (Uses)	44,996	44,946	(50)
Net Change in Fund Balance	(2,990)	(2,990)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,990	2,990	0
Fund Balance End of Year	\$0	\$0	\$0

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	Title VI-B Fund		
	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$1,616,607	\$1,616,607	\$0
Total Revenues	1,616,607	1,616,607	0
Expenditures:			
Current:			
Instruction:			
Special	1,046,601	1,046,458	143
Support Services:			
Pupil	437,553	437,553	0
Instructional Staff	7,128	7,128	0
School Administration	5,000	5,000	0
Operation of Non-Instructional Services	29,565	29,565	0
Total Expenditures	1,525,847	1,525,704	143
Excess of Revenues Over (Under) Expenditures	90,760	90,903	143
Other financing sources (uses):			
Advances In	27,916	27,916	0
Advances (Out)	(134,492)	(134,492)	0
Total Other Financing Sources (Uses)	(106,576)	(106,576)	0
Net Change in Fund Balance	(15,816)	(15,673)	143
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	15,818	15,818	0
Fund Balance End of Year	\$2	\$145	\$143

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	Vocational Education Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$14,933	\$18,666	\$3,733
Total Revenues	14,933	18,666	3,733
Expenditures:			
Current:			
Instruction:			
Vocational	19,188	9,956	9,232
Total Expenditures	19,188	9,956	9,232
Excess of Revenues Over (Under) Expenditures	(4,255)	8,710	12,965
Other financing sources (uses):			
Advances (Out)	(1,496)	(1,496)	0
Total Other Financing Sources (Uses)	(1,496)	(1,496)	0
Net Change in Fund Balance	(5,751)	7,214	12,965
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,751	5,751	0
Fund Balance End of Year	\$0	\$12,965	\$12,965

Mason City School District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2009

	Title III Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$75,550	\$75,550	\$0
Total Revenues	75,550	75,550	0
Expenditures:			
Current:			
Instruction:			
Special	44,552	44,549	3
Support Services:			
Instructional Staff	31,006	30,915	91
School Administration	888	888	0
Total Expenditures	76,446	76,352	94
Excess of Revenues Over (Under) Expenditures	(896)	(802)	94
Other financing sources (uses):			
Advances (Out)	(110)	(110)	0
Total Other Financing Sources (Uses)	(110)	(110)	0
Net Change in Fund Balance	(1,006)	(912)	94
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,007	1,007	0
Fund Balance End of Year	\$1	\$95	\$94

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	Refugee Impact Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Regular	455	0	455
Total Expenditures	455	0	455
Net Change in Fund Balance	(455)	0	455
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	455	455	0
Fund Balance End of Year	\$0	\$455	\$455

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	Title I Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$199,159	\$199,159	\$0
Total Revenues	199,159	199,159	0
Expenditures:			
Current:			
Instruction:			
Special	192,049	192,049	0
Support Services:			
School Administration	7,900	7,900	0
Operation of Non-Instructional Services	335	335	0
Total Expenditures	200,284	200,284	0
Net Change in Fund Balance	(1,125)	(1,125)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,125	1,125	0
Fund Balance End of Year	\$0	\$0	\$0

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	Title VI Fund		
	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$18,135	\$18,135	\$0
Total Revenues	18,135	18,135	0
Expenditures:			
Current:			
Instruction:			
Regular	7,006	7,006	0
Support Services:			
School Administration	384	384	0
Operation of Non-Instructional Services	1,649	1,259	390
Total Expenditures	9,039	8,649	390
Excess of Revenues Over (Under) Expenditures	9,096	9,486	390
Other financing sources (uses):			
Advances (Out)	(10,444)	(10,444)	0
Total Other Financing Sources (Uses)	(10,444)	(10,444)	0
Net Change in Fund Balance	(1,348)	(958)	390
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,344	1,344	0
Fund Balance End of Year	(\$4)	\$386	\$390

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	Drug-Free Schools Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$22,531	\$22,531	\$0
Total Revenues	22,531	22,531	0
Expenditures:			
Current:			
Support Services:			
Pupil	22,089	21,764	325
School Administration	390	390	0
Operation of Non-Instructional Services	1,678	1,678	0
Total Expenditures	24,157	23,832	325
Net Change in Fund Balance	(1,626)	(1,301)	325
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,628	1,628	0
Fund Balance End of Year	\$2	\$327	\$325

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	Public School Preschool Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$45,045	\$45,045	\$0
Total Revenues	45,045	45,045	0
Expenditures:			
Current:			
Instruction:			
Regular	2,445	2,445	0
Support Services:			
Pupil	483	483	0
Instructional Staff	42,140	42,140	0
Total Expenditures	45,068	45,068	0
Net Change in Fund Balance	(23)	(23)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	23	23	0
Fund Balance End of Year	\$0	\$0	\$0

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	Improving Teacher Quality Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$154,545	\$154,545	\$0
Total Revenues	154,545	154,545	0
Expenditures:			
Current:			
Instruction:			
Regular	38,000	38,000	0
Support Services:			
Instructional Staff	98,585	96,244	2,341
School Administration	6,000	6,000	0
Operation of Non-Instructional Services	1,711	1,711	0
Total Expenditures	144,296	141,955	2,341
Excess of Revenues Over (Under) Expenditures	10,249	12,590	2,341
Other financing sources (uses):			
Advances (Out)	(15,518)	(15,518)	0
Total Other Financing Sources (Uses)	(15,518)	(15,518)	0
Net Change in Fund Balance	(5,269)	(2,928)	2,341
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,269	5,269	0
Fund Balance End of Year	\$0	\$2,341	\$2,341

