



Dave Yost • Auditor of State

MASON CITY SCHOOL DISTRICT
WARREN COUNTY

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MASON CITY SCHOOL DISTRICT
WARREN COUNTY

FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2012

Federal Grantor, Pass-Through Grantor, Program Title/Name	Grant Year	CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
U.S. DEPARTMENT OF AGRICULTURE						
<i>Passed Through Ohio Department of Education:</i>						
<u>Child Nutrition Cluster:</u>						
Non-Cash Assistance (Food Distribution):						
National School Lunch Program	2011	10.555	0	\$357,316	0	\$414,856
Cash Assistance:						
National School Breakfast Program	2011	10.553	6,864		6,864	
National School Lunch Program	2011	10.555	415,259	0	415,259	0
Total Child Nutrition Cluster			422,123	357,316	422,123	414,856
Total U.S. Department of Agriculture			422,123	357,316	422,123	414,856
U.S. DEPARTMENT OF EDUCATION						
<i>Passed Through Ohio Department of Education:</i>						
<u>Special Education Cluster:</u>						
Special Education-Grants to States	2012	84.027	1,305,887	0	1,315,606	0
Special Education-Grants to States	2011	84.027	262,033	0	221,372	0
Special Education-Grants to States	2010	84.027	0	0	917	0
Special Education-Grants to States	2006	84.027	0	0	142	0
ARRA - Special Education-Grants to States	2011	84.391	0	0	2,161	0
Total Special Education-Grants to States			1,567,920	0	1,540,198	0
Special Education-Preschool Grants	2011	84.173	25,282	0	33,748	0
Special Education-Preschool Grants	2011	84.173	672	0	0	0
ARRA - Special Education-Preschool Grants	2011	84.392	15,287	0	2,856	0
Total Special Education-Preschool Grants			41,241	0	36,604	0
Total Special Education Cluster			1,609,161	0	1,576,802	0
Title I Grants to Local Educational Agencies	2012	84.010	132,438	0	132,438	0
Title I Grants to Local Educational Agencies	2011	84.010	22,225	0	22,225	0
Total Title I Grants to Local Educational Agencies			154,663	0	154,663	0
Safe and Drug-Free Schools and Communities_State Grants	2011	84.186	0	0	867	0
Education Technology State Grants	2012	84.318	1,154	0	1,154	0
Title III - LEP	2012	84.365	72,383	0	72,740	0
Title III - LEP	2011	84.365	1,395	0	4,533	0
Title III - Immigrant	2012	84.365	2,880	0	4,832	0
Title III - Immigrant	2011	84.365	8,263	0	2,805	0
Total Title III			84,921	0	84,910	0
Improving Teacher Quality State Grants	2012	84.367	93,524	0	93,868	0
Improving Teacher Quality State Grants	2011	84.367	52,687	0	26,215	0
Total Improving Teacher Quality State Grants			146,211	0	120,083	0
Resident Educator Program	2012	84.395	0	0	2,100	0
Education Jobs	2011	84.410	1,421,692	0	1,311,574	0
<i>Passed Through Great Oaks Institute of Technology and Career Development</i>						
Vocational Education Basic Grants to States	2012	84.048	14,542	0	10,758	0
Vocational Education Basic Grants to States	2011	84.048			5,880	
Vocational Education Basic Grants to States	2010	84.048			3,422	
Vocational Education Basic Grants to States	2009	84.048			2,351	
Vocational Education Basic Grants to States	2008	84.048			427	
Vocational Education Basic Grants to States	2007	84.048		0	946	0
Total Vocational Education Basic Grants to States			14,542	0	23,784	0
Total U.S. Department of Education			3,432,344	0	3,275,937	0
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES						
<i>Passed Through Ohio Department of Education:</i>						
Refugee and Entrant Assistance Discretionary Grant	2005	93.576	0	0	410	0
Refugee and Entrant Assistance Discretionary Grant	2004	93.576	0	0	45	0
Total Refugee and Entrant Assistance Discretionary Grant			0	0	455	0
Total U.S. Department of Health and Human Services			0	0	455	0
Total Federal Assistance			\$3,854,467	\$357,316	\$3,698,515	\$414,856

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

**MASON CITY SCHOOL DISTRICT
WARREN COUNTY**

**NOTES TO THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FISCAL YEAR ENDED JUNE 30, 2012**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - CHILD NUTRITION CLUSTER

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

NOTE C – FOOD DONATION PROGRAM

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

NOTE G - TRANSFERS BETWEEN PROGRAM YEARS

Federal regulations require schools to obligate certain federal awards by June 30. However, with ODE's consent, schools can transfer unobligated amounts to the subsequent fiscal year's program. These transfers resulted in the Schedule reporting negative receipts. The District transferred the following program amounts:

Fund	Grant/Year	CFDA #	Transfer In	Transfer Out
551-9011	Title III-Immigrant/2011	84.365		\$(2,280)
551-9012	Title III-Immigrant/2012	84.365	2,280	



Dave Yost • 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, 2012, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 4, 2012. 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 the purpose of expressing our opinions on the financial statements, but not for the purpose of opining 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 *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and timely corrected.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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.

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, 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*.

Mason City School District
Warren County
Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*
Page 2

We noted a certain matter not requiring inclusion in this report that we reported to the District's management in a separate letter dated December 4, 2012.

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

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

Dave Yost
Auditor of State

December 4, 2012



Dave Yost • Auditor of State

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

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

To the Board of Education:

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 could directly and materially affect each of Mason City School District's major federal programs for the year ended June 30, 2012. 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 opine on the District's compliance based on our audit.

Our compliance audit followed auditing standards generally accepted in the United States of America; the standards applicable to financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the 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 these 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 these requirements.

In our opinion, the Mason City School District complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 20, 2012.

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 Government's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be deficiencies, 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.

Federal Awards Receipts and Expenditures Schedule

We have also audited and issued our unqualified opinion on the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Mason City School District (the District) as of and for the year ended June 30, 2012, and have issued our report thereon dated December 4, 2012. Our audit was performed to form an opinion on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying federal awards receipts and expenditures schedule provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We noted a matter involving federal compliance or internal control over federal compliance not requiring inclusion in this report that we reported to the District in a separate management letter dated December 4, 2012.

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



Dave Yost
Auditor of State

December 4, 2012

**MASON CITY SCHOOL DISTRICT
WARREN COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2012**

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 significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	CFDA #10.553, 10.555-Nutrition Cluster CFDA #84.410-Education Jobs 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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MASON CITY SCHOOLS

COMPREHENSIVE ANNUAL FINANCIAL REPORT



**For the fiscal year ended
June 30, 2012**

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

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MASON CITY SCHOOL DISTRICT
MASON, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the fiscal year ended
June 30, 2012

Prepared by:
Treasurer's Office

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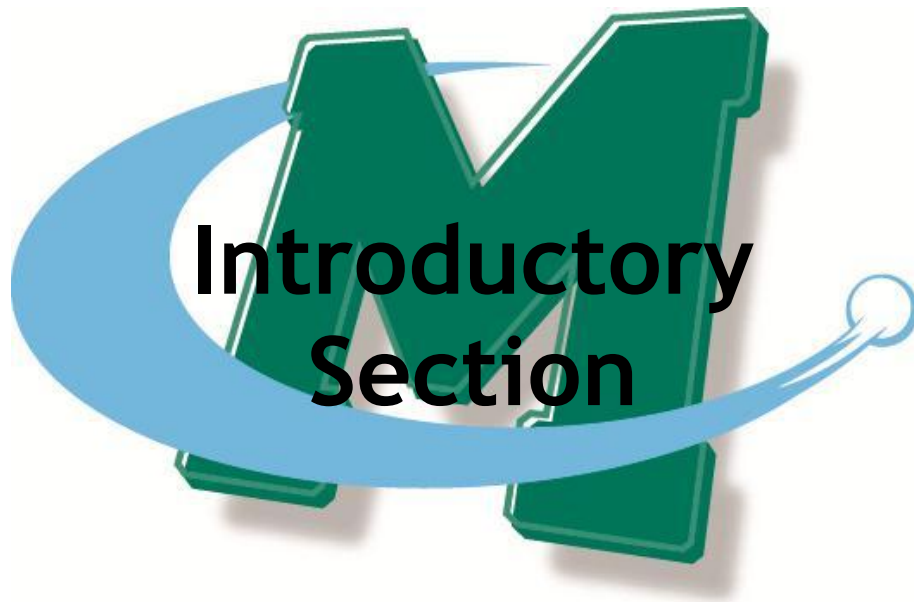
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**Introductory
Section**

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MASON CITY SCHOOLS

Treasurer's Office

211 North East Street • Mason, Ohio • 45040

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

December 4, 2012

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, 2012.

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, 2012, 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, 2012, 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, 2012, are:

<u>Board Member</u>	<u>Current Term</u>	<u>Total Years</u>
Mrs. Marianne Culbertson	Jan. 2012 - Dec. 2013	17 ³ / ₄
Mrs. Courtney Allen	Jan. 2012 - Dec. 2015	¹ / ₂
Mr. Matthew Steele	Jan. 2012 - Dec. 2013	¹ / ₂
Mrs. Connie Yingling	Jan. 2010 - Dec. 2013	12 ³ / ₄
Mr. Kevin Wise	Jan. 2012 - Dec. 2015	9 ¹ / ₂

The Superintendent is the chief executive officer of the District and is responsible directly to the Board for all operations of the District. Dr. Gail Kist-Kline was appointed Superintendent effective August 1, 2011 and her contract expires July 31, 2014

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 July 31, 2016.

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 10,991 students during the 2012 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 1,188 full-time equivalent employees as of June 30, 2012. The number of employees decreased in 2012 due to reductions for financial purposes. The District's current enrollment is 10,991. It is expected that the District's enrollment will be approximately 10,950 for fiscal year 2013 and will continue to decrease slightly each year for the next several years.

The District teachers, educational specialists, tutors, counselors and curriculum leaders are represented by the Mason Education Association (MEA). The agreement on language, salary and fringe benefits was extended to June 30, 2015 in June 2011. The extended agreement provided MEA members with a 2.50% base salary increase for the 2011-2012 school year, bringing the base teaching salary to \$38,331; a freeze in salary and steps for the 2012-13 and 2013-14 school years, and a reopener for salary and benefits only for the 2014-15 school year.

The District custodial, grounds, maintenance and HVAC technicians are represented by the Ohio Association of Public School Employees (OAPSE) Local 070. The current agreement on language, salary and fringe benefits expires on June 30, 2013 and includes a freeze in wages for the 2012-13 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. Their salary and wages were frozen for the 2012-13 and 2013-14 school years.

Factors Affecting Financial Condition

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

Local Economy. The City of Mason's population was last reported as 30,712 in the 2010 U.S. Census and has been growing steadily through planning and development. The District is served by Sprint Telephone and Duke Energy. The Mason Pulse Journal and The Cincinnati Enquirer 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 be slowly developed over the next five to ten years with the associated additional investments in plant and equipment and increasing job opportunities.

Financial policies and planning. Student enrollment growth has been the priority for the Board and Administration for the last 15 years. Current demographic projections indicate the District will see its population stabilize at approximately 11,000 for the next several years. The District closed the Mason Heights Elementary School in the summer of 2012 and consolidated those students into the Mason Early Childhood Center and Western Row Elementary. The District's facilities' student capacity with the five remaining school buildings is sufficient to cover its projected enrollment over the next ten years and it does not anticipate the need for any additional significant capital bond issues in the next ten years.

The District is ranked 6th in the State of Ohio for academic results and spends less per pupil than any of the other top ten school districts and also less per pupil than the State's average for all school districts in the State. The District has a long-term financially sustainable plan that focuses on three priorities – academic achievement, cost-management and communication. Over the next five years the District is committed to exploring new options for students that ensure college and career success, setting budget expenditure controls, and soliciting valuable input from its families and residents. The plan strikes a balance between staff and other cost reductions, utilization of cash reserves, and additional local taxes.

On June 30, 2011, the Ohio's Governor signed HB 153, the state biennium budget bill. The impact of this bill was a slight increase in state funding for both fiscal years 2011-12 and 2012-13. The Governor has indicated that he will prepare a new school funding model for Ohio school districts for the next biennium budget beginning July 2013. At this time, we do not know the details of the changes or the impact that these changes may have on future state funding.

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, 2011. 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,



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, 2011

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.



Linda C. Dandison

President

Jeffrey R. Emer

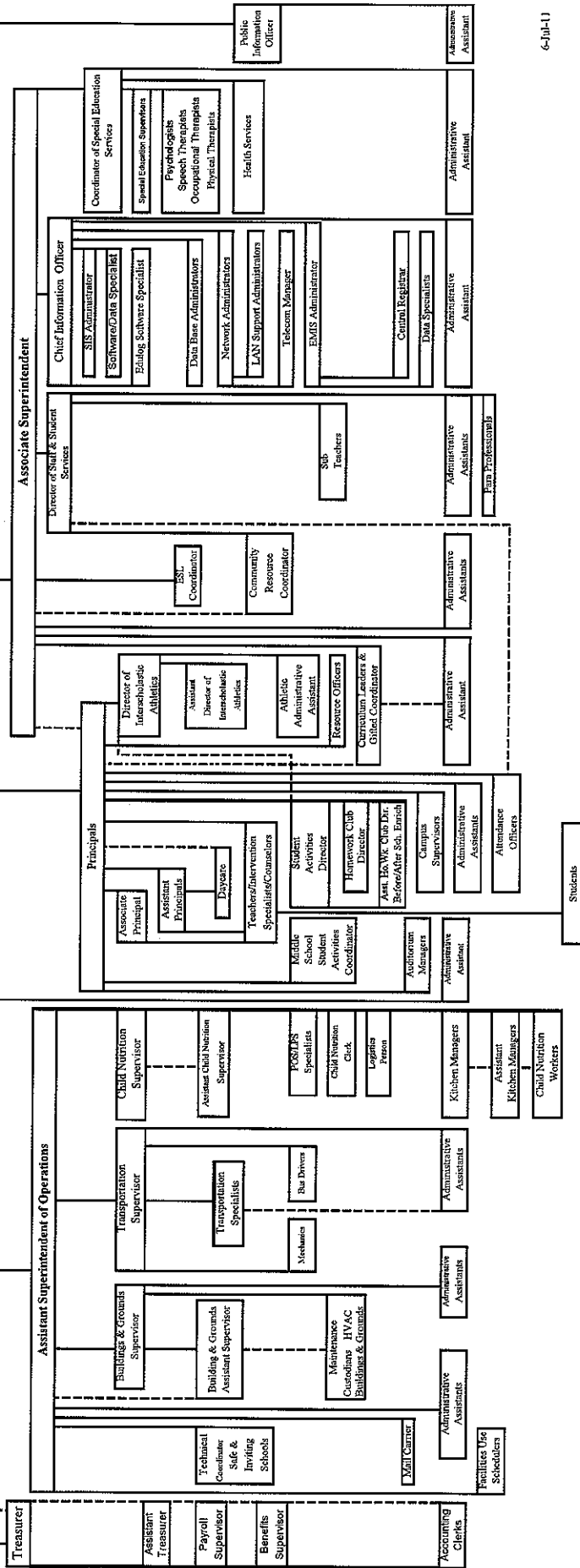
Executive Director

ORGANIZATIONAL CHART

Citizens of Mason City School District

Board of Education

Superintendent



6-Jul-11

**MASON CITY SCHOOL DISTRICT
LIST OF PRINCIPAL OFFICIALS
AS OF JUNE 30, 2012**

ELECTED OFFICIALS

President, Board of Education	Kevin Wise
Vice President, Board of Education	Marianne Culbertson
Board Member	Connie Yingling
Board Member	Courtney Allen
Board Member	Matthew Steele

ADMINISTRATIVE OFFICIALS

Superintendent	Gail Kist-Kline
Associate Superintendent.....	Amy Spicher
Assistant Superintendent - Business	Michael Brannon
Treasurer	Richard L. Gardner
Assistant Treasurer.....	Chris Hofer
Director of Staff and Student Services	Mike Zimmermann
Payroll Supervisor.....	Terri Ross
Building and Grounds Supervisor	George Highfill
Food Service Supervisor	Tamara Earl
Support Education Supervisor	Jody Bergman
Support Education Supervisor	Susan Klein
Support Education Supervisor	Victoria Miller
Transportation Supervisor	Carolyn Thornton
Public Information Officer	Tracey Carson

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**Financial
Section**

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Dave Yost • 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, 2012, 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, as of June 30, 2012, and the respective changes in financial position 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 4, 2012, 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.

