



Dave Yost • Auditor of State

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY**

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**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program /Cluster Title	Federal CFDA Number	Total Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE <i>Passed Through Ohio Department of Education</i>		
Child Nutrition Cluster:		
Non - Cash Assistance (Food Distribution):		
National School Lunch Program	10.555	\$ 146,017
Cash Assistance:		
School Breakfast Program	10.553	474,912
National School Lunch Program	10.555	1,186,681
Cash Assistance Subtotal:		<u>1,661,593</u>
Total Child Nutrition Cluster		<u>1,807,610</u>
Total U.S. Department of Agriculture		<u>1,807,610</u>
U.S. DEPARTMENT OF EDUCATION <i>Passed Through Ohio Department of Education</i>		
Adult Education - Basic Grants to States	84.002	453,049
Title I Grants to Local Educational Agencies	84.010	3,062,340
Special Education Cluster:		
Special Education-Grants to States	84.027	1,030,688
Special Education-Preschool Grants	84.173	39,858
Total Special Education Cluster		<u>1,070,546</u>
Career and Technical Education - Basic Grants to States	84.048	118,655
Education for Homeless Children and Youth	84.196	39,506
Improving Teacher Quality State Grants	84.367	<u>387,716</u>
Total U.S. Department of Education		<u>5,131,812</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES <i>Passed Through Ohio Department of Education</i>		
Job Opportunities and Basic Skills Training	93.561	<u>1,354</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		<u>1,354</u>
Total Expenditures of Federal Awards		<u>\$ 6,940,776</u>

The accompanying notes are an integral part of this schedule.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Mansfield City School District, Richland County (the District) under programs of the federal government for the year ended June 30, 2017. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C - 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 D - FOOD DONATION PROGRAM

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



Dave Yost • Auditor of State

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

Mansfield City School District
Richland County
856 West Cook Road
Mansfield, Ohio 44906

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Mansfield City School District, Richland County, Ohio (the District), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's financial statements and have issued our report thereon dated December 14, 2017.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

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

Dave Yost
Auditor of State
Columbus, Ohio

December 14, 2017



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Mansfield City School District
Richland County
856 West Cook Road
Mansfield, Ohio 44906

To the Board of Education:

Report on Compliance for Each Major Federal Program

We have audited the Mansfield City School District's, Richland County, Ohio (the District), compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect each of the Mansfield City School District's major federal programs for the year ended June 30, 2017. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal programs.

Management's Responsibility

The District's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the District's compliance for each of the District's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Basis for Qualified Opinion on the Child Nutrition Cluster

As described in finding 2017-001 in the accompanying schedule of findings, the District did not comply with requirements regarding Equipment and Real Property Management applicable to its CFDA 10.553 and 10.555 Child Nutrition Cluster major federal program. Compliance with this requirement is necessary, in our opinion, for the District to comply with requirements applicable to this program.

Qualified Opinion on the Child Nutrition Cluster

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion on the Child Nutrition Cluster* paragraph, Mansfield City School District complied, in all material respects, with the requirements referred to above that could directly and materially affect its *Child Nutrition Cluster* for the year ended June 30, 2017.

Unmodified Opinion on the Other Major Federal Program

In our opinion, Mansfield City School District complied in all material respects with the requirements referred to above that could directly and materially affect its other major federal program identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings for the year ended June 30, 2017.

Other Matters

The District's response to our noncompliance finding is described in the accompanying schedule of findings and corrective action plan. We did not audit the District's response and, accordingly, we express no opinion on it.

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Therefore, we cannot assure we have identified all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. However, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness, described in the accompanying schedule of findings as item 2017-001.

The District's response to our internal control over compliance finding is described in the accompanying schedule of findings and corrective action plan. We did not audit the District's response and, accordingly, we express no opinion on it.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the governmental activities, the major fund and the aggregate remaining fund information of the Mansfield City School District, Richland County (the District) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's financial statements. We issued our unmodified report thereon dated December 14, 2017. We conducted our audit to opine on the District's financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the financial statements. We subjected this schedule to the auditing procedures we applied to the financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the financial statements taken as a whole.



Dave Yost
Auditor of State
Columbus, Ohio

December 14, 2017

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**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2017**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	Yes
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Qualified for Child Nutrition Cluster Unmodified for Improving Teacher Quality State Grants
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	CFDA # 10.553 & 10.555 – Child Nutrition Cluster CFDA # 84.367 – Improving Teacher Quality State Grants
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR §200.520?	Yes

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

None

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2017
(continued)**

3. FINDINGS FOR FEDERAL AWARDS

Child Nutrition Cluster – Equipment and Real Property

Finding Number	2017-001		
CFDA Title and Number	CFDA # 10.555 – National School Lunch Program CFDA # 10.553 – School Breakfast Program		
Federal Award Identification Number / Year	2017		
Federal Agency	U.S. Department of Agriculture		
Pass-Through Entity	Ohio Department of Education		
Repeat Finding from Prior Audit?	No	Finding Number (if repeat)	n/a

Noncompliance and Material Weakness

2 CFR 400 gives regulatory effect to the Department of Agriculture for **2 CFR 200.313 (d)(1)** which provides, in part, that equipment records shall be maintained accurately and shall include the following information:

- 1) A description of the property;
- 2) Serial number or other identification number;
- 3) Source of funding for the property;
- 4) Who holds title;
- 5) Acquisition date and cost;
- 6) The percentage of Federal participation in the project costs for the Federal award under which the property was acquired;
- 7) Location, use and condition of the property;
- 8) Ultimate disposition data, including date of disposal and sales price of the property.

During fiscal year 2017, one of three transactions tested were not recorded within the capital asset system. The District purchased one Ford Transit van for the purpose of transporting food between the main cafeteria and schools but did not properly add the vehicle to their inventory records.

Failure to record equipment on the inventory listing could result in the loss, damage, or theft of purchased equipment.

We recommend the District add vehicles and equipment to their inventory records as soon as the equipment is purchased, and in the detail as described above in 24 CFR section 85.32 (d)(1).

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY**

**CORRECTIVE ACTION PLAN
2 CFR § 200.511(c)
JUNE 30, 2017**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2017-001	Effective immediately, all capital outlay expenditures will be examined by the Inventory Clerk to ensure all capital assets are added to the inventory system correctly.	1/1/2018	Inventory Clerk

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Mansfield City School District

Richland County, Ohio



Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2017

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

OF THE

MANSFIELD CITY
SCHOOL DISTRICT

FOR THE

FISCAL YEAR ENDED JUNE 30, 2017

PREPARED BY
TREASURER'S DEPARTMENT
ROBERT KUEHNLE, TREASURER

856 W. COOK ROAD
MANSFIELD, OHIO 44907

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**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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Mansfield City Schools

Mansfield City Schools Administrative Offices

P.O. Box 1448
Mansfield, Ohio 44901

Physical Location
856 West Cook Road

Phone: 419-525-6400
Fax: 419-525-6415

Board of Education

Ms. Renda Cline
Mr. Chris Elswick
Mr. Gary Feagin
Mrs. Judy Forney
Mrs. Sheryl Weber

Administration

Brian K. Garverick
Superintendent

Robert W. Kuehnle
Treasurer

Mark Manley
Assistant Superintendent/HR
Communications

Stephen Rizzo
Chief Academic Officer

Holly Christie
Director of Student Support
Programs

Jonathan Burras
Director of Special Education

Martin Linder
Director of School Improvement

Notice of Nondiscrimination

Mansfield City Schools District does not discriminate on the basis of race, color, national origin, sex, disability or age in its programs and activities.

We are an equal opportunity employer.

December 14, 2017

To the Board of Education and Residents of the Mansfield City School District:

As the Superintendent and the Treasurer of the Mansfield City School District (the "District"), we are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2017. This CAFR is prepared by the Treasurer in accordance with accounting principles generally accepted in the United States of America (GAAP) and in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). Management is responsible for the contents of this report, and we believe the data presented is complete and accurate in all material respects.

In addition, this report is designed so that a reader can acquire the maximum understanding of the District's financial activity. This report is provided as a way for the District to communicate openly about the District's finances with its stakeholders. It is divided into three sections: Introductory, Financial, and Statistical. The Introductory section includes this letter of transmittal and organizational information. The financial section includes the Auditor's report, the basic financial statements, required supplementary information, combining individual fund statements and budgetary comparison schedules. The Statistical section provides relevant financial and demographic data over the past ten years.

Management is also required to prepare a narrative introduction and overview of the financial statements in the form of Management's Discussion and Analysis. This letter of transmittal is designed and should be read in conjunction with that analysis. Comments on the report are welcome and requests for additional financial information can be obtained by contacting the Office of the Treasurer or by visiting the District's website at www.tygerpride.com. This report will also be posted on the District's website. A copy will be sent to financial rating services, and any other interested parties.

**MANSFIELD CITY SCHOOL DISTRICT, OHIO
RICHLAND COUNTY, OHIO**

LETTER OF TRANSMITTAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

REPORTING ENTITY

The District is an independent political subdivision of the State of Ohio and operates subject to the provisions of the Ohio Constitution and various sections of the Ohio Revised Code. Under such laws, there is no authority for the District to have a charter or adopt local laws. The District is not a part of, nor under the control of, the City of Mansfield.

The District is located in Richland County, and is situated halfway between Columbus and Cleveland in the Appalachian hills of north central Ohio, northeast of the City of Columbus. Nearly 95 percent of the District's territory is located in the City of Mansfield, with the remaining portion falling within the territory of Madison Township. The district encompasses 18.38 square miles. Mansfield is a city with a school district enrollment of 3,180, and the District's estimated population is 33,953 (2010 U.S. Bureau of the Census). The District is currently comprised of eight schools: one preschool/Spanish Immersion School, four elementary schools, one intermediate school, one middle school, and one high school. The District is culturally and economically diverse, and its residents are educated and expect a high quality education for their children.

The District provides a vast range of educational and support services as mandated by State statute and the desires of the community, which include but are not limited to, regular, special needs, and vocational educational programs, guidance and support services, extracurricular activities, food service activities, and various community programs.

Special education services meet all the standards as set by the Ohio Department of Education and the federal Individuals with Disabilities Education Act. Special needs are determined by a multi-factored evaluation, and diagnosed disabilities are met via the services of psychologists, highly qualified teachers and tutors. All students are provided individualized education plans via the mandated evaluation team report process.

The District has a talented and gifted program for identifying gifted students who perform or show potential for performing at high levels of academic accomplishments in all grades. For grades 7 and 8, accelerated classes are offered through the Middle School Accelerated Program. At the high school level students qualify for honors or Advanced Placement classes.

Mansfield Senior High School is a comprehensive high school and provides career technical education programs that offer hands-on work-related technical learning experience and training combined with college preparatory academics. The District also has a partnership with Pioneer Joint Vocational School District, which is a neighboring career center.

The District participates in Post-Secondary Enrollment Options Programs to permit high school students in grades 9 through 12 to earn college and high school graduation credits through the successful completion of college courses. The purpose of these programs is to promote rigorous academic pursuits. Every student has access to the tuition vouchers from Ashland University, Mt. Vernon Nazarene University, Notre Dame College, and The Ohio State University. In addition, the District has adopted a credit flexibility plan and is committed to the right of all students to receive the full range of credit options.

The District has offered continuing education to adults through the Adult and Community Education Program for over 40 years. The program is designed to address the educational training and personal enrichment needs of north central Ohio.

**MANSFIELD CITY SCHOOL DISTRICT, OHIO
RICHLAND COUNTY, OHIO**

LETTER OF TRANSMITTAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, and Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*, in that the basic financial statements include all organizations, activities and functions for which the District is financially accountable. Financial accountability is defined as the appointment of a voting majority of a component unit's board and either (i) the District's ability to impose its will over a component unit, or (ii) the possibility that the component unit will provide a financial benefit or impose a financial burden on the District. On that basis, the reporting entity of the District includes the services of the District only. The District does not have any component units.

ORGANIZATION OF THE DISTRICT / PROFILE OF THE GOVERNMENT

The Board of Education of the Mansfield City School District (the Board) 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 and tax budget.

Board members are elected at large for staggered four-year terms. The Board meets regularly on the third Tuesday of each month. At the first meeting of each year, the Board elects one of its members as president and one as vice-president to serve as such for one year. The Board members on June 30, 2017, were as follows:

Board Member	Service as a Board Member		
	Began	Expires	
Ms. Renda Cline	01/01/12	12/31/19	President
Mrs. Sheryl Weber	01/01/16	12/31/19	Vice-President
Mr. Chris Elswick	01/01/10	12/31/17	Member
Mr. Gary Feagin	06/27/16	12/31/17	Member
Mrs. Judy Forney	02/07/17	12/31/17	Member

The Superintendent of Schools is the Chief Executive and Administrative Officer for the Mansfield Board of Education. On July 1, 2013, Brian Garverick was appointed Superintendent. Mr. Garverick, in this capacity, directs and supervises the work of all the schools, offices, and employees of the Board, except the Treasurer and the Treasurer's staff. Mr. Garverick is in his 27th year of service to public education having served in the roles of teacher, administrator and Chief Executive Officer.

The Treasurer is the Chief Financial Officer (CFO) of the District and is responsible directly to the Board for maintaining all financial records, issuing all payments, maintaining custody of all District funds and assets, and investing idle funds as specified by Ohio Law. Robert Kuehnle was appointed Treasurer on February 1, 2016. Mr. Kuehnle has been in the governmental finance profession for 16 years.

**MANSFIELD CITY SCHOOL DISTRICT, OHIO
RICHLAND COUNTY, OHIO**

LETTER OF TRANSMITTAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

ECONOMIC DEVELOPMENT AND OUTLOOK

Richland County is located in central Ohio approximately equidistant from Columbus metropolitan area and Cleveland metropolitan area. Named for the fertility of its land, the county's agrarian roots continue to shape the economic landscape of the region today. Roughly 85% of the land area in the county is in agricultural use or forested, with the 990 farms in the county averaging 146 acres. In addition to the farming, the county has a history as a magnet for industry. Once known as the appliance center of the nation, the county is home to many generations of skilled workers eager to continue the region's prominence in industrial areas including high-tech fuel cell development, pump production, steel production and fabrication, and automotive parts assembly. In recent years, the healthcare and retail industries have grown in the county.

The District has an excellent relationship with the City of Mansfield, which assures that development projects selected by the City are also highly desirable for the District. When the City of Mansfield uses an incentive to attract a business, it primarily uses Enterprise Zones Agreements. In each case, the District is reimbursed for property taxes it would have collected through a payment in lieu of taxes (PILOT). In almost every case, the reimbursement is significantly more than the District would have collected without the incentive being in place. The District and City maintain a strong working relationship to attract desirable development to the community.

Over the past 3 years, the District's enrollment has plateaued. The next three year's graduating classes are the District's smallest classes. The District's newest classes have been much larger, therefore the administration is projecting that enrollment will not drop with the larger classes that are starting in with the kindergarten classes. Next year's kindergarten class is projected to be the biggest class in the district. In the worst case scenario, the administration believes that the enrollment will hold steady.

The District saw a drop with enrollment over the past decade as charter schools became more popular within the State of Ohio. The legislature within the State of Ohio recently passed regulations to curtail charter schools waste and mismanagement. With those new regulations, the District has seen a drop in the number of students who attend charter schools. This has added to the plateauing of the District's enrollment. When a student returns from a charter school, the District is able to recoup some of the tuition dollars that were removed from the school's state funding based on more accurate student tracking at the state level. In June of 2017, another of the local charter schools in Mansfield closed, which returned more students back to Mansfield City Schools, similar to the process that happened last year with the closure of a different charter school.

EMPLOYEE RELATIONS

The District currently has approximately 869 full-time and part-time employees. Two organizations represent District employees. For collective bargaining purposes, the Mansfield School Employee Association (MSEA) represents certificated employees and classified employees, except bus drivers and mechanics, who are represented by Teamsters, Chauffeurs & Helpers Local Union #40 (Teamsters). In the opinion of School District officials, labor relations are getting better due to the prospect of the District coming out of fiscal emergency with no looming reductions in force or layoffs.

**MANSFIELD CITY SCHOOL DISTRICT, OHIO
RICHLAND COUNTY, OHIO**

LETTER OF TRANSMITTAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Certified Staff

The teaching or certified staff is represented by the Mansfield School Employee Association (MSEA), which is affiliated with the Ohio Education Association (OEA) and the National Education Association (NEA), and it has represented the certified teaching staff since the 1940's. The Board and the MSEA signed a three-year agreement effective July 1, 2015 through June 30, 2018. The agreement provides a 1.0% raise in fiscal year 2017 and a 1.5% raise for fiscal year 2018. Severance is paid under the State Teachers Retirement System qualifications at 26% of accumulated sick leave, up to a maximum of 60 days.

Classified Staff

Classified employees are represented by two unions: bus drivers and mechanics are represented by the Teamsters. The custodial, maintenance, paraprofessional, secretarial, and food service staff are represented by Mansfield school Employee Association (MSEA). In March of 2016, both unions approved new agreements with both agreements set to expire in the summer of 2018. Salary increases, health insurance, and severance benefits parallel those granted to certified staff.

FINANCIAL INFORMATION

The District's accounting system is organized on a "fund" basis. Each fund is a distinct, self-balancing entity. Records are maintained during the fiscal year on a budgetary basis system of accounting as prescribed by State statute. Cash basis accounting differs from generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB).

Internal Controls

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

Budgetary Controls

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control required by Ohio Revised Code is at the fund level. The level of budgetary control imposed by the District (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level for all funds. Any budgetary modifications at these levels may only be made by resolution of the Board of Education.

**MANSFIELD CITY SCHOOL DISTRICT, OHIO
RICHLAND COUNTY, OHIO**

LETTER OF TRANSMITTAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

The District maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered appropriation balances are verified prior to the release of purchase orders to ensure funds are available to meet the obligation created by the purchase order. Encumbered amounts at year-end are carried forward to succeeding fiscal years and are not re-appropriated.