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	Continuous Improvement Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$14,214	\$14,214	\$0
Total Revenues	14,214	14,214	0
Expenditures:			
Current:			
Instruction:			
Regular	159	74	85
Support Services:			
Instructional Staff	2,189	1,560	629
School Administration	74	0	74
Operations and Maintenance	12,343	12,343	0
Operation of Non-Instructional Services	62	10	52
Total Expenditures	14,827	13,987	840
Net Change in Fund Balance	(613)	227	840
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	614	614	0
Fund Balance End of Year	\$1	\$841	\$840

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	Food Service Fund		
	Final Budget	Actual	Variance from Final Budget Favorable (Unfavorable)
Revenues:			
Investment Earnings	\$12,943	\$12,531	(\$412)
Intergovernmental	361,573	402,920	41,347
Charges for Services	3,661,314	3,662,995	1,681
Other Revenues	406	406	0
Total Revenues	4,036,236	4,078,852	42,616
Expenditures:			
Current:			
Support Services:			
Pupil	61,700	57,850	3,850
Operation of Non-Instructional Services	4,611,309	4,006,750	604,559
Total Expenditures	4,673,009	4,064,600	608,409
Net Change in Fund Balance	(636,773)	14,252	651,025
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,643,511	1,643,511	0
Fund Balance End of Year	\$1,006,738	\$1,657,763	\$651,025

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	Latchkey Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Investment Earnings	\$1,578	\$1,599	\$21
Charges for Services	605,111	605,179	68
Other Revenues	0	162	162
Total Revenues	606,689	606,940	251
Expenditures:			
Current:			
Instruction:			
Regular	12,000	6,740	5,260
Operation of Non-Instructional Services	808,349	691,713	116,636
Total Expenditures	820,349	698,453	121,896
Excess of Revenues Over (Under) Expenditures	(213,660)	(91,513)	122,147
Other financing sources (uses):			
Advances In	51,908	51,894	(14)
Total Other Financing Sources (Uses)	51,908	51,894	(14)
Net Change in Fund Balance	(161,752)	(39,619)	122,133
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	227,419	227,419	0
Fund Balance End of Year	\$65,667	\$187,800	\$122,133

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	Debt Service Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Taxes	\$12,321,119	\$12,321,119	\$0
Investment Earnings	88,648	89,624	976
Intergovernmental	2,207,163	2,207,164	1
Total Revenues	14,616,930	14,617,907	977
Expenditures:			
Current:			
Support Services:			
School Administration	16,296	16,296	0
Fiscal	194,820	194,778	42
Debt Service:			
Principal Retirement	16,165,000	16,165,000	0
Interest and Fiscal Charges	7,268,310	7,173,905	94,405
Total Expenditures	23,644,426	23,549,979	94,447
Excess of Revenues Over (Under) Expenditures	(9,027,496)	(8,932,072)	95,424
Other financing sources (uses):			
Issuance of Tax Anticipation Notes	9,250,000	9,250,000	0
Total Other Financing Sources (Uses)	9,250,000	9,250,000	0
Net Change in Fund Balance	222,504	317,928	95,424
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	8,570,237	8,570,237	0
Fund Balance End of Year	\$8,792,741	\$8,888,165	\$95,424

Mason City School District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2009

	Building Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Investment Earnings	\$963,580	\$992,796	\$29,216
Other Revenues	1,854	1,854	0
Total Revenues	965,434	994,650	29,216
Expenditures:			
Current:			
Support Services:			
Operations and Maintenance	20,000	12,500	7,500
Capital Outlay	30,006,660	28,925,619	1,081,041
Debt Service:			
Interest and Fiscal Charges	147,952	147,952	0
Total Expenditures	30,174,612	29,086,071	1,088,541
Excess of Revenues Over (Under) Expenditures	(29,209,178)	(28,091,421)	1,117,757
Other financing sources (uses):			
Issuance of Long-Term Capital-Related Debt	5,001,000	5,001,000	0
Advances (Out)	(1,081,631)	(1,081,631)	0
Total Other Financing Sources (Uses)	3,919,369	3,919,369	0
Net Change in Fund Balance	(25,289,809)	(24,172,052)	1,117,757
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	27,124,117	27,124,117	0
Fund Balance End of Year	\$1,834,308	\$2,952,065	\$1,117,757

Mason City School District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2009

	Capital Projects Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Taxes	\$618,866	\$618,935	\$69
Investment Earnings	33,210	33,780	570
Intergovernmental	124,098	124,098	0
Other Revenues	2,229,978	3,155,514	925,536
Total Revenues	3,006,152	3,932,327	926,175
Expenditures:			
Current:			
Instruction:			
Regular	146,224	136,540	9,684
Special	10,000	282	9,718
Support Services:			
Pupil	9,505	6,752	2,753
School Administration	1,000	819	181
Fiscal	10,000	9,671	329
Operations and Maintenance	948,881	904,001	44,880
Pupil Transportation	675,773	406,461	269,312
Central	1,113,665	1,070,021	43,644
Extracurricular Activities	7,683	5,183	2,500
Capital Outlay	2,945,958	2,695,689	250,269
Total Expenditures	5,868,689	5,235,419	633,270
Excess of Revenues Over (Under) Expenditures	(2,862,537)	(1,303,092)	1,559,445
Other financing sources (uses):			
Transfers In	600,000	600,000	0
Transfers (Out)	(1,000,000)	(600,000)	400,000
Total Other Financing Sources (Uses)	(400,000)	0	400,000
Net Change in Fund Balance	(3,262,537)	(1,303,092)	1,959,445
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,576,827	5,576,827	0
Fund Balance End of Year	\$2,314,290	\$4,273,735	\$1,959,445

Mason City School District
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2009

	Insurance Replacement Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Taxes	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Support Services:			
Instructional Staff	7,526	6,878	648
Capital Outlay	122,270	122,271	(1)
Total Expenditures	129,796	129,149	647
Excess of Revenues Over (Under) Expenditures	(129,796)	(129,149)	647
Other financing sources (uses):			
Advances In	122,270	122,270	0
Total Other Financing Sources (Uses)	122,270	122,270	0
Net Change in Fund Balance	(7,526)	(6,879)	647
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	7,527	7,527	0
Fund Balance End of Year	\$1	\$648	\$647

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FUND DESCRIPTIONS

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 unites and/or other funds.