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

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provides additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this 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 section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.



Dave Yost
Auditor of State

December 4, 2012

Mason City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
(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, 2012. 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 2012 are as follows:

- Net assets of governmental activities increased \$36,244 which represents a 0% increase from 2011.
- General revenues accounted for \$109,315,562 in revenue or 87% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$16,257,668 or 13% of total revenues of \$125,573,230 .
- The District had \$125,536,986 in expenses related to governmental activities; \$16,257,668 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$109,315,562 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 Capital Projects Fund are the major funds of the District.

Government-wide Financial Statements

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

Mason City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
(Unaudited)

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.

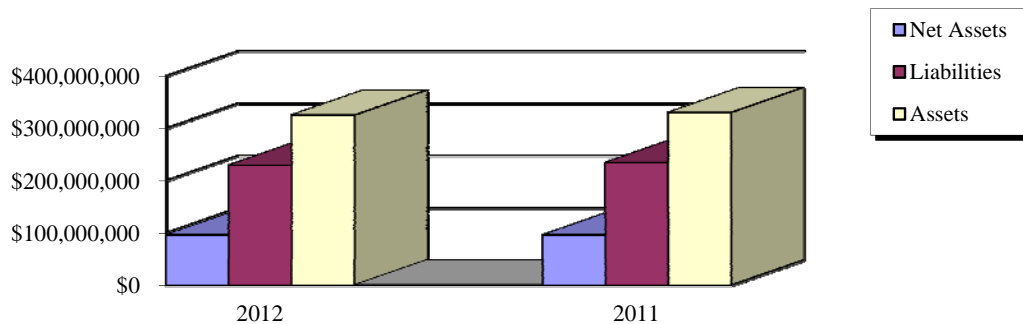
Mason City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
(Unaudited)

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 2012 compared to 2011:

Table 1
Net Assets

	Governmental Activities	
	2012	2011
Assets:		
Current and Other Assets	\$149,281,324	\$151,186,431
Capital Assets	175,648,653	178,739,585
Total Assets	324,929,977	329,926,016
Liabilities:		
Other Liabilities	97,377,971	93,059,446
Long-Term Liabilities	131,775,642	141,126,450
Total Liabilities	229,153,613	234,185,896
Invested in Capital Assets, Net of Related Debt	40,667,026	34,400,901
Restricted	25,059,547	23,791,786
Unrestricted	30,049,791	37,547,433
Total Net Assets	\$95,776,364	\$95,740,120



Over time, net assets can serve as a useful indicator of a government's financial position. At June 30, 2012, the District's assets exceeded liabilities by \$95,776,364 .

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, 2012, was \$40,667,026 . 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.

Mason City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
(Unaudited)

A portion of the District's net assets, \$25,059,547 represents resources that are subject to external restriction on how they must be used. The external restriction will not affect the availability of fund resources for future use. The balance of unrestricted net assets of \$30,049,791 may be used to meet the District's ongoing obligations to the students and creditors.

Regarding significant changes in Table 1 above, Capital Assets, net decreased mainly due to current year depreciation expense exceeding current year additions. Long-Term Liabilities decreased mainly due to the District continuing to make regularly scheduled principal payments to pay off its long term debt obligations.

Table 2 shows the changes in net assets for fiscal years 2012 and 2011.

Table 2
Changes in Net Assets

	Governmental Activities	
	2012	2011
Revenues:		
Program Revenues		
Charges for Services	\$10,559,951	\$9,878,134
Operating Grants, Contributions	5,697,717	9,870,113
General Revenues:		
Property Taxes	60,925,139	65,017,996
Grants and Entitlements	42,386,226	43,721,854
Other	6,004,197	2,973,949
Total Revenues	<u>125,573,230</u>	<u>131,462,046</u>
Program Expenses:		
Instruction	64,220,741	62,149,103
Support Services:		
Pupil and Instructional Staff	14,963,035	15,133,568
School Administrative, General		
Administration, Fiscal and Business	7,773,348	8,228,852
Operations and Maintenance	12,666,272	13,504,242
Pupil Transportation	6,686,897	7,615,345
Central	3,700,107	3,790,359
Operation of Non-Instructional Services	6,449,265	6,058,518
Extracurricular Activities	3,052,085	2,848,531
Interest and Fiscal Charges	6,025,236	6,348,747
Total Program Expenses	<u>125,536,986</u>	<u>125,677,265</u>
Increase (Decrease) in Net Assets	36,244	5,784,781
Net Assets Beginning of Year	<u>95,740,120</u>	<u>89,955,339</u>
Net Assets End of Year	<u>\$95,776,364</u>	<u>\$95,740,120</u>

Mason City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
(Unaudited)

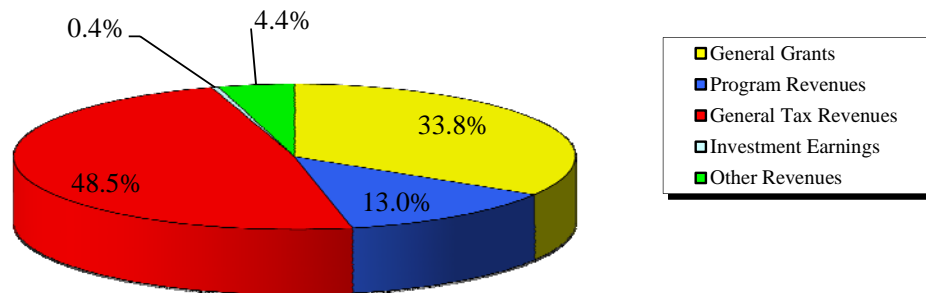
Governmental Activities

The District revenues are mainly from two sources. Property taxes and grants and entitlements comprised 82.3% 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 48.5% of revenue for governmental activities for the District in fiscal year 2012.

<u>Revenue Sources</u>	<u>2012</u>	<u>Percentage</u>
General Grants	\$42,386,226	33.75%
Program Revenues	16,257,668	12.95%
General Tax Revenues	60,925,139	48.52%
Investment Earnings	486,293	0.39%
Other Revenues	5,517,904	4.39%
Revenue Sources	<u>\$125,573,230</u>	<u>100.00%</u>



Instruction comprises 51.16% of governmental program expenses. Support services expenses were 36.48% of governmental program expenses. All other expenses and interest expense was 12.37%. Interest expense was attributable to the outstanding bond and borrowing for capital projects.

Operating Grants and Contributions decreased mainly due to all the stimulus grant monies were received in the prior year. Property taxes decreased mainly due to a decrease in property tax receipts and advances available at fiscal year end 2012 as compared to fiscal year end 2011. Other Revenues increased mainly due to an increase in TIF monies received. Instructional expenses increased mainly due to increases in personnel costs and general inflationary costs. Operation and Maintenance expenses decreased mainly due to a decrease in overall maintenance expenses.

Mason City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
(Unaudited)

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	
	2012	2011	2012	2011
Instruction	\$64,220,741	\$62,149,103	\$57,637,454	\$54,183,731
Support Services:				
Pupil and Instructional Staff	14,963,035	15,133,568	13,866,159	11,856,221
School Administrative, General				
Administration, Fiscal and Business	7,773,348	8,228,852	7,641,567	7,777,349
Operations and Maintenance	12,666,272	13,504,242	11,532,982	12,181,310
Pupil Transportation	6,686,897	7,615,345	6,596,803	7,494,649
Central	3,700,107	3,790,359	3,688,717	3,771,709
Operation of Non-Instructional Services	6,449,265	6,058,518	1,186,127	948,474
Extracurricular Activities	3,052,085	2,848,531	1,104,273	1,366,828
Interest and Fiscal Charges	6,025,236	6,348,747	6,025,236	6,348,747
Total Expenses	\$125,536,986	\$125,677,265	\$109,279,318	\$105,929,018

The District's Funds

The District has three major governmental funds: the General Fund, the Debt Service Fund and the Capital Projects Fund. Assets of the General Fund comprised \$104,074,398 (70%), the Debt Service Fund comprised \$19,699,811 (13%) and the Capital Projects Fund comprised \$17,394,199 (12%) of the total \$148,736,542 governmental funds assets.

General Fund: Fund balance at June 30, 2012 was \$31,910,028 including \$31,456,329 of unassigned balance. The primary reason for the decrease in fund balance was due to a decrease in taxes revenue.

Debt Service Fund: Fund balance at June 30, 2012 was \$6,936,422. The primary reason for the decrease in fund balance was due to an increase in principal debt payments.

Capital Projects Fund: Fund balance at June 30, 2012 was \$11,738,943. The primary reason for the increase in fund balance was due to an increase in TIF monies received in fiscal year 2012 as compared to fiscal year 2011.

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.

Mason City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
(Unaudited)

The final revenue budget for the General Fund was \$93,739,667. The actual revenue was \$93,795,047. The \$55,380 difference was primarily due to a conservative estimate for taxes and intergovernmental revenue. The final budget expenditures were \$101,070,741. The actual expenditures were \$100,421,938. The \$648,803 difference was primarily due to an overestimate for regular expenditures.

The District's ending unobligated General Fund cash balance was \$39,581,534.

Capital Assets and Debt Administration

Capital Assets

At fiscal year end, the District had \$175,648,653 invested in land, buildings and improvements and equipment. Table 4 shows fiscal 2012 balances compared to fiscal 2011:

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

	Governmental Activities	
	2012	2011
Land	\$4,134,921	\$4,134,921
Buildings and Improvements	158,408,687	160,426,522
Equipment	13,105,045	14,178,142
Total Net Capital Assets	<u>\$175,648,653</u>	<u>\$178,739,585</u>

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

Mason City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
(Unaudited)

Debt

At year end, the District had \$126,981,627 in bonds and capital leases outstanding, \$9,538,000 due within one year. Table 5 summarizes bonds and capital leases outstanding.

Table 5
Outstanding Debt at Year End

	Governmental Activities	
	2012	2011
General Obligation Bonds:		
2005 Refunding High School/Recreation Center and Intermediate	\$57,255,000	\$58,255,000
2005 Refunding Bond Premium on High School/Recreation Center	3,544,194	3,917,267
2001 High School/Recreation Center	3,655,000	7,160,000
2003 Refunding Middle/High School	7,540,000	9,410,000
2004 Early Childhood Center	3,035,000	3,975,000
2007 Refunding Early Childhood Center	27,230,000	27,230,000
2007 Refunding Bond Premium on Early Childhood Center	2,005,703	2,113,133
Deferred Amount on 2007 Refunding Bonds	(451,270)	(686,716)
2008 High School Addition	18,065,000	19,295,000
Capital Leases	5,103,000	5,170,000
Total Bonds and Capital Leases	<u>\$126,981,627</u>	<u>\$135,838,684</u>

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

For the Future

On June 30, 2011, Ohio's Governor signed HB 153, the state biennium budget bill. The impact of this bill was a slight increase in state funding for the District for both fiscal years 2011-12 and 2012-13. The Governor has indicated that he will prepare a new school funding model for Ohio school districts for fiscal year 2012-13. At this time, we do not know the details of the changes or the impact that these changes may have on our future state funding. This uncertainty could have an impact on our instructional and operational programs. The need for additional revenue and or expenditure reductions will need to be closely monitored.

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

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

Mason City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
(Unaudited)

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.

Mason City School District, Ohio
Statement of Net Assets
June 30, 2012

	Governmental Activities
Assets:	
Equity in Pooled Cash and Investments	\$69,642,547
Restricted Cash and Investments	85,593
Receivables:	
Taxes	72,736,285
Accounts	440,522
Interest	26,410
Intergovernmental	5,693,310
Deferred Bond Issuance Costs	616,207
Inventory	40,450
Nondepreciable Capital Assets	4,134,921
Depreciable Capital Assets, Net	<u>171,513,732</u>
 Total Assets	 <u>324,929,977</u>
Liabilities:	
Accounts Payable	509,819
Accrued Wages and Benefits	15,367,934
Accrued Interest Payable	605,936
Unearned Revenue	71,070,706
Claims Payable	1,823,576
General Obligation Notes Payable	8,000,000
Long-Term Liabilities:	
Due Within One Year	10,377,206
Due In More Than One Year	<u>121,398,436</u>
 Total Liabilities	 <u>229,153,613</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	40,667,026
Restricted for:	
Federal Grants	42,799
Community Services	2,905,050
Food Service	1,454,634
Auxiliary Services	134,178
District Managed Student Activities	325,466
Debt Service	6,984,217
Capital Projects	13,213,203
Unrestricted	<u>30,049,791</u>
 Total Net Assets	 <u>\$95,776,364</u>

See accompanying notes to the Basic Financial Statements.

Mason City School District, Ohio
Statement of Activities
For the Fiscal Year Ended June 30, 2012

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental Activities:				
Instruction:				
Regular	\$49,661,226	\$3,181,504	\$46,187	(\$46,433,535)
Special	13,432,133	458,328	2,779,585	(10,194,220)
Vocational	30,564	0	21,133	(9,431)
Other	1,096,818	55,507	41,043	(1,000,268)
Support Services:				
Pupil	6,997,992	5,834	397,141	(6,595,017)
Instructional Staff	7,965,043	366	693,535	(7,271,142)
General Administration	58,014	0	0	(58,014)
School Administration	5,473,265	0	0	(5,473,265)
Fiscal	1,788,154	0	0	(1,788,154)
Business	453,915	131,781	0	(322,134)
Operations and Maintenance	12,666,272	1,133,157	133	(11,532,982)
Pupil Transportation	6,686,897	0	90,094	(6,596,803)
Central	3,700,107	590	10,800	(3,688,717)
Operation of Non-Instructional Services	6,449,265	3,645,072	1,618,066	(1,186,127)
Extracurricular Activities	3,052,085	1,947,812	0	(1,104,273)
Interest and Fiscal Charges	6,025,236	0	0	(6,025,236)
Total Governmental Activities	\$125,536,986	\$10,559,951	\$5,697,717	(109,279,318)
General Revenues:				
Property Taxes Levied for:				
				49,004,611
				11,350,361
				570,167
				42,386,226
				4,778,155
				31,069
				486,293
				708,680
Total General Revenues				109,315,562
Change in Net Assets				36,244
Net Assets Beginning of Year				95,740,120
Net Assets End of Year				\$95,776,364

See accompanying notes to the Basic Financial Statements.

Mason City School District, Ohio
Balance Sheet
Governmental Funds
June 30, 2012

	General	Debt Service	Capital Projects	Other Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$45,068,652	\$6,187,872	\$11,691,076	\$6,694,947
Restricted Cash and Investments	85,593	0	0	0
Receivables:				
Taxes	58,543,629	13,511,939	680,717	0
Accounts	222,023	0	25,740	192,759
Interest	26,410	0	0	0
Intergovernmental	56,666	0	4,996,666	639,978
Interfund	71,425	0	0	0
Inventory	0	0	0	40,450
Total Assets	104,074,398	19,699,811	17,394,199	7,568,134
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	401,765	0	15,473	92,581
Accrued Wages and Benefits	14,285,171	0	0	1,082,763
Compensated Absences	242,956	0	0	0
Accrued Interest Payable	0	0	0	66,667
Interfund Payable	0	0	0	71,425
Deferred Revenue	55,426,035	12,763,389	5,639,783	580,027
Claims Payable	1,808,443	0	0	0
General Obligation Notes Payable	0	0	0	8,000,000
Total Liabilities	72,164,370	12,763,389	5,655,256	9,893,463
Fund Balances:				
Nonspendable	0	0	0	40,450
Restricted	0	6,936,422	11,738,943	4,892,067
Assigned	453,699	0	0	0
Unassigned	31,456,329	0	0	(7,257,846)
Total Fund Balances	31,910,028	6,936,422	11,738,943	(2,325,329)
Total Liabilities and Fund Balances	\$104,074,398	\$19,699,811	\$17,394,199	\$7,568,134

See accompanying notes to the Basic Financial Statements.