Financial Planning and Policies

As required by Ohio Revised Code, the District adopts a five-year financial forecast annually to ensure long term financial success. It serves as a planning tool to certify if funds are available for future expenditures and to strategize when the District will need to return to voters for additional funds or to reduce expenditures accordingly. The most recent forecast, approved in October 2017, shows a positive available fund balance through 2022.

While in fiscal emergency, the District had focused on creating a capital budgeting process to include all stakeholders. Part of this process was to assess the needs within the buildings and grounds department. The high school is the newest building which was completed in 2004. The remaining buildings are over fifty years in age. As part of the strategic planning process, the district plans to address these older buildings within three to five years due to the aging and higher costs of maintaining the buildings.

Independent Audit

State statutes require a bi-annual audit by independent auditors unless a single audit is required. The Ohio Auditor of State conducted the District's 2017 fiscal year audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and Uniform Guidance. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

Awards

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Mansfield City School District for its CAFR for the fiscal year ended June 30, 2016. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such a report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

**MANSFIELD CITY SCHOOL DISTRICT, OHIO
RICHLAND COUNTY, OHIO**

LETTER OF TRANSMITTAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

ASBO Certificate of Excellence in Financial Reporting

The Association of School Business Officials International (ASBO) awards a Certificate of Excellence in Financial Reporting to school districts that publish Comprehensive Annual Financial Reports which substantially conform to the principles and standards of financial reporting as recommended and adopted by the Association of the School Business Officials. The award is granted only after an intensive review of the financial report by an all-expert panel of certified public accountants and practicing school business officials.

The District received the Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2016. The District believes that the Comprehensive Annual Financial Report for fiscal year June 30, 2017, which will be submitted to ASBO for review, will conform to ASBO's principles and standards.

Acknowledgments

The preparation and publication of this Comprehensive Annual Financial Report on a timely basis would not have been possible without the cooperation of the entire Treasurer's Department. A special note of appreciation is extended to the District's Assistant Treasurer, Sheri Gombosch, whose countless hours and dedication made this document a reality.

Finally, this report would not have been possible without the continued support of the Mansfield Board of Education who values quality financial information with which to help make decisions. We thank them for their leadership and commitment to excellence.

Sincerely,



Robert Kuehnle
Treasurer



Brian Garverick
Superintendent/CEO

MANSFIELD CITY SCHOOL DISTRICT

LIST OF PRINCIPAL OFFICIALS

JUNE 30, 2017

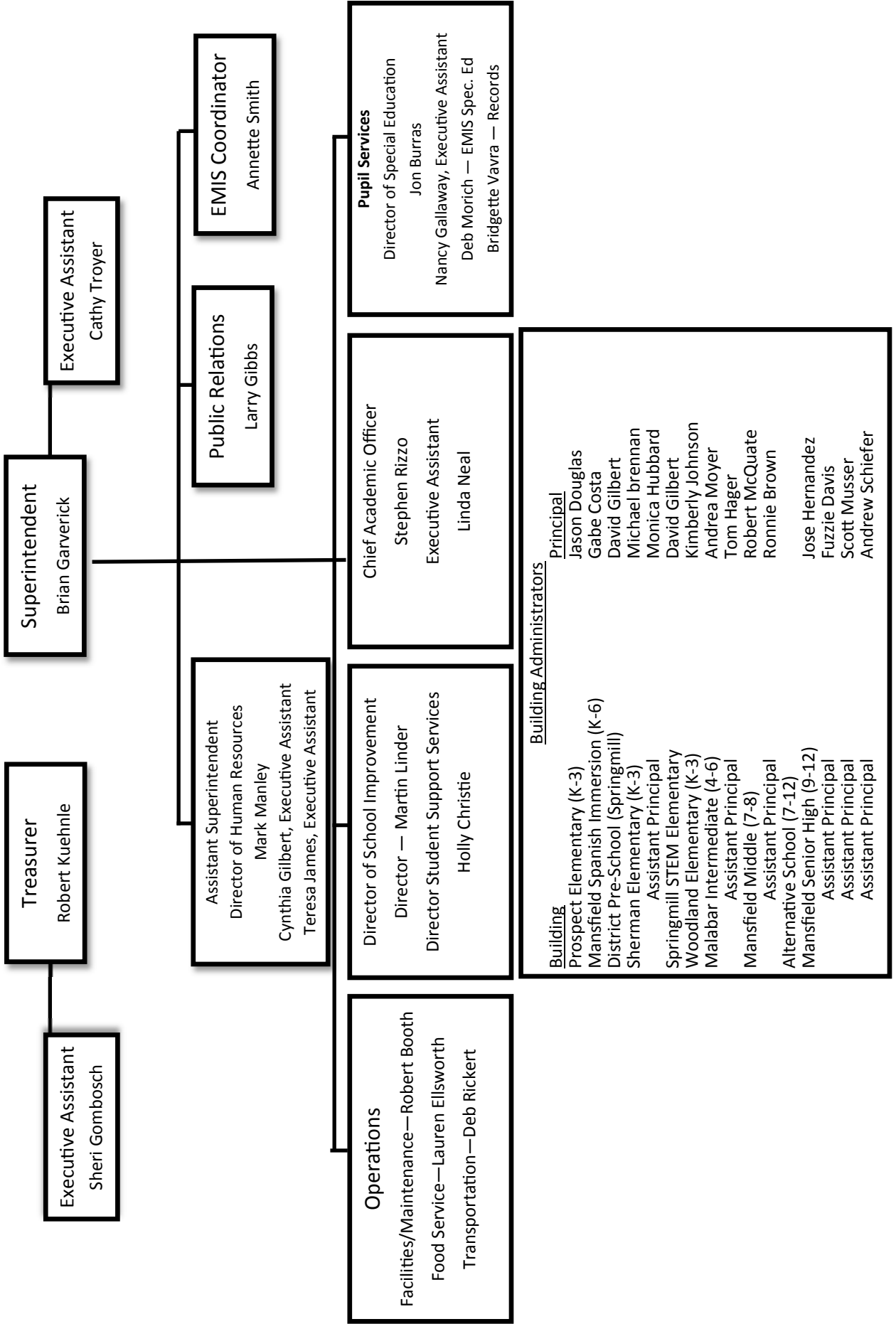
BOARD OF EDUCATION

Ms. Renda Cline. President
Mrs. Sheryl Weber. Vice-President
Mr. Chris Elswick Member
Mr. Gary Feagin. Member
Mrs. Judy Forney. Member

ADMINISTRATION

Mr. Brian K. Garverick. Superintendent
Mr. Robert W. Kuehnle Treasurer
Mr. Mark Manley. Assistant Superintendent
Mr. Steven Rizzo Chief Academic Officer
Ms. Annette Smith. EMIS Coordinator
Mr. Jon Burras.. . . . Director of Special Education
Ms. Lauren Ellsworth. Manager of Food Service
Mr. Martin Linder School Improvement Director
Ms. Holly Christie Director of Student Programs
Ms. Fayette Adams. Director of Technology
Mr. Robert Booth. Facilities Manager
Ms. Deborah Rickert. Transportation Supervisor

Mansfield Board of Education





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Mansfield City Schools
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

Mansfield City School District

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2016.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



A handwritten signature in black ink, appearing to read 'Anthony N. Dragona', written over a horizontal line.

Anthony N. Dragona, Ed.D., RSBA
President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE
Executive Director

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Mansfield City School District
Richland County
856 West Cook Road
Mansfield, Ohio 44906

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Mansfield City School District, Richland County, Ohio (the District), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Mansfield City School District, Richland County, Ohio, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2017, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

Dave Yost
Auditor of State
Columbus, Ohio

December 14, 2017

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**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)**

The management's discussion and analysis of the Mansfield City School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2017. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2017 are as follows:

- In total, net position of governmental activities increased \$4,122,017 which represents a 32.33% increase from 2016.
- General revenues accounted for \$50,814,965 in revenue or 76.23% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$15,844,249 or 23.77% of total revenues of \$66,659,214.
- The District had \$62,537,197 in expenses related to governmental activities only \$15,844,249 of these expenses were offset by program specific charges for services, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$50,814,965 were adequate to provide for these programs.
- The District's only major governmental fund is the general fund. The general fund had \$57,931,770 in revenues and \$54,781,493 in expenditures and other financing uses. During fiscal year 2017, the general fund's fund balance increased \$3,150,277 from \$10,542,818 to a balance of \$13,693,095.

Using the Basic Financial Statements

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

The *statement of net position* and *statement of activities* provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the District, the general fund is by far the most significant fund and the only governmental fund reported as a major fund.

Reporting the District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2017?" The statement of net position and the statement of activities answer this question. These statements include *all assets plus deferred outflows, liabilities plus deferred inflows, revenues and expenses* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)

These two statements report the District's *net position* and changes in that position. This change in net position is important because it tells the reader that, for the District as a whole, the *financial position* of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. 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 statement of net position and the statement of activities, the governmental activities include the District's programs and services, including instruction, support services, operation and maintenance of plant, pupil transportation, extracurricular activities, and food service operations.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major governmental fund begins on page 12. 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. The District's only major governmental fund is the general fund.

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 financial statements provide a detailed *short-term* view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental *activities* (reported in the statement of net position and the statement of activities) and governmental *funds* is reconciled in the basic financial statements.

Proprietary Funds

The District maintains a proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District's internal service fund accounts for a self-insurance program for employee health benefits.

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for its scholarship programs. This activity is presented as a private-purpose trust fund. The District also acts in a trustee capacity as an agent for individuals or other entities. These activities are reported in an agency fund. All of the District's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's net pension liability.

The District as a Whole

The Statement of Net Position provides the perspective of the District as a whole. The table below provides a summary of the District's net position at June 30, 2017 and June 30, 2016.

	Governmental Activities <u>2017</u>
<u>Assets</u>	
Current and other assets	\$ 46,460,856
Capital assets, net	<u>49,145,137</u>
Total assets	<u>95,605,993</u>
<u>Deferred outflows of resources</u>	<u>13,594,159</u>
<u>Liabilities</u>	
Current liabilities	6,199,196
Long-term liabilities:	
Due within one year	2,113,748
Due in more than one year:	
Net pension liability	74,456,202
Other amounts	<u>11,649,760</u>
Total liabilities	<u>94,418,906</u>
<u>Deferred inflows of resources</u>	<u>23,409,459</u>
<u>Net Position</u>	
Net investment in capital assets	39,230,759
Restricted	4,492,382
Unrestricted (deficit)	<u>(52,351,354)</u>
Total net position	<u>\$ (8,628,213)</u>

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)

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

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

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

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

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

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

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

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)**

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2017, the District's net position was a deficit of \$8,628,213.

At year-end, capital assets represented 51.40% of total assets. Capital assets include land, land improvements, buildings and improvements, furniture and equipment, and vehicles. Net investment in capital assets as of June 30, 2017, was \$39,230,759. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's net position, \$4,492,382 represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is a deficit of \$52,351,354.

The table below shows the change in net position for fiscal year 2017 and 2016.

	Change in Net Position	
	Governmental Activities <u>2017</u>	Governmental Activities <u>2016</u>
<u>Revenues</u>		
Program revenues:		
Charges for services and sales	\$ 1,626,738	\$ 1,717,764
Operating grants and contributions	14,217,286	14,383,587
Capital grants and contributions	225	49
General revenues:		
Property taxes	16,091,681	16,766,432
Grants and entitlements	34,227,010	34,087,756
Investment earnings	90,899	122,688
Other	<u>405,375</u>	<u>332,100</u>
 Total revenues	 <u>\$ 66,659,214</u>	 <u>\$ 67,410,376</u>

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)

Change in Net Position

	Governmental Activities <u>2017</u>	Governmental Activities <u>2016</u>
<u>Expenses</u>		
Program expenses:		
Instruction:		
Regular	\$ 16,024,059	\$ 13,748,496
Special	8,297,829	8,936,184
Vocational	1,128,009	1,184,530
Adult	325,099	365,088
Other	14,335,187	12,942,672
Support services:		
Pupil	3,136,074	3,100,830
Instructional staff	681,527	725,073
Board of education	19,677	22,422
Administration	3,700,964	3,114,143
Fiscal	1,444,672	1,354,840
Business	544,232	452,005
Operations and maintenance	4,384,614	3,833,914
Pupil transportation	2,451,802	2,076,260
Central	2,056,494	2,378,475
Operation of non-instructional services:		
Other non-instructional services	988,178	911,841
Food service operations	2,005,324	1,972,015
Extracurricular activities	446,949	790,470
Interest and fiscal charges	566,507	650,987
Total expenses	62,537,197	58,560,245
Change in net position	4,122,017	8,850,131
Net position (deficit) at beginning of year	(12,750,230)	(21,600,361)
Net position (deficit) at end of year	\$ (8,628,213)	\$ (12,750,230)

Governmental Activities

Net position of the District's governmental activities increased \$4,122,017. Total governmental expenses of \$62,537,197 were offset by program revenues of \$15,844,249 and general revenues of \$50,814,965. Program revenues supported 25.34% of the total governmental expenses.

The primary sources of revenue for governmental activities are derived from property taxes and unrestricted grants and entitlements from the State. These revenue sources represent 75.49% of total governmental revenue. The largest expense of the District is for instructional programs.

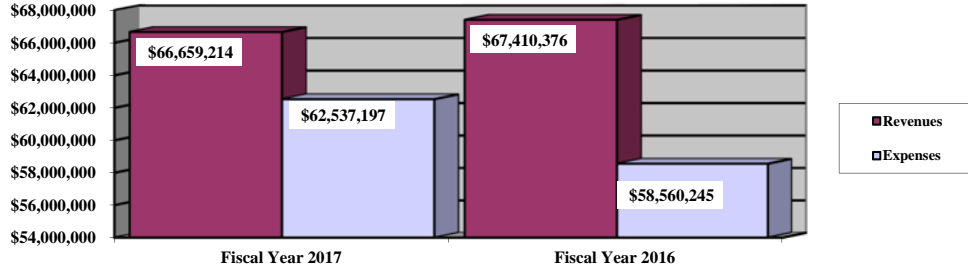
Instruction expenses totaled \$40,110,183 or 64.14% of total governmental expenses for fiscal year 2017.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)**

The graph below presents the District's governmental activities revenue and expenses for fiscal year 2017 and 2016.

Governmental Activities - Revenues and Expenses



The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental 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 grants and entitlements.

Governmental Activities

	Total Cost of Services <u>2017</u>	Net Cost of Services <u>2017</u>	Total Cost of Services <u>2016</u>	Net Cost of Services <u>2016</u>
Program expenses				
Instruction:				
Regular	\$ 16,024,059	\$ 15,015,532	\$ 13,748,496	\$ 12,291,121
Special	8,297,829	(32,493)	8,936,184	556,534
Vocational	1,128,009	415,921	1,184,530	721,196
Adult	325,099	(70,458)	365,088	23,780
Other	14,335,187	14,334,331	12,942,672	12,823,544
Support services:				
Pupil	3,136,074	3,000,185	3,100,830	2,893,039
Instructional staff	681,527	393,584	725,073	430,421
Board of education	19,677	19,677	22,422	22,422
Administration	3,700,964	3,336,533	3,114,143	2,786,752
Fiscal	1,444,672	1,280,162	1,354,840	1,305,430
Business	544,232	544,232	452,005	452,005
Operations and maintenance	4,384,614	4,368,173	3,833,914	3,805,606
Pupil transportation	2,451,802	2,077,466	2,076,260	1,707,930
Central	2,056,494	1,037,471	2,378,475	1,357,121
Operations of non-instructional services:				
Other non-instructional services	988,178	266,858	911,841	198,651
Food service operations	2,005,324	(3,574)	1,972,015	(103,031)
Extracurricular activities	446,949	142,841	790,470	535,337
Interest and fiscal charges	566,507	566,507	650,987	650,987
Total expenses	<u>\$ 62,537,197</u>	<u>\$ 46,692,948</u>	<u>\$ 58,560,245</u>	<u>\$ 42,458,845</u>

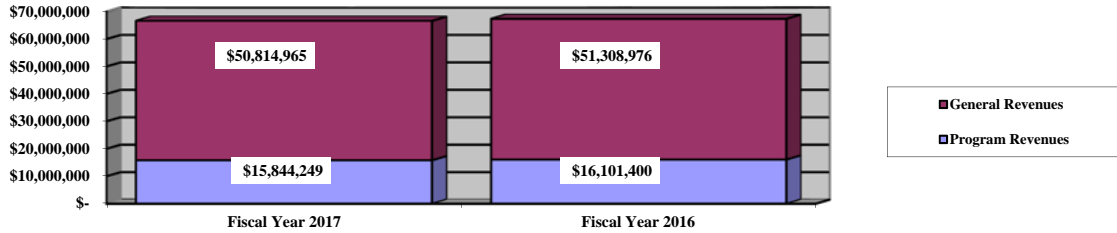
The dependence upon tax and other general revenues for governmental activities is apparent, 73.95% of instruction activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 74.66%. The District's taxpayers and unrestricted grants and entitlements from the State, are the primary support for District's students.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)**

The graph below presents the District's governmental activities revenue for fiscal year 2017 and 2016.

Governmental Activities - General and Program Revenues



The District's Funds

The District's governmental funds (as presented on the balance sheet on page 20) reported a combined fund balance of \$16,529,289, which is greater than last year's total of \$13,753,230. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2017 and 2016.