EDUCATION PRIVATE PURPOSE TRUST: To account for donations received by the District in a trustee capacity. Used for scholarships.

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.

Mason City School District, Ohio
 Combining Statement of Changes In Assets and Liabilities
 Agency Funds
 For the Fiscal Year Ended June 30, 2009

	Student Activity			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$283,024	\$670,031	\$614,975	\$338,080
Receivables:				
Accounts	0	839	0	839
Total Assets	283,024	670,870	614,975	338,919
Liabilities:				
Accounts Payable	3,954	4,974	3,954	4,974
Other Liabilities	279,070	665,896	611,021	333,945
Total Liabilities	\$283,024	\$670,870	\$614,975	\$338,919

	Section 125 Insurance			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$48,757	\$244,966	\$216,147	\$77,576
Total Assets	48,757	244,966	216,147	77,576
Liabilities:				
Other Liabilities	48,757	244,966	216,147	77,576
Total Liabilities	\$48,757	\$244,966	\$216,147	\$77,576

	Total All Agency Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$331,781	\$914,997	\$831,122	\$415,656
Receivables:				
Accounts	0	839	0	839
Total Assets	331,781	915,836	831,122	416,495
Liabilities:				
Accounts Payable	3,954	4,974	3,954	4,974
Other Liabilities	327,827	910,862	827,168	411,521
Total Liabilities	\$331,781	\$915,836	\$831,122	\$416,495

A large, stylized, three-dimensional letter 'M' in a dark grey color with a textured, stippled appearance. The letter is centered on the page and serves as a background for the text.

**Statistical
Section**



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 factors affecting the School District's ability to generate its most significant local revenue source(s), the property tax.

Debt Capacity

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

Economic and Demographic Information

These schedules offer economic and demographic indicators to help the reader understand the environment within which the School 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 School District's financial report relates to the services the School District provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The School District implemented GASB Statement 34 in fiscal year 2003; schedules presenting government-wide information include information beginning in that fiscal year.

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

	Fiscal Year				
	2005	2006	2007	2008	2009
Governmental Activities					
Invested in Capital Assets, Net of Related Debt	\$10,271,853	\$8,832,373	\$12,537,357	\$18,655,396	\$19,761,272
Restricted	8,584,599	18,181,961	18,486,365	20,469,256	25,165,469
Unrestricted	13,379,457	17,303,412	30,461,781	36,715,473	42,474,167
Total Net Assets	\$32,235,909	\$44,317,746	\$61,485,503	\$75,840,125	\$87,400,908

Source: District Records

(1) - The district began to report accrual information when it implemented GASB Statement 34 in 2003.

Mason City School District
Expenses, Program Revenues and Net (Expense)/Revenue
Last Five Fiscal Years (1)
 (accrual basis of accounting)
Schedule 2

	2005	2006	2007	2008	2009
Expenses					
Governmental Activities:					
Instruction	\$38,037,993	\$43,643,552	\$47,562,678	\$53,120,606	\$55,303,869
Pupil	4,178,645	5,240,623	5,170,132	5,914,562	6,475,271
Instructional Staff	6,039,669	6,455,313	6,321,764	6,692,737	7,131,304
General Administration	98,266	96,342	83,619	85,525	38,910
School Administration	4,598,463	5,016,431	5,134,189	5,412,530	5,522,215
Fiscal	1,704,142	1,882,749	2,018,476	2,053,489	2,124,953
Business	291,309	345,429	301,922	438,869	400,907
Operation and Maintenance	10,758,017	11,819,228	14,141,628	13,072,818	14,272,035
Pupil Transportation	6,689,568	7,083,596	7,209,800	7,734,614	7,076,294
Central	2,861,293	3,518,288	3,759,249	4,569,098	4,224,174
Operation of Non-instructional Services	4,347,526	4,645,785	5,505,957	5,553,265	6,074,836
Extracurricular Activities	1,919,330	2,107,599	2,170,808	2,312,308	2,881,756
Interest and Fiscal Charges	7,173,821	6,980,128	6,049,096	7,011,371	7,133,219
Total Government Expenses	88,698,042	98,835,063	105,429,318	113,971,792	118,659,743
Program Revenues					
Governmental Activities:					
Charges for Services					
Instruction	1,018,751	1,141,570	1,457,026	1,878,034	1,951,159
Pupil	506	149	928	6,245	60,584
Instructional Staff	498	292	538	4,183	4,105
General Administration	0	1,264	75	0	0
School Administration	23	705	0	0	0
Business	0	5,307	6,681	83,436	93,756
Operations and Maintenance	1,032,622	1,281,079	1,194,715	1,104,070	1,125,267
Pupil Transportation	3,137	1,597	2,984	46,014	16,471
Central	1,276	0	377	1,002	761
Operation of Non-Instructional Services	1,699,740	2,960,034	3,859,467	4,186,135	4,268,276
Extracurricular Activities	614,992	615,389	656,776	722,377	934,769
Operating Grants and Contributions	3,060,804	3,204,017	5,416,262	5,812,292	5,537,453
Capital Grants and Contributions	132,965	51,235	158,292	61,192	124,305
Total Government Revenues	7,565,314	9,262,638	12,754,121	13,904,980	14,116,906
Net (Expense)/Revenue					
Total Government Net Expense	(\$81,132,728)	(\$89,572,425)	(\$92,675,197)	(\$100,066,812)	(\$104,542,837)

Source: District Records

(1) - The district began to report accrual information when it implemented GASB Statement 34 in 2003.