Total Governmental Funds
\$69,642,547
85,593
72,736,285
440,522
26,410
5,693,310
71,425
40,450
<u>148,736,542</u>
509,819
15,367,934
242,956
66,667
71,425
74,409,234
1,808,443
8,000,000
<u>100,476,478</u>
40,450
23,567,432
453,699
24,198,483
<u>48,260,064</u>
<u>\$148,736,542</u>

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Mason City School District, Ohio
 Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2012

Total Governmental Fund Balance		\$48,260,064
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.		175,648,653
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Delinquent Property Taxes	2,681,285	
Interest	22,244	
Intergovernmental	576,292	
Other	<u>58,707</u>	
		3,338,528
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.		(539,269)
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	(4,551,059)	
Claims Liability	<u>(15,133)</u>	
		(4,566,192)
Deferred bond issuance cost associated with long-term liabilities are not reported in the funds.		616,207
Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds.		<u>(126,981,627)</u>
Net Assets of Governmental Activities		<u>\$95,776,364</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, 2012

	General	Debt Service	Capital Projects	Other Governmental Funds
Revenues:				
Taxes	\$48,511,955	\$11,213,626	\$563,299	\$0
Revenue in Lieu of Taxes	0	0	4,778,155	0
Tuition and Fees	2,350,409	0	0	164,902
Investment Earnings	597,643	1,829	2,217	1,776
Intergovernmental	42,068,067	2,135,236	117,761	4,768,746
Extracurricular Activities	561,871	0	0	1,322,844
Charges for Services	1,220,349	0	0	4,995,103
Other Revenues	236,163	0	102,240	341,500
Total Revenues	95,546,457	13,350,691	5,563,672	11,594,871
Expenditures:				
Current:				
Instruction:				
Regular	47,001,754	0	51,074	1,859,306
Special	12,276,095	0	518	1,200,611
Vocational	0	0	0	30,564
Other	1,096,818	0	0	0
Support Services:				
Pupil	6,576,180	0	2,362	464,004
Instructional Staff	7,664,271	0	0	232,545
General Administration	58,014	0	0	0
School Administration	5,387,566	13,082	984	0
Fiscal	1,650,569	106,332	9,788	0
Business	323,355	0	0	130,225
Operations and Maintenance	9,103,564	0	379,512	1,110,073
Pupil Transportation	5,998,331	0	0	163
Central	2,813,195	0	841,923	11,380
Operation of Non-Instructional Services	1,024,162	0	0	5,276,396
Extracurricular Activities	1,640,472	0	0	1,228,398
Capital Outlay	0	0	9,062	523,681
Debt Service:				
Principal Retirement	0	8,545,000	0	67,000
Interest and Fiscal Charges	0	5,834,359	0	412,637
Total Expenditures	102,614,346	14,498,773	1,295,223	12,546,983
Excess of Revenues Over (Under) Expenditures	(7,067,889)	(1,148,082)	4,268,449	(952,112)
Other Financing Sources (Uses):				
Transfers In	0	8,000,000	0	8,951,461
Transfers (Out)	(281,933)	(8,669,528)	0	(8,000,000)
Total Other Financing Sources (Uses)	(281,933)	(669,528)	0	951,461
Net Change in Fund Balance	(7,349,822)	(1,817,610)	4,268,449	(651)
Fund Balance Beginning of Year	39,259,850	8,754,032	7,470,494	(2,324,678)
Fund Balance End of Year	\$31,910,028	\$6,936,422	\$11,738,943	(\$2,325,329)

See accompanying notes to the Basic Financial Statements.

Total Governmental Funds
\$60,288,880
4,778,155
2,515,311
603,465
49,089,810
1,884,715
6,215,452
679,903
126,055,691
48,912,134
13,477,224
30,564
1,096,818
7,042,546
7,896,816
58,014
5,401,632
1,766,689
453,580
10,593,149
5,998,494
3,666,498
6,300,558
2,868,870
532,743
8,612,000
6,246,996
130,955,325
(4,899,634)
16,951,461
(16,951,461)
0
(4,899,634)
53,159,698
\$48,260,064

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, 2012

Net Change in Fund Balance - Total Governmental Funds (\$4,899,634)

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	1,330,146	
Depreciation Expense	<u>(4,180,079)</u>	(2,849,933)

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. (240,999)

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

Delinquent Property Taxes	636,259	
Interest	(117,117)	
Intergovernmental	(1,060,310)	
Other	<u>58,707</u>	(482,461)

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		8,612,000
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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. 28,844

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	(412,807)	
Claims Liability	88,318	
Amortization of Deferred Charge	(235,446)	
Amortization of Bond Issuance Cost	(52,141)	
Amortization of Bond Premium	<u>480,503</u>	(131,573)

Change in Net Assets of Governmental Activities \$36,244

See accompanying notes to the Basic Financial Statements.

Mason City School District, Ohio
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2012

	Education Private Purpose Trust	Agency
Assets:		
Equity in Pooled Cash and Investments	\$89,794	\$515,353
Receivables:		
Accounts	6,930	5,431
Total Assets	<u>96,724</u>	<u>520,784</u>
Liabilities:		
Accounts Payable	0	20,406
Other Liabilities	0	500,378
Total Liabilities	<u>0</u>	<u>\$520,784</u>
Net Assets:		
Held in Trust	<u>96,724</u>	
Total Net Assets	<u>\$96,724</u>	

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, 2012

	Education Private Purpose Trust
Additions:	
Donations	\$15,438
Investment Earnings	30
Total Additions	<u>15,468</u>
Deductions:	
Scholarships	<u>8,510</u>
Total Deductions	<u>8,510</u>
Change in Net Assets	6,958
Net Assets Beginning of Year	<u>89,766</u>
Net Assets End of Year	<u><u>\$96,724</u></u>

See accompanying notes to the Basic Financial Statements.

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

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 480 full-time equivalent classified personnel, 708 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 10,991. 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).

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.

Reporting Entity

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

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

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

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

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.

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

Fiduciary Funds

Fiduciary fund reporting focuses on net 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 (agency) fund accounts for those student activity programs. The Section 125 insurance (agency) fund accounts for employee insurance contributions.

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

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.

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

Basis of Accounting

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

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

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.

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

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 \$597,643 credited to the General Fund; \$1,829 credited to the Debt Service Fund, \$2,217 credited to the Capital Projects Fund and \$1,776 credited to Other Governmental Funds.

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

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

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. 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.

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

The District's policies regarding compensated absences are determined by the state laws and/or negotiated agreements. In summary, the policies are as follows:

<u>Vacation</u>	<u>Certified</u>	<u>Administrators</u>	<u>Non-Certificated</u>
How Earned	Not Eligible	0-20 days annually depending on length of service and days worked	10-20 days per year depending on length of service and days worked
Maximum Accumulation	Not Applicable	Amount equal to three years accrual	Amount equal to three years accrual
Vested	Not Applicable	As Earned	As Earned
Termination Entitlement	Not Applicable	Paid upon termination	Paid upon termination
<u>Sick Leave</u>			
How Earned	1.25 days per month of employment (15 days per year)	1.25 days per month of employment (15 days per year)	1.25 days per month of employment (15 days per year)
Maximum Accumulation	240 days	240 days	240 days
Vested	5-10 years of service Eligible for retirement	5-10 years of service Eligible for retirement	5-10 years of service Eligible for retirement
Termination Entitlement	Paid upon retirement at 25%-50%	Paid upon retirement at 25%-50%	Paid upon retirement at 25%-50%

Fund Balance

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

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

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

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

Committed – resources that are constrained for specific purposes that are internally imposed by board resolution of the government at its highest level of decision making authority, the Board of Education.

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

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

The District applies restricted resources first when an expense is incurred for purposes which both restricted and unrestricted net assets are available. The District considers committed, assigned, and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used.

Net 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 \$25,059,547 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.

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

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

Restricted Assets

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

Accrued Liabilities and Long Term Obligations

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

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

Mason City School District, Ohio
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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.

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

Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of June 30, 2012, \$53,892,623 of the District's bank balance of \$54,142,623 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, 2012, the District had the following investments:

Investment Type	Fair Value	Aggregate Credit Risk	Weighted Average Maturity (Years)
Federal Home Loan Bank	\$13,893,566	81.9%	0.87
Federal Home Loan Bank - Discount Note	119,998	0.7%	0.07
Freddie Mac	1,271,114	7.5%	0.64
Federal Farm Credit Bank	80,004	0.5%	0.18
Fannie Mae	885,322	5.2%	0.84
Fannie Mae - Discount Note	94,978	0.6%	0.25
Money Market Funds	58,975	0.3%	0.00
STAROhio	562,291	3.3%	0.16
Total Fair Value	\$16,966,248	100.00%	
Portfolio Weighted Average Maturity			0.81

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.

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

Credit Risk – It is the District’s policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have a credit quality rating of the top 2 ratings issued by nationally recognized statistical rating organizations. The District’s investments in Federal Home Loan Bank, Federal Home Loan Bank – Discount Note, Freddie Mac, Federal Farm Credit Bank, Fannie Mae, and Fannie Mae – Discount Note were rated AAA by Standard & Poor’s and Fitch Ratings and Aaa by Moody’s Investors Service. Investments in STAROhio were rated AAAM by Standard & Poor’s. Money Market Funds are not rated.

Concentration of Credit Risk – The District’s investment policy allows investments in Federal Agencies or Instrumentalities. Investments of the District are diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issue or a specific class of securities. Strategies to achieve this are determined and revised periodically.

Custodial Credit Risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the District’s securities are either insured and registered in the name of the District or at least registered in the name of the District.

Note 4 - Property Taxes

Real property taxes collected in 2012 were levied in April on the assessed values as of January 1, 2011, 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 revenue received during calendar year 2012 (other than public utility property tax) represents the collection of 2012 taxes levied against local and interexchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. The October 2008 tangible personal property tax settlement was the last property tax settlement for general personal property taxes. Tangible personal property taxes received from telephone companies in calendar year 2012 were levied after April 1, 2011, on the value as of December 31, 2011. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30.

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

Real property taxes are payable annually or semi-annually. In 2012, if paid annually, payment was due by January 20th. If paid semi-annually, the first payment (at least 1/2 amount billed) was due January 20th with the remainder due on June 20th.

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

Accrued property taxes receivable represents delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable at June 30, 2012. Delinquent property taxes collected within 60 days are included as a receivable and tax revenue as of June 30, 2012 on the fund financial statements. The entire amount of delinquent taxes receivable is recognized as revenue in the government-wide financial statements. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is available to finance current year operations. The receivable is, therefore, offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2012, was \$3,194,810 for General Fund, \$748,550 for Debt Service Fund and \$37,600 for Other Governmental Funds, and is recognized as revenue.

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

The assessed values upon which the fiscal year 2012 taxes were collected are:

	<u>Amount</u>
Agricultural/Residential and Other Real Estate	\$1,505,970,130
Public Utility	<u>21,168,660</u>
Total	<u><u>\$1,527,138,790</u></u>

Note 5 – Receivables

Receivables at fiscal year end, consisted of taxes, accounts, interest, intergovernmental and interfund. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds.

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

Note 6 - Capital Assets

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

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$4,134,921	\$0	\$0	\$4,134,921
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	183,719,328	0	0	183,719,328
Equipment	30,501,967	1,330,146	790,582	31,041,531
Totals at Historical Cost	<u>218,356,216</u>	<u>1,330,146</u>	<u>790,582</u>	<u>218,895,780</u>
Less Accumulated Depreciation:				
Buildings and Improvements	23,292,806	2,017,835	0	25,310,641
Equipment	16,323,825	2,162,244	549,583	17,936,486
Total Accumulated Depreciation	<u>39,616,631</u>	<u>4,180,079</u>	<u>549,583</u>	<u>43,247,127</u>
Governmental Activities Capital Assets, Net	<u>\$178,739,585</u>	<u>(\$2,849,933)</u>	<u>\$240,999</u>	<u>\$175,648,653</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$487,530
Special	6,055
Support Services:	
Pupil	23,883
Instructional Staff	15,704
School Administration	22,514
Fiscal	10,524
Business	1,161
Operations and Maintenance	2,058,442
Pupil Transportation	674,573
Central	439,419
Operation of Non-Instructional Services	223,541
Extracurricular Activities	216,733
Total Depreciation Expense	<u>\$4,180,079</u>

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

Note 7 - Short-Term Notes Payable

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

	<u>Beginning Principal Outstanding</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Principal Outstanding</u>
Mason Intermediate Construction 2010 2.00%	\$8,500,000	\$0	\$8,500,000	\$0
Mason Intermediate Construction 2011 2.00%	<u>0</u>	<u>8,000,000</u>	<u>0</u>	<u>8,000,000</u>
Total	<u><u>\$8,500,000</u></u>	<u><u>\$8,000,000</u></u>	<u><u>\$8,500,000</u></u>	<u><u>\$8,000,000</u></u>

The short-term bond anticipation notes are shown as liabilities of the fund which received the note proceeds. Accordingly, all note debt activity has been reported in the building fund.

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

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

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$8,000,000	\$160,000	\$8,160,000

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

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%	\$7,160,000	\$0	(\$3,505,000)	\$3,655,000	\$3,655,000
2005 Refunding High School/ Recreation Center	5.16%	58,255,000	0	(1,000,000)	57,255,000	1,540,000
2005 Refund Bond Premium		3,917,267	0	(373,073)	3,544,194	0
2003 Refunding Middle/High School	3.97%	9,410,000	0	(1,870,000)	7,540,000	2,045,000
2004 Early Childhood Center	4.76%	3,975,000	0	(940,000)	3,035,000	975,000
2007 Refunding Early Childhood Center	4.98%	27,230,000	0	0	27,230,000	0
2007 Refund Bond Premium		2,113,133	0	(107,430)	2,005,703	0
Deferred Amount on 2007 Refunding		(686,716)	0	235,446	(451,270)	0
2008 High School Addition	4.00%	19,295,000	0	(1,230,000)	18,065,000	1,245,000
Total General Obligation Bonds		130,668,684	0	(8,790,057)	121,878,627	9,460,000
Capital Leases		5,170,000	0	(67,000)	5,103,000	78,000
Total Long-Term Debt		135,838,684	0	(8,857,057)	126,981,627	9,538,000
Compensated Absences		5,287,766	1,224,910	(1,718,661)	4,794,015	839,206
Total Governmental Activities Long-Term Liabilities		\$141,126,450	\$1,224,910	(\$10,575,718)	\$131,775,642	\$10,377,206

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

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.

Mason City School District, Ohio
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For The Fiscal Year Ended June 30, 2012

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
2013	\$9,460,000	\$5,551,929	\$15,011,929
2014	8,340,000	5,155,197	13,495,197
2015	10,000,000	4,725,439	14,725,439
2016	10,740,000	4,216,301	14,956,301
2017	9,660,000	3,706,507	13,366,507
2018-2022	38,435,000	12,187,997	50,622,997
2023-2027	11,405,000	6,272,352	17,677,352
2028-2032	14,585,000	2,998,557	17,583,557
2033-2036	4,155,000	428,125	4,583,125
Total	<u>\$116,780,000</u>	<u>\$45,242,404</u>	<u>\$162,022,404</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, 2012, \$25,515,000 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 \$5,101,613 to finance the project. The District began making principal payments in fiscal year 2011. The principal amount owed on the lease at year end is \$5,103,000. The capital lease will be paid from the Community Services fund. The gross amount of assets that will be acquired under capital leases is \$5,249,000 in buildings and improvements.

Mason City School District, Ohio
Notes to the Basic Financial Statements
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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, 2012.

Fiscal Year Ending June 30,	Long-Term Debt
2013	\$308,350
2014	318,659
2015	328,332
2016	340,349
2017	349,619
2018-2022	1,916,957
2023-2027	2,233,678
2028-2032	2,266,527
Total Minimum Lease Payments	8,062,471
Less: Amount Representing Interest (4.38%)	(2,861,476)
Less: Additional Program Cost Component	(97,995)
Present Value of Minimum Lease Payments	<u>\$5,103,000</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*.

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

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, 2012, the allocation to pension and death benefits is 11.81%. The remaining 2.19% 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, 2012, 2011, and 2010 were \$2,791,776, \$2,808,360, and \$2,738,604, respectively; 100% has been contributed for fiscal year 2012, 2011 and 2010.

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.

Mason City School District, Ohio
Notes to the Basic Financial Statements
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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.

Eligible faculty of Ohio’s public colleges and universities may choose to enroll in either STRS Ohio or an alternative retirement plan (ARP) offered by their employer. Employees have 120 days from their employment date to select a retirement plan.

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

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, 2012, were 10% of covered payroll for members and 14% for employers. The District's contributions to STRS for the years ended June 30, 2012, 2011, and 2010 were \$6,854,604, \$6,779,952, and \$6,793,128, respectively; 84% has been contributed for fiscal year 2012 and 100% for fiscal years 2011 and 2010.

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.