	Fund Balance <u>June 30, 2017</u>	Fund Balance <u>June 30, 2016</u>	Increase/ <u>(Decrease)</u>
General	\$ 13,693,095	\$ 10,542,818	\$ 3,150,277
Other Governmental	<u>2,836,194</u>	<u>3,210,412</u>	<u>(374,218)</u>
Total	<u>\$ 16,529,289</u>	<u>\$ 13,753,230</u>	<u>\$ 2,776,059</u>

General Fund

The District's general fund balance increased \$3,150,277. The table that follows assists in illustrating the financial activities of the general fund. The general fund had a balance of \$805,000 on the tax anticipation note. This note is reported as a fund liability of the general fund.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)

	2017 <u>Amount</u>	2016 <u>Amount</u>	Percentage <u>Change</u>
<u>Revenues</u>			
Taxes	\$ 16,026,116	\$ 16,018,605	0.05 %
Tuition	1,289,935	1,015,660	27.00 %
Earnings on investments	93,330	96,260	(3.04) %
Intergovernmental	39,650,882	39,620,324	0.08 %
Other revenues	<u>871,507</u>	<u>728,137</u>	19.69 %
Total	<u>\$ 57,931,770</u>	<u>\$ 57,478,986</u>	0.79 %
<u>Expenditures</u>			
Instruction	\$ 37,435,471	\$ 33,978,057	10.18 %
Support services	16,018,575	15,203,996	5.36 %
Operation of non-instructional services	183,544	217,727	(15.70) %
Extracurricular activities	326,501	691,247	(52.77) %
Facilities acquisition and construction	336,280	-	
Debt service	<u>281,122</u>	<u>301,544</u>	(6.77) %
Total	<u>\$ 54,581,493</u>	<u>\$ 50,392,571</u>	8.31 %

Tuition increased due to the District submitting more allowable costs to other Districts and by submitting for catastrophic costs reimbursements through the Ohio Department of Education. Regular instruction expenditures increased due to increases and salary and benefit expenditures. Facilities acquisition and construction expenditures were related to District maintenance projects completed in fiscal year 2017.

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.

The District amended the budgeted revenues for the general fund during the year. For the general fund, original and final budgeted revenues and other financings sources were \$58,357,590. The actual revenues and other financing sources for fiscal year 2017 totaled \$58,890,210, which were \$532,620 more than the final budgeted revenues. The largest variances in revenues were in the intergovernmental state and intergovernmental federal, with the District receiving \$270,514 more than budgeted. The district enjoyed an increase in special education tuition due to submitting more allowable costs to other districts and by submitting for catastrophic costs reimbursements through the Ohio Department of Education.

General fund original appropriations (appropriated expenditures including other financing uses) were \$56,653,159 and final budgeted appropriations were \$58,113,159. The actual budget basis expenditures and other financing uses for fiscal year 2017 totaled \$56,368,803, which was \$1,744,356 lower than the final budgeted appropriations. This is due to conservative budgeting as well as more scrutiny being paid to vendor contracts. Examples where the District was able to lower expenses with vendor contracts are administrator healthcare costs, copier costs, and financial & EMIS software costs.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2017, the District had \$49,145,137 invested in land, land improvements, buildings and improvements, furniture and equipment, and vehicles. This entire amount is reported in governmental activities.

The following table shows fiscal year 2017 balances compared to 2016:

	Capital Assets at June 30 (Net of Depreciation)	
	<u>Governmental Activities</u>	
	<u>2017</u>	<u>2016</u>
Land	\$ 4,935,051	\$ 4,935,051
Land improvements	1,564,969	1,728,443
Building and improvements	39,969,517	41,033,197
Furniture and equipment	1,260,956	1,149,409
Vehicles	<u>1,414,644</u>	<u>1,545,617</u>
Total	<u>\$ 49,145,137</u>	<u>\$ 50,391,717</u>

The overall decrease in capital assets of \$1,246,580 is due to depreciation expense of \$2,023,125 exceeding capital outlays of \$776,545 in the fiscal year.

See Note 8 to the basic financial statements for detail on the District's capital assets.

Debt Administration

At June 30, 2017, the District had \$10,546,719 in general obligation bonds, notes and loans outstanding. Of this total, \$1,875,000 is due within one year and \$8,671,719 is due in more than one year. The following table summarizes the bonds, loans and notes outstanding.

	Outstanding Debt, at Year End	
	Governmental Activities	Governmental Activities
	<u>2017</u>	<u>2016</u>
General obligation bonds - 2013	\$ 7,365,000	\$ 8,293,029
Tax anticipation notes - 2013	805,000	1,320,000
Energy conservation notes	<u>2,376,719</u>	<u>2,551,719</u>
Total	<u>\$ 10,546,719</u>	<u>\$ 12,164,748</u>

At June 30, 2017, the District's overall legal debt margin was \$25,317,916 with an unvoted debt margin of \$381,091. See Note 9 to the basic financial statements for detail on the District's debt administration.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)**

Current Financial Related Activities

The District relies heavily on its local property taxpayers. The District passed an operating levy in 1993. The last renewal of this levy was in May 2013, which generates roughly \$3,900,000 per year. Additionally, the residents of the District approved an Emergency Levy in November 2013 which will generate \$4,000,000 per year. In May 2017, the residents of the District approved the renewal of both emergency levies with 73% support from the community voters. The levy that was passed in 1993 was approved for a term of 7 years while the 2013 levy was renewed for a term of 5 years. The residents of the District also passed a continuing Permanent Improvement Levy in 1996.

On December 17, 2013, the Ohio Auditor of State declared the District to be in a State of "Fiscal Emergency" in accordance with Section 3316.03(B)(2) of the Ohio Revised Code. The declaration resulted in the establishment of a Financial Planning and Supervision Committee. On December 20, 2016, the District was removed from "fiscal emergency" by the State of Ohio Auditor's Office.

Real estate and personal property tax collections have shown little change. The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by the levy will not increase solely as a result of inflation due to Ohio House Bill 920 (passed in 1976). As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mil would pay \$35.00 annually in taxes. If three years later, the home was reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mils and the owner would still pay \$35.00

Thus, school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up 24.14% of revenues for governmental activities for the District in fiscal year 2017.

The District has also been affected by increased delinquency rates and changes in personal property tax structure (utility deregulation) and commercial business/property uncertainties. Management has diligently planned expenses so that the last levy has stretched longer than the four years it was originally planned for. This has been made increasingly difficult with mandates in gifted education, rising utility costs, increased special education services required for our students, and significant increases in health insurance and property/liability/fleet insurance.

From a State funding perspective, the State of Ohio was found by the Ohio Supreme Court in March 1997 to be operating an unconstitutional education system, one that was neither "adequate" nor "equitable". Since 1997, the State has directed its tax revenue growth toward school districts with little property tax wealth. The District has not anticipated any meaningful growth in State revenue. The concern is that, the State redistributes state funding based upon each district's property wealth. This has a significant impact on the District. How the legislature plans to fund education programs during a weakened economy remains a concern.

All scenarios require management to plan carefully and prudently to provide the resources to meet student needs over the next several years. In addition, the District's systems of budgeting and internal controls are well regarded. All of the District's financial abilities will be needed to meet the challenges of the future.

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 the Mansfield City School District Treasurer's Department, 856 W. Cook Road, Mansfield, Ohio 44907.

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**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

STATEMENT OF NET POSITION
JUNE 30, 2017

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents.	\$ 23,732,106
Receivables:	
Property taxes	20,566,772
Accounts	121,343
Accrued interest	34,635
Intergovernmental	1,745,237
Prepayments	121,638
Materials and supplies inventory.	89,122
Inventory held for resale.	50,003
Capital assets:	
Nondepreciable capital assets	4,935,051
Depreciable capital assets, net.	44,210,086
Capital assets, net	49,145,137
Total assets.	95,605,993
Deferred outflows of resources:	
Unamortized deferred charges on debt refunding	379,336
Pension - STRS	10,417,085
Pension - SERS	2,797,738
Total deferred outflows of resources	13,594,159
Liabilities:	
Accounts payable.	149,230
Accrued wages and benefits payable	4,509,890
Intergovernmental payable	167,721
Pension and postemployment obligation payable.	578,933
Accrued interest payable	22,480
Claims payable.	770,942
Long-term liabilities:	
Due within one year.	2,113,748
Due in more than one year:	
Net pension liability.	74,456,202
Other amounts due in more than one year .	11,649,760
Total liabilities	94,418,906
Deferred inflows of resources:	
Property taxes levied for the next fiscal year.	14,332,593
Pension - STRS.	7,926,535
Pension - SERS.	1,150,331
Total deferred inflows of resources	23,409,459
Net position:	
Net investment in capital assets	39,230,759
Restricted for:	
Capital projects	898,792
Classroom facilities maintenance	150,921
Debt service.	1,859,629
Locally funded programs	67,180
State funded programs.	38,313
Federally funded programs	609,976
Student activities	57,563
Other purposes	810,008
Unrestricted (deficit)	(52,351,354)
Total net position (deficit).	\$ (8,628,213)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Expenses</u>	<u>Charges for Services and Sales</u>	<u>Program Revenues Operating Grants and Contributions</u>
Governmental activities:			
Instruction:			
Regular	\$ 16,024,059	\$ 607,444	\$ 401,083
Special	8,297,829	310,264	8,020,058
Vocational	1,128,009	-	712,088
Adult/continuing.	325,099	140,236	255,321
Other	14,335,187	-	856
Support services:			
Pupil.	3,136,074	-	135,889
Instructional staff	681,527	60,718	227,225
Board of education	19,677	-	-
Administration.	3,700,964	-	364,431
Fiscal.	1,444,672	-	164,510
Business.	544,232	-	-
Operations and maintenance	4,384,614	13,902	2,314
Pupil transportation.	2,451,802	58,225	316,111
Central	2,056,494	-	1,019,023
Operation of non-instructional services:			
Other non-instructional services	988,178	-	721,320
Food service operations	2,005,324	163,268	1,845,630
Extracurricular activities.	446,949	272,681	31,427
Interest and fiscal charges	566,507	-	-
Total governmental activities	\$ 62,537,197	\$ 1,626,738	\$ 14,217,286

General revenues:

Property taxes levied for:

General purposes

Classroom facilities maintenance.

Debt service.

Capital outlay.

Grants and entitlements not restricted
to specific programs

Investment earnings

Miscellaneous

Total general revenues

Change in net position

Net position (deficit) at beginning of year.

Net position (deficit) at end of year.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

		Net (Expense) Revenue and Changes in Net Position	
Capital Grants and Contributions		Governmental Activities	
\$	-	\$	(15,015,532)
	-		32,493
	-		(415,921)
	-		70,458
	-		(14,334,331)
	-		(3,000,185)
	-		(393,584)
	-		(19,677)
	-		(3,336,533)
	-		(1,280,162)
	-		(544,232)
	225		(4,368,173)
	-		(2,077,466)
	-		(1,037,471)
	-		(266,858)
	-		3,574
	-		(142,841)
	-		(566,507)
\$	225		(46,692,948)

14,074,730
116,451
1,126,363
774,137

34,227,010
90,899
405,375

50,814,965

4,122,017

(12,750,230)

\$ (8,628,213)

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:			
Equity in pooled cash and cash equivalents	\$ 16,190,032	\$ 3,369,811	\$ 19,559,843
Receivables:			
Property taxes	17,823,429	2,743,343	20,566,772
Accounts	119,637	1,706	121,343
Accrued interest	34,635	-	34,635
Intergovernmental	412,568	1,332,669	1,745,237
Prepayments	121,638	-	121,638
Materials and supplies inventory	78,000	11,122	89,122
Inventory held for resale	-	50,003	50,003
Due from other funds	429,838	-	429,838
Total assets	<u>35,209,777</u>	<u>7,508,654</u>	<u>42,718,431</u>
Liabilities:			
Accounts payable	29,426	119,804	149,230
Accrued wages and benefits payable	3,849,446	660,444	4,509,890
Compensated absences payable	20,656	1,793	22,449
Intergovernmental payable	160,941	6,780	167,721
Pension and postemployment obligation payable	468,430	110,503	578,933
Due to other funds	-	429,838	429,838
Accrued interest payable	849	-	849
Tax anticipation note payable	805,000	-	805,000
Total liabilities	<u>5,334,748</u>	<u>1,329,162</u>	<u>6,663,910</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	12,420,810	1,911,783	14,332,593
Delinquent property tax revenue not available	3,434,838	528,683	3,963,521
Intergovernmental revenue not available	298,706	902,832	1,201,538
Accrued interest not available	23,997	-	23,997
Miscellaneous revenue not available	3,583	-	3,583
Total deferred inflows of resources	<u>16,181,934</u>	<u>3,343,298</u>	<u>19,525,232</u>
Fund balances:			
Nonspendable:			
Materials and supplies inventory	78,000	11,122	89,122
Prepays	121,638	-	121,638
Restricted:			
Debt service	-	1,566,419	1,566,419
Capital improvements	-	700,724	700,724
Classroom facilities maintenance	-	135,147	135,147
Food service operations	-	864,155	864,155
Non-public schools	-	44,111	44,111
Other purposes	-	93,177	93,177
Extracurricular	-	57,563	57,563
Committed:			
Termination benefits	591,465	-	591,465
Assigned:			
Student instruction	66,808	-	66,808
Student and staff support	431,712	-	431,712
Extracurricular activities	4,030	-	4,030
Facilities acquisition and construction	49,555	-	49,555
School supplies	107,322	-	107,322
Adult education	523,413	-	523,413
Operation of non-instructional	6,930	-	6,930
Other purposes	416,061	-	416,061
Unassigned (deficit)	11,296,161	(636,224)	10,659,937
Total fund balances	<u>13,693,095</u>	<u>2,836,194</u>	<u>16,529,289</u>
Total liabilities, deferred inflows and fund balances . \$	<u>35,209,777</u>	<u>7,508,654</u>	<u>\$ 42,718,431</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2017

Total governmental fund balances		\$ 16,529,289
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		49,145,137
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Property taxes receivable	\$ 3,963,521	
Accounts receivable	3,583	
Accrued interest receivable	23,997	
Intergovernmental receivable	<u>1,201,538</u>	
Total		5,192,639
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net position.		3,401,321
Unamortized premiums on bonds issued are not recognized in the funds.		(551,995)
Unamortized amounts on refundings are not recognized in the funds.		379,336
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(21,631)
The net pension liability is not due and payable in the current period; therefore, liability and related deferred inflows are not reported in governmental funds.		
Deferred outflows - Pension	13,214,823	
Deferred Inflows - Pension	(9,076,866)	
Net pension liability	<u>(74,456,202)</u>	
Total		(70,318,245)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds	(7,365,000)	
Compensated absences	(2,642,345)	
Notes payable	<u>(2,376,719)</u>	
Total		<u>(12,384,064)</u>
Net position of governmental activities		<u>\$ (8,628,213)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:			
From local sources:			
Property taxes	\$ 16,026,116	\$ 1,833,513	\$ 17,859,629
Tuition	1,289,935	-	1,289,935
Transportation fees	58,225	-	58,225
Earnings on investments	93,330	5,044	98,374
Charges for services	-	163,213	163,213
Extracurricular	108,330	164,351	272,681
Classroom materials and fees	45,331	-	45,331
Rental income	13,902	-	13,902
Contributions and donations	54,973	355	55,328
Other local revenues	590,746	127,396	718,142
Intergovernmental - state	39,057,867	1,487,969	40,545,836
Intergovernmental - federal	593,015	6,344,769	6,937,784
Total revenues	<u>57,931,770</u>	<u>10,126,610</u>	<u>68,058,380</u>
Expenditures:			
Current:			
Instruction:			
Regular	15,537,225	407,147	15,944,372
Special	6,292,158	2,539,305	8,831,463
Vocational	1,133,945	110,346	1,244,291
Adult/continuing	109,672	239,037	348,709
Other	14,362,471	800	14,363,271
Support services:			
Pupil	3,088,954	128,970	3,217,924
Instructional staff	515,578	218,401	733,979
Board of education	20,738	-	20,738
Administration	3,406,547	336,368	3,742,915
Fiscal	1,268,075	217,660	1,485,735
Business	544,374	-	544,374
Operations and maintenance	3,533,489	746,887	4,280,376
Pupil transportation	2,457,613	59,522	2,517,135
Central	1,183,207	949,511	2,132,718
Operation of non-instructional services:			
Other operation of non-instructional	183,544	794,741	978,285
Food service operations	-	2,003,828	2,003,828
Extracurricular activities	326,501	161,600	488,101
Facilities acquisition and construction	336,280	379,224	715,504
Debt service:			
Principal retirement	175,000	755,528	930,528
Interest and fiscal charges	106,122	197,481	303,603
Accreted interest on capital appreciation bonds	-	454,472	454,472
Total expenditures	<u>54,581,493</u>	<u>10,700,828</u>	<u>65,282,321</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,350,277</u>	<u>(574,218)</u>	<u>2,776,059</u>
Other financing sources / (uses):			
Transfers in	-	200,000	200,000
Transfers (out)	<u>(200,000)</u>	<u>-</u>	<u>(200,000)</u>
Total other financing sources / (uses)	<u>(200,000)</u>	<u>200,000</u>	<u>-</u>
Net change in fund balances	3,150,277	(374,218)	2,776,059
Fund balances at beginning of year	<u>10,542,818</u>	<u>3,210,412</u>	<u>13,753,230</u>
Fund balances at end of year	<u>\$ 13,693,095</u>	<u>\$ 2,836,194</u>	<u>\$ 16,529,289</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, 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, 2017

Net change in fund balances - total governmental funds	\$	2,776,059
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital asset additions	\$ 776,545	
Current year depreciation	(2,023,125)	
Total		(1,246,580)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	(1,767,948)	
Earnings on investments	(2,431)	
Other revenues	(1,031,227)	
Intergovernmental	832,987	
Total		(1,968,619)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		
Notes	175,000	
General obligation bonds	755,000	
Capital appreciation bonds	528	
Accreted interest on capital appreciation bonds	454,472	
Total		1,385,000
Contractually required pension contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
		3,533,288
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
		(1,515,056)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:		
Decrease in accrued interest payable	731	
Accreted interest on capital appreciation bonds	(281,971)	
Amortization of bond premiums	58,619	
Amortization of deferred charges	(40,283)	
Total		(262,904)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		(18,227)
An internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue of the internal service fund is allocated among the governmental activities.		
		1,439,056
Change in net position of governmental activities	\$	4,122,017