Mason City School District
General Revenues and Total Change in Net Assets,
Last Five Fiscal Years (1)
 (accrual basis of accounting)
Schedule 3

	Fiscal Year				
	2005	2006	2007	2008	2009
Net (Expense)/Revenue					
Total Government Net Expense	(\$81,132,728)	(\$89,572,425)	(\$92,675,197)	(\$100,066,812)	(\$104,542,837)
General Revenues and Other Changes in Net Assets					
Governmental Activities:					
Taxes					
Property Taxes Levied for General Purposes	40,300,691	47,623,796	56,849,004	59,678,421	62,105,251
Property Taxes Levied for Debt Service Purposes	10,703,660	11,408,572	12,919,464	13,348,993	13,272,994
Property Taxes Levied for Capital Projects	329,277	536,353	578,593	706,642	630,681
Grants and Entitlements not Restricted to Specific Programs	31,184,738	33,333,355	33,634,902	34,292,967	34,790,728
Payment in Lieu of Taxes	2,742,551	2,402,107	2,508,735	2,328,775	2,945,631
Unrestricted Contributions	60,000	60,000	81,274	0	0
Investment Earnings	1,268,520	2,282,902	2,741,989	3,718,075	1,955,147
Gain on Sale of Capital Assets	0	2,226,474	212,123	72,056	106,833
Other Revenues	1,475,104	1,780,703	316,870	275,505	296,355
Total primary government	88,064,541	101,654,262	109,842,954	114,421,434	116,103,620
Change in Net Assets					
Total primary government	\$6,931,813	\$12,081,837	\$17,167,757	\$14,354,622	\$11,560,783

Source: District Records

(1) - The district began to report accrual information when it implemented GASB Statement 34 in 2003.

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

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Fund										
Reserved	\$4,293,506	\$3,312,777	\$3,624,112	\$5,029,376	\$1,350,525	\$2,051,968	\$2,754,393	\$2,692,180	\$3,207,706	\$5,474,753
Unreserved	3,814,470	5,203,832	8,316,487	9,520,847	9,610,324	11,684,736	16,689,386	28,765,463	34,459,374	39,626,965
Total General Fund	8,107,976	8,516,609	11,940,599	14,550,223	10,960,849	13,736,704	19,443,779	31,457,643	37,667,080	45,101,718
All Other Governmental Funds										
Reserved	770,376	44,741,035	14,347,567	2,840,486	3,964,348	27,732,286	7,938,306	4,546,107	23,982,418	6,544,608
Unreserved, Reported in:										
Special Revenue Funds	327,061	314,204	366,227	1,690,293	2,671,887	2,621,230	3,067,590	3,065,602	3,377,932	3,322,528
Debt Service Funds	1,432,982	76,797,395	3,439,015	4,138,379	5,537,284	5,499,453	5,989,954	6,628,582	8,570,237	8,888,165
Capital Project Funds	(9,919,350)	4,729,007	(2,368,985)	(4,641,774)	28,621,609	288,265	1,460,524	949,692	(1,841,343)	(2,636,690)
	(\$7,388,931)	\$126,581,641	\$15,783,824	\$4,027,384	\$40,795,128	\$36,141,234	\$18,456,374	\$15,189,983	\$34,089,244	\$16,118,611

Source: District Records

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

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues:										
Taxes	\$26,396,397	\$28,319,067	\$36,486,582	\$46,418,347	\$42,426,616	\$51,170,425	\$58,668,824	\$65,126,501	\$66,161,138	\$68,613,408
Revenue in Lien of Taxes	341,718	221,385	705,150	645,754	1,197,880	2,802,551	2,462,107	2,150,536	2,688,343	3,025,536
Tuition and Fees	393,868	450,375	440,925	546,664	470,613	706,679	862,322	1,019,509	1,465,590	1,523,740
Investment Earnings	769,425	2,347,998	1,802,328	524,448	460,050	1,268,520	2,282,903	2,741,989	3,718,075	1,955,148
Intergovernmental	15,319,985	18,588,027	23,988,531	25,187,926	30,572,312	34,303,286	37,324,432	43,458,744	46,998,659	49,582,625
Extracurricular Activities	487,775	533,441	509,670	541,095	809,739	1,003,782	1,009,189	1,118,356	1,209,310	1,358,760
Charges for Services	82,081	74,779	568,190	1,426,402	3,112,721	3,322,430	4,709,748	4,943,610	5,444,011	5,583,324
Other Revenues	240,942	382,841	269,092	442,497	1,064,266	801,351	1,228,441	930,211	590,877	405,443
Total Revenues	\$44,032,191	\$50,917,913	\$64,770,468	\$75,733,133	\$80,114,197	\$95,379,024	\$108,547,966	\$121,489,456	\$128,276,003	\$132,047,984