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

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 2011 was \$96.40 for most participants, but could be as high as \$369.10 depending on their income; 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 2012, the actuarially required allocation was .76%. District contributions for the year ended June 30, 2012, 2011 and 2010 were \$151,554, \$152,454 and \$148,667, 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, 2012, the health care allocation was 1.43%. 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; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2012, 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, 2012, 2011, and 2010 were \$285,160, \$286,854, and \$89,983, respectively; 100% has been contributed for fiscal year 2012, 2011 and 2010.

Mason City School District, Ohio
Notes to the Basic Financial Statements
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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, 2012, 2011 and 2010. The 14% employer contribution rate is the maximum rate established under Ohio law. The District contributions for the years ended June 30, 2012, 2011, and 2010 were \$489,615, \$484,282, and \$485,223, respectively; 84% has been contributed for fiscal year 2012 and 100% for fiscal years 2011 and 2010.

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

Note 13 - Contingent Liabilities

Student Attendance Data Review

The Auditor of State is currently performing a statewide review of supporting documentation for student attendance data reported to the Ohio Department of Education. The results of this review are still pending and will be reported separately to the Ohio Department of Education at a later date.

The School District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. This also encompasses the Auditor of State's ongoing review of student attendance data. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2012, if applicable, cannot be determined at this time.

Litigation

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

Duke Energy

In June, 2010 Duke Energy notified school district customers in southwest Ohio that it had appealed its personal property valuation with the Ohio Department of Taxation and was going to reduce its tax payments while the appeal was in process. The case was settled in June 2012 and did result in a reduction in values. However, there was no significant change to what had been actually paid by Duke in anticipation of a favorable ruling and there was no significant additional adjustment.

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 Ohio Casualty 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 Ohio Casualty and holds a \$5,000 deductible and a \$1,000,000 automobile liability limit per occurrence, plus excess umbrella of an additional \$4,000,000 limit.

The Travelers Insurance Company maintains a \$20,000 performance bond for the Board President and Superintendent and Travelers Insurance Company maintains a \$50,000 public

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

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.

The District offers a High Deductible medical plan with a Health Savings Account (HSA) on a self-insured basis with third party administration services provided by Custom Design Benefits. Monthly premiums for the plan are \$1,626 for family coverage (\$4,000 deductible) and \$662 for individual coverage (\$2,000 deductible). For full time employees the District pays the full amount of the premium and makes the following contributions to the employees' HSAs: \$2,000 family and \$1,000 single. The District pays 100% of claims after the deductible is met.

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 \$100 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 \$1,808,443 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 \$1,808,443 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 \$1,823,576 has been reported as claims payable. The amount due within one year for claims payable is \$15,133.

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

	Balance at Beginning of Year	Current Year Claims	Claims Payments	Balance at End of Year
2010	\$1,426,238	\$11,672,071	\$11,256,695	\$1,841,614
2011	1,841,614	12,839,842	11,856,169	2,825,287
2012	2,825,287	14,091,403	15,108,247	1,808,443

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

Note 15 – Accountability

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

Fund	Deficit
Special Revenue:	
Gifted Supplemental	\$6,505
Title VI B	321,962
Title III	22,802
Title I	46,285
Public School Preschool	8,466
Improving Teacher Quality	989
Education Jobs	295,532
Race to the Top	2,100
Capital Projects:	
Building	6,551,457
Insurance Replacement	1,748

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 - Required 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 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.

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

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, 2011	(\$254,574)	\$0	\$85,593
Current Year Set-aside Requirement	0	1,853,859	0
Qualified Disbursements	0	(1,429,481)	0
Elimination per H.B. 30 of the Ohio 129th General Assembly	254,574	0	
Current Year Offsets	0	(30,098,522)	0
Set-Aside Reserve Balance as of June 30, 2012	\$0	(\$29,674,144)	\$85,593
Restricted Cash as of June 30, 2012	\$0	\$0	\$85,593

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	\$71,425	\$0	\$0	\$281,923
Debt Service Fund	0	0	8,000,000	8,669,528
Other Governmental Funds	0	71,425	8,951,461	8,000,000
Total All Funds	\$71,425	\$71,425	\$16,951,461	\$16,951,451

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

Note 18 - Jointly Governed Organizations

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.

Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

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

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

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

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Mason City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2012

Note 19 - Fund Balances

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

Fund Balances	General	Debt Service	Capital Projects	Other Governmental Funds	Total
Nonspendable:					
Inventory	\$0	\$0	\$0	\$40,450	\$40,450
Total Nonspendable	0	0	0	40,450	40,450
Restricted for:					
Community Services	0	0	0	2,976,440	2,976,440
District Managed Student Activity	0	0	0	325,466	325,466
Auxiliary Services	0	0	0	134,178	134,178
Vocational Education	0	0	0	6,589	6,589
Food Service Operations	0	0	0	1,449,394	1,449,394
Debt Service Payments	0	6,936,422	0	0	6,936,422
Capital Projects	0	0	11,738,943	0	11,738,943
Total Restricted	0	6,936,422	11,738,943	4,892,067	23,567,432
Assigned to:					
Encumbrances	453,699	0	0	0	453,699
Total Assigned	453,699	0	0	0	453,699
Unassigned (Deficit)	31,456,329	0	0	(7,257,846)	24,198,483
Total Fund Balance	31,910,028	6,936,422	11,738,943	(2,325,329)	48,260,064

REQUIRED SUPPLEMENTARY INFORMATION

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	General Fund			Variance from Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Taxes	\$49,138,474	\$49,390,308	\$49,419,487	\$29,179
Tuition and Fees	1,929,698	1,939,588	1,940,734	1,146
Investment Earnings	274,300	275,706	275,869	163
Intergovernmental	41,772,512	41,986,596	42,011,401	24,805
Charges for Services	55,182	55,465	55,498	33
Other Revenues	91,535	92,004	92,058	54
Total Revenues	93,261,701	93,739,667	93,795,047	55,380
Expenditures:				
Current:				
Instruction:				
Regular				
Salaries and Wages	31,533,250	31,533,250	31,330,829	202,421
Fringe Benefits	12,615,970	12,615,970	12,534,984	80,986
Purchased Services	62,208	62,208	61,809	399
Materials and Supplies	1,451,094	1,451,094	1,441,779	9,315
Capital Outlay	154,016	154,016	153,027	989
Other Expenditures	10,614	10,614	10,546	68
Total Regular	45,827,152	45,827,152	45,532,974	294,178
Special				
Salaries and Wages	7,706,737	7,706,737	7,657,265	49,472
Fringe Benefits	3,408,216	3,408,216	3,386,338	21,878
Purchased Services	216,142	216,142	214,755	1,387
Materials and Supplies	51,695	51,695	51,363	332
Capital Outlay	657	657	653	4
Other Expenditures	239,449	239,449	237,912	1,537
Total Special	11,622,896	11,622,896	11,548,286	74,610
Other				
Purchased Services	1,107,033	1,107,033	1,099,927	7,106
Total Other	1,107,033	1,107,033	1,099,927	7,106
Support Services:				
Pupil				
Salaries and Wages	4,341,718	4,341,718	4,313,847	27,871
Fringe Benefits	1,725,362	1,725,362	1,714,286	11,076
Purchased Services	448,075	448,075	445,199	2,876
Materials and Supplies	57,245	57,245	56,878	367
Other Expenditures	201	201	200	1
Total Pupil	6,572,601	6,572,601	6,530,410	42,191

Continued

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	General Fund			Variance from Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Instructional Staff				
Salaries and Wages	4,795,936	4,795,936	4,765,149	30,787
Fringe Benefits	2,881,544	2,881,544	2,863,047	18,497
Purchased Services	41,845	41,845	41,576	269
Materials and Supplies	59,822	59,822	59,438	384
Capital Outlay	53	53	53	0
Total Instructional Staff	7,779,200	7,779,200	7,729,263	49,937
General Administration				
Salaries and Wages	16,607	16,607	16,500	107
Fringe Benefits	3,869	3,869	3,844	25
Purchased Services	2,430	2,430	2,414	16
Materials and Supplies	503	503	500	3
Other Expenditures	35,294	35,294	35,067	227
Total General Administration	58,703	58,703	58,325	378
School Administration				
Salaries and Wages	3,518,009	3,518,009	3,495,426	22,583
Fringe Benefits	1,784,391	1,784,391	1,772,936	11,455
Purchased Services	170,208	170,208	169,115	1,093
Materials and Supplies	15,933	15,933	15,831	102
Capital Outlay	6,079	6,079	6,040	39
Other Expenditures	74,068	74,068	73,593	475
Total School Administration	5,568,688	5,568,688	5,532,941	35,747
Fiscal				
Salaries and Wages	645,618	645,618	641,474	4,144
Fringe Benefits	310,954	310,954	308,958	1,996
Purchased Services	32,423	32,423	32,215	208
Materials and Supplies	11,560	11,560	11,486	74
Other Expenditures	689,833	689,833	685,405	4,428
Total Fiscal	1,690,388	1,690,388	1,679,538	10,850
Business				
Salaries and Wages	204,086	204,086	202,776	1,310
Fringe Benefits	92,511	92,511	91,917	594
Purchased Services	20,610	20,610	20,478	132
Materials and Supplies	5,715	5,715	5,678	37
Other Expenditures	1,211	1,211	1,203	8
Total Business	324,133	324,133	322,052	2,081

Continued

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	General Fund			Variance from Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<u>Operations and Maintenance</u>				
Salaries and Wages	2,858,048	2,858,048	2,839,701	18,347
Fringe Benefits	1,558,776	1,558,776	1,548,770	10,006
Purchased Services	4,352,921	4,352,921	4,324,978	27,943
Materials and Supplies	683,587	683,587	679,199	4,388
Capital Outlay	52,221	52,221	51,886	335
Total Operations and Maintenance	<u>9,505,553</u>	<u>9,505,553</u>	<u>9,444,534</u>	<u>61,019</u>
<u>Pupil Transportation</u>				
Salaries and Wages	3,336,119	3,336,119	3,314,703	21,416
Fringe Benefits	1,997,787	1,997,787	1,984,963	12,824
Purchased Services	313,857	313,857	311,842	2,015
Materials and Supplies	807,276	807,276	802,094	5,182
Capital Outlay	4,215	4,215	4,188	27
Other Expenditures	348	348	346	2
Total Pupil Transportation	<u>6,459,602</u>	<u>6,459,602</u>	<u>6,418,136</u>	<u>41,466</u>
<u>Central</u>				
Salaries and Wages	1,442,788	1,442,788	1,433,526	9,262
Fringe Benefits	693,576	693,576	689,124	4,452
Purchased Services	370,376	370,376	367,998	2,378
Materials and Supplies	343,758	343,758	341,551	2,207
Capital Outlay	32,511	32,511	32,302	209
Other Expenditures	860	860	854	6
Total Central	<u>2,883,869</u>	<u>2,883,869</u>	<u>2,865,355</u>	<u>18,514</u>
<u>Operation of Non-Instructional Services</u>				
Fringe Benefits	7,684	7,684	7,635	49
Purchased Services	8,873	8,873	8,816	57
Materials and Supplies	6,603	6,603	6,561	42
Other Expenditures	15,729	15,729	15,628	101
Total Operation of Non- Instructional Services	<u>38,889</u>	<u>38,889</u>	<u>38,640</u>	<u>249</u>
<u>Extracurricular Activities</u>				
Salaries and Wages	1,278,518	1,278,518	1,270,311	8,207
Fringe Benefits	276,765	276,765	274,988	1,777
Purchased Services	64,286	64,286	63,873	413
Materials and Supplies	9,305	9,305	9,245	60
Other Expenditures	3,160	3,160	3,140	20
Total Extracurricular Activities	<u>1,632,034</u>	<u>1,632,034</u>	<u>1,621,557</u>	<u>10,477</u>
Total Expenditures	<u>101,070,741</u>	<u>101,070,741</u>	<u>100,421,938</u>	<u>648,803</u>
Excess of Revenues Over (Under) Expenditures	<u>(7,809,040)</u>	<u>(7,331,074)</u>	<u>(6,626,891)</u>	<u>704,183</u>

Continued

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	General Fund			Variance from Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Other Financing Sources (Uses):				
Advances In	950,219	955,089	955,653	564
Advances (Out)	(778,070)	(778,070)	(773,075)	4,995
Transfers (Out)	(1,016,525)	(1,016,525)	(1,010,000)	6,525
Total Other Financing Sources (Uses)	(844,376)	(839,506)	(827,422)	12,084
Net Change in Fund Balance	(8,653,416)	(8,170,580)	(7,454,313)	716,267
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	47,035,847	47,035,847	47,035,847	0
Fund Balance End of Year	\$38,382,431	\$38,865,267	\$39,581,534	\$716,267

See accompanying notes to the required supplementary information.

Mason City School District, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended June 30, 2012

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 2012.

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

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

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

Mason City School District, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended June 30, 2012

5. Some funds are reported as part of the general fund (GAAP basis as opposed to the general fund being reported alone (budget basis)).

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	(\$7,349,822)
Revenue Accruals	(1,857,874)
Expenditures Accruals	2,948,345
Transfers In	1,010,000
Transfers (Out)	(728,067)
Advances In	1,653,259
Advances (Out)	(1,382,377)
Encumbrances	(607,843)
Funds Budgeted Elsewhere	<u>(1,139,934)</u>
Budget Basis	<u><u>(\$7,454,313)</u></u>

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES



MAJOR GOVERNMENTAL FUNDS

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

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

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	Debt Service Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Taxes	\$11,480,350	\$11,427,181	(\$53,169)
Investment Earnings	1,838	1,829	(9)
Intergovernmental	2,145,171	2,135,236	(9,935)
Total Revenues	<u>13,627,359</u>	<u>13,564,246</u>	<u>(63,113)</u>
Expenditures:			
Current:			
Support Services:			
School Administration	13,145	13,082	63
Fiscal	106,843	106,332	511
Debt Service:			
Principal Retirement	17,126,954	17,045,000	81,954
Interest and Fiscal Charges	6,032,754	6,003,887	28,867
Total Expenditures	<u>23,279,696</u>	<u>23,168,301</u>	<u>111,395</u>
Excess of Revenues Over (Under) Expenditures	<u>(9,652,337)</u>	<u>(9,604,055)</u>	<u>48,282</u>
Other Financing Sources (Uses):			
Issuance of Tax Anticipation Notes	8,037,223	8,000,000	(37,223)
Total Other Financing Sources (Uses)	<u>8,037,223</u>	<u>8,000,000</u>	<u>(37,223)</u>
Net Change in Fund Balance	(1,615,114)	(1,604,055)	11,059
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>7,791,927</u>	<u>7,791,927</u>	<u>0</u>
Fund Balance End of Year	<u>\$6,176,813</u>	<u>\$6,187,872</u>	<u>\$11,059</u>

Mason City School District, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2012

	Capital Projects Fund		Variance from Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Taxes	\$573,983	\$574,028	\$45
Revenue in lieu of taxes	4,777,783	4,778,155	372
Investment Earnings	2,217	2,217	0
Intergovernmental	117,752	117,761	9
Other Revenues	76,494	76,500	6
Total Revenues	5,548,229	5,548,661	432
Expenditures:			
Current:			
Instruction:			
Regular	167,085	57,094	109,991
Special	11,706	4,000	7,706
Support Services:			
Pupil	7,624	2,605	5,019
School Administration	8,733	2,984	5,749
Fiscal	28,644	9,788	18,856
Operations and Maintenance	1,874,118	640,398	1,233,720
Pupil Transportation	2,580,626	881,816	1,698,810
Central	2,625,679	897,211	1,728,468
Capital Outlay	44,664	15,262	29,402
Total Expenditures	7,348,879	2,511,158	4,837,721
Excess of Revenues Over (Under) Expenditures	(1,800,650)	3,037,503	4,838,153
Other Financing Sources (Uses):			
Transfers In	869,628	869,696	68
Transfers (Out)	(2,545,157)	(869,696)	1,675,461
Total Other Financing Sources (Uses)	(1,675,529)	0	1,675,529
Net Change in Fund Balance	(3,476,179)	3,037,503	6,513,682
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	8,305,112	8,305,112	0
Fund Balance End of Year	\$4,828,933	\$11,342,615	\$6,513,682

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

Capital Projects Funds

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

Mason City School District, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2012