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
From local sources:				
Property taxes	\$ 16,582,956	\$ 16,582,956	\$ 16,881,956	\$ 299,000
Tuition	1,430,000	1,430,000	1,291,090	(138,910)
Transportation fees	50,000	50,000	63,993	13,993
Earnings on investments	110,000	110,000	194,667	84,667
Rental income	25,000	25,000	13,902	(11,098)
Contributions and donations	15,000	15,000	12,000	(3,000)
Other local revenues	270,000	270,000	361,898	91,898
Intergovernmental - state	38,782,134	38,782,134	38,854,959	72,825
Intergovernmental - federal	390,000	390,000	587,689	197,689
Total revenues	<u>57,655,090</u>	<u>57,655,090</u>	<u>58,262,154</u>	<u>607,064</u>
Expenditures:				
Current:				
Instruction:				
Regular	15,894,132	15,956,743	15,614,375	342,368
Special	6,392,160	6,309,938	6,271,323	38,615
Vocational	1,263,363	1,279,582	1,198,008	81,574
Other	13,157,097	14,392,374	14,372,529	19,845
Support services:				
Pupil	3,056,986	3,267,050	3,049,009	218,041
Instructional staff	483,245	515,170	452,947	62,223
Board of education	24,826	26,062	21,289	4,773
Administration	3,408,998	3,418,905	3,396,846	22,059
Fiscal	1,448,145	1,425,474	1,302,352	123,122
Business	489,634	591,930	552,801	39,129
Operations and maintenance	4,034,162	4,236,352	3,826,238	410,114
Pupil transportation	2,669,300	2,626,636	2,484,920	141,716
Central	1,591,473	1,419,551	1,327,715	91,836
Other operation of non-instructional services	288,005	285,452	190,792	94,660
Extracurricular activities	607,844	622,678	575,158	47,520
Facilities acquisition and construction	488,977	392,309	385,836	6,473
Debt service:				
Principal	694,026	690,000	690,000	-
Interest and fiscal charges	107,577	106,953	106,665	288
Total expenditures	<u>56,099,950</u>	<u>57,563,159</u>	<u>55,818,803</u>	<u>1,744,356</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,555,140</u>	<u>91,931</u>	<u>2,443,351</u>	<u>2,351,420</u>
Other financing sources / (uses):				
Refund of prior year's expenditures	700,000	700,000	627,480	(72,520)
Transfers (out)	(553,209)	(550,000)	(550,000)	-
Sale of capital assets	2,500	2,500	576	(1,924)
Total other financing sources / (uses)	<u>149,291</u>	<u>152,500</u>	<u>78,056</u>	<u>(74,444)</u>
Net change in fund balance	1,704,431	244,431	2,521,407	2,276,976
Fund balance at beginning of year	11,501,884	11,501,884	11,501,884	-
Prior year encumbrances appropriated	461,718	461,718	461,718	-
Fund balance at end of year	<u>\$ 13,668,033</u>	<u>\$ 12,208,033</u>	<u>\$ 14,485,009</u>	<u>\$ 2,276,976</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2017

	Governmental Activities - Internal Service Fund
Assets:	
Current assets:	
Equity in pooled cash and cash equivalents	\$ 4,172,263
Total assets.	4,172,263
Liabilities:	
Current liabilities:	
Claims payable	770,942
Total liabilities	770,942
Net position:	
Unrestricted.	3,401,321
Total net position.	\$ 3,401,321

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Governmental Activities - Internal Service Fund
Operating revenues:	
Sales/charges for services.	\$ 9,633,914
Total operating revenues	9,633,914
Operating expenses:	
Purchased services.	1,039,627
Claims	7,155,231
Total operating expenses.	8,194,858
Operating income / change in net position. . .	1,439,056
Net position at beginning of year.	1,962,265
Net position at end of year	\$ 3,401,321

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

		Governmental Activities - Internal Service Fund
Cash flows from operating activities:		
Cash received from sales/charges for services.	\$	9,633,914
Cash payments for contractual services		(1,039,627)
Cash payments for claims		(7,156,809)
		1,437,478
Net cash provided by operating activities		1,437,478
Net increase in cash and cash equivalents.		1,437,478
Cash and cash equivalents at beginning of year		<u>2,734,785</u>
Cash and cash equivalents at end of year		<u><u>4,172,263</u></u>
 Reconciliation of operating income to net cash provided by operating activities:		
Operating income.		1,439,056
Changes in assets and liabilities:		
Decrease in claims payable.		(1,578)
		1,437,478
Net cash provided by operating activities	\$	<u><u>1,437,478</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2017

	<u>Private Purpose Trust</u>	
	<u>Scholarship</u>	<u>Agency</u>
Assets:		
Current assets:		
Equity in pooled cash and cash equivalents	\$ 26,525	\$ 19,936
Total assets.	<u>26,525</u>	<u>19,936</u>
Liabilities:		
Accounts payable.	-	611
Due to students.	-	19,325
Total liabilities	<u>-</u>	<u>\$ 19,936</u>
Net position:		
Held in trust for scholarships	<u>26,525</u>	
Total net position.	<u>\$ 26,525</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

		<u>Private Purpose Trust</u>
		<u>Scholarship</u>
Net position at beginning of year.	\$	<u>26,525</u>
Net position at end of year	\$	<u><u>26,525</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

The Mansfield City School District (the “District”) was established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The District is a city school district as defined by Section 3311.03 of the Ohio Revised Code. The District operates under an elected Board of Education, consisting of five members and is responsible for providing public education to residents of the District. The District employs 337 certified employees, 200 non-certified employees and 23 administrators who provide services to 3,180 students and other community members.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (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.

A. Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61, “The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34”. The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s Governing Board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government’s financial statements incomplete or misleading. Based upon the application of these criteria, the District did not have any component units at June 30, 2017.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

JOINTLY GOVERNED ORGANIZATION

Heartland Council of Governments/North Central Ohio Computer Cooperative (the "COG")

The COG is a jointly governed organization among 16 school districts, 1 educational service center and a career center. The COG is an association of public school districts within the boundaries of Ashland, Crawford, Huron, Marion, Morrow, Richland, Seneca, and Wyandot counties. The COG 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 school districts. Each member school district supports the COG based on a per pupil charge dependent upon the software package utilized. The COG is governed by a Cooperative Assembly consisting of superintendents of the member school districts. The degree of control exercised by any school district is limited to its representation on the Cooperative Assembly. During fiscal year 2017, the District paid \$134,581 to the COG for various services. Financial information can be obtained from the treasurer for the Pioneer Career and Technology Center, who serves as fiscal agent, at 27 Ryan Road, Shelby, Ohio 44875-0309.

INSURANCE PURCHASING POOL

Ohio Association of School Business Officials Workers' Compensation Group Retrospective Rating Plan

The District participates in a group retrospective rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The Ohio Association of School Business Officials Workers' Compensation Group Retrospective Rating Plan (the "GRP") was established through the Ohio Association of School Business Officials (OASBO) as a group purchasing pool.

The Executive Director of the OASBO, or his designee, serves as coordinator of the GRP. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

B. Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses 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 plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as fund balance.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The following are the District's major governmental funds:

General fund - The general fund is used to account for and report all financial resources not accounted for and reported 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.

Other governmental funds of the District are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets and (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects, and (c) financial resources that are restricted, committed or assigned to expenditures for principal and interest.

PROPRIETARY FUNDS

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector. The District has no enterprise funds. The following is a description of the District's internal service fund.

Internal service fund - The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the District on a cost reimbursement basis. The District's only internal service fund accounts for a self-insurance program for employee health benefits.

FIDUCIARY FUNDS

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

C. Basis of Presentation and Measurement Focus

Government-wide Financial Statements - The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund operating activity is eliminated to avoid over statement of revenues and expenses. Interfund services provided and used are not eliminated in the process of consolidation.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the governmental activities of the District. 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 amounts paid by the recipient of goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues of the District.

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows, and all liabilities and deferred inflows associated with the operation of the District are included on the statement of net position.

Fund Financial Statements - Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column and all nonmajor funds are aggregated into one column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources 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 a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, the internal service fund is accounted for on a flow of economic resources measurement focus. All assets, deferred outflows of resources, and all liabilities and deferred inflows of resources associated with the operation of this fund are included on the statement of fund net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activity.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenue of the District's internal service fund is charges for sales and services. Operating expenses for internal service funds include claims and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The private-purpose trust fund is reported using the economic resources measurement focus. Agency funds do not report a measurement focus as they do not report operations.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

D. 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. Proprietary and fiduciary funds also use the accrual basis of accounting.

Revenues - Exchange and Nonexchange 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, include 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 (See Note 6). 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 fiscal 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 fiscal year end: property taxes available as an advance, interest, tuition, grants, student fees and rentals.

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, see Note 13 for deferred outflows of resources related to the District's net pension liability. In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2017, but which were levied to finance fiscal year 2018 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the District unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

For the District, see Note 13 for deferred inflows of resources related to the District's net pension liability. This deferred inflow of resources is only reported on the government-wide statement of net position.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The entitlement value of donated commodities received during the year is reported in the fund financial statements as an expenditure with a like amount reported as 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. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

E. Budgets

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control has been established at the fund level for all funds. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

Tax Budget:

Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The purpose of this budget document is to reflect the need for existing (or increased) tax rates. By no later than January 20, the Board-adopted budget is filed with Richland County Budget Commission for rate determination.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Estimated Resources:

By April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's certificate of estimated resources, which states the projected revenue of each fund. Prior to July 1, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported in the budgetary statement reflect the amounts from the certificate of amended resources that was in effect at the time the original and final appropriations were passed by the Board of Education.

Appropriations:

Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution is enacted by the Board of Education. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the District. The appropriation resolution, at the fund level must be within the estimated resources as certified by the County Budget Commission and the total of expenditures may not exceed the appropriation totals at the legal level of control. Any revisions that alter the legal level of budgetary control must be approved by the Board of Education. Although the legal level of budgetary control was established at the fund level of expenditures for general fund, the District has elected to present its respective budgetary statement comparison at the fund and function level of expenditures.

The Board may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources. During the fiscal year, all supplemental appropriations were legally enacted.

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

Lapsing of Appropriations:

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

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

F. Cash and Investments

To improve cash management, cash received by the District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the basic financial statements.

During fiscal year 2017, investments were limited to investments in the State Treasury Asset Reserve of Ohio (STAR Ohio), federal agency securities, U.S. government money markets, negotiable certificates of deposit (CD's) and repurchase agreements. Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices.

STAR Ohio (the State Treasury Asset Reserve of 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 has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The District measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For fiscal year 2017, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the general fund during fiscal year 2017 amounted to \$93,330, which includes \$24,435 assigned from other District funds.

For presentation on the basic financial statements, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

An analysis of the District's investment account at fiscal year end is provided in Note 4.

G. Inventory

On government-wide and fund financial statements, purchased inventories are presented at the lower of cost or market and donated commodities are presented at their entitlement value. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the consumption method which means that the costs of inventory items are recorded as expenditures in the governmental funds when consumed.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

On the fund financial statements, reported material and supplies inventory is equally offset by nonspendable fund balance in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

Inventory consists of expendable supplies held for consumption, donated food, purchased food and non-food supplies.

H. Capital Assets

General capital assets are those assets specifically related to governmental activities. These assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements.

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 acquisition values as of the date received. The District's capitalization threshold is \$5,000 for general capital assets. 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 capitalized.

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

Description	Governmental Activities Estimated Lives
Land improvements	10 - 40 years
Buildings and improvements	10 - 40 years
Furniture and equipment	5 - 20 years
Vehicles	13 years

I. Interfund Balances

On fund financial statements, receivables and payables resulting from loans to cover negative cash balances at June 30 are classified as "due to/due from other funds". These amounts are eliminated in the governmental activities column on the statement of net position.

J. Compensated Absences

Compensated absences of the District consist of vacation leave and sick leave liability to the extent that payments to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the District and the employee.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The District reports compensated absences in accordance with the provisions of GASB No. 16, “Accounting for Compensated Absences”. Vacation benefits are accrued as a liability as the benefits are earned if the employee’s rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent it is probable that benefits will result in termination payments. The liability is an estimate based on the District’s past experience of making termination payments.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at June 30, 2017 and reduced to the maximum payment allowed by labor contract and/or statute, plus any applicable additional salary related payments.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account “compensated absences payable” in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

K. 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 funds. However, claims and judgments and compensated absences 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 during the current year. Bonds are recognized on the fund financial statements when due.

L. Bond Premium and Discount/Accounting Gain or Loss

Bond premiums are deferred and amortized over the term of the bonds using the straight-line method which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds.

For bond refundings resulting in the defeasance of debt reported in the government-wide financial statements, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter and is presented as a deferred outflow of resources on the statement of net position.

On the governmental fund financial statements, bond premiums are recognized in the current period. A reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 9.A.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

M. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable.

Restricted - Fund balance is reported as restricted when constraints are placed on the use of resources that are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the District Board of Education (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless the District Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the District Board of Education, which includes giving the Treasurer the authority to constrain monies for intended purposes.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The District applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

N. Prepayments

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are reported as assets on the balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase and the expenditure/expense is reported in the year in which services are consumed.

O. Net Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The net position component "net investment in capital assets," consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on its 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 first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

P. Pensions

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

Q. Estimates

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

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

R. 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 basic financial statements.

Interfund activity between governmental funds is eliminated in the statement of activities.

S. Fair Market Value

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

T. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. During fiscal year 2017, the District had neither type of transaction.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For fiscal year 2017, the District has implemented GASB Statement No. 77, "*Tax Abatement Disclosures*", GASB Statement No. 78, "*Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans*", GASB Statement No. 80, "*Blending Requirements for Certain Component Units - An Amendment of GASB Statement No. 14*" and GASB Statement No. 82, "*Pension Issues - An Amendment of GASB Statements No. 67, No. 68 and No. 73*".

GASB Statement No. 77 requires governments that enter into tax abatement agreements to disclose certain information about the agreement. GASB Statement No. 77 also requires disclosures related to tax abatement agreements that have been entered into by other governments that reduce the reporting government's tax revenues. These disclosures were incorporated in the District's fiscal year 2017 financial statements (see Note 19); however, there was no effect on beginning net position/fund balance.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

GASB Statement No. 78 establishes accounting and financial reporting standards for defined benefit pensions provided to the employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan (cost-sharing pension plan) that meets the criteria in paragraph 4 of Statement 68 and that (a) is not a state or local governmental pension plan, (b) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (c) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). The implementation of GASB Statement No. 78 did not have an effect on the financial statements of the District.

GASB Statement No. 80 improves the financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement applies to component units that are organized as not-for-profit corporations in which the primary government is the sole corporate member. The implementation of GASB Statement No. 80 did not have an effect on the financial statements of the District.

GASB Statement No. 82 addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The implementation of GASB Statement No. 82 did not have an effect on the financial statements of the District.

B. Deficit Fund Balances

Fund balances at June 30, 2017 included the following individual fund deficits:

<u>Nonmajor funds</u>	<u>Deficit</u>
Public school preschool	\$ 21,693
Alternative schools	10,981
Adult basic education	24,795
Title VI-B	155,275
Vocational education	14,850
School improvement	22,533
Title I	344,216
IDEA	6,700
Improving teacher quality	35,181

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

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories.

Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Interim monies may be deposited or invested in the following securities:

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

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

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

A. Deposits with Financial Institutions

At June 30, 2017, the carrying amount of all District deposits was \$11,264,085, exclusive of the \$2,713,270 in repurchase agreements included in investments. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of June 30, 2017, \$748,000 of the District's bank balance of \$11,470,055 was covered by the FDIC while \$10,722,055 was exposed to custodial risk, as discussed below.

B. Investments

As of June 30, 2017, the District had the following investments and maturities:

Measurement/ <u>Investment type</u>	Measurement Value	Investment Maturities				
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months
Fair Value:						
Repurchase						
Agreement	\$ 2,713,270	\$ 2,713,270	\$ -	\$ -	\$ -	\$ -
FFCB	1,984,255	-	-	-	-	1,984,255
FHLB	496,646	-	-	496,646	-	-
FHLMC	994,571	-	-	-	498,000	496,571
FNMA	1,476,392	-	-	-	-	1,476,392
Negotiable CDs	4,821,417	399,905	999,369	199,674	598,802	2,623,667
US Government						
Money Market	25,931	25,931	-	-	-	-
Amortized Cost:						
Star Ohio	2,000	2,000	-	-	-	-
Total	\$ 12,514,482	\$ 3,141,106	\$ 999,369	\$ 696,320	\$ 1,096,802	\$ 6,580,885

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

The District's investments in U.S. Government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs). The District's investments in federal agency securities (FHLB, FNMA, FFCB, and FHLMC) repurchase agreements, and negotiable CD's are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

The weighted average maturity of the District's investments is 1.77 years.

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the District's investment policy limits investment portfolio maturities to five years or less, unless matched to a specific obligation or debt of the District.

Credit Risk: The District's investments in federal agency securities that underlie the District's repurchase agreement and in federal agency securities, were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. Standard & Poor's has assigned STAR Ohio and the US Government Money Market an AAAM money market rating. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The District's investment policy does not specifically address credit risk beyond requiring the District to only invest in securities authorized by State statute.

Custodial Credit Risk: For an investment, 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. Of the District's \$2,713,270 investment in repurchase agreements, the entire balance is collateralized by underlying securities that are held by the investment's counterparty, not in the name of the District. Ohio law requires the market value of the securities subject to repurchase agreements must exceed the principal value of securities subject to a repurchase agreement by 2%. The District has no investment policy dealing with investment or depository custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Concentration of Credit Risk: The District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2017:

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Measurement/ <u>Investment type</u>	Measurement	
	<u>Value</u>	<u>% of Total</u>
Fair Value:		
Repurchase		
Agreement	2,713,270	21.67
FFCB	1,984,255	15.85
FHLB	496,646	3.97
FHLMC	994,571	7.95
FNMA	1,476,392	11.80
Negotiable CDs	4,821,417	38.53
US Government		
Money Market	25,931	0.21
Amortized Cost:		
Star Ohio	<u>2,000</u>	<u>0.02</u>
Total	<u>\$ 12,514,482</u>	<u>100.00</u>

C. Reconciliation of Cash and Investments to the Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of June 30, 2017:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 11,264,085
Investments	<u>12,514,482</u>
Total	<u>\$ 23,778,567</u>
 <u>Cash and investments per financial statements</u>	
Governmental activities	\$ 23,732,106
Private-purpose trust fund	26,525
Agency funds	<u>19,936</u>
Total	<u>\$ 23,778,567</u>

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 5 - INTERFUND TRANSACTIONS

A. Due To / Due From Other Funds

Interfund balances at June 30, 2017 as reported on the fund statements, consist of the following amounts due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor governmental funds	<u>\$ 429,838</u>

The primary purpose of the interfund balances is to cover negative cash balances in specific funds where revenues were not received by June 30. These interfund balances will be repaid once the anticipated revenues are received. All interfund balances are expected to be repaid within one year.