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

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Instruction	\$18,939,102	\$22,269,328	\$25,708,714	\$29,901,082	\$35,752,050	\$37,338,247	\$42,354,099	\$46,602,549	\$52,771,742	\$54,468,808
Pupil	1,966,905	2,343,013	2,850,382	3,704,090	3,886,250	4,147,389	5,210,686	5,108,372	5,887,042	6,463,212
Instructional Staff	2,710,144	3,216,773	3,918,314	5,152,696	5,634,872	5,994,854	6,347,333	6,224,230	6,611,946	7,120,586
General Administration	40,083	46,824	58,415	72,318	58,484	98,266	95,124	83,619	85,525	38,910
School Administration	2,434,400	2,695,491	3,647,493	4,542,798	4,389,162	4,481,342	4,900,814	5,100,493	5,374,528	5,474,364
Fiscal	839,665	1,022,459	1,166,220	1,349,296	1,542,305	1,684,906	1,841,158	1,999,081	2,120,418	2,103,592
Business	154,879	177,658	122,103	282,150	223,220	302,768	315,862	324,550	438,801	396,948
Operation and Maintenance	3,940,808	4,384,078	4,907,212	8,900,007	8,686,778	9,564,467	10,189,943	11,695,982	11,984,656	12,464,888
Pupil Transportation	2,820,730	3,220,706	4,017,016	4,345,139	4,186,035	6,246,443	6,472,242	6,471,731	7,629,347	6,434,424
Central	881,897	1,750,738	4,759,057	3,249,443	2,353,829	2,697,180	3,343,900	3,460,243	4,622,781	3,886,588
Operation of Non-instructional Services	291,303	335,689	369,775	554,650	3,583,084	4,201,562	4,449,404	5,258,877	5,500,280	5,857,504
Extracurricular Activities	790,968	813,271	1,193,021	1,685,878	1,717,739	1,866,052	1,996,818	2,057,756	2,362,869	2,750,507
Capital Outlay	3,154,428	13,179,953	37,374,378	12,832,680	1,552,024	7,484,458	25,917,835	7,257,028	8,512,330	26,864,428
Debt Service										
Principal Retirement	1,166,632	1,563,891	75,363,309	2,330,000	3,212,122	3,792,045	4,250,000	4,990,000	5,095,000	6,415,000
Interest and Fiscal Charges	2,961,845	4,193,438	6,685,315	5,978,730	5,304,061	7,188,793	6,894,023	6,556,069	7,268,569	7,272,726
Total Expenditures	\$43,093,789	\$61,213,310	\$172,140,724	\$84,880,957	\$82,082,015	\$97,088,772	\$124,579,241	\$113,190,580	\$126,265,834	\$148,012,485
Debt Service as a Percentage of Noncapital Expenditures	10.34%	11.99%	60.88% (1)	12.18%	10.57%	12.31%	11.52%	10.83%	10.72%	11.29%

Source: District Records

(1) - The district refinanced High School/Recreation Center debt in 2002, resulting in an unusually high ratio.

Mason City School District
 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									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Other Financing Sources (Uses)										
Issuance of Capital Leases	\$528,309	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Proceeds from Sale of Capital Assets	19,864	0	0	1,008	0	460,040	4,053,490	132,275	98,529	179,406
Issuance of Bonds	0	0	0	0	0	0	0	0	0	0
Issuance of Long Term Debt	0	144,674,602	0	0	35,000,000	0	0	0	23,000,000	5,249,000
Issuance of Refunding Bonds	0	0	0	0	15,705,000	0	59,380,000	27,565,000	0	0
Payment to Refunded Bonds Escrow Agent	0	0	0	0	(15,705,000)	0	(65,349,169)	(29,826,979)	0	0
Refunding Bond Premium	0	0	0	0	0	0	5,969,169	2,578,301	0	0
Transfers In	405,686	610,773	2,249,197	17,874,000	15,939,000	14,377,750	13,187,317	8,621,787	20,341,705	19,460,344
Transfers Out	(405,686)	(610,773)	(2,249,197)	(17,874,000)	(15,939,000)	(14,377,750)	(13,187,317)	(8,621,787)	(20,341,705)	(19,460,344)
Total Other Financing Sources (Uses)	548,173	144,674,602	0	1,008	35,000,000	460,040	4,053,490	448,597	23,098,529	5,428,406
Net Change in Fund Balances	\$1,486,575	\$134,379,205	(\$107,370,256)	(\$9,146,816)	\$33,032,182	(\$1,249,708)	(\$11,977,785)	\$8,747,473	\$25,108,698	(\$10,536,095)

Source: District Records

Mason City School District
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			
1999	\$584,567,320	\$27,966,800	\$110,006,159	\$722,540,279	\$2,150,489,171	61.95
2000	766,334,940	31,930,770	111,364,313	909,630,023	2,680,965,961	64.57
2001	844,804,830	20,324,550	152,292,210	1,017,421,590	3,052,164,278	71.11
2002	920,126,080	22,811,670	159,181,600	1,102,119,350	3,298,506,862	72.61
2003	1,053,132,200	23,694,270	158,872,721	1,235,699,191	3,678,559,776	74.11
2004	1,147,072,040	22,924,120	150,765,500	1,320,761,660	3,913,421,419	74.11
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

Source: County Auditor

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

Calendar Year	District Direct Rate	Warren County	City of Mason	Deerfield Township	Great Oaks JVSD	Overlapping Rates				Warren County Health District
						Warren-Clinton Community Mental Health	Turtlecreek Township	Union Township	Warren County Health District	
1999	61.95	4.00	7.32	9.75	2.70	1.00	5.62	6.20	0.50	
2000	64.57	4.00	7.32	9.75	2.70	1.00	5.62	6.20	0.50	
2001	71.11	4.00	7.32	10.60	2.70	1.00	5.62	6.20	1.00	
2002	72.61	4.96	7.32	10.60	2.70	1.00	5.62	9.20	0.50	
2003	74.11	6.53	7.32	10.60	2.70	1.00	5.62	9.20	0.50	
2004	74.11	6.46	7.32	10.60	2.70	1.00	5.62	9.20	0.50	
2005	80.65	6.46	7.32	10.60	2.70	1.00	5.62	9.20	0.50	
2006	81.76	6.71	7.32	10.60	2.70	1.00	5.62	9.20	0.50	
2007	83.45	6.71	7.32	10.60	2.70	1.00	5.62	9.20	0.50	
2008	83.45	6.71	7.32	10.60	2.70	1.00	5.62	9.20	0.50	