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:			
Equity in Pooled Cash and Investments	\$5,120,297	\$1,574,650	\$6,694,947
Receivables:			
Accounts	192,759	0	192,759
Intergovernmental	639,978	0	639,978
Inventory	40,450	0	40,450
Total Assets	5,993,484	1,574,650	7,568,134
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	43,952	48,629	92,581
Accrued Wages and Benefits	1,082,763	0	1,082,763
Accrued Interest Payable	0	66,667	66,667
Interfund Payable	58,866	12,559	71,425
Deferred Revenue	580,027	0	580,027
General Obligation Notes Payable	0	8,000,000	8,000,000
Total Liabilities	1,765,608	8,127,855	9,893,463
Fund Balances:			
Nonspendable	40,450	0	40,450
Restricted	4,892,067	0	4,892,067
Unassigned	(704,641)	(6,553,205)	(7,257,846)
Total Fund Balances	4,227,876	(6,553,205)	(2,325,329)
Total Liabilities and Fund Balances	\$5,993,484	\$1,574,650	\$7,568,134

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, 2012

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Tuition and Fees	\$164,902	\$0	\$164,902
Investment Earnings	1,423	353	1,776
Intergovernmental	4,768,746	0	4,768,746
Extracurricular Activities	1,322,844	0	1,322,844
Charges for Services	4,995,103	0	4,995,103
Other Revenues	311,798	29,702	341,500
Total Revenues	11,564,816	30,055	11,594,871
Expenditures:			
Current:			
Instruction:			
Regular	1,859,306	0	1,859,306
Special	1,200,611	0	1,200,611
Vocational	30,564	0	30,564
Support Services:			
Pupil	464,004	0	464,004
Instructional Staff	232,545	0	232,545
Business	130,225	0	130,225
Operations and Maintenance	1,092,117	17,956	1,110,073
Pupil Transportation	163	0	163
Central	11,380	0	11,380
Operation of Non-Instructional Services	5,276,396	0	5,276,396
Extracurricular Activities	1,228,398	0	1,228,398
Capital Outlay	0	523,681	523,681
Debt Service:			
Principal Retirement	67,000	0	67,000
Interest and Fiscal Charges	86,353	326,284	412,637
Total Expenditures	11,679,062	867,921	12,546,983
Excess of Revenues Over (Under) Expenditures	(114,246)	(837,866)	(952,112)
Other Financing Sources (Uses):			
Transfers In	281,933	8,669,528	8,951,461
Transfers (Out)	0	(8,000,000)	(8,000,000)
Total Other Financing Sources (Uses)	281,933	669,528	951,461
Net Change in Fund Balance	167,687	(168,338)	(651)
Fund Balance Beginning of Year	4,060,189	(6,384,867)	(2,324,678)
Fund Balance End of Year	\$4,227,876	(\$6,553,205)	(\$2,325,329)

NONMAJOR SPECIAL REVENUE FUNDS

Fund Descriptions

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

District Managed Student Activity - To account for those student activity programs which have student participation in the activity but do not have student management in the programs. This fund includes athletic programs as well as the band, cheerleaders, flag corps and other similar types of activities.

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

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.

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.

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.

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.

Education Stabilization Foundation - To account for monies that was part of the American Recovery and Reinvestment Act of 2009. This was intended to provide money to school districts to prevent layoffs and cutbacks, with flexibility to use the funds for school modernization and repairs.

Title II-D - To account for competitive grant monies received from the Federal Government which focuses on professional development and student learning needed for the 21st century.

Education Jobs - To account for grant monies received from the Federal Government which focuses on saving or creating education jobs for the 2010-2011 school year.

Race to the Top – To account for a competitive grant program designed to encourage and reward states that are creating the conditions for education innovation and reform; achieving significant improvement in student outcomes, including making substantial gains in student achievement, closing achievement gaps, improving high school graduation rates, and ensuring student preparation for success in college and careers.

Mason City School District, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2012

	Community Services	District Managed Student Activity	Auxiliary Services	Entry Year Programs
Assets:				
Equity in Pooled Cash and Investments	\$2,817,553	\$338,378	\$165,367	\$0
Receivables:				
Accounts	178,312	14,447	0	0
Intergovernmental	0	0	0	0
Inventory	0	0	0	0
Total Assets	2,995,865	352,825	165,367	0
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	3,917	10,814	17,974	0
Accrued Wages and Benefits	5,043	0	13,215	0
Interfund Payable	6,730	16,545	0	0
Deferred Revenue	3,735	0	0	0
Total Liabilities	19,425	27,359	31,189	0
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	2,976,440	325,466	134,178	0
Unassigned	0	0	0	0
Total Fund Balances	2,976,440	325,466	134,178	0
Total Liabilities and Fund Balances	\$2,995,865	\$352,825	\$165,367	\$0

OneNet Network Connectivity	Ohio Reads	Summer Intervention	Gifted Supplemental	Title VI-B	Vocational Education	Title III
\$0	\$0	\$0	\$65	\$2,126	\$14,956	\$0
0	0	0	0	0	0	0
0	0	0	0	288,101	0	7,264
0	0	0	0	0	0	0
0	0	0	65	290,227	14,956	7,264
0	0	0	0	0	8,367	0
0	0	0	6,570	312,235	0	20,493
0	0	0	0	11,853	0	2,309
0	0	0	0	288,101	0	7,264
0	0	0	6,570	612,189	8,367	30,066
0	0	0	0	0	0	0
0	0	0	0	0	6,589	0
0	0	0	(6,505)	(321,962)	0	(22,802)
0	0	0	(6,505)	(321,962)	6,589	(22,802)
\$0	\$0	\$0	\$65	\$290,227	\$14,956	\$7,264

Continued

Mason City School District, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2012

	Refugee Impact	Title I	Drug-Free Schools	Public School Preschool
Assets:				
Equity in Pooled Cash and Investments	\$0	\$2	\$0	\$0
Receivables:				
Accounts	0	0	0	0
Intergovernmental	0	27,462	0	8,466
Inventory	0	0	0	0
Total Assets	0	27,464	0	8,466
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	0	0	0	0
Accrued Wages and Benefits	0	46,287	0	0
Interfund Payable	0	0	0	8,466
Deferred Revenue	0	27,462	0	8,466
Total Liabilities	0	73,749	0	16,932
Fund Balances:				
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Unassigned	0	(46,285)	0	(8,466)
Total Fund Balances	0	(46,285)	0	(8,466)
Total Liabilities and Fund Balances	\$0	\$27,464	\$0	\$8,466

Improving Teacher Quality	Food Service	Education Stabilization Foundation	Title II-D	Education Jobs	Race to the Top	Total Nonmajor Special Revenue Funds
\$10,519	\$1,661,213	\$0	\$0	\$110,118	\$0	\$5,120,297
0	0	0	0	0	0	192,759
37,199	63,686	0	0	207,800	0	639,978
0	40,450	0	0	0	0	40,450
<u>47,718</u>	<u>1,765,349</u>	<u>0</u>	<u>0</u>	<u>317,918</u>	<u>0</u>	<u>5,993,484</u>
645	2,235	0	0	0	0	43,952
0	273,270	0	0	405,650	0	1,082,763
10,863	0	0	0	0	2,100	58,866
37,199	0	0	0	207,800	0	580,027
<u>48,707</u>	<u>275,505</u>	<u>0</u>	<u>0</u>	<u>613,450</u>	<u>2,100</u>	<u>1,765,608</u>
0	40,450	0	0	0	0	40,450
0	1,449,394	0	0	0	0	4,892,067
(989)	0	0	0	(295,532)	(2,100)	(704,641)
<u>(989)</u>	<u>1,489,844</u>	<u>0</u>	<u>0</u>	<u>(295,532)</u>	<u>(2,100)</u>	<u>4,227,876</u>
<u>\$47,718</u>	<u>\$1,765,349</u>	<u>\$0</u>	<u>\$0</u>	<u>\$317,918</u>	<u>\$0</u>	<u>\$5,993,484</u>

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, 2012

	Community Services	District Managed Student Activity	Auxiliary Services	Entry Year Programs
Revenues:				
Tuition and Fees	\$85,167	\$79,735	\$0	\$0
Investment Earnings	702	102	63	0
Intergovernmental	0	0	728,591	0
Extracurricular Activities	57,081	1,265,763	0	0
Charges for Services	1,384,232	0	0	0
Other Revenues	232,118	79,680	0	0
Total Revenues	1,759,300	1,425,280	728,654	0
Expenditures:				
Current:				
Instruction:				
Regular	134,564	0	0	22
Special	885	0	0	0
Vocational	0	0	0	0
Support Services:				
Pupil	2,887	0	0	0
Instructional Staff	1,831	0	0	0
Business	130,225	0	0	0
Operations and Maintenance	1,091,486	0	0	0
Pupil Transportation	0	0	0	0
Central	580	0	0	0
Operation of Non-Instructional Services	34,723	0	745,102	0
Extracurricular Activities	39,773	1,188,625	0	0
Debt Service:				
Principal Retirement	67,000	0	0	0
Interest and Fiscal Charges	86,353	0	0	0
Total Expenditures	1,590,307	1,188,625	745,102	22
Excess of Revenues Over (Under) Expenditures	168,993	236,655	(16,448)	(22)
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balance	168,993	236,655	(16,448)	(22)
Fund Balance Beginning of Year	2,807,447	88,811	150,626	22
Fund Balance End of Year	\$2,976,440	\$325,466	\$134,178	\$0

OneNet Network Connectivity	Ohio Reads	Summer Intervention	Gifted Supplemental	Title VI-B	Vocational Education	Title III
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
10,800	0	0	34,123	1,361,409	14,542	76,658
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
10,800	0	0	34,123	1,361,409	14,542	76,658
0	0	464	0	0	0	0
0	0	0	0	1,028,020	0	7,399
0	0	0	0	0	30,564	0
0	0	0	27,508	431,157	0	0
0	2,000	0	0	2,392	0	83,635
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	163
10,800	0	0	0	0	0	0
0	0	0	0	42,854	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
10,800	2,000	464	27,508	1,504,423	30,564	91,197
0	(2,000)	(464)	6,615	(143,014)	(16,022)	(14,539)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	(2,000)	(464)	6,615	(143,014)	(16,022)	(14,539)
0	2,000	464	(13,120)	(178,948)	22,611	(8,263)
\$0	\$0	\$0	(\$6,505)	(\$321,962)	\$6,589	(\$22,802)

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, 2012

	Refugee Impact	Title I	Drug-Free Schools	Public School Preschool
Revenues:				
Tuition and Fees	\$0	\$0	\$0	\$0
Investment Earnings	0	0	0	0
Intergovernmental	0	134,502	0	25,282
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Other Revenues	0	0	0	0
Total Revenues	0	134,502	0	25,282
Expenditures:				
Current:				
Instruction:				
Regular	455	0	568	0
Special	0	162,330	0	1,977
Vocational	0	0	0	0
Support Services:				
Pupil	0	0	0	0
Instructional Staff	0	0	0	33,747
Business	0	0	0	0
Operations and Maintenance	0	0	0	0
Pupil Transportation	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	1,299	300	0
Extracurricular Activities	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
Total Expenditures	455	163,629	868	35,724
Excess of Revenues Over (Under) Expenditures	(455)	(29,127)	(868)	(10,442)
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0
Net Change in Fund Balance	(455)	(29,127)	(868)	(10,442)
Fund Balance Beginning of Year	455	(17,158)	868	1,976
Fund Balance End of Year	\$0	(\$46,285)	\$0	(\$8,466)

Improving Teacher Quality	Food Service	Education Stabilization Foundation	Title II-D	Education Jobs	Race to the Top	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$0	\$164,902
0	556	0	0	0	0	1,423
110,373	849,620	0	1,154	1,421,692	0	4,768,746
0	0	0	0	0	0	1,322,844
0	3,610,871	0	0	0	0	4,995,103
0	0	0	0	0	0	311,798
<u>110,373</u>	<u>4,461,047</u>	<u>0</u>	<u>1,154</u>	<u>1,421,692</u>	<u>0</u>	<u>11,564,816</u>
3,909	0	0	0	1,717,224	2,100	1,859,306
0	0	0	0	0	0	1,200,611
0	0	0	0	0	0	30,564
0	2,452	0	0	0	0	464,004
107,786	0	0	1,154	0	0	232,545
0	0	0	0	0	0	130,225
0	631	0	0	0	0	1,092,117
0	0	0	0	0	0	163
0	0	0	0	0	0	11,380
830	4,451,288	0	0	0	0	5,276,396
0	0	0	0	0	0	1,228,398
0	0	0	0	0	0	67,000
0	0	0	0	0	0	86,353
<u>112,525</u>	<u>4,454,371</u>	<u>0</u>	<u>1,154</u>	<u>1,717,224</u>	<u>2,100</u>	<u>11,679,062</u>
<u>(2,152)</u>	<u>6,676</u>	<u>0</u>	<u>0</u>	<u>(295,532)</u>	<u>(2,100)</u>	<u>(114,246)</u>
<u>0</u>	<u>0</u>	<u>281,933</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>281,933</u>
<u>0</u>	<u>0</u>	<u>281,933</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>281,933</u>
<u>(2,152)</u>	<u>6,676</u>	<u>281,933</u>	<u>0</u>	<u>(295,532)</u>	<u>(2,100)</u>	<u>167,687</u>
<u>1,163</u>	<u>1,483,168</u>	<u>(281,933)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,060,189</u>
<u>(\$989)</u>	<u>\$1,489,844</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$295,532)</u>	<u>(\$2,100)</u>	<u>\$4,227,876</u>

Mason City School District, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2012

	Community Services Fund		Variance from Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Tuition and Fees	\$85,024	\$85,167	\$143
Investment Earnings	701	702	1
Extracurricular Activities	56,985	57,081	96
Charges for Services	1,381,906	1,384,232	2,326
Other Revenues	86,776	86,922	146
Total Revenues	1,611,392	1,614,104	2,712
Expenditures:			
Current:			
Instruction:			
Regular	234,340	179,362	54,978
Special	1,156	885	271
Support Services:			
Pupil	4,676	3,579	1,097
Instructional Staff	3,214	2,460	754
Business	169,193	129,499	39,694
Operations and Maintenance	1,485,885	1,137,286	348,599
Central	758	580	178
Operation of Non-Instructional Services	49,949	38,231	11,718
Extracurricular Activities	52,314	40,041	12,273
Debt Service:			
Principal Retirement	87,537	67,000	20,537
Interest and Fiscal Charges	112,822	86,353	26,469
Total Expenditures	2,201,844	1,685,276	516,568
Excess of Revenues Over (Under) Expenditures	(590,452)	(71,172)	519,280
Other Financing Sources (Uses):			
Advances In	6,719	6,730	11
Advances (Out)	(12,712)	(9,730)	2,982
Total Other Financing Sources (Uses)	(5,993)	(3,000)	2,993
Net Change in Fund Balance	(596,445)	(74,172)	522,273
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,859,857	2,859,857	0
Fund Balance End of Year	\$2,263,412	\$2,785,685	\$522,273

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	District Managed Student Activity Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Tuition and Fees	\$79,405	\$79,735	\$330
Investment Earnings	102	102	0
Extracurricular Activities	1,246,144	1,251,321	5,177
Other Revenues	81,337	81,675	338
Total Revenues	1,406,988	1,412,833	5,845
Expenditures:			
Current:			
Instruction:			
Extracurricular Activities	1,339,205	1,220,713	118,492
Total Expenditures	1,339,205	1,220,713	118,492
Excess of Revenues Over (Under) Expenditures	67,783	192,120	124,337
Other Financing Sources (Uses):			
Advances In	16,477	16,545	68
Advances (Out)	(215,432)	(196,371)	19,061
Total Other Financing Sources (Uses)	(198,955)	(179,826)	19,129
Net Change in Fund Balance	(131,172)	12,294	143,466
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	296,080	296,080	0
Fund Balance End of Year	\$164,908	\$308,374	\$143,466

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	Auxiliary Services Fund		Variance from Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Investment Earnings	\$63	\$63	\$0
Intergovernmental	728,591	728,591	0
Total Revenues	<u>728,654</u>	<u>728,654</u>	<u>0</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services	898,760	809,210	89,550
Total Expenditures	<u>898,760</u>	<u>809,210</u>	<u>89,550</u>
Net Change in Fund Balance	(170,106)	(80,556)	89,550
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>170,172</u>	<u>170,172</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$66</u></u>	<u><u>\$89,616</u></u>	<u><u>\$89,550</u></u>

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	Entry Year Programs Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Regular	24	24	0
Total Expenditures	24	24	0
Net Change in Fund Balance	(24)	(24)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	24	24	0
Fund Balance End of Year	\$0	\$0	\$0