Interfund balances between governmental funds are eliminated on the government-wide financial statements; therefore, no internal balances at June 30, 2017 are reported on the statement of net position.

B. Interfund Transfers

Interfund transfers for the year ended June 30, 2017, consisted of the following, as reported on the fund financial statement:

<u>Transfers from the general fund to:</u>	<u>Amount</u>
Nonmajor governmental funds	<u>\$ 200,000</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund transfers between governmental funds are eliminated for reporting in the statement of activities.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 6 - PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis while the District fiscal year runs from July through June. First half tax collections are received by the District in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real property and public utility property. Real property tax revenues received in calendar year 2017 represent the collection of calendar year 2016 taxes. Real property taxes received in calendar year 2017 were levied after April 1, 2016, on the assessed values as of January 1, 2016, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2017 represent the collection of calendar year 2016 taxes. Public utility real and personal property taxes received in calendar year 2017 became a lien on December 31, 2015, were levied after April 1, 2016, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The District receives property taxes from Richland County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2017, are available to finance fiscal year 2017 operations. The amount available as an advance at June 30, 2017 was \$1,967,781 in the general fund, \$180,369 in the debt service fund, \$113,471 in the permanent improvement fund and \$9,037 in the classroom facilities maintenance fund (nonmajor governmental funds). This amount is recorded as revenue. The amount available for advance at June 30, 2016 was \$2,823,621 in the general fund, \$44,983 in the debt service fund, \$125,922 in the permanent improvement fund and \$10,083 in the classroom facilities maintenance fund (nonmajor governmental funds). The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2017 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows.

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

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 6 - PROPERTY TAXES - (Continued)

The assessed values upon which the fiscal year 2017 taxes were collected are:

	2016 Second Half Collections		2017 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 351,591,290	92.88	\$ 354,167,310	92.94
Public utility personal	<u>26,923,980</u>	<u>7.12</u>	<u>26,923,980</u>	<u>7.06</u>
Total	<u>\$ 378,515,270</u>	<u>100.00</u>	<u>\$ 381,091,290</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation	\$71.25		\$74.25	

NOTE 7 - RECEIVABLES

Receivables at June 30, 2017 consisted of taxes, accounts (billings for user charged services and student fees), accrued interest, and intergovernmental grants and entitlements. 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. A summary of the principal items of receivables reported in the statement of net position follows:

Governmental activities:

Taxes	\$ 20,566,772
Accounts	121,343
Accrued interest	34,635
Intergovernmental	<u>1,745,237</u>
Total	<u>\$ 22,467,987</u>

Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected in the subsequent year.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2017, was as follows:

	Balance			Balance
	<u>06/30/16</u>	<u>Additions</u>	<u>Deductions</u>	<u>06/30/17</u>
Governmental activities:				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 4,935,051	\$ -	\$ -	\$ 4,935,051
Total capital assets, not being depreciated	<u>4,935,051</u>	<u>-</u>	<u>-</u>	<u>4,935,051</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	4,403,152	20,000	-	4,423,152
Buildings and improvements	68,744,321	265,663	-	69,009,984
Furniture and equipment	10,037,476	423,768	-	10,461,244
Vehicles	<u>3,401,915</u>	<u>67,114</u>	<u>-</u>	<u>3,469,029</u>
Total capital assets, being depreciated	<u>86,586,864</u>	<u>776,545</u>	<u>-</u>	<u>87,363,409</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(2,674,709)	(183,474)	-	(2,858,183)
Buildings and improvements	(27,711,124)	(1,329,343)	-	(29,040,467)
Furniture and equipment	(8,888,067)	(312,221)	-	(9,200,288)
Vehicles	<u>(1,856,298)</u>	<u>(198,087)</u>	<u>-</u>	<u>(2,054,385)</u>
Total accumulated depreciation	<u>(41,130,198)</u>	<u>(2,023,125)</u>	<u>-</u>	<u>(43,153,323)</u>
Governmental activities capital assets, net	<u>\$ 50,391,717</u>	<u>\$ (1,246,580)</u>	<u>\$ -</u>	<u>\$ 49,145,137</u>

Depreciation expense was charged to governmental functions as follows:

<u>Instruction:</u>	
Regular	\$ 837,145
Special	284,976
<u>Support services:</u>	
Pupil	95,703
Administration	167,604
Operations and maintenance	306,756
Pupil Transportation	190,679
Other non-instructional services	21,177
Food service operations	<u>119,085</u>
Total depreciation expense	<u>\$ 2,023,125</u>

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 9 - LONG-TERM OBLIGATIONS

A. During the fiscal year 2017, the following changes occurred in governmental activities long term obligations:

	Balance Outstanding <u>06/30/16</u>	<u>Additions</u>	<u>Reductions</u>	Balance Outstanding <u>06/30/17</u>	Amounts Due in <u>One Year</u>
General obligation bonds - 2013	\$ 8,293,029	\$ 281,971	\$ (1,210,000)	\$ 7,365,000	\$ 1,160,000
Net pension liability	63,542,783	10,913,419	-	74,456,202	-
Energy conservation notes	2,551,719	-	(175,000)	2,376,719	180,000
Tax anticipation notes - 2013	1,320,000	-	(515,000)	805,000	535,000
Compensated absences	<u>2,638,650</u>	<u>240,487</u>	<u>(214,343)</u>	<u>2,664,794</u>	<u>238,748</u>
Total governmental activities	<u>\$ 78,346,181</u>	<u>\$ 11,435,877</u>	<u>\$ (2,114,343)</u>	87,667,715	<u>\$ 2,113,748</u>
Add: unamortized premium				<u>551,995</u>	
Total on statement of net position				<u>\$ 88,219,710</u>	

General obligation bonds and notes will be paid from the debt service fund. Compensated absences will be paid from the general fund and the following nonmajor governmental funds: auxiliary services, Title VI-B, public preschool, poverty aid, alternative school, Title II-A, preschool handicapped, vocational education, Title I, drug free grant, food service and adult education. See Note 13 for detail on the net pension liability.

B. On June 24, 2013, the District issued general obligation bonds to advance refund a portion of the Series 2005 current interest bonds. The issuance proceeds of \$8,204,995 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the defeased debt that was outstanding as of June 30, 2017 was \$7,140,000.

The refunding issue is comprised of both current interest bonds, par value \$8,195,000, and capital appreciation bonds, par value \$9,995. The remaining capital appreciation bonds mature on December 1, 2016 at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bonds that matured December 1, 2016 was \$455,000.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

The reacquisition price exceeded the net carrying amount of the old debt by \$652,567. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

The following is a schedule of activity for fiscal year 2017 on the 2013 series refunding bonds:

	Balance 06/30/16	Additions	Reductions	Balance 06/30/17
Current interest bonds	\$ 8,120,000	\$ -	\$ (755,000)	\$ 7,365,000
Capital appreciation bonds	528	-	(528)	-
Accreted interest	172,501	281,971	(454,472)	-
Total refunding bonds	\$ 8,293,029	\$ 281,971	\$(1,210,000)	\$ 7,365,000

- C. On December 12, 2012, the District issued \$2,901,719 in energy conservation notes to make energy improvement in accordance with House Bill 264. The notes have an interest rate ranging from 1.0% to 3.5%, with a final maturity date of December 1, 2028.
- D. The following is a summary of the future debt service requirements for the District's outstanding debt obligations:

Fiscal Year Ending June 30,	Series 2013 Current Interest Bonds			2013 Energy Conservation Notes		
	Principal	Interest	Total	Principal	Interest	Total
2018	\$ 1,160,000	\$ 180,218	\$ 1,340,218	\$ 180,000	\$ 62,090	\$ 242,090
2019	1,130,000	157,318	1,287,318	185,000	58,440	243,440
2020	1,100,000	132,268	1,232,268	136,719	104,871	241,590
2021	1,065,000	102,543	1,167,543	185,000	54,740	239,740
2022	1,050,000	72,787	1,122,787	190,000	50,610	240,610
2023 - 2027	1,860,000	97,653	1,957,653	1,035,000	169,078	1,204,078
2028 - 2029	-	-	-	465,000	16,363	481,363
Total	\$ 7,365,000	\$ 742,787	\$ 8,107,787	\$ 2,376,719	\$ 516,192	\$ 2,892,911

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

E. Legal Debt Margin

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation used in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2017, are a voted debt margin of \$27,694,635 (including available funds of \$1,566,419), an unvoted debt margin of \$1,053,103, and an energy conservation debt margin of \$1,053,103.

NOTE 10 - TAX ANTICIPATION NOTES

On June 19, 2013, the District issued \$2,500,000 in tax anticipation notes to fund general operations. The notes will be repaid with future tax receipts. The notes have a 3.5% interest rate and a final maturity date of October 1, 2018. These notes are a liability of the general fund.

The following is a summary of the future tax anticipation notes outstanding:

Fiscal Year Ending June 30,	2013 Tax Anticipation Notes		
	Principal	Interest	Total
2018	\$ 535,000	\$ 23,538	\$ 558,538
2019	270,000	4,725	274,725
Total	<u>\$ 805,000</u>	<u>\$ 28,263</u>	<u>\$ 833,263</u>

NOTE 11 - OTHER EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn ten to thirty days of vacation per fiscal year, depending upon the length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment.

Teachers and classified staff earn sick leave at the rate of one and one-fourth days per month. Upon retirement, qualified classified employees receive payment for one-fourth of the total sick leave accumulation up to a maximum of 47 days at their per diem rate. Certified employees receive 26% of their accumulated unused sick leave upon retirement. If a certified employee has 200 or more days of unused sick leave at the time of retirement, the employee will receive 30% of their accumulated unused sick leave.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 11 - OTHER EMPLOYEE BENEFITS - (Continued)

B. Insurance Benefits

The District provides life insurance and accidental death and dismemberment insurance to most employees in the amount of \$40,000 per employee.

NOTE 12 - RISK MANAGEMENT

A. Property and Liability

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. The District has a comprehensive property and casualty policy with Netherlands Insurance Company. The deductible is \$10,000 per incident on property and an inland marine equipment schedule with a \$1,000 deductible. All vehicles are also insured with Netherlands Insurance Company and have a \$1,000 collision deductible. All Board members, administrators and employees are covered under a school district liability policy with Netherlands Insurance Company. The limits of this coverage are \$1,000,000 per occurrence with a commercial umbrella policy coverage limit of insurance of \$1,000,000 per each occurrence. The deductible is \$10,000 per claim. The general liability has a limit of \$1,000,000 for each occurrence and the general aggregate limit is \$2,000,000. Additionally, the District has purchased an excess liability policy that expands the limits by \$10,000,000 and would become primary if the District exhausted underlying liability limits. The Board members and superintendent have a \$20,000 position bond with Cincinnati Insurance Company.

The Treasurer is covered under a bond in the amount of \$50,000 provided by Cincinnati Insurance Company.

Settled claims did not exceed commercial coverage in the past three fiscal years. There has been no other significant reduction in insurance coverage from the prior year.

B. Workers' Compensation Rating Plan

The District workers' compensation services are provided by the 1-888 OHIOCOMP Managed Care Organization. 1-888 OHIOCOMP Managed Care Organization is a certified managed care organization serving employers and their injured workers throughout Ohio's 88 counties. The intent of the organization is to provide cost-effective medical management services and exceptional customer service to employers. 1-888 OHIOCOMP Managed Care Organization works with employers to minimize the emotional and financial impact of workers' compensation claims. The organization emphasizes aggressive claims management with a focus on a safe and speedy return to work. They provide personalized customer services that include: workers' compensation, return-to-work focus, on-site employer staffing, claims & claims processes, policy information, discount programs, safety, OSHA & loss prevention injuries and continuing workers' compensation education.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 12 - RISK MANAGEMENT - (Continued)

C. Employee Medical Benefits

The District has established a limited risk management program for hospital/medical benefits. Premiums are paid into the Self-Insurance Fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. During fiscal year 2017, a total expense of \$1,039,627 was incurred in administrative costs. An excess coverage insurance policy covers individual claims in excess of \$150,000. The liability for unpaid claims of \$770,942 reported at June 30, 2017 is based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling claims.

Changes in the fund's claims liability amount in 2017 and 2016 were:

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Claims Incurred</u>	<u>Claims Payments</u>	<u>Ending Balance</u>
2017	\$ 772,520	\$ 7,155,231	\$ (7,156,809)	\$ 770,942
2016	628,918	6,740,497	(6,596,895)	772,520

NOTE 13 - DEFINED BENEFIT PENSION PLANS

Net Pension Liability

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

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

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

**MANSFIELD CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *pension and postemployment obligation payable* on both the accrual and modified accrual bases of accounting.

Plan Description - School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

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

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

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

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

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2017, the entire 14 percent was allocated to pension, death benefits, and Medicare B and no portion of the employer contribution rate was allocated to the Health Care Fund.

The District's contractually required contribution to SERS was \$763,345 for fiscal year 2017. Of this amount, \$53,755 is reported as pension and postemployment obligation payable.

Plan Description - State Teachers Retirement System (STRS)

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

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

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

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

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit that apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2017, plan members were required to contribute 14 percent of their annual covered salary. The District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2017 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was \$2,769,943 for fiscal year 2017. Of this amount, \$432,316 is reported as pension and postemployment obligation payable.

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

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net pension liability prior measurement date	0.17809650%	0.19314788%	
Proportion of the net pension liability current measurement date	<u>0.17081060%</u>	<u>0.18508773%</u>	
Change in proportionate share	<u>-0.00728590%</u>	<u>-0.00806015%</u>	
Proportionate share of the net pension liability	\$ 12,501,760	\$ 61,954,442	\$ 74,456,202
Pension expense	\$ 601,777	\$ 913,279	\$ 1,515,056

**MANSFIELD CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	SERS	STRS	Total
Deferred outflows of resources			
Differences between expected and actual experience	\$ 168,618	\$ 2,503,257	\$ 2,671,875
Net difference between projected and actual earnings on pension plan investments	1,031,214	5,143,885	6,175,099
Changes of assumptions	834,561	-	834,561
District contributions subsequent to the measurement date	763,345	2,769,943	3,533,288
Total deferred outflows of resources	\$ 2,797,738	\$10,417,085	\$ 13,214,823
Deferred inflows of resources			
Difference between District contributions and proportionate share of contributions/change in proportionate share	\$ 1,150,331	\$ 7,926,535	\$ 9,076,866
Total deferred inflows of resources	\$ 1,150,331	\$ 7,926,535	\$ 9,076,866

\$3,533,288 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2018	\$ 775	\$ (1,279,879)	\$ (1,279,104)
2019	30	(1,279,878)	(1,279,848)
2020	586,826	693,974	1,280,800
2021	296,431	1,586,390	1,882,821
Total	\$ 884,062	\$ (279,393)	\$ 604,669

Actuarial Assumptions - SERS

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

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2016, are presented below:

Wage Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	3 percent
Investment Rate of Return	7.50 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal (level percent of payroll)

For post-retirement mortality, the table used in evaluating allowances to be paid is the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, with 120% of male rates and 110% of female rates used. The RP-2000 Disabled Mortality Table with 90% for male rates and 100% for female rates set back five years is used for the period after disability retirement. Special mortality tables are used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an experience study that was completed June 30, 2015. As a result of the actuarial experience study, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates and (g) mortality among disable member was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

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

**MANSFIELD CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	1.00 %	0.50 %
US Equity	22.50	4.75
International Equity	22.50	7.00
Fixed Income	19.00	1.50
Private Equity	10.00	8.00
Real Assets	15.00	5.00
Multi-Asset Strategies	<u>10.00</u>	3.00
 Total	 <u>100.00 %</u>	

Discount Rate - The total pension liability was calculated using the discount rate of 7.50 percent at June 30, 2016 and 7.75 percent at June 30, 2015. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.50 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

	<u>1% Decrease (6.50%)</u>	<u>Current Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
District's proportionate share of the net pension liability	\$ 16,551,551	\$ 12,501,760	\$ 9,111,916

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions - STRS

The total pension liability in the June 30, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

Actuarial assumptions used in the June 30, 2016, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

The 10 year expected real rate of return on pension plan investments was determined by STRS’ investment consultant by developing best estimates of expected future real rates of return for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return *</u>
Domestic Equity	31.00 %	8.00 %
International Equity	26.00	7.85
Alternatives	14.00	8.00
Fixed Income	18.00	3.75
Real Estate	10.00	6.75
Liquidity Reserves	1.00	3.00
 Total	 <u>100.00 %</u>	 <u>7.61 %</u>

Discount Rate - The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2016 and as of June 30, 2015. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS’ fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2016. Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2016.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
District's proportionate share of the net pension liability	\$ 82,332,420	\$ 61,954,442	\$ 44,764,417

Changes Between Measurement Date and Report Date - In March 2017, the STRS Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of June 30, 2017. The most significant change is a reduction in the discount rate from 7.75 percent to 7.45 percent. In April 2017, the STRS Board voted to suspend cost of living adjustments granted on or after July 1, 2017. Although the exact amount of these changes is not known, the overall decrease to District's NPL is expected to be significant.

NOTE 14 - POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

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

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

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2017, none of the employer contribution was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. For fiscal year 2017, this amount was \$23,500. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2017, the District's surcharge obligation was \$92,866.