Source: County Auditor

Mason City School District
Principal Property Tax Payers -- Warren County
Tax Collection Year (1)
Schedule 10

Taxpayer	2008	
	Assessed Value	Percentage of Total Assessed Value
Duke Energy Ohio Inc.	\$22,059,760	1.38%
Deerfield Realty Holding	14,726,450	0.92%
Duke Realty Ohio	9,832,420	0.62%
Community Insurance	8,913,750	0.56%
Twin Fountains of Mason	8,695,050	0.54%
Craig & Frances Lindner Center of Hope	8,408,480	0.53%
Mason Christian Village	6,966,730	0.44%
Kenwood Lincoln Mercury	6,651,140	0.42%
Sterling Lakes Apartments	6,284,240	0.39%
Core Governors Pointe	6,106,700	0.38%
Total:	\$98,644,720	6.17%

Taxpayer	2007	
	Assessed Value	Percentage of Total Assessed Value
Duke Energy Ohio Inc.	\$26,587,540	1.66%
Deerfield Realty Holding	14,726,450	0.92%
Duke Realty Ohio	9,940,290	0.62%
Mitsubishi Electric Automotive	9,268,235	0.58%
Community Insurance	8,913,750	0.56%
Twin Fountains of Mason	8,695,050	0.54%
Kenwood Lincoln Mercury	7,108,200	0.44%
Mason Christian Village	6,966,730	0.44%
Sterling Lakes Apartments	6,284,240	0.39%
Cintas Sales Corp.	6,091,480	0.38%
Total:	\$104,581,965	6.54%

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:	\$110,124,043	6.89%

Warren County Auditor - available mid-November

Source: County Auditor

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

**Mason City School District
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 Years (1)	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1999	25,101,477	24,590,242	97.96%	305,654	24,895,896	99.18%
2000	27,474,665	26,821,127	97.62%	1,526,426	28,347,553	103.18%
2001	34,057,794	33,144,606	97.32%	967,840	34,112,446	100.16%
2002	35,546,237	34,843,236	98.02%	1,044,746	35,887,982	100.96%
2003	47,752,879	47,142,230	98.72%	2,427,285	49,569,515	103.80%
2004	52,725,826	52,648,787	99.85%	2,378,777	55,027,564	104.37%
2005	54,223,863	53,944,910	99.49%	1,092,669	55,037,579	101.50%
2006	56,733,533	56,472,883	99.54%	1,171,575	57,644,458	101.61%
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%	1,655,673	67,234,935	100.21%

Source: County Auditor and district records

(1) - Delinquent Collections by levy year are not available and therefore are presented by collection year

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

Fiscal Year	Governmental Activities		Total Primary Government	Ratio of General Bonded Debt to Estimated Actual Value (1)	Percentage of Personal Income	Per Capita (1)
	Capital Leases	General Obligation Bonds and Notes				
2000	\$483,291	\$47,145,000	\$47,628,291	2.21%	1.06%	328
2001	359,400	189,575,000	189,934,400	7.08%	3.84%	1,246
2002	231,091	114,340,000	114,571,091	3.75%	2.17%	723
2003	100,398	112,010,000	112,110,398	3.40%	2.03%	669
2004	17,045	143,885,000	143,902,045	3.91%	2.49%	822
2005	0	140,110,000	140,110,000	3.58%	2.26%	768
2006	0	139,627,632	139,627,632	3.45%	2.12%	738
2007	0	134,623,912	134,623,912	2.96%	1.87%	685
2008	0	152,283,855	152,283,855	3.18%	1.98%	745
2009	5,249,000	145,623,798	150,872,798	3.27%	N/A	728

Source: District Records

N/A - Information not available

(1) - The district refinanced High School/Recreation Center debt in 2002, resulting in an unusually high debt per capita.

**Mason City School District
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2009
 Schedule 13**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Overlapping Debt:			
Butler County	\$61,743,087	0.05%	\$30,872
Warren County	1,151,500	25.96%	298,929
Lebanon City	8,218,803	0.00%	0
City of Mason	34,535,000	86.45%	29,855,508
Deerfield Township	16,180,000	50.36%	8,148,248
Turtle Creek Township	2,325,000	0.07%	1,628
Union Township	105,600	4.00%	4,213
West Chester Township	74,980,000	0.22%	164,956
Great Oaks Joint Vocational School	13,470,000	8.39%	1,130,133
Subtotal, Overlapping Debt	<u>212,708,990</u>		<u>39,634,486</u>
District direct debt	149,040,000	100.00%	136,461,024
Total direct and overlapping debt	<u>\$361,748,990</u>		<u>\$176,095,510</u>

Source: Ohio Municipal Advisory Council

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

Legal Debt Margin Calculation for Fiscal Year 2009

Assessed Value	\$1,598,124,380
Debt Limit (9% of Assessed Value)	143,831,194
Debt Limit - Special Needs District (2)	247,858,540
Debt Applicable to Limit	139,027,485
Legal Debt Margin	<u>\$108,831,055</u>

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt Limit	\$57,248,308	\$215,789,380	\$232,627,457	\$215,911,053	\$215,911,053	\$215,911,053	\$215,911,053	\$215,911,053	\$247,858,540	\$247,858,540
Total Net Debt Applicable to Limit	55,910,000	198,460,000	118,874,044	114,416,075	145,259,259	140,579,547	132,582,084	124,165,975	146,857,767	139,027,485
Legal Debt Margin	\$1,338,308	\$17,329,380	\$113,753,413	\$101,494,978	\$70,651,794	\$75,331,506	\$83,328,969	\$91,745,078	\$101,000,773	\$108,831,055

Total Net Debt Applicable to the Limit
 as a Percentage of Debt Limit

	97.66%	91.97%	51.10%	52.99%	67.28%	65.11%	61.41%	57.51%	59.25%	56.09%
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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
Demographic and Economic Statistics
Last Ten Calendar Years
Schedule 15**