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	OneNet Network Connectivity Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$10,800	\$10,800	\$0
Total Revenues	10,800	10,800	0
Expenditures:			
Current:			
Support Services:			
Central	10,800	10,800	0
Total Expenditures	10,800	10,800	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

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

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

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

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	Gifted Supplemental Fund		Variance from Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$34,123	\$34,123	\$0
Total Revenues	34,123	34,123	0
Expenditures:			
Current:			
Support Services:			
Pupil	26,853	26,809	44
Total Expenditures	26,853	26,809	44
Excess of Revenues Over (Under) Expenditures	7,270	7,314	44
Other Financing Sources (Uses):			
Advances (Out)	(12,418)	(12,398)	20
Total Other Financing Sources (Uses)	(12,418)	(12,398)	20
Net Change in Fund Balance	(5,148)	(5,084)	64
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	5,148	5,148	0
Fund Balance End of Year	\$0	\$64	\$64

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	Title VI-B Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$1,567,920	\$1,567,920	\$0
Total Revenues	1,567,920	1,567,920	0
Expenditures:			
Current:			
Instruction:			
Special	1,052,127	1,050,726	1,401
Support Services:			
Pupil	424,106	423,541	565
Instructional Staff	22,280	22,250	30
Operation of Non-Instructional Services	43,740	43,682	58
Total Expenditures	1,542,253	1,540,199	2,054
Excess of Revenues Over (Under) Expenditures	25,667	27,721	2,054
Other Financing Sources (Uses):			
Advances In	11,853	11,853	0
Advances (Out)	(56,691)	(56,616)	75
Total Other Financing Sources (Uses)	(44,838)	(44,763)	75
Net Change in Fund Balance	(19,171)	(17,042)	2,129
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	19,172	19,172	0
Fund Balance End of Year	\$1	\$2,130	\$2,129

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	Vocational Education Fund		Variance from Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$14,542	\$14,542	\$0
Total Revenues	14,542	14,542	0
Expenditures:			
Current:			
Instruction:			
Vocational	37,257	36,449	808
Total Expenditures	37,257	36,449	808
Net Change in Fund Balance	(22,715)	(21,907)	808
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	22,720	22,720	0
Fund Balance End of Year	\$5	\$813	\$808

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	Title III Fund		Variance from Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$87,201	\$87,201	\$0
Total Revenues	87,201	87,201	0
Expenditures:			
Current:			
Instruction:			
Special	10,572	10,572	0
Support Services:			
Instructional Staff	76,456	76,456	0
Pupil Transportation	163	163	0
Total Expenditures	87,191	87,191	0
Excess of Revenues Over (Under) Expenditures	10	10	0
Other Financing Sources (Uses):			
Advances In	2,309	2,309	0
Advances (Out)	(5,724)	(5,724)	0
Total Other Financing Sources (Uses)	(3,415)	(3,415)	0
Net Change in Fund Balance	(3,405)	(3,405)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	3,405	3,405	0
Fund Balance End of Year	\$0	\$0	\$0

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

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

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	Title I Fund		Variance from Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$154,663	\$154,663	\$0
Total Revenues	154,663	154,663	0
Expenditures:			
Current:			
Instruction:			
Special	153,364	153,363	1
Operation of Non-Instructional Services	1,299	1,299	0
Total Expenditures	154,663	154,662	1
Excess of Revenues Over (Under) Expenditures	0	1	1
Other Financing Sources (Uses):			
Advances (Out)	(1,299)	(1,299)	0
Total Other Financing Sources (Uses)	(1,299)	(1,299)	0
Net Change in Fund Balance	(1,299)	(1,298)	1
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,300	1,300	0
Fund Balance End of Year	<u>\$1</u>	<u>\$2</u>	<u>\$1</u>

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	Drug-Free Schools Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Regular	567	567	0
Operation of Non-Instructional Services	300	300	0
Total Expenditures	867	867	0
Excess of Revenues Over (Under) Expenditures	(867)	(867)	0
Other Financing Sources (Uses):			
Advances (Out)	(226)	(226)	0
Total Other Financing Sources (Uses)	(226)	(226)	0
Net Change in Fund Balance	(1,093)	(1,093)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,093	1,093	0
Fund Balance End of Year	\$0	\$0	\$0

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	Public School Preschool Fund		Variance from Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$41,241	\$41,241	\$0
Total Revenues	41,241	41,241	0
Expenditures:			
Current:			
Instruction:			
Special	2,096	2,096	0
Support Services:			
Pupil	760	760	0
Instructional Staff	33,746	33,746	0
Total Expenditures	36,602	36,602	0
Excess of Revenues Over (Under) Expenditures	4,639	4,639	0
Other Financing Sources (Uses):			
Advances In	8,466	8,466	0
Advances (Out)	(15,959)	(15,959)	0
Total Other Financing Sources (Uses)	(7,493)	(7,493)	0
Net Change in Fund Balance	(2,854)	(2,854)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,854	2,854	0
Fund Balance End of Year	\$0	\$0	\$0

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	Improving Teacher Quality Fund		Variance from Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$146,211	\$146,211	\$0
Total Revenues	146,211	146,211	0
Expenditures:			
Current:			
Instruction:			
Regular	3,909	3,909	0
Support Services:			
Instructional Staff	125,315	125,315	0
Operation of Non-Instructional Services	1,377	1,377	0
Total Expenditures	130,601	130,601	0
Excess of Revenues Over (Under) Expenditures	15,610	15,610	0
Other Financing Sources (Uses):			
Advances In	10,863	10,863	0
Advances (Out)	(48,028)	(48,028)	0
Total Other Financing Sources (Uses)	(37,165)	(37,165)	0
Net Change in Fund Balance	(21,555)	(21,555)	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	21,555	21,555	0
Fund Balance End of Year	\$0	\$0	\$0

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	Food Service Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Investment Earnings	\$556	\$556	\$0
Intergovernmental	428,450	428,618	168
Charges for Services	3,609,456	3,610,871	1,415
Total Revenues	4,038,462	4,040,045	1,583
Expenditures:			
Current:			
Support Services:			
Pupil	2,678	2,452	226
Operations and Maintenance	689	631	58
Operation of Non-Instructional Services	4,423,135	4,049,404	373,731
Total Expenditures	4,426,502	4,052,487	374,015
Net Change in Fund Balance	(388,040)	(12,442)	375,598
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,660,695	1,660,695	0
Fund Balance End of Year	\$1,272,655	\$1,648,253	\$375,598

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	Education Stabilization Foundation Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Other	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	Title II-D Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Intergovernmental	\$1,154	\$1,154	\$0
Total Revenues	1,154	1,154	0
Expenditures:			
Current:			
Support Services:			
Instructional Staff	1,154	1,154	0
Total Expenditures	1,154	1,154	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	Education Jobs Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$1,421,692	\$1,421,692	\$0
Total Revenues	1,421,692	1,421,692	0
Expenditures:			
Current:			
Instruction:			
Regular	1,421,692	1,311,574	110,118
Total Expenditures	1,421,692	1,311,574	110,118
Net Change in Fund Balance	0	110,118	110,118
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$110,118	\$110,118

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	Race to the Top Fund		Variance from Final Budget Favorable (Unfavorable)
	Final Budget	Actual	
Revenues:			
Intergovernmental	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Regular	2,100	2,100	0
Total Expenditures	2,100	2,100	0
Excess of Revenues Over (Under) Expenditures	(2,100)	(2,100)	0
Other Financing Sources (Uses):			
Advances In	2,100	2,100	0
Total Other Financing Sources (Uses)	2,100	2,100	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

NONMAJOR CAPITAL PROJECTS FUNDS

Fund Descriptions

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

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

Mason City School District, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2012

	Building	Insurance Replacement	Total Nonmajor Capital Projects Funds
Assets:			
Equity in Pooled Cash and Investments	\$1,563,839	\$10,811	\$1,574,650
Total Assets	1,563,839	10,811	1,574,650
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	48,629	0	48,629
Accrued Interest Payable	66,667	0	66,667
Interfund Payable	0	12,559	12,559
General Obligation Notes Payable	8,000,000	0	8,000,000
Total Liabilities	8,115,296	12,559	8,127,855
Fund Balances:			
Unassigned	(6,551,457)	(1,748)	(6,553,205)
Total Fund Balances	(6,551,457)	(1,748)	(6,553,205)
Total Liabilities and Fund Balances	\$1,563,839	\$10,811	\$1,574,650

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, 2012

	Building	Insurance Replacement	Total Nonmajor Capital Projects Funds
Revenues:			
Investment Earnings	\$353	\$0	\$353
Other Revenues	0	29,702	29,702
Total Revenues	353	29,702	30,055
Expenditures:			
Current:			
Support Services:			
Operations and Maintenance	0	17,956	17,956
Capital Outlay	499,376	24,305	523,681
Debt Service:			
Interest and Fiscal Charges	326,284	0	326,284
Total Expenditures	825,660	42,261	867,921
Excess of Revenues Over (Under) Expenditures	(825,307)	(12,559)	(837,866)
Other Financing Sources (Uses):			
Transfers In	8,669,528	0	8,669,528
Transfers (Out)	(8,000,000)	0	(8,000,000)
Total Other Financing Sources (Uses)	669,528	0	669,528
Net Change in Fund Balance	(155,779)	(12,559)	(168,338)
Fund Balance Beginning of Year	(6,395,678)	10,811	(6,384,867)
Fund Balance End of Year	(\$6,551,457)	(\$1,748)	(\$6,553,205)

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	Building Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Investment Earnings	\$353	\$353	\$0
Total Revenues	353	353	0
Expenditures:			
Current:			
Capital Outlay	1,093,836	879,764	214,072
Debt Service:			
Interest and Fiscal Charges	197,143	158,561	38,582
Total Expenditures	1,290,979	1,038,325	252,654
Net Change in Fund Balance	(1,290,626)	(1,037,972)	252,654
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,172,794	2,172,794	0
Fund Balance End of Year	\$882,168	\$1,134,822	\$252,654

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	Insurance Replacement Fund		
	Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues:			
Other Revenues	\$29,702	\$29,702	\$0
Total Revenues	29,702	29,702	0
Expenditures:			
Current:			
Support Services:			
Operations and Maintenance	22,550	17,956	4,594
Capital Outlay	30,524	24,305	6,219
Total Expenditures	53,074	42,261	10,813
Excess of Revenues Over (Under) Expenditures	(23,372)	(12,559)	10,813
Other Financing Sources (Uses):			
Advances In	12,559	12,559	0
Total Other Financing Sources (Uses)	12,559	12,559	0
Net Change in Fund Balance	(10,813)	0	10,813
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	10,813	10,813	0
Fund Balance End of Year	\$0	\$10,813	\$10,813

OTHER GENERAL FUNDS

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

Fund Descriptions

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

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

Mason City School District, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2012

	Public School Support Fund (1)		Variance from Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Tuition and Fees	\$409,795	\$409,817	\$22
Extracurricular Activities	561,841	561,871	30
Other Revenues	34,448	34,450	2
Total Revenues	1,006,084	1,006,138	54
Expenditures:			
Current:			
Instruction:			
Regular	577,566	524,259	53,307
Special	571,247	518,523	52,724
Support Services:			
Instructional Staff	800	726	74
Operations and Maintenance	39,147	35,534	3,613
Pupil Transportation	593	538	55
Operation of Non-Instructional Services	42,735	38,791	3,944
Extracurricular Activities	29,339	26,631	2,708
Total Expenditures	1,261,427	1,145,002	116,425
Excess of Revenues Over (Under) Expenditures	(255,343)	(138,864)	116,479
Other Financing Sources (Uses):			
Advances In	697,569	697,606	37
Advances (Out)	(671,257)	(609,302)	61,955
Total Other Financing Sources (Uses)	26,312	88,304	61,992
Net Change in Fund Balance	(229,031)	(50,560)	178,471
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	402,025	402,025	0
Fund Balance End of Year	\$172,994	\$351,465	\$178,471

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

Mason City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2012

	Latchkey Fund (1)		Variance from Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Investment Earnings	\$195	\$195	\$0
Charges for Services	1,163,552	1,164,851	1,299
Other Revenues	3,948	3,952	4
Total Revenues	1,167,695	1,168,998	1,303
Expenditures:			
Current:			
Instruction:			
Regular	11,193	8,478	2,715
Operation of Non-Instructional Services	1,214,511	919,899	294,612
Total Expenditures	1,225,704	928,377	297,327
Net Change in Fund Balance	(58,009)	240,621	298,630
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	402,345	402,345	0
Fund Balance End of Year	\$344,336	\$642,966	\$298,630

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

NONMAJOR FUNDS

Fiduciary funds

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

Fund Descriptions

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

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

Agency Fund - Section 125 Insurance - To account for monies voluntarily withheld from employees on a pre-tax basis to reimburse employees for medical and dental expenses not covered by group insurance.

Mason City School District, Ohio
 Combining Statement of Changes In Assets and Liabilities
 Agency Funds
 For the Fiscal Year Ended June 30, 2012

	Student Activity			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$413,463	\$916,619	\$867,759	\$462,323
Receivables:				
Accounts	0	5,431	0	5,431
Total Assets	413,463	922,050	867,759	467,754
Liabilities:				
Accounts Payable	16,880	20,406	16,880	20,406
Other Liabilities	396,583	901,644	850,879	447,348
Total Liabilities	\$413,463	\$922,050	\$867,759	\$467,754

	Section 125 Insurance			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$41,068	\$99,794	\$87,832	\$53,030
Total Assets	41,068	99,794	87,832	53,030
Liabilities:				
Other Liabilities	41,068	99,794	87,832	53,030
Total Liabilities	\$41,068	\$99,794	\$87,832	\$53,030

	Total All Agency Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$454,531	\$1,016,413	\$955,591	\$515,353
Receivables:				
Accounts	0	5,431	0	5,431
Interest	0	0	0	0
Total Assets	454,531	1,021,844	955,591	520,784
Liabilities:				
Accounts Payable	16,880	20,406	16,880	20,406
Other Liabilities	437,651	1,001,438	938,711	500,378
Total Liabilities	\$454,531	\$1,021,844	\$955,591	\$520,784



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STATISTICAL SECTION

This part of the City'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 City's overall financial health.

Contents

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

Revenue Capacity: These schedules contain information to help the reader understand and assess the City's most significant local revenue source, the income tax.