The District's contributions for health care for the fiscal years ended June 30, 2017, 2016, and 2015 were \$92,866, \$130,507, and \$151,655, respectively. The fiscal year 2017 amount has been reported as pension and postemployment obligation payable. The full amount has been contributed for fiscal years 2016 and 2015.

B. State Teachers Retirement System

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

Funding Policy - Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2017, STRS Ohio did not allocate any employer contributions to the Health Care Stabilization Fund. The District did not make any contributions for health care for the fiscal years ended June 30, 2017, 2016 and 2015.

NOTE 15 - BUDGETARY BASIS OF ACCOUNTING

While 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 and disbursements.

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 15 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
- (d) State solvency loans payments reported as expenditures (budget basis), rather than as a fund liability (GAAP basis);
- (e) Investments are reported at fair value (GAAP basis) rather than cost (budget basis); and,
- (f) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the general fund is as follows:

Net Change in Fund Balance

	<u>General fund</u>
Budget basis	\$ 2,521,407
Net adjustment for revenue accruals	(760,038)
Net adjustment for expenditure accruals	712,047
Net adjustment for other sources/uses	(278,056)
Funds budgeted elsewhere	495,358
Adjustment for encumbrances	459,559
GAAP basis	<u>\$ 3,150,277</u>

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the public school fund, the special trust fund, the termination benefits fund, the uniform school supplies fund, the workers compensation fund and the adult education fund.

NOTE 16 - CONTINGENCIES

A. Grants

The District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the District at June 30, 2017, if applicable, cannot be determined at this time.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 16 - CONTINGENCIES - (Continued)

B. Litigation

The District is not involved in any litigation that would, in the opinion of management, would have a material effect on the financial statements.

C. Foundation Funding

District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Effective for the 2015-2016 school year, traditional Districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the District, which can extend past the fiscal year-end. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2017 Foundation funding for the District; therefore, the financial statement impact is not determinable at this time. ODE and management believe this will result in either a receivable to or liability of the District.

NOTE 17 - SET-ASIDES

The District is required by State law to annually set-aside certain general fund revenue amounts, as defined by statutory formula, for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at fiscal year-end. This amount must be carried forward to be used for the same purpose in future years. Expenditures exceeding the set-aside requirement may not be carried forward to the next fiscal year.

The following cash-basis information describes the change in the fiscal year-end set-aside amount for capital improvements. Disclosure of this information is required by State statute.

	<u>Capital Improvements</u>
Set-aside balance June 30, 2016	\$ -
Current year set-aside requirement	587,401
Current year qualifying expenditures	(395,200)
Excess qualified expenditures from prior years	-
Current year offsets	(944,497)
Waiver granted by ODE	<u>-</u>
Total	<u>\$ (752,296)</u>
Balance carried forward to fiscal year 2018	<u>\$ -</u>
Set-aside balance June 30, 2017	<u><u>\$ -</u></u>

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 18 - OTHER COMMITMENTS

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

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 442,952
Nonmajor governmental funds	<u>266,745</u>
Total	<u>\$ 709,697</u>

NOTE 19 - TAX ABATEMENT AGREEMENTS ENTERED INTO BY OTHER GOVERNMENTS

The City of Mansfield has entered into agreements for tax abatements for the following programs: Community Urban Redevelopment, Community Reinvestment Area and Enterprise Zone. These agreements abate property taxes to bring jobs, investment in real property improvements, and economic development into the City. During fiscal year 2017, the District's property taxes were reduced by \$976,467. Of the amount, \$155,961 was for Community Urban Redevelopment, \$207,156 was for Community Reinvestment Areas and \$613,350 was Enterprise Zone Tax Exemptions. The District received \$151,949 in revenue in lieu of taxes.

REQUIRED SUPPLEMENTARY INFORMATION

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST FOUR FISCAL YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability	0.17081060%	0.17809650%	0.02102210%	0.02102210%
District's proportionate share of the net pension liability	\$ 12,501,760	\$ 10,162,359	\$ 10,639,165	\$ 12,501,168
District's covered-employee payroll	\$ 5,278,536	\$ 5,361,639	\$ 6,108,608	\$ 6,177,045
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	236.84%	189.54%	174.17%	202.38%
Plan fiduciary net position as a percentage of the total pension liability	62.98%	69.16%	71.70%	65.52%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the District's measurement date which is the prior year-end.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST FOUR FISCAL YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability	0.18508773%	0.19314788%	0.22854701%	0.22854701%
District's proportionate share of the net pension liability	\$ 61,954,442	\$ 53,380,424	\$ 55,571,840	\$ 66,219,091
District's covered-employee payroll	\$ 19,570,043	\$ 19,723,107	\$ 23,343,338	\$ 25,407,615
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	316.58%	270.65%	238.06%	260.63%
Plan fiduciary net position as a percentage of the total pension liability	66.80%	72.10%	74.70%	69.30%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the District's measurement date which is the prior year-end.

MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TEN FISCAL YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution	\$ 763,345	\$ 738,995	\$ 706,664	\$ 846,653	\$ 854,903
Contributions in relation to the contractually required contribution	<u>(763,345)</u>	<u>(738,995)</u>	<u>(706,664)</u>	<u>(846,653)</u>	<u>(854,903)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 5,452,464	\$ 5,278,536	\$ 5,361,639	\$ 6,108,608	\$ 6,177,045
Contributions as a percentage of covered-employee payroll	14.00%	14.00%	13.18%	13.86%	13.84%

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 870,570	\$ 799,373	\$ 896,581	\$ 664,257	\$ 616,603
<u>(870,570)</u>	<u>(799,373)</u>	<u>(896,581)</u>	<u>(664,257)</u>	<u>(616,603)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 6,472,639	\$ 6,359,372	\$ 6,621,721	\$ 6,750,579	\$ 6,279,053
13.45%	12.57%	13.54%	9.84%	9.82%

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN FISCAL YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution	\$ 2,769,943	\$ 2,739,806	\$ 2,761,235	\$ 3,034,634	\$ 3,302,990
Contributions in relation to the contractually required contribution	<u>(2,769,943)</u>	<u>(2,739,806)</u>	<u>(2,761,235)</u>	<u>(3,034,634)</u>	<u>(3,302,990)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 19,785,307	\$ 19,570,043	\$ 19,723,107	\$ 23,343,338	\$ 25,407,615
Contributions as a percentage of covered-employee payroll	14.00%	14.00%	14.00%	13.00%	13.00%

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 3,443,850	\$ 3,506,000	\$ 3,570,326	\$ 3,661,097	\$ 3,520,661
<u>(3,443,850)</u>	<u>(3,506,000)</u>	<u>(3,570,326)</u>	<u>(3,661,097)</u>	<u>(3,520,661)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 26,491,154	\$ 26,969,231	\$ 27,464,046	\$ 28,162,285	\$ 27,082,008
13.00%	13.00%	13.00%	13.00%	13.00%

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal years 2014 - 2017.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2016. For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates and (g) mortality among disable member was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal years 2014 - 2017.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014 - 2017. See the notes to the basic financials for the methods and assumptions in this calculation.

COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES

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**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

COMBINING STATEMENTS - NONMAJOR FUNDS

Nonmajor Special Revenue Funds

The special revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes. The title of each special revenue fund is descriptive of the activities accounted for therein. The nonmajor special revenue funds are:

Food Services

To account for monies received and used that are related to the food service operations of the District.

Other Grant Funds

This fund accounts for the proceeds of specific revenue sources except for State and federal grants that are legally restricted to expenditures for specified purposes.

Classroom Facilities Maintenance

A fund provided to account for proceeds of a levy for the maintenance of facilities.

District Managed Student Activity

A fund provided to account for those student activity programs which have student participation in the activity, but do not have student management of the programs.

Auxiliary Services

This fund is used to account for monies which provide services and materials to pupils attending non-public schools within the District.

Public School Preschool

This fund accounts for funds which assist the school district in paying the cost of preschool programs for three and four year olds.

Data Communication

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

Vocational Education Enhancement

A fund used to account for Vocational Education Enhancements that: 1) expand the number of students enrolled in tech prep programs, 2) enable students to develop career plans, to identify initial educational and career goals, and to develop a career passport which provides a clear understanding of the student's knowledge, skills, and credentials to present to future employers, universities, and other training institutes and 3) replace or update equipment essential for the instruction of students in job skills taught as part of a vocational program or programs approved for such instruction by the State Board of Education.

Alternative Schools

A fund to account for the alternative educational programs for existing and new at-risk and delinquent youth.

Miscellaneous State Grants

A miscellaneous fund to account for certain State grants not accounted for in other funds.

Adult Basic Education

Instructional programs for persons sixteen (16) years of age and older who are not enrolled in secondary school and who have less than a twelfth-grade education or its equivalent; development of basic educational skills; or do not have a secondary school diploma or its recognized equivalent, and have not achieved an equivalent level of education, or are unable to speak, read, or write the English language.

(Continued)

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO
COMBINING STATEMENTS - NONMAJOR FUNDS**

Nonmajor Special Revenue Funds (Continued)

Title VI - B

A fund which accounts for Federal funds used in the identification of handicapped children, development of procedural safeguards, implementation of least-restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at preschool, elementary, and secondary levels.

Vocational Education

A fund which accounts for Federal funds used for secondary, post-secondary, adult, disadvantaged and handicapped persons, exemplary programs, cooperative education, construction of area vocational schools, ancillary services, research, advisory committees, and work-study projects, including sex equity grants.

School Improvement Stimulus A

This fund is used to help schools improve the teaching and learning of children failing, or most at risk of failing to meet challenging State academic achievement standards.

Title I, Disadvantaged Children

This fund is used to meet the special needs of educationally deprived children.

IDEA Preschool Grant for the Handicapped

This fund accounts for Federal funds used to address the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

Improving Teacher Quality

This fund accounts for various monies to hire additional classroom teachers, so that the number of students per teacher will be reduced.

Miscellaneous Federal Grants

This fund accounts for various monies received through State agencies from the federal government or directly from the federal government which are not classified elsewhere.

(Continued)

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

COMBINING STATEMENTS - NONMAJOR FUNDS

Nonmajor Special Revenue Funds (Continued)

The following funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis). These funds are not included in the combining statements for the nonmajor special revenue funds since they are reported in the general fund (GAAP basis); however, the budgetary schedules for these funds are presented in this section.

Special Trusts

This fund is used to account for donations in which principal and income are used to support District programs.

Uniform School Supplies

This fund accounts for the purchase and sale of school supplies for use in the District. Profits derived from such sales are used for school purposes or activities connected with the school.

Adult Education

A fund provided to account for transactions made in connection with adult education classes.

Public School Fund

A fund provided to account for special local revenue sources, other than taxes or expendable trusts (i.e., profits from vending machines) that are assigned to expenditures for specified purposes. Such expenditures may include curricular and extra-curricular related purchases.

Termination Benefits

A fund provided to account for accumulated cash for the payment of termination benefits.

Workers Compensation

A fund provided to account for Workers' Compensation Insurance receipts and expenditures.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and cash equivalents.	\$ 1,317,295	\$ 1,386,049	\$ 666,467	\$ 3,369,811
Receivables:				
Property taxes	81,851	1,633,713	1,027,779	2,743,343
Accounts.	1,706	-	-	1,706
Intergovernmental	1,332,669	-	-	1,332,669
Materials and supplies inventory	11,122	-	-	11,122
Inventory held for resale	50,003	-	-	50,003
Total assets.	<u>\$ 2,794,646</u>	<u>\$ 3,019,762</u>	<u>\$ 1,694,246</u>	<u>\$ 7,508,654</u>
Liabilities:				
Accounts payable.	\$ 40,591	\$ -	\$ 79,213	\$ 119,804
Accrued wages and benefits	660,444	-	-	660,444
Compensated absences payable	1,793	-	-	1,793
Intergovernmental payable	6,780	-	-	6,780
Pension and post employment obligation payable.	110,503	-	-	110,503
Due to other funds.	429,838	-	-	429,838
Total liabilities.	<u>1,249,949</u>	<u>-</u>	<u>79,213</u>	<u>1,329,162</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year.	57,040	1,138,503	716,240	1,911,783
Delinquent property tax revenue not available.	15,774	314,840	198,069	528,683
Intergovernmental revenue not available	902,832	-	-	902,832
Total deferred inflows of resources	<u>975,646</u>	<u>1,453,343</u>	<u>914,309</u>	<u>3,343,298</u>
Fund balances:				
Nonspendable:				
Materials and supplies inventory	11,122	-	-	11,122
Restricted:				
Debt service	-	1,566,419	-	1,566,419
Capital improvements	-	-	700,724	700,724
Classroom facilities maintenance	135,147	-	-	135,147
Food service operations	864,155	-	-	864,155
Non-public schools	44,111	-	-	44,111
Other purposes.	93,177	-	-	93,177
Extracurricular	57,563	-	-	57,563
Unassigned (deficit)	(636,224)	-	-	(636,224)
Total fund balances	<u>569,051</u>	<u>1,566,419</u>	<u>700,724</u>	<u>2,836,194</u>
Total liabilities, deferred inflows and fund balances. . .	<u>\$ 2,794,646</u>	<u>\$ 3,019,762</u>	<u>\$ 1,694,246</u>	<u>\$ 7,508,654</u>

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
Revenues:				
From local sources:				
Property taxes	\$ 119,911	\$ 897,330	\$ 816,272	\$ 1,833,513
Earnings on investments	4,819	-	225	5,044
Charges for services	163,213	-	-	163,213
Extracurricular	164,351	-	-	164,351
Contributions and donations	355	-	-	355
Other local revenues	127,396	-	-	127,396
Intergovernmental - state	813,480	558,715	115,774	1,487,969
Intergovernmental - federal	6,344,769	-	-	6,344,769
Total revenues	<u>7,738,294</u>	<u>1,456,045</u>	<u>932,271</u>	<u>10,126,610</u>
Expenditures:				
Current:				
Instruction:				
Regular	407,147	-	-	407,147
Special	2,539,305	-	-	2,539,305
Vocational	110,346	-	-	110,346
Adult continuing	239,037	-	-	239,037
Other	800	-	-	800
Support services:				
Pupil	128,970	-	-	128,970
Instructional staff	218,401	-	-	218,401
Administration	336,368	-	-	336,368
Fiscal	156,609	30,488	30,563	217,660
Operations and maintenance	83,463	-	663,424	746,887
Pupil transportation	54,037	-	5,485	59,522
Central	949,511	-	-	949,511
Operation of non-instructional services:				
Other non-instructional services	794,741	-	-	794,741
Food service operations	2,003,828	-	-	2,003,828
Extracurricular activities	161,600	-	-	161,600
Facilities acquisition and construction	-	-	379,224	379,224
Debt service:				
Principal retirement	-	755,528	-	755,528
Interest and fiscal charges	-	197,481	-	197,481
Accreted interest on capital appreciation bonds	-	454,472	-	454,472
Total expenditures	<u>8,184,163</u>	<u>1,437,969</u>	<u>1,078,696</u>	<u>10,700,828</u>
(Deficiency) of revenues (under) expenditures	<u>(445,869)</u>	<u>18,076</u>	<u>(146,425)</u>	<u>(574,218)</u>
Other financing sources:				
Transfers in	-	-	200,000	200,000
Total other financing sources	-	-	200,000	200,000
Net change in fund balances	(445,869)	18,076	53,575	(374,218)
Fund balances at beginning of year	<u>1,014,920</u>	<u>1,548,343</u>	<u>647,149</u>	<u>3,210,412</u>
Fund balances at end of year	<u>\$ 569,051</u>	<u>\$ 1,566,419</u>	<u>\$ 700,724</u>	<u>\$ 2,836,194</u>

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2017

	<u>Food Services</u>	<u>Other Grant Funds</u>	<u>Classroom Facilities Maintenance</u>	<u>District Managed Student Activity</u>
Assets:				
Equity in pooled cash and cash equivalents.	\$ 966,619	\$ 68,308	\$ 131,488	\$ 60,837
Receivables:				
Property taxes	-	-	81,851	-
Accounts.	-	-	-	1,706
Intergovernmental	-	-	-	-
Materials and supplies inventory	11,122	-	-	-
Inventory held for resale	50,003	-	-	-
Total assets.	<u>\$ 1,027,744</u>	<u>\$ 68,308</u>	<u>\$ 213,339</u>	<u>\$ 62,543</u>
Liabilities:				
Accounts payable.	\$ 452	\$ 1,048	\$ 5,378	\$ 3,618
Accrued wages and benefits	124,070	-	-	-
Compensated absences payable	1,793	-	-	-
Intergovernmental payable	826	80	-	325
Pension and post employment obligation payable	25,326	-	-	1,037
Due to other funds	-	-	-	-
Total liabilities.	<u>152,467</u>	<u>1,128</u>	<u>5,378</u>	<u>4,980</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year.	-	-	57,040	-
Delinquent property tax revenue not available.	-	-	15,774	-
Intergovernmental revenue not available	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>72,814</u>	<u>-</u>
Fund balances:				
Nonspendable:				
Materials and supplies inventory	11,122	-	-	-
Restricted:				
Classroom facilities maintenance	-	-	135,147	-
Food service operations	864,155	-	-	-
Non-public schools	-	-	-	-
Other purposes.	-	67,180	-	-
Extracurricular	-	-	-	57,563
Unassigned (deficit)	-	-	-	-
Total fund balances (deficits)	<u>875,277</u>	<u>67,180</u>	<u>135,147</u>	<u>57,563</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 1,027,744</u>	<u>\$ 68,308</u>	<u>\$ 213,339</u>	<u>\$ 62,543</u>