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
1999	152,448	4,501,708	29,529	3.20%
2000	158,383	4,946,103	30,660	3.20%
2001	167,507	5,286,564	31,512	3.30%
2002	175,041	5,521,565	31,522	4.60%
2003	182,330	5,786,295	31,699	4.70%
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	N/A	N/A	5.60%

(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
Principal Employers,
Current Year and Ten Years Ago
Schedule 16**

<u>Employer</u>	<u>2008 (1)</u>	
	<u>Number of Employees</u>	<u>Percentage of Total Employment</u>
Anthem	2,243	2.17%
Procter & Gamble	2,100	2.03%
Luxotica Retail	1,494	1.26%
Cintas Corporate	1,310	1.19%
Mason City Schools	1,230	1.44%
Siemens Business Services	525	0.51%
L3 Cincinnati Electronics	508	0.49%
Thompson Learning	479	0.45%
Mitsubishi Electric	478	0.46%
Portion Pac	465	0.46%
Lindner Center of Hope	225	0.22%
	<u>11,057</u>	<u>10.67%</u>

Total County Employment (3) 103,600

<u>Employer</u>	<u>1998 (2)</u>	
	<u>Number of Employees</u>	<u>Percentage of Total Employment</u>
Procter & Gamble	1,400	1.35%
Cintas	1,135	1.10%
Anthem Insurance	1,100	1.06%
Worthington Plastics	622	0.60%
Mason City Schools	574	0.55%
A-Mold Corp.	403	0.39%
Portion Pac	392	0.38%
Cincinnati Electronics	339	0.33%
Mitsubishi Electric Manufacturing	347	0.33%
Leggett & Platt	315	0.30%
	<u>6,627</u>	<u>6.40%</u>

Total County Employment (3) 74,700

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
Full-time-Equivalent District Employees by Type
Last Ten Fiscal Years
Schedule 17

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Supervisory										
Instructional administrators	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Noninstructional administrators	10.00	12.00	15.00	16.75	15.75	16.00	17.81	23.55	19.75	14.00
Consultant/supervisors of instruction	11.00	14.00	18.00	17.00	19.00	18.00	18.12	18.00	19.50	20.00
Principals	6.00	5.00	5.00	5.00	6.00	6.00	6.00	6.00	6.00	6.00
Assistant Principals	9.00	10.00	12.00	14.00	16.00	17.00	17.00	18.00	18.00	19.00
Total Supervisory	38.00	43.00	52.00	54.75	58.75	59.00	60.93	67.55	65.25	61.00
Instruction										
Elementary classroom teachers	193.00	233.00	265.00	288.01	300.05	317.45	329.50	363.15	348.00	358.13
Secondary classroom teachers	154.00	172.00	198.00	211.20	235.60	245.69	258.60	273.40	278.75	289.75
ESE teachers	0.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00	1.00	1.00
Other teachers (adult)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other professionals (instructional)	4.50	5.50	6.50	7.50	8.06	11.36	12.26	14.80	14.13	13.87
Aides	48.82	59.33	88.35	101.80	123.42	137.00	147.50	151.52	155.31	160.91
Total Instruction	400.32	469.83	557.85	608.51	667.13	712.50	748.86	803.87	797.19	823.66
Student Services										
Guidance counselors	12.00	13.64	12.64	11.80	16.64	16.00	17.00	17.00	20.50	22.10
Visiting teachers/social workers	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Psychologists	1.00	2.00	3.60	5.22	4.79	5.00	5.00	5.00	5.00	5.00
Librarians	3.00	3.00	3.00	3.00	3.00	2.00	2.00	2.00	2.00	2.00
Other professionals (noninstructional)	7.00	7.64	7.50	9.62	8.78	7.60	8.52	8.02	8.02	8.96
Technicians	16.67	18.33	22.67	26.57	25.81	24.77	24.77	26.84	26.97	26.70
Total student services	39.67	45.61	50.41	57.21	60.02	56.37	58.29	59.86	63.49	65.76
Support and Administration										
Clerical/secretarial	40.93	44.14	52.77	54.70	58.40	57.30	58.23	60.73	68.73	70.19
Service workers	81.72	86.69	105.95	129.70	144.04	139.81	138.81	139.84	141.01	142.56
Skilled crafts	9.00	10.00	11.00	14.00	15.00	15.00	17.00	16.00	14.00	14.00
Vehicle Operator (buses)	44.14	51.98	71.05	71.45	73.61	74.63	80.71	82.38	89.04	91.35
Unskilled laborers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total support and administration	175.79	192.81	240.77	269.85	291.05	286.74	294.75	298.95	312.78	318.10
Total employees	653.78	751.25	901.03	990.32	1076.95	1114.61	1162.83	1230.23	1238.71	1268.52

Source: State Department of Education

Mason City School District
 Operating Statistics
 Last Ten Fiscal Years (1)
 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
2000	6,057	35,810,884	5,912	1.71%	N/A	N/A	N/A	347.00	17.5	NA
2001	6,711	42,276,028	6,300	6.55%	N/A	N/A	N/A	405.00	16.6	NA
2002	7,363	52,717,722	7,160	13.66%	N/A	N/A	N/A	463.00	15.9	3.00%
2003	8,003	63,739,547	7,964	11.24%	\$68,788,647	8,595	N/A	499.21	16.0	3.75%
2004	8,636	72,013,808	8,339	4.70%	81,018,469	9,381	9.15%	535.65	16.1	4.15%
2005	9,246	78,623,476	8,504	1.98%	88,698,042	9,593	2.26%	563.14	16.4	4.37%
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%

Source: Nonfinancial information from district records.