Debt Capacity: These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City'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 City'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 City's financial report relates to the services the City 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 City 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 Ten Fiscal Years**
 (accrual basis of accounting)
Schedule 1

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental Activities										
Invested in Capital Assets, Net of Related Debt	\$9,522,067	\$5,012,945	\$10,271,853	\$8,832,373	\$12,537,357	\$18,655,396	\$19,761,272	\$28,790,298	\$34,400,901	\$40,667,026
Restricted	7,178,617	8,332,744	8,584,599	18,181,961	18,486,365	20,469,256	25,165,469	22,124,030	23,791,786	25,059,547
Unrestricted	8,814,787	12,330,595	13,379,457	17,303,412	30,461,781	36,715,473	42,474,167	39,041,011	37,547,433	30,049,791
Total Net Assets	\$25,515,471	\$25,676,284	\$32,235,909	\$44,317,746	\$61,485,503	\$75,840,125	\$87,400,908	\$89,955,339	\$95,740,120	\$95,776,364

Source: District Records

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

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Expenses										
Governmental Activities:										
Instruction	\$30,939,158	\$37,987,024	\$38,037,993	\$42,950,729	\$47,562,678	\$53,120,606	\$55,303,869	\$59,693,695	\$62,149,103	\$64,220,741
Pupil	3,538,012	3,937,365	4,178,645	5,165,312	5,170,132	5,914,562	6,467,313	6,467,313	7,015,312	6,997,992
Instructional Staff	4,628,795	5,727,348	6,039,669	6,363,227	6,321,764	6,692,737	7,131,304	7,349,240	8,118,256	7,965,043
General Administration	72,318	58,484	98,266	95,124	83,619	85,525	38,910	46,528	60,567	58,014
School Administration	4,116,169	4,458,914	4,598,463	4,941,644	5,134,189	5,412,530	5,623,539	5,894,519	5,894,519	5,473,265
Fiscal	1,364,522	1,619,621	1,704,142	1,853,347	2,018,476	2,053,489	2,124,953	1,952,877	1,851,351	1,788,154
Business	268,985	247,289	291,309	341,031	301,922	438,869	400,907	418,485	422,415	453,915
Operation and Maintenance	7,977,214	8,869,440	10,758,017	9,897,131	14,141,628	13,072,818	14,272,035	13,318,720	13,504,242	12,666,272
Pupil Transportation	4,662,523	4,665,435	6,689,568	6,978,574	7,209,800	7,734,614	7,076,294	7,895,529	7,615,345	6,686,897
Central	3,295,061	2,512,887	2,861,293	3,463,529	3,759,249	4,569,098	4,224,174	4,357,847	3,790,359	3,700,107
Operation of Non-instructional Services	582,413	3,820,453	4,347,526	4,565,582	5,505,957	5,553,265	6,074,836	5,759,571	6,058,518	6,449,265
Extracurricular Activities	1,373,452	1,821,481	1,919,330	2,075,978	2,170,808	2,312,308	2,881,756	2,408,819	2,848,531	3,052,085
Interest and Fiscal Charges	5,970,025	5,292,728	7,173,821	10,143,855	6,049,096	7,011,371	7,133,219	6,725,808	6,348,747	6,025,236
Total Government Expenses	68,788,647	81,018,469	88,698,042	98,835,063	105,429,318	113,971,792	118,659,743	122,017,971	125,677,265	125,536,986
Program Revenues										
Governmental Activities:										
Charges for Services										
Instruction	721,146	882,932	1,018,751	1,141,570	1,457,026	1,878,034	1,951,159	1,930,782	3,295,198	3,695,339
Pupil	5,115	10,380	506	149	928	6,245	60,584	58,884	55,023	5,834
Instructional Staff	15,444	31,321	498	292	538	4,183	4,105	6,067	12,302	366
General Administration	0	0	0	1,264	75	0	0	0	0	0
School Administration	0	0	23	705	0	0	0	0	0	0
Business	0	0	0	5,307	6,681	83,436	93,756	66,345	185,500	131,781
Operations and Maintenance	293,983	538,782	71,277	105,237	1,194,715	1,104,070	1,125,267	1,792,142	1,322,932	1,133,157
Pupil Transportation	6,341	12,915	3,137	1,597	2,984	46,014	16,471	6,291	0	0
Central	0	5,576	1,276	0	377	1,002	761	3,826	0	590
Operation of Non-Instructional Services	4,097	2,070,705	2,661,085	4,135,876	3,859,467	4,186,135	4,268,276	4,230,020	3,525,476	3,645,072
Extracurricular Activities	88,996	194,223	614,992	615,389	656,776	722,377	934,769	864,221	1,481,703	1,947,812
Operating Grants and Contributions	1,849,047	2,459,993	3,060,804	3,204,017	5,416,262	5,812,292	5,537,453	7,748,872	9,870,113	5,697,717
Capital Grants and Contributions	203,491	60,920	132,965	51,235	158,292	61,192	124,305	0	0	0
Total Government Revenues	3,187,660	6,267,747	7,565,314	9,262,638	12,754,121	13,904,980	14,116,906	16,707,450	19,748,247	16,257,668
Net (Expense)/Revenue										
Total Government Net Expense	(\$65,600,987)	(\$74,750,722)	(\$81,132,728)	(\$89,572,425)	(\$92,675,197)	(\$100,066,812)	(\$104,542,837)	(\$105,310,521)	(\$105,929,018)	(\$109,279,318)

Source: District Records

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

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Net (Expense)/Revenue										
Total Government Net Expense	(\$65,600,987)	(\$74,750,722)	(\$81,132,728)	(\$89,572,425)	(\$92,675,197)	(\$100,066,812)	(\$104,542,837)	(\$105,310,521)	(\$105,929,018)	(\$109,279,318)
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Taxes										
Property Taxes Levied for General Purposes	36,422,708	33,595,910	40,300,691	47,623,796	53,301,379	53,549,026	53,567,568	45,848,200	52,288,070	49,004,611
Property Taxes Levied for Debt Service Purposes	9,514,354	8,517,335	10,703,660	11,408,572	12,919,464	13,348,993	13,272,994	11,152,734	12,121,055	11,350,361
Property Taxes Levied for Capital Projects	481,285	573,794	329,277	536,353	578,593	706,642	630,681	560,240	608,871	570,167
Grants and Entitlements not Restricted to Specific Programs	23,915,631	27,842,523	31,184,738	33,333,355	37,182,527	40,422,362	43,328,411	44,953,615	43,721,854	42,386,226
Payment in Lieu of Taxes	1,076,718	1,137,880	2,742,551	2,402,107	2,508,735	2,328,775	2,945,631	3,246,149	2,239,232	4,778,155
Unrestricted Contributions	60,000	60,000	60,000	60,000	81,274	0	0	0	0	31,069
Investment Earnings	524,446	460,050	1,268,520	2,282,902	2,741,989	3,718,075	1,955,147	546,300	199,006	486,293
Gain on Sale of Capital Assets	0	0	0	2,226,474	212,123	72,056	106,833	0	0	0
Other Revenues	590,932	1,221,063	1,475,104	1,780,703	316,870	275,505	296,355	1,557,714	535,711	708,680
Total primary government	72,586,074	73,408,555	88,064,541	101,654,262	109,842,954	114,421,434	116,103,620	107,864,952	111,713,799	109,315,562
Change in Net Assets										
Total primary government	\$6,985,087	(\$1,342,167)	\$6,931,813	\$12,081,837	\$17,167,757	\$14,354,622	\$11,560,783	\$2,554,431	\$5,784,781	\$36,244

Source: District Records

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

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011*	2012*
General Fund										
Reserved	\$5,029,376	\$1,350,525	\$2,051,968	\$2,754,393	\$2,692,180	\$3,207,706	\$5,474,753	\$2,915,141		
Unreserved	9,520,847	9,610,524	11,684,736	16,689,386	28,765,463	34,459,374	39,626,965	39,064,608		
Nonspendable										
Restricted										
Committed									915,078	453,699
Assigned									38,344,772	31,456,329
Unassigned									39,259,850	31,910,028
Total General Fund	14,550,223	10,960,849	13,736,704	19,443,779	31,457,643	37,667,080	45,101,718	41,979,749		
All Other Governmental Funds										
Reserved	2,840,486	3,964,348	27,732,286	7,938,306	4,546,107	23,982,418	6,544,608	2,036,230		
Unreserved, Reported in:										
Special Revenue Funds	1,690,293	2,671,887	2,621,230	3,067,590	3,065,602	3,377,932	3,322,528	2,865,349		
Debt Service Funds	4,138,379	5,537,284	5,499,453	5,989,954	6,628,582	8,570,237	8,888,165	8,791,501		
Capital Project Funds	(4,641,774)	28,621,609	288,265	1,460,524	949,692	(1,841,343)	(2,636,690)	(1,096,645)		
Nonspendable									98,674	40,450
Restricted									20,685,463	23,567,432
Committed									10,811	0
Assigned									0	0
Unassigned									(6,895,100)	(7,257,846)
Total All Other Governmental Funds	\$4,027,384	\$40,795,128	\$36,141,234	\$18,456,374	\$15,189,983	\$34,089,244	\$16,118,611	\$12,596,435	\$13,899,848	\$16,350,036

Source: District Records

Note:

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

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

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues:										
Taxes	\$46,418,347	\$42,426,616	\$51,170,425	\$58,668,824	\$65,126,501	\$66,161,138	\$68,613,408	\$57,194,629	\$63,731,625	\$60,288,880
Revenue in Lieu of Taxes	645,754	1,197,880	2,802,551	2,462,107	2,150,536	2,688,343	3,025,536	3,246,149	2,239,232	4,778,155
Tuition and Fees	546,664	470,613	706,679	862,322	1,019,509	1,465,590	1,523,740	1,509,382	2,329,960	2,515,311
Investment Earnings	524,448	460,050	1,268,520	2,282,903	2,741,989	3,718,075	1,955,148	406,189	199,756	603,465
Intergovernmental	25,187,926	30,572,312	34,303,286	37,324,432	43,458,744	46,998,659	49,582,625	52,871,835	52,069,359	49,089,810
Extracurricular Activities	541,095	809,739	1,003,782	1,009,189	1,118,356	1,209,310	1,358,760	1,329,655	1,439,532	1,884,715
Charges for Services	1,426,402	3,112,721	3,322,430	4,709,748	4,943,610	5,444,011	5,583,324	5,643,348	6,669,397	6,215,452
Other Revenues	442,497	1,064,266	801,351	1,228,441	930,211	590,877	405,443	1,589,710	454,073	679,903
Total Revenues	\$75,733,133	\$80,114,197	\$95,379,024	\$108,547,966	\$121,489,456	\$128,276,003	\$132,047,984	\$123,790,897	\$129,132,934	\$126,055,691

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 changes 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									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Instruction	\$29,901,082	\$35,752,050	\$37,338,247	\$42,354,099	\$46,602,549	\$52,771,742	\$54,468,808	\$59,143,129	\$61,249,413	\$63,516,740
Pupil	3,704,090	3,886,250	4,147,389	5,210,686	5,108,372	5,887,042	6,463,212	6,444,095	6,983,336	7,042,546
Instructional Staff	5,152,696	5,634,872	5,994,854	6,347,333	6,224,230	6,611,946	7,120,586	7,355,141	8,077,645	7,896,816
General Administration	72,318	58,484	98,266	95,124	83,619	85,525	38,910	46,528	60,567	58,014
School Administration	4,542,798	4,389,162	4,481,342	4,900,814	5,100,493	5,374,528	5,474,364	5,568,335	5,932,932	5,401,632
Fiscal	1,349,296	1,542,305	1,684,906	1,841,158	1,999,081	2,120,418	2,103,592	1,943,552	1,830,777	1,766,689
Business	282,150	223,220	302,768	315,862	324,550	438,801	396,948	411,529	423,721	453,580
Operation and Maintenance	8,900,007	8,686,778	9,564,467	10,189,943	11,695,982	11,984,656	12,464,888	11,557,719	11,476,277	10,593,149
Pupil Transportation	4,345,139	4,186,035	6,246,443	6,472,242	6,471,731	7,629,347	6,434,424	7,611,602	7,542,715	5,998,494
Central	3,249,443	2,353,829	2,697,180	3,343,900	3,460,243	4,622,781	3,886,588	4,254,192	3,596,498	3,666,498
Operation of Non-instructional Services	554,650	3,583,084	4,201,562	4,449,404	5,258,877	5,500,280	5,857,504	5,664,258	5,886,282	6,300,558
Extracurricular Activities	1,685,878	1,717,739	1,866,052	1,996,818	2,057,756	2,362,869	2,750,507	2,660,674	2,732,756	2,868,870
Capital Outlay	12,832,680	1,552,024	7,484,458	25,917,835	7,257,028	8,512,330	26,864,428	4,257,718	605,199	532,743
Debt Service										
Principal Retirement	2,330,000	3,212,122	3,792,045	4,250,000	4,990,000	5,095,000	6,415,000	6,949,000	7,595,000	8,612,000
Interest and Fiscal Charges	5,978,730	5,304,061	7,188,793	6,894,023	6,556,069	7,268,569	7,272,726	6,945,574	6,571,523	6,246,996
Total Expenditures	\$84,880,957	\$82,082,015	\$97,088,772	\$124,579,241	\$113,190,580	\$126,265,834	\$148,012,485	\$130,813,046	\$130,564,641	\$130,955,325
Debt Service as a Percentage of Noncapital Expenditures	12.18%	10.57%	12.31%	11.52%	10.83%	10.72%	11.29%	11.10%	11.00%	11.46%

Source: District Records

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									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Other Financing Sources (Uses)										
Issuance of Capital Leases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Proceeds from Sale of Capital Assets	1,008	0	460,040	4,053,490	132,275	98,529	179,406	378,104	15,221	0
Issuance of Bonds	0	0	0	0	0	0	0	0	0	0
Issuance of Long Term Debt	0	35,000,000	0	0	0	23,000,000	5,249,000	0	0	0
Issuance of Refunding Bonds	0	15,705,000	0	59,380,000	27,565,000	0	0	0	0	0
Payment to Refunded Bonds Escrow Agent	0	(15,705,000)	0	(65,349,169)	(29,826,979)	0	0	0	0	0
Refunding Bond Premium	0	0	0	5,969,169	2,578,301	0	0	0	0	0
Transfers In	17,874,000	15,939,000	14,377,750	13,187,317	8,621,787	20,341,705	19,460,344	18,513,505	18,036,569	16,951,461
Transfers Out	(17,874,000)	(15,939,000)	(14,377,750)	(13,187,317)	(8,621,787)	(20,341,705)	(19,460,344)	(18,513,505)	(18,036,569)	(16,951,461)
Total Other Financing Sources (Uses)	1,008	35,000,000	460,040	4,053,490	448,597	23,098,529	5,428,406	378,104	15,221	0
Net Change in Fund Balances	(\$9,146,816)	\$33,032,182	(\$1,249,708)	(\$11,977,785)	\$8,747,473	\$25,108,698	(\$10,536,095)	(\$6,644,045)	(\$1,416,486)	(\$4,899,634)

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			
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
2009	1,480,572,180	22,788,680	4,489,250	1,507,850,110	4,327,930,455	83.45
2010	1,492,898,890	10,198,936	0	1,503,097,826	4,277,015,100	83.45
2011	1,505,970,130	21,168,660	0	1,527,138,790	6,033,500,162	83.45

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	Mason Public Library	Deerfield Township	Great Oaks JYSD	Overlapping Rates					City of Lebanon	Lebanon Library
							Warren-Clinton Community Mental Health	Turtlecreek Township	Union Township	Warren County Health District	City of Lebanon		
2002	72.61	4.96	7.32	0.00	10.60	2.70	1.00	5.62	9.20	0.50	0.00	0.00	
2003	74.11	6.53	7.32	0.00	10.60	2.70	1.00	5.62	9.20	0.50	0.00	0.00	
2004	74.11	6.46	7.32	0.00	10.60	2.70	1.00	5.62	9.20	0.50	0.00	0.00	
2005	80.65	6.46	7.32	0.00	10.60	2.70	1.00	5.62	9.20	0.50	0.00	0.00	
2006	81.76	6.71	7.32	0.00	10.60	2.70	1.00	5.62	9.20	0.50	0.00	0.00	
2007	83.45	6.71	7.32	0.00	10.60	2.70	1.00	5.62	9.20	0.50	0.00	0.00	
2008	83.45	6.71	7.32	0.00	10.60	2.70	1.00	5.62	9.20	0.50	0.00	0.00	
2009	83.45	5.78	6.44	0.00	10.60	2.70	1.00	9.12	9.20	0.50	7.82	1.00	
2010	83.45	5.78	7.32	0.75	12.60	2.70	1.00	9.12	9.20	0.50	8.32	1.00	
2011	83.45	7.78	7.32	0.75	12.60	2.70	1.00	9.12	9.20	0.50	7.82	1.00	

Source: County Auditor

**Mason City School District
Principal Property Tax Payers -- Warren County
Tax Collection Year 2012 & 2007 (1)
Schedule 10**

Taxpayer	2012	
	Assessed Value	Percentage of Total Assessed Value
Duke Energy Ohio Inc.	\$21,494,280	1.41%
Deerfield Realty Holding	15,889,860	1.04%
Duke Realty Ohio	9,229,480	0.60%
Twin Fountains of Mason	8,695,050	0.57%
Community Insurance	7,676,110	0.50%
Kenwood Lincoln Mercury	6,987,920	0.46%
Mason Christian Village	6,973,740	0.46%
Sterling Lakes Apartments	6,284,240	0.41%
Northeast Cincinnati Hotel	6,018,640	0.39%
Cintas Sales Corp.	5,565,000	0.36%
Total:	<u>\$94,814,320</u>	6.21%

Taxpayer	2007	
	Assessed Value	Percentage of Total Assessed Value
Cincinnati Gas and Electric	\$25,120,134	1.57%
Somerset Deerfield Holdings	14,726,453	0.92%
Mitsubishi Electric Automotive	13,487,815	0.84%
Cintas Corporation	11,277,817	0.71%
Duke Realty Ltd. Partnership	9,940,290	0.62%
Twin Fountains of Mason	8,695,050	0.54%
Mason Christian Village	6,966,732	0.44%
Proctor & Gamble	6,841,274	0.43%
Kenwood Lincoln Mercury	6,784,235	0.42%
Sterling Lakes Apartments	6,284,243	0.39%
Total:	<u>\$110,124,043</u>	6.89%

Source: County Auditor

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

The amounts presented represent the assessed values upon which 2012 and 2007 collections were based. The earliest data available was 2006.