<u>Auxiliary Services</u>	<u>Public School Preschool</u>	<u>Vocational Education Enhancement</u>	<u>Alternative Schools</u>	<u>Adult Basic Education</u>	<u>Title VI - B</u>
\$ 64,047	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	33,921	3,515	27,376	73,410	426,722
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 64,047</u>	<u>\$ 33,921</u>	<u>\$ 3,515</u>	<u>\$ 27,376</u>	<u>\$ 73,410</u>	<u>\$ 426,722</u>
\$ 11,492	\$ -	\$ -	\$ -	\$ -	\$ 16,656
5,684	16,570	-	9,774	18,317	118,447
-	-	-	-	-	-
53	162	-	113	234	990
2,707	4,961	-	1,094	6,243	19,182
-	14,705	3,514	16,321	41,505	121,210
<u>19,936</u>	<u>36,398</u>	<u>3,514</u>	<u>27,302</u>	<u>66,299</u>	<u>276,485</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	19,216	-	11,055	31,906	305,512
<u>-</u>	<u>19,216</u>	<u>-</u>	<u>11,055</u>	<u>31,906</u>	<u>305,512</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
44,111	-	-	-	-	-
-	-	1	-	-	-
-	-	-	-	-	-
-	(21,693)	-	(10,981)	(24,795)	(155,275)
<u>44,111</u>	<u>(21,693)</u>	<u>1</u>	<u>(10,981)</u>	<u>(24,795)</u>	<u>(155,275)</u>
<u>\$ 64,047</u>	<u>\$ 33,921</u>	<u>\$ 3,515</u>	<u>\$ 27,376</u>	<u>\$ 73,410</u>	<u>\$ 426,722</u>

-- (Continued)

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2017

	<u>Vocational Education</u>	<u>School Improvement Stimulus A</u>	<u>Title I Disadvantaged Children</u>	<u>IDEA</u>
Assets:				
Equity in pooled cash and cash equivalents.	\$ -	\$ -	\$ -	\$ -
Receivables:				
Property taxes	-	-	-	-
Accounts.	-	-	-	-
Intergovernmental	38,067	28,812	590,499	18,470
Materials and supplies inventory	-	-	-	-
Inventory held for resale	-	-	-	-
Total assets.	<u>\$ 38,067</u>	<u>\$ 28,812</u>	<u>\$ 590,499</u>	<u>\$ 18,470</u>
Liabilities:				
Accounts payable.	\$ -	\$ -	\$ -	\$ 1,629
Accrued wages and benefits	13,221	17,407	302,966	3,513
Compensated absences payable	-	-	-	-
Intergovernmental payable	78	252	3,263	50
Pension and post employment obligation payable	1,551	4,874	37,987	1,508
Due to other funds	19,255	6,528	167,375	4,040
Total liabilities.	<u>34,105</u>	<u>29,061</u>	<u>511,591</u>	<u>10,740</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year.	-	-	-	-
Delinquent property tax revenue not available.	-	-	-	-
Intergovernmental revenue not available	18,812	22,284	423,124	14,430
Total deferred inflows of resources	<u>18,812</u>	<u>22,284</u>	<u>423,124</u>	<u>14,430</u>
Fund balances:				
Nonspendable:				
Materials and supplies inventory	-	-	-	-
Restricted:				
Classroom facilities maintenance	-	-	-	-
Food service operations	-	-	-	-
Non-public schools	-	-	-	-
Other purposes.	-	-	-	-
Extracurricular	-	-	-	-
Unassigned (deficit)	<u>(14,850)</u>	<u>(22,533)</u>	<u>(344,216)</u>	<u>(6,700)</u>
Total fund balances (deficits)	<u>(14,850)</u>	<u>(22,533)</u>	<u>(344,216)</u>	<u>(6,700)</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 38,067</u>	<u>\$ 28,812</u>	<u>\$ 590,499</u>	<u>\$ 18,470</u>

<u>Improving Teacher Quality</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ -	\$ 25,996	\$ 1,317,295
-	-	81,851
-	-	1,706
91,877	-	1,332,669
-	-	11,122
-	-	50,003
<u>\$ 91,877</u>	<u>\$ 25,996</u>	<u>\$ 2,794,646</u>
\$ 318	\$ -	\$ 40,591
30,475	-	660,444
-	-	1,793
354	-	6,780
4,033	-	110,503
35,385	-	429,838
<u>70,565</u>	<u>-</u>	<u>1,249,949</u>
-	-	57,040
-	-	15,774
56,493	-	902,832
<u>56,493</u>	<u>-</u>	<u>975,646</u>
-	-	11,122
-	-	135,147
-	-	864,155
-	-	44,111
-	25,996	93,177
-	-	57,563
(35,181)	-	(636,224)
<u>(35,181)</u>	<u>25,996</u>	<u>569,051</u>
<u>\$ 91,877</u>	<u>\$ 25,996</u>	<u>\$ 2,794,646</u>

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Food Services</u>	<u>Other Grant Funds</u>	<u>Classroom Facilities Maintenance</u>	<u>District Managed Student Activity</u>
Revenues:				
From local sources:				
Property taxes	\$ -	\$ -	\$ 119,911	\$ -
Earnings on investments	3,836	-	-	-
Charges for services	163,213	-	-	-
Extracurricular	-	-	-	164,351
Contributions and donations	-	-	-	355
Other local revenues	55	127,341	-	-
Intergovernmental - state	34,184	-	17,923	-
Intergovernmental - federal	1,807,610	-	-	-
Total revenues	<u>2,008,898</u>	<u>127,341</u>	<u>137,834</u>	<u>164,706</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	59,229	-	-
Special	-	4,110	-	-
Vocational	-	2,175	-	-
Adult continuing	-	-	-	-
Other	-	-	-	-
Support services:				
Pupil	-	1,964	-	-
Instructional staff	-	111	-	-
Administration	-	-	-	-
Fiscal	-	-	4,756	-
Operations and maintenance	5,130	-	76,173	-
Pupil transportation	-	32,910	-	-
Central	-	625	-	-
Operation of non-instructional services:				
Other non-instructional services	-	2,350	13,000	-
Food service operations	2,003,828	-	-	-
Extracurricular activities	-	-	-	161,600
Total expenditures	<u>2,008,958</u>	<u>103,474</u>	<u>93,929</u>	<u>161,600</u>
Net change in fund balances	(60)	23,867	43,905	3,106
Fund balances (deficits) at beginning of year	<u>875,337</u>	<u>43,313</u>	<u>91,242</u>	<u>54,457</u>
Fund balances (deficits) at end of year	<u>\$ 875,277</u>	<u>\$ 67,180</u>	<u>\$ 135,147</u>	<u>\$ 57,563</u>

<u>Auxiliary Services</u>	<u>Public School Preschool</u>	<u>Data Communication</u>	<u>Vocational Education Enhancement</u>	<u>Alternative Schools</u>	<u>Miscellaneous State Grants</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
983	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
513,033	134,024	16,200	7,582	90,534	-
-	-	-	-	-	-
<u>514,016</u>	<u>134,024</u>	<u>16,200</u>	<u>7,582</u>	<u>90,534</u>	<u>-</u>
-	-	-	-	11,977	2,108
-	146,580	-	-	-	-
-	-	-	728	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	80,131	-
-	-	-	-	4,469	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	16,200	6,854	642	-
592,424	-	-	-	53	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>592,424</u>	<u>146,580</u>	<u>16,200</u>	<u>7,582</u>	<u>97,272</u>	<u>2,108</u>
(78,408)	(12,556)	-	-	(6,738)	(2,108)
<u>122,519</u>	<u>(9,137)</u>	<u>-</u>	<u>1</u>	<u>(4,243)</u>	<u>2,108</u>
<u>\$ 44,111</u>	<u>\$ (21,693)</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ (10,981)</u>	<u>\$ -</u>

-- (Continued)

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Adult Basic Education</u>	<u>Title VI - B</u>	<u>Vocational Education</u>	<u>School Improvement Stimulus A</u>
Revenues:				
From local sources:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Earnings on investments	-	-	-	-
Charges for services	-	-	-	-
Extracurricular	-	-	-	-
Contributions and donations	-	-	-	-
Other local revenues	-	-	-	-
Intergovernmental - state	-	-	-	-
Intergovernmental - federal	453,048	932,255	104,777	100,908
Total revenues	<u>453,048</u>	<u>932,255</u>	<u>104,777</u>	<u>100,908</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	-	-	104,002
Special	-	813,715	-	-
Vocational	-	-	107,443	-
Adult continuing	237,684	-	-	-
Other	-	-	-	-
Support services:				
Pupil	-	45,511	-	647
Instructional staff	80,068	-	1,480	25,517
Administration	114,171	65,432	-	-
Fiscal	5,429	37,885	-	2,109
Operations and maintenance	2,160	-	-	-
Pupil transportation	-	7,454	57	-
Central	3,765	7,738	10,720	12,476
Operation of non-instructional services:				
Other non-instructional services	-	66,135	-	921
Food service operations	-	-	-	-
Extracurricular activities	-	-	-	-
Total expenditures	<u>443,277</u>	<u>1,043,870</u>	<u>119,700</u>	<u>145,672</u>
Net change in fund balances	9,771	(111,615)	(14,923)	(44,764)
Fund balances (deficits) at beginning of year	<u>(34,566)</u>	<u>(43,660)</u>	<u>73</u>	<u>22,231</u>
Fund balances (deficits) at end of year	<u>\$ (24,795)</u>	<u>\$ (155,275)</u>	<u>\$ (14,850)</u>	<u>\$ (22,533)</u>

Title I Disadvantaged Children	IDEA	Improving Teacher Quality	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ 119,911
-	-	-	-	4,819
-	-	-	-	163,213
-	-	-	-	164,351
-	-	-	-	355
-	-	-	-	127,396
-	-	-	-	813,480
2,548,528	38,100	358,825	718	6,344,769
2,548,528	38,100	358,825	718	7,738,294
21,618	-	208,213	-	407,147
1,556,062	18,838	-	-	2,539,305
-	-	-	-	110,346
-	-	-	1,353	239,037
800	-	-	-	800
717	-	-	-	128,970
84,733	22,023	-	-	218,401
134,798	-	21,967	-	336,368
93,476	1,475	11,479	-	156,609
-	-	-	-	83,463
13,616	-	-	-	54,037
759,451	1,598	129,442	-	949,511
107,923	-	11,935	-	794,741
-	-	-	-	2,003,828
-	-	-	-	161,600
2,773,194	43,934	383,036	1,353	8,184,163
(224,666)	(5,834)	(24,211)	(635)	(445,869)
(119,550)	(866)	(10,970)	26,631	1,014,920
\$ (344,216)	\$ (6,700)	\$ (35,181)	\$ 25,996	\$ 569,051

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Food Services				
Total Revenues and Other Sources	\$ 2,021,900	\$ 2,021,900	\$ 1,894,045	\$ (127,855)
Total Expenditures and Other Uses	<u>2,063,080</u>	<u>2,063,080</u>	<u>1,948,697</u>	<u>114,383</u>
Net Change in Fund Balances	(41,180)	(41,180)	(54,652)	(13,472)
Fund Balance at Beginning of Year	866,939	866,939	866,939	-
Prior Year Encumbrances Appropriated	<u>152,897</u>	<u>152,897</u>	<u>152,897</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 978,656</u>	<u>\$ 978,656</u>	<u>\$ 965,184</u>	<u>\$ (13,472)</u>
Other Grant Funds				
Total Revenues and Other Sources	\$ 18,114	\$ 150,564	\$ 150,564	\$ -
Total Expenditures and Other Uses	<u>60,426</u>	<u>193,877</u>	<u>140,321</u>	<u>53,556</u>
Net Change in Fund Balances	(42,312)	(43,313)	10,243	53,556
Fund Balance at Beginning of Year	32,761	32,761	32,761	-
Prior Year Encumbrances Appropriated	<u>10,552</u>	<u>10,552</u>	<u>10,552</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,001</u>	<u>\$ -</u>	<u>\$ 53,556</u>	<u>\$ 53,556</u>
Classroom Facilities Maintenance				
Total Revenues and Other Sources	\$ 79,500	\$ 79,500	\$ 138,880	\$ 59,380
Total Expenditures and Other Uses	<u>105,573</u>	<u>132,573</u>	<u>129,560</u>	<u>3,013</u>
Net Change in Fund Balances	(26,073)	(53,073)	9,320	62,393
Fund Balance at Beginning of Year	61,086	61,086	61,086	-
Prior Year Encumbrances Appropriated	<u>20,073</u>	<u>20,073</u>	<u>20,073</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 55,086</u>	<u>\$ 28,086</u>	<u>\$ 90,479</u>	<u>\$ 62,393</u>

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
District Managed Student Activity				
Total Revenues and Other Sources	\$ 138,400	\$ 153,715	\$ 170,699	\$ 16,984
Total Expenditures and Other Uses	<u>192,814</u>	<u>191,565</u>	<u>174,634</u>	<u>16,931</u>
Net Change in Fund Balances	(54,414)	(37,850)	(3,935)	33,915
Fund Balance at Beginning of Year	54,150	54,150	54,150	-
Prior Year Encumbrances Appropriated	<u>1,209</u>	<u>1,209</u>	<u>1,209</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 945</u>	<u>\$ 17,509</u>	<u>\$ 51,424</u>	<u>\$ 33,915</u>
Auxillary Services				
Total Revenues and Other Sources	\$ 513,818	\$ 514,017	\$ 514,016	\$ (1)
Total Expenditures and Other Uses	<u>665,969</u>	<u>666,168</u>	<u>647,783</u>	<u>18,385</u>
Net Change in Fund Balances	(152,151)	(152,151)	(133,767)	18,384
Fund Balance at Beginning of Year	115,372	115,372	115,372	-
Prior Year Encumbrances Appropriated	<u>36,779</u>	<u>36,779</u>	<u>36,779</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,384</u>	<u>\$ 18,384</u>
Public School Preschool				
Total Revenues and Other Sources	\$ 215,458	\$ 235,458	\$ 149,573	\$ (85,885)
Total Expenditures and Other Uses	<u>202,670</u>	<u>222,670</u>	<u>151,489</u>	<u>71,181</u>
Net Change in Fund Balances	12,788	12,788	(1,916)	(14,704)
Fund Balance at Beginning of Year	<u>(12,789)</u>	<u>(12,789)</u>	<u>(12,789)</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ (14,705)</u>	<u>\$ (14,704)</u>

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Data Communication				
Total Revenues and Other Sources	\$ -	\$ 16,200	\$ 16,200	\$ -
Total Expenditures and Other Uses	-	16,200	16,200	-
Net Change in Fund Balances	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Vocational Education Enhancement				
Total Revenues and Other Sources	\$ 11,734	\$ 11,734	\$ 4,817	\$ (6,917)
Total Expenditures and Other Uses	10,984	10,984	7,582	3,402
Net Change in Fund Balances	750	750	(2,765)	(3,515)
Fund Balance (Deficit) at Beginning of Year	(749)	(749)	(749)	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance (Deficit) at End of Year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ (3,514)</u>	<u>\$ (3,515)</u>
Alternative Schools				
Total Revenues and Other Sources	\$ 130,069	\$ 130,069	\$ 98,438	\$ (31,631)
Total Expenditures and Other Uses	116,299	116,299	100,989	15,310
Net Change in Fund Balances	13,770	13,770	(2,551)	(16,321)
Fund Balance at Beginning of Year	(16,267)	(16,267)	(16,267)	-
Prior Year Encumbrances Appropriated	2,497	2,497	2,497	-
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (16,321)</u>	<u>\$ (16,321)</u>

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Miscellaneous State Grants				
Total Expenditures and Other Uses	\$ 2,108	\$ 2,108	\$ 2,108	\$ -
Net Change in Fund Balances	(2,108)	(2,108)	(2,108)	-
Fund Balance at Beginning of Year	2,108	2,108	2,108	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Adult Basic Education				
Total Revenues and Other Sources	\$ 521,841	\$ 559,538	\$ 447,617	\$ (111,921)
Total Expenditures and Other Uses	485,769	523,466	454,362	69,104
Net Change in Fund Balances	36,072	36,072	(6,745)	(42,817)
Fund Balance at Beginning of Year	(41,684)	(41,684)	(41,684)	-
Prior Year Encumbrances Appropriated	5,611	5,611	5,611	-
Fund Balance (Deficit) at End of Year	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ (42,818)</u>	<u>\$ (42,817)</u>
Title VI - B				
Total Revenues and Other Sources	\$ 1,440,166	\$ 1,505,196	\$ 1,013,444	\$ (491,752)
Total Expenditures and Other Uses	1,336,201	1,401,231	1,128,753	272,478
Net Change in Fund Balances	103,965	103,965	(115,309)	(219,274)
Fund Balance (Deficit) at Beginning of Year	(141,486)	(141,486)	(141,486)	-
Prior Year Encumbrances Appropriated	37,520	37,520	37,520	-
Fund Balance (Deficit) at End of Year	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ (219,275)</u>	<u>\$ (219,274)</u>

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Vocational Education				
Total Revenues and Other Sources	\$ 146,571	\$ 148,492	\$ 107,534	\$ (40,958)
Total Expenditures and Other Uses	<u>138,437</u>	<u>140,358</u>	<u>123,481</u>	<u>16,877</u>
Net Change in Fund Balances	8,134	8,134	(15,947)	(24,081)
Fund Balance (Deficit) at Beginning of Year	(13,634)	(13,634)	(13,634)	-
Prior Year Encumbrances Appropriated	<u>5,500</u>	<u>5,500</u>	<u>5,500</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (24,081)</u>	<u>\$ (24,081)</u>
School Improvement Stimulus A				
Total Revenues and Other Sources	\$ 206,250	\$ 248,811	\$ 178,076	\$ (70,735)
Total Expenditures and Other Uses	<u>182,779</u>	<u>225,341</u>	<u>163,010</u>	<u>62,331</u>
Net Change in Fund Balances	23,471	23,470	15,066	(8,404)
Fund Balance (Deficit) at Beginning of Year	(92,905)	(92,905)	(92,905)	-
Prior Year Encumbrances Appropriated	<u>69,434</u>	<u>69,434</u>	<u>69,434</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ (8,405)</u>	<u>\$ (8,404)</u>
Title I Disadvantaged Children				
Total Revenues and Other Sources	\$ 3,753,994	\$ 3,754,089	\$ 3,093,851	\$ (660,238)
Total Expenditures and Other Uses	<u>3,433,481</u>	<u>3,433,576</u>	<u>2,951,516</u>	<u>482,060</u>
Net Change in Fund Balances	320,513	320,513	142,335	(178,178)
Fund Balance (Deficit) at Beginning of Year	(400,348)	(400,348)	(400,348)	-
Prior Year Encumbrances Appropriated	<u>79,836</u>	<u>79,836</u>	<u>79,836</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ (178,177)</u>	<u>\$ (178,178)</u>