N/A - Information not available

(1)- Expenses were not reported prior to the implementation of GASB 34 in 2003.

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

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
School										
Elementary										
MECC - Annex- Preschool (1973)										
Square feet			9,034	9,034	9,034	9,034	9,034			
Capacity			175	175	175	175	175			
Enrollment			86	93	104	134	161			
Mason Early Childhood (1911)										
Square feet	56,926	56,926	56,926	56,926	56,926	56,926	56,926			
Capacity	475	475	475	475	475	475	475			
Enrollment	622	701	648	698	751	757	801			
Mason Early Childhood (2006)										
Square feet								172,211	172,211	172,211
Capacity								2,100	2,100	2,100
Enrollment								1,850	1,797	1,754
Mason Heights (1965)										
Square feet	101,863	101,863	101,863	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	1,200	1,200	1,200
Enrollment	1,005	1,124	1,294	1,119	1,190	1,226	1,216	844	890	874
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	1,079	1,111	1,191	967	1,039	1,139	1,208	857	888	907
Mason Intermediate (1998)										
Square feet	145,276	145,276	145,276							
Capacity	1,200	1,200	1,200							
Enrollment	926	1,098	1,244							
Mason Intermediate (1998/1994)										
Square feet				290,552	290,552	290,552	290,552	356,700	356,700	356,700
Capacity				2,400	2,400	2,400	2,400	3,000	3,000	3,000
Enrollment				1,883	2,052	2,211	2,387	2,519	2,592	2,608
Junior High School										
Mason Middle (1994)										
Square feet	150,503	150,503	150,503							
Capacity	1,200	1,200	1,200							
Enrollment	930	1,003	1,076							
Mason Middle (1958)										
Square feet				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
Enrollment				1,256	1,366	1,371	1,452	1,542	1,663	1,713
High School										
William Mason High (1958)										
Square feet	276,378	276,378	276,378							
Capacity	1,850	1,850	1,850							
Enrollment	1,495	1,674	1,824							
William Mason High (2002)										
Square feet				375,010	375,010	375,010	375,010	375,010	375,010	375,010
Capacity				2,950	2,950	2,950	2,950	2,950	2,950	2,950
Enrollment				1,987	2,134	2,408	2,567	2,767	2,880	2,947

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 2008-2009 School Year:	1,177,137
Number Meals Served by Food Service Department for the 2008-2009 School Year:	1,177,081

School Buildings	Grade Levels	Enrollment
Mason Early Childhood Center	PS-1	1,754
Mason Heights Elementary	2-3	874
Western Row Elementary	2-3	907
Mason Intermediate	5-6	2,608
Mason Middle School	7-8	1,713
William Mason High School	9-12	2,947
		10,803

Degree	Number of Certified Staff	Percentage of Total
Bachelor's Degree	85.0	11.42%
Bachelor + 150	146.5	19.69%
Master's Degree	507.5	68.21%
Doctorate	5.0	0.67%
Total	744.0	100.00%

Years of Experience	Number of Certified Staff	Percentage of Total
0 - 5	315.0	42.34%
6 - 10	167.5	22.51%
11 - 15	117.0	15.73%
16 - 20	68.5	9.21%
21 - 25	41.0	5.51%
26 - 30	27.0	3.63%
31 - 35	6.0	0.81%
36 - 40	2.0	0.27%
	744.0	100.00%

Source: School District Records

MASON CITY SCHOOL DISTRICT, OHIO
 STUDENT POPULATION BY SEX AND BY RACE
 FOR THE 2008-2009 SCHOOL YEAR
 Schedule 21

Grade	Male	Female	Total
PS	113	83	196
K	395	356	751
1	419	388	807
2	469	386	855
3	480	446	926
4	446	415	861
5	451	439	890
6	423	434	857
7	423	430	853
8	419	441	860
9	366	401	767
10	354	373	727
11	365	381	746
12	363	323	686
Ungraded	15	6	21
	5,501	5,302	10,803

Race	Total	Percent
American Indian/Alaskan	15	0.14%
Asian	1,248	11.54%
Black	396	3.67%
Caucasian	8,521	78.88%
Hispanic	326	3.02%
Multi-Racial	297	2.75%
	10,803	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
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%
2004-05	134	757	821	759	785	790	737	684	698	673	727	596	595	490	9,246	7.08%
2003-04	104	750	734	746	749	720	656	676	669	697	581	572	496	485	8,635	7.90%
2002-03	93	698	689	712	685	617	636	630	687	569	556	495	503	433	8,003	8.69%
2001-02	86	648	657	637	581	610	587	657	543	533	495	490	438	401	7,363	9.72%
2000-01	74	627	592	532	562	549	611	487	501	502	480	417	408	369	6,711	10.80%
1999-00	57	565	500	505	513	566	453	473	458	472	403	394	367	331	6,057	12.92%

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

Source: School District Records

MASON CITY SCHOOLS DISTRICT, OHIO
DIRECTORY OF SCHOOL FACILITIES
AS OF JUNE 30, 2009
Schedule 23

Facility	Address	Administrator / Contact	Grades	Phone Numbers
Early Childhood Center	4631 Hickory Woods Dr.	Mike Zimmermann	PS-1	398-3741
Mason Heights School	200 Northcrest Drive	Eric Messer	2-3	398-8866
Western Row School	755 Western Row Road	Joe Norton	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.	Dave Allen	9-12	398-5025
Mason Central Administration	211 North East Street	Kevin Bright		398-0474
Professional Development Center	4836 Tylersville Road	Lori Sideris		336-7367
Transportation Center	5025 Enterprise Drive	Carole Abrams		398-6682
Maintenance Garage	5120 Enterprise Drive	George Highfill		398-2784



Mary Taylor, CPA
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
JANUARY 12, 2010**