**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
2001	34,057,794	33,144,606	97.32%	913,188	34,057,794	100.00%
2002	35,546,237	34,843,236	98.02%	703,001	35,546,237	100.00%
2003	47,752,879	47,142,230	98.72%	610,649	47,752,879	100.00%
2004	52,725,826	52,648,787	99.85%	77,039	52,725,826	100.00%
2005	54,223,863	53,944,910	99.49%	278,953	54,223,863	100.00%
2006	56,733,533	56,472,883	99.54%	260,650	56,733,533	100.00%
2007	62,500,926	61,130,056	97.81%	1,182,624	62,312,680	99.70%
2008	67,096,885	65,579,262	97.74%	1,517,623	67,096,885	100.00%
2009	68,754,298	66,782,787	97.13%	1,334,015	68,116,802	99.07%
2010	68,964,253	66,990,013	97.14%	1,297,700	68,287,713	99.02%
2011	70,093,350	68,714,230	98.03%	3,146,917	71,861,147	102.52%

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	Percentage of Personal Income	Per Capita
	Capital Leases	General Obligation Bonds	Notes				
2003	100,398	112,010,000	7,950,000	120,060,398	3.40%	2.17%	717
2004	17,045	143,885,000	7,200,000	151,102,045	3.91%	2.61%	863
2005	0	140,110,000	6,400,000	146,510,000	3.58%	2.36%	804
2006	0	139,627,632	5,200,000	144,827,632	3.45%	2.20%	765
2007	0	134,623,912	3,000,000	137,623,912	2.96%	1.91%	700
2008	0	152,283,855	9,750,000	162,033,855	3.18%	2.10%	793
2009	5,249,000	145,623,798	9,250,000	160,122,798	3.16%	1.97%	772
2010	5,225,000	138,453,741	9,000,000	152,678,741	3.20%	1.86%	725
2011	5,170,000	130,668,684	8,500,000	144,338,684	3.06%	1.67%	679
2012	5,103,000	121,878,627	8,000,000	134,981,627	2.02%	NA	628

Source: District Records

N/A - Information not available

Mason City School District
Direct and Overlapping Governmental Activities Debt
As of June 30, 2012
Schedule 13

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Overlapping Debt:			
Butler County	\$60,188,581	0.05%	\$30,094
Warren County	0	26.04%	0
Lebanon City	6,250,000	0.00%	0
City of Mason	53,555,000	91.64%	49,077,802
Deerfield Township	12,495,000	56.76%	7,092,162
Turtle Creek Township	1,875,000	0.02%	375
Union Township	66,000	2.54%	1,676
West Chester Township	60,635,000	0.23%	139,461
Great Oaks Joint Vocational School	17,495,000	8.55%	1,495,823
Subtotal, Overlapping Debt	212,559,581		57,837,393
District direct debt	124,780,000	100.00%	124,780,000
Total direct and overlapping debt	\$337,339,581		\$182,617,393

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 2012

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Debt Limit	\$215,911,053	\$215,911,053	\$215,911,053	\$215,911,053	\$215,911,053	\$247,888,540	\$247,888,540	\$247,888,540	\$247,888,540	\$247,888,540
Total Net Debt Applicable to Limit	114,416,075	145,259,259	140,579,547	132,582,084	124,165,975	146,857,767	139,027,485	132,638,891	125,070,968	117,843,578
Legal Debt Margin	\$101,494,978	\$70,651,794	\$75,331,506	\$83,328,969	\$91,745,078	\$101,000,773	\$108,831,055	\$115,219,649	\$122,787,572	\$130,014,962
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	52.99%	67.28%	65.11%	61.41%	57.51%	59.25%	56.09%	53.51%	50.46%	47.54%

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)
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	8,121,993	39,156	5.60%
2009	210,712	8,189,840	38,867	9.30%
2010	212,693	8,645,056	40,536	8.10%
2011	214,910	NA	NA	6.30%

(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**

Employer	2012 (1)	
	Number of Employees	Percentage of Total Employment
WellPoint	1,945	1.87%
Procter & Gamble	1,920	1.85%
Luxottica Retail	1,858	1.01%
Mason City Schools	1,188	1.79%
Cintas Corporate	1,052	1.14%
L3 Cincinnati Electronics	615	0.59%
Cengage Learning, Inc.	578	0.44%
Portion Pac	455	0.38%
Mitsubishi Electric	395	0.56%
Lindner Center of Hope	300	0.29%
	<u>8,361</u>	<u>8.05%</u>
Total County Employment (3)	103,900	

Employer	2002 (2)	
	Number of Employees	Percentage of Total Employment
Procter & Gamble	2,400	2.31%
Cintas	1,800	1.73%
Anthem Insurance	920	0.89%
Mason City Schools	954	0.92%
Blackhawk Automotive	540	0.52%
Siemens Business Services	500	0.48%
Portion Pac	484	0.47%
UBE Automotive Inc.	458	0.44%
Mitsubishi Electric Manufacturing	420	0.40%
Makino Inc.	400	0.38%
	<u>8,876</u>	<u>8.54%</u>
Total County Employment (3)	86,900	

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Office/Administrative										
Superintendent/Associate/Assistants	5.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	3.00
Principals/Assistant	19.00	22.00	23.00	23.00	24.00	24.00	25.00	26.00	26.00	23.00
Other	19.75	18.75	18.00	19.93	20.56	22.75	20.75	21.75	21.00	20.00
Official/Administrative	<u>43.75</u>	<u>44.75</u>	<u>45.00</u>	<u>46.93</u>	<u>48.56</u>	<u>50.75</u>	<u>49.75</u>	<u>51.75</u>	<u>51.00</u>	<u>46.00</u>
Professional- Educational										
Total General Education	410.00	430.46	452.76	466.62	503.01	528.82	558.55	547.53	544.00	527.26
Special Education	61.50	69.50	75.50	82.00	90.84	94.27	86.58	96.51	94.91	93.12
Curriculum Specialist	10.00	12.00	12.00	12.00	12.00	12.50	13.00	12.00	12.00	10.50
Counseling	11.80	16.64	16.00	17.00	17.00	20.50	22.10	22.10	21.00	21.00
Librarian/Media	3.00	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Other Professional	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Professional-Educational	<u>497.30</u>	<u>532.60</u>	<u>559.26</u>	<u>580.62</u>	<u>625.85</u>	<u>659.09</u>	<u>683.23</u>	<u>681.14</u>	<u>674.91</u>	<u>654.88</u>
Professional - Other										
Public Relations	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Psychologists	5.22	4.79	5.00	5.00	5.00	5.00	5.00	8.00	9.00	9.00
Social Work	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Speech, OT, PT	7.50	8.06	11.36	14.65	19.74	14.13	13.87	13.87	14.15	13.95
Professional - Other	<u>14.72</u>	<u>14.85</u>	<u>18.36</u>	<u>21.65</u>	<u>26.74</u>	<u>21.13</u>	<u>20.87</u>	<u>23.87</u>	<u>25.15</u>	<u>24.95</u>
Technical										
Information Technology	11.00	10.00	12.00	12.00	13.00	13.00	13.00	13.00	12.00	11.00
Practical Nursing	9.62	8.78	7.60	8.52	8.02	8.02	8.96	9.46	9.93	8.99
Library Aide	13.57	13.81	10.77	10.77	11.84	11.97	11.70	9.70	10.20	10.20
Other Technical	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Technical	<u>36.19</u>	<u>34.59</u>	<u>32.37</u>	<u>33.29</u>	<u>34.86</u>	<u>34.99</u>	<u>35.66</u>	<u>34.16</u>	<u>34.13</u>	<u>32.19</u>
Office/ Clerical	<u>54.70</u>	<u>58.40</u>	<u>57.30</u>	<u>58.23</u>	<u>60.73</u>	<u>67.73</u>	<u>70.19</u>	<u>69.99</u>	<u>67.89</u>	<u>62.50</u>
Crafts & Trades	<u>14.00</u>	<u>15.00</u>	<u>15.00</u>	<u>17.00</u>	<u>16.00</u>	<u>14.00</u>	<u>14.00</u>	<u>13.00</u>	<u>13.00</u>	<u>12.00</u>
Bus Drivers	<u>71.45</u>	<u>73.61</u>	<u>74.63</u>	<u>80.71</u>	<u>82.38</u>	<u>89.04</u>	<u>91.35</u>	<u>90.81</u>	<u>80.28</u>	<u>68.80</u>
Extra- Curricular	<u>1.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Service Work/ Laborer										
Attendance Officer	0.53	0.94	0.94	0.94	0.94	0.94	0.94	0.94	0.94	0.94
Custodian	61.00	75.00	71.00	71.00	67.00	65.00	60.00	59.00	56.00	44.00
Groundskeeping	4.00	3.00	3.00	3.00	2.00	2.00	2.00	2.00	2.00	2.00
Food Service	36.15	37.05	42.19	40.92	46.35	46.33	51.65	54.64	51.48	48.43
Guard/ Watchman	5.00	5.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00
Monitoring (Recess)	22.75	22.78	19.41	17.68	19.96	23.47	24.70	21.50	24.57	28.24
Attendent (Paraprofessionals)	101.80	123.42	137.00	147.50	151.52	155.31	160.91	163.55	171.04	158.94
Other Services Worker/ Laborer	0.27	0.27	0.27	0.27	0.27	0.27	0.27	1.14	0.27	0.27
Total support and administration	<u>231.50</u>	<u>267.46</u>	<u>276.81</u>	<u>284.31</u>	<u>291.04</u>	<u>296.32</u>	<u>303.47</u>	<u>306.77</u>	<u>310.30</u>	<u>286.82</u>
Total employees	<u>964.61</u>	<u>1041.26</u>	<u>1078.73</u>	<u>1122.74</u>	<u>1186.16</u>	<u>1233.05</u>	<u>1268.52</u>	<u>1271.49</u>	<u>1256.66</u>	<u>1188.14</u>

Source: State Department of Education

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

Fiscal Year	Enrollment	Operating Expenditure	Cost Per Pupil	Percentage Change	Expenses	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
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%
2010	10,974	112,660,754	10,266	3.21%	122,017,971	11,119	1.23%	761.00	14.4	5.37%
2011	11,013	115,792,919	10,514	2.42%	125,677,265	11,412	2.63%	755.00	14.6	6.44%
2012	10,991	115,563,586	10,514	0.00%	125,536,986	11,422	0.09%	708.50	15.5	6.94%

Source: Nonfinancial information from district records.

N/A - Information not available

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
School										
Elementary										
MECC - Annex- Preschool (1973)										
Square feet	9,034	9,034	9,034	9,034						
Capacity	175	175	175	175						
Enrollment	93	104	134	161						
Mason Early Childhood (1911)										
Square feet	56,926	56,926	56,926	56,926						
Capacity	475	475	475	475						
Enrollment	698	751	757	801						
Mason Early Childhood (2006)										
Square feet					172,211	172,211	172,211	172,211	172,211	172,211
Capacity					2,100	2,100	2,100	2,100	2,100	2,100
Enrollment					1,850	1,797	1,754	1,747	1,706	1,549
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	1,119	1,190	1,226	1,216	844	890	874	833	821	838
Western Row (1961)										
Square feet	100,002	100,002	100,002	100,002	100,002	100,002	100,002	100,002	100,002	100,002
Capacity	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Enrollment	967	1,039	1,139	1,208	857	888	907	866	855	840
Mason Intermediate (1998/1994)										
Square feet	290,552	290,552	290,552	290,552	356,700	356,700	356,700	356,700	356,700	356,700
Capacity	2,400	2,400	2,400	2,400	3,000	3,000	3,000	3,000	3,000	3,000
Enrollment	1,883	2,052	2,211	2,387	2,519	2,592	2,608	2,715	2,700	2,678
Junior High School										
Mason Middle (1958)										
Square feet	276,378	276,378	276,378	276,378	276,378	276,378	276,378	276,378	276,378	276,378
Capacity	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850
Enrollment	1,256	1,366	1,371	1,452	1,542	1,663	1,713	1,724	1,773	1,800
High School										
William Mason High (2002) (2010)										
Square feet	375,010	375,010	375,010	375,010	375,010	375,010	375,010	539,236	539,236	539,236
Capacity	2,950	2,950	2,950	2,950	2,950	2,950	2,950	3,513	3,513	3,700
Enrollment	1,987	2,134	2,408	2,567	2,767	2,880	2,947	3,089	3,158	3,286

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 2011-2012 School Year:	1,049,041
Number Meals Served by Food Service Department for the 2011-2012 School Year:	1,334,022

School Buildings	Grade Levels	Enrollment
Mason Early Childhood Center	PS-1	1,549
Mason Heights Elementary	2-3	838
Western Row Elementary	2-3	840
Mason Intermediate	4-6	2,678
Mason Middle School	7-8	1,800
William Mason High School	9-12	3,286
		<u>10,991</u>

Degree	Number of Certified Staff	Percentage of Total
Bachelor's Degree	43.5	6.14%
Bachelor + 150	92.5	13.06%
Master's Degree	570.5	80.52%
Doctorate	2.0	0.28%
Total	<u>708.5</u>	<u>100.00%</u>

Years of Experience	Number of Certified Staff	Percentage of Total
0 - 5	204.0	28.79%
6 - 10	163.5	23.08%
11 - 15	163.5	23.08%
16 - 20	89.0	12.56%
21 - 25	46.0	6.49%
26 - 30	27.0	3.81%
31 - 35	15.0	2.12%
36 - 40	0.5	0.07%
	<u>708.5</u>	<u>100.00%</u>

Source: School District Records

**MASON CITY SCHOOL DISTRICT, OHIO
 STUDENT POPULATION BY SEX AND BY RACE
 FOR THE 2011-2012 SCHOOL YEAR
 Schedule 21**

Grade	Male	Female	Total
PS	112	81	193
K	299	324	623
1	391	342	733
2	400	426	826
3	453	399	852
4	444	401	845
5	479	393	872
6	498	463	961
7	461	419	880
8	472	445	917
9	413	437	850
10	402	407	809
11	422	429	851
12	363	391	754
Ungraded	16	9	25
	5,625	5,366	10,991

Race	Total	Percent
American Indian/Alaskan	16	0.15%
Asian	1,681	11.54%
Black	391	3.56%
Caucasian	8,091	73.61%
Hispanic	394	3.58%
Multi-Racial	406	3.69%
Hawaiian/Pac Island	12	0.11%
	10,991	96.24%

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
2011-12	193	623	733	826	852	845	872	961	880	917	850	809	851	779	10,991	
2010-11	201	689	816	828	848	862	959	879	899	874	814	849	755	740	11,013	-0.20%
2009-10	211	727	809	827	872	931	885	899	867	857	852	768	719	750	10,974	0.36%
2008-09	196	751	807	855	926	861	890	857	853	860	767	727	746	707	10,803	1.58%
2007-08	180	765	852	923	855	885	843	864	863	800	721	736	683	740	10,710	0.87%
2006-07	168	798	886	826	873	834	831	854	798	744	729	693	741	604	10,379	3.19%
2005-06	161	801	802	840	782	813	812	762	725	727	674	713	593	587	9,792	5.99%
2004-05	134	757	821	759	785	790	737	684	698	673	727	596	595	490	9,246	5.91%
2003-04	104	750	734	746	749	720	656	676	669	697	581	572	496	485	8,635	7.08%
2002-03	93	698	689	712	685	617	636	630	687	569	556	495	503	433	7,900	7.90%
															8,003	8.69%

(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, 2012
Schedule 23

Facility	Address	Administrator / Contact	Grades	Phone Numbers
Early Childhood Center	4631 Hickory Woods Dr.	Melissa Bly	PS-1	398-3741
Mason Heights School	200 Northcrest Drive	Eric Messer	2-3	398-8866
Western Row School	755 Western Row Road	Eric Messer	2-3	398-5821
Mason Intermediate	6307 Mason-Montgomery Rd.	Greg Sears	4-6	459-2850
Mason Middle School	6370 Mason-Montgomery Rd.	Tonya McCall	7-8	398-9035
Mason High School	6100 Mason-Montgomery Rd.	Mindy McCarty-Stewart	9-12	398-5025
Mason Central Administration	211 North East Street	Gail Kist-Kline		398-0474
Transportation Center	5025 Enterprise Drive	Carolyn Thornton		398-6682
Maintenance Garage	5120 Enterprise Drive	George Highfill		398-2784



Dave Yost • Auditor of State

MASON CITY SCHOOL DISTRICT

WARREN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
DECEMBER 20, 2012**