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
IDEA				
Total Revenues and Other Sources	\$ 56,767	\$ 63,782	\$ 38,298	\$ (25,484)
Total Expenditures and Other Uses	<u>54,288</u>	<u>61,303</u>	<u>49,430</u>	<u>11,873</u>
Net Change in Fund Balances	2,479	2,479	(11,132)	(13,611)
Fund Balance (Deficit) at Beginning of Year	<u>(2,480)</u>	<u>(2,480)</u>	<u>(2,480)</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u><u>\$ (1)</u></u>	<u><u>\$ (1)</u></u>	<u><u>\$ (13,612)</u></u>	<u><u>\$ (13,611)</u></u>
Improving Teacher Quality				
Total Revenues and Other Sources	\$ 504,865	\$ 568,661	\$ 419,205	\$ (149,456)
Total Expenditures and Other Uses	<u>437,992</u>	<u>501,788</u>	<u>395,620</u>	<u>106,168</u>
Net Change in Fund Balances	66,873	66,873	23,585	(43,288)
Fund Balance (Deficit) at Beginning of Year	(77,938)	(77,938)	(77,938)	-
Prior Year Encumbrances Appropriated	<u>11,064</u>	<u>11,064</u>	<u>11,064</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u><u>\$ (1)</u></u>	<u><u>\$ (1)</u></u>	<u><u>\$ (43,289)</u></u>	<u><u>\$ (43,288)</u></u>
Miscellaneous Federal Grants				
Total Revenues and Other Sources	\$ 718	\$ 719	\$ 718	\$ (1)
Total Expenditures and Other Uses	<u>27,349</u>	<u>27,349</u>	<u>1,353</u>	<u>25,996</u>
Net Change in Fund Balances	(26,631)	(26,630)	(635)	25,995
Fund Balance at Beginning of Year	<u>26,631</u>	<u>26,631</u>	<u>26,631</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ 1</u></u>	<u><u>\$ 25,996</u></u>	<u><u>\$ 25,995</u></u>

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Special Trusts				
Total Revenues and Other Sources	\$ 44,428	\$ 37,095	\$ 41,124	\$ 4,029
Total Expenditures and Other Uses	<u>91,180</u>	<u>126,367</u>	<u>41,789</u>	<u>84,578</u>
Net Change in Fund Balances	(46,752)	(89,272)	(665)	88,607
Fund Balance at Beginning of Year	90,777	90,777	90,777	-
Prior Year Encumbrances Appropriated	<u>5,644</u>	<u>5,644</u>	<u>5,644</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 49,669</u>	<u>\$ 7,149</u>	<u>\$ 95,756</u>	<u>\$ 88,607</u>
Uniform School Supplies				
Total Revenues and Other Sources	\$ 48,950	\$ 48,950	\$ 41,226	\$ (7,724)
Total Expenditures and Other Uses	<u>161,757</u>	<u>154,681</u>	<u>54,389</u>	<u>100,292</u>
Net Change in Fund Balances	(112,807)	(105,731)	(13,163)	92,568
Fund Balance at Beginning of Year	110,605	110,605	110,605	-
Prior Year Encumbrances Appropriated	<u>3,022</u>	<u>3,022</u>	<u>3,022</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 820</u>	<u>\$ 7,896</u>	<u>\$ 100,464</u>	<u>\$ 92,568</u>
Adult Education				
Total Revenues and Other Sources	\$ 147,200	\$ 147,200	\$ 201,329	\$ 54,129
Total Expenditures and Other Uses	<u>235,525</u>	<u>235,525</u>	<u>164,455</u>	<u>71,070</u>
Net Change in Fund Balances	(88,325)	(88,325)	36,874	125,199
Fund Balance at Beginning of Year	464,458	464,458	464,458	-
Prior Year Encumbrances Appropriated	<u>175</u>	<u>175</u>	<u>175</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 376,308</u>	<u>\$ 376,308</u>	<u>\$ 501,507</u>	<u>\$ 125,199</u>

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Public School Fund				
Total Revenues and Other Sources	\$ 120,800	\$ 139,500	\$ 143,233	\$ 3,733
Total Expenditures and Other Uses	<u>235,382</u>	<u>252,893</u>	<u>136,731</u>	<u>116,162</u>
Net Change in Fund Balances	(114,582)	(113,393)	6,502	119,895
Fund Balance at Beginning of Year	108,628	108,628	108,628	-
Prior Year Encumbrances Appropriated	<u>6,105</u>	<u>6,105</u>	<u>6,105</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 151</u>	<u>\$ 1,340</u>	<u>\$ 121,235</u>	<u>\$ 119,895</u>
Termination Benefits				
Total Revenues and Other Sources	\$ 350,000	\$ 350,000	\$ 350,000	\$ -
Total Expenditures and Other Uses	<u>400,000</u>	<u>400,000</u>	<u>80,195</u>	<u>319,805</u>
Net Change in Fund Balances	(50,000)	(50,000)	269,805	319,805
Fund Balance at Beginning of Year	<u>321,660</u>	<u>321,660</u>	<u>321,660</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 271,660</u>	<u>\$ 271,660</u>	<u>\$ 591,465</u>	<u>\$ 319,805</u>
Workers Compensation				
Total Revenues and Other Sources	\$ 271,000	\$ 271,000	\$ 282,821	\$ 11,821
Total Expenditures and Other Uses	<u>250,000</u>	<u>250,000</u>	<u>191,533</u>	<u>58,467</u>
Net Change in Fund Balances	21,000	21,000	91,288	70,288
Fund Balance at Beginning of Year	<u>227,575</u>	<u>227,575</u>	<u>227,575</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 248,575</u>	<u>\$ 248,575</u>	<u>\$ 318,863</u>	<u>\$ 70,288</u>

**MANSFIELD CITY SCHOOL DISTRICT
COMBINING STATEMENTS - NONMAJOR FUNDS**

Nonmajor Debt Service Fund

Debt Service Fund

The debt service fund is used to account for the resources restricted for payment of general long-term debt principal, interest and related costs.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Debt Service				
Total Revenues and Other Sources	\$ 733,000	\$ 733,000	\$ 1,320,659	\$ 587,659
Total Expenditures and Other Uses	<u>1,429,000</u>	<u>1,439,000</u>	<u>1,437,969</u>	<u>1,031</u>
Net Change in Fund Balances	(696,000)	(706,000)	(117,310)	588,690
Fund Balance at Beginning of Year	<u>1,503,359</u>	<u>1,503,359</u>	<u>1,503,359</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 807,359</u>	<u>\$ 797,359</u>	<u>\$ 1,386,049</u>	<u>\$ 588,690</u>

**MANSFIELD CITY SCHOOL DISTRICT
COMBINING STATEMENTS - NONMAJOR FUNDS**

Nonmajor Capital Project Funds

Capital project funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). The nonmajor capital project funds are:

Permanent Improvement

The permanent improvement fund may be used for acquiring real estate for school purposes; for constructing, adding to, remodeling and improving school buildings. Such expenditures shall add permanently to the school land or buildings, or extend the useful life of existing buildings for five years or more. The fund may also be used for landscaping and making other school site improvements which have an anticipated useful life of five years or more.

Building

This fund is used to account for the receipts and expenditures involved in the construction and replacement of facilities for the instruction of students. A portion of the proceeds from the sale of certificates of participation are paid into this fund. Expenditures recorded here represent the costs of acquiring and improving capital facilities.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2017

	Permanent Improvement	Building	Total Nonmajor Capital Project Funds
Assets:			
Equity in pooled cash and cash equivalents.	\$ 424,063	\$ 242,404	\$ 666,467
Receivables:			
Property taxes	1,027,779	-	1,027,779
Total assets.	\$ 1,451,842	\$ 242,404	\$ 1,694,246
Liabilities:			
Accounts payable.	\$ 79,213	\$ -	\$ 79,213
Total liabilities.	79,213	-	79,213
Deferred inflows of resources:			
Property taxes levied for the next fiscal year.	716,240	-	716,240
Delinquent property tax revenue not available.	198,069	-	198,069
Total deferred inflows of resources	914,309	-	914,309
Fund balances:			
Restricted:			
Capital improvements	458,320	242,404	700,724
Total fund balances.	458,320	242,404	700,724
Total liabilities, deferred inflows and fund balances	\$ 1,451,842	\$ 242,404	\$ 1,694,246

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Permanent Improvement	Building	Total Nonmajor Capital Project Funds
Revenues:			
From local sources:			
Property taxes	\$ 816,272	\$ -	\$ 816,272
Earnings on investments	17	208	225
Intergovernmental - state	115,774	-	115,774
Total revenues	932,063	208	932,271
Expenditures:			
Current:			
Support services:			
Fiscal	30,563	-	30,563
Operations and maintenance	663,424	-	663,424
Pupil transportation	5,485	-	5,485
Facilities acquisition and construction	376,995	2,229	379,224
Total expenditures	1,076,467	2,229	1,078,696
Excess of expenditures over revenues	(144,404)	(2,021)	(146,425)
Other financing sources (uses):			
Transfers in	-	200,000	200,000
Total other financing sources (uses)	-	200,000	200,000
Net change in fund balances	(144,404)	197,979	53,575
Fund balances at beginning of year	602,724	44,425	647,149
Fund balances at end of year	\$ 458,320	\$ 242,404	\$ 700,724

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Permanent Improvement				
Total Revenues and Other Sources	\$ 974,003	\$ 974,003	\$ 945,897	\$ (28,106)
Total Expenditures and Other Uses	<u>1,251,751</u>	<u>1,251,751</u>	<u>1,219,815</u>	<u>31,936</u>
Net Change in Fund Balances	(277,748)	(277,748)	(273,918)	3,830
Fund Balance at Beginning of Year	311,157	311,157	311,157	-
Prior Year Encumbrances Appropriated	<u>248,246</u>	<u>248,246</u>	<u>248,246</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 281,655</u>	<u>\$ 281,655</u>	<u>\$ 285,485</u>	<u>\$ 3,830</u>
Building				
Total Revenues and Other Sources	\$ 40	\$ 40	\$ 200,208	\$ 200,168
Total Expenditures and Other Uses	<u>2,229</u>	<u>2,229</u>	<u>2,229</u>	<u>-</u>
Net Change in Fund Balances	(2,189)	(2,189)	197,979	200,168
Fund Balance at Beginning of Year	44,425	44,425	44,425	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 42,236</u>	<u>\$ 42,236</u>	<u>\$ 242,404</u>	<u>\$ 200,168</u>

**MANSFIELD CITY SCHOOL DISTRICT
COMBINING STATEMENTS - PROPRIETARY FUND**

Proprietary Fund Description

Internal service funds account for the financing of goods or services provided by one department or agency of the District to other departments or agencies on a cost-reimbursement basis. Charges are intended to recoup the total cost of such services.

Self Insurance

The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the District on a cost reimbursement basis. The District's only internal service fund accounts for a self-insurance program for employee health benefits.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Self-Insurance				
Total Revenues and Other Sources	\$ 9,340,000	\$ 9,340,000	\$ 9,633,914	\$ 293,914
Total Expenditures and Other Uses	<u>8,424,881</u>	<u>8,924,881</u>	<u>8,196,436</u>	<u>728,445</u>
Net Change in Fund Balances	915,119	415,119	1,437,478	1,022,359
Fund Balance at Beginning of Year	2,729,904	2,729,904	2,729,904	-
Prior Year Encumbrances Appropriated	<u>4,881</u>	<u>4,881</u>	<u>4,881</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 3,649,904</u>	<u>\$ 3,149,904</u>	<u>\$ 4,172,263</u>	<u>\$ 1,022,359</u>

**MANSFIELD CITY SCHOOL DISTRICT
COMBINING STATEMENTS - FIDUCIARY FUNDS**

Agency Funds

District Agency

An agency fund used to account for those assets held by the District as an agent for individuals, private organization, other governmental units, and/or funds.

Student Activity

An agency fund provided to account for those student activity programs which have student participation in the activity and have students involved in the management of the program. This fund typically includes those student activities which consist of a student body, student president, student treasurer and faculty advisor.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Beginning Balance July 1, 2016	Additions	Deletions	Ending Balance July 1, 2017
District Agency				
Assets:				
Equity in pooled cash and cash equivalents	\$ -	\$ 136,497	\$ 136,497	\$ -
Total assets	<u>\$ -</u>	<u>\$ 136,497</u>	<u>\$ 136,497</u>	<u>\$ -</u>
Liabilities:				
Deposits held and due to others.	\$ -	\$ 136,497	\$ 136,497	\$ -
Total liabilities	<u>\$ -</u>	<u>\$ 136,497</u>	<u>\$ 136,497</u>	<u>\$ -</u>
Student Activity				
Assets:				
Equity in pooled cash and cash equivalents	\$ 16,440	\$ 28,119	\$ 24,623	\$ 19,936
Total assets	<u>\$ 16,440</u>	<u>\$ 28,119</u>	<u>\$ 24,623</u>	<u>\$ 19,936</u>
Liabilities:				
Accounts payable	\$ 57	\$ 611	\$ 57	\$ 611
Due to students	16,383	27,508	24,566	19,325
Total liabilities.	<u>\$ 16,440</u>	<u>\$ 28,119</u>	<u>\$ 24,623</u>	<u>\$ 19,936</u>
Total Agency Funds				
Assets:				
Equity in pooled cash and cash equivalents	\$ 16,440	\$ 164,616	\$ 161,120	\$ 19,936
Total assets	<u>\$ 16,440</u>	<u>\$ 164,616</u>	<u>\$ 161,120</u>	<u>\$ 19,936</u>
Liabilities:				
Accounts payable	\$ 57	\$ 611	\$ 57	\$ 611
Deposits held and due to others	-	136,497	136,497	-
Due to students	16,383	27,508	24,566	19,325
Total liabilities.	<u>\$ 16,440</u>	<u>\$ 164,616</u>	<u>\$ 161,120</u>	<u>\$ 19,936</u>

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**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	1 - 15
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	16 - 21
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	22 - 25
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	26 - 27
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	28 - 38

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014 (1)</u>
Governmental activities				
Net investment in capital assets	\$ 39,230,759	\$ 39,528,475	\$ 39,370,227	\$ 40,338,908
Restricted	4,492,382	3,577,343	3,576,094	3,481,565
Unrestricted (deficit)	<u>(52,351,354)</u>	<u>(55,856,048)</u>	<u>(64,546,682)</u>	<u>(75,664,383)</u>
Total governmental activities net position (deficit)	<u>\$ (8,628,213)</u>	<u>\$ (12,750,230)</u>	<u>\$ (21,600,361)</u>	<u>\$ (31,843,910)</u>

Source: District financial records.

(1) Amounts have been restated to reflect implementation of GASB Statement No. 68 and 71 which was implemented in 2015.

2013	2012	2011	2010	2009	2008
\$ 37,550,768	\$ 39,386,102	\$ 41,178,429	\$ 41,539,657	\$ 41,659,777	\$ 41,845,804
6,757,679	12,430,751	17,655,289	19,597,652	19,135,495	20,507,539
(25,562)	639,770	1,039,709	1,259,386	1,628,242	1,338,828
<u>\$ 44,282,885</u>	<u>\$ 52,456,623</u>	<u>\$ 59,873,427</u>	<u>\$ 62,396,695</u>	<u>\$ 62,423,514</u>	<u>\$ 63,692,171</u>

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Expenses					
Governmental activities:					
Instruction:					
Regular	\$ 16,024,059	\$ 13,748,496	\$ 14,996,618	\$ 16,971,859	\$ 17,989,402
Special	8,297,829	8,936,184	8,669,348	10,275,409	8,808,421
Vocational	1,128,009	1,184,530	1,190,629	1,261,687	1,053,827
Adult/continuing	325,099	365,088	306,805	349,978	398,364
Other instructional	14,335,187	12,942,672	12,097,269	13,402,130	12,844,720
Support services:					
Pupil	3,136,074	3,100,830	3,137,165	3,345,154	3,138,452
Instructional staff	681,527	725,073	703,060	665,850	2,831,811
Board of education	19,677	22,422	16,757	17,330	23,839
Administration	3,700,964	3,114,143	3,205,864	3,131,335	3,600,625
Fiscal	1,444,672	1,354,840	1,192,257	1,095,305	1,027,979
Business	544,232	452,005	711,440	617,594	517,173
Operations and maintenance	4,384,614	3,833,914	4,029,892	3,048,091	6,134,727
Pupil transportation	2,451,802	2,076,260	2,101,301	2,722,278	2,263,533
Central	2,056,494	2,378,475	2,458,074	1,902,232	2,390,171
Operation of non-instructional services:					
Food service operations	2,005,324	1,972,015	2,026,469	2,184,074	2,106,627
Other non-instructional services	988,178	911,841	893,852	2,265,964	2,310,622
Extracurricular activities	446,949	790,470	762,616	786,484	777,171
Interest and fiscal charges	566,507	650,987	763,392	761,490	890,721
Total governmental activities expenses	<u>62,537,197</u>	<u>58,560,245</u>	<u>59,262,808</u>	<u>64,804,244</u>	<u>69,108,185</u>

	2012	2011	2010	2009	2008
\$	18,254,929	\$ 17,515,045	\$ 18,069,579	\$ 19,989,890	\$ 20,553,474
	8,429,773	8,959,341	7,984,862	7,554,146	6,826,514
	1,227,683	1,093,219	1,286,686	1,537,195	1,429,530
	344,615	295,197	296,283	282,637	243,415
	12,211,736	12,200,750	11,507,952	11,317,209	9,841,133
	3,873,533	3,797,117	4,008,290	3,581,498	2,744,334
	3,007,763	2,678,525	2,360,438	2,874,475	3,142,467
	18,815	21,212	41,808	26,558	17,688
	3,340,448	3,271,485	4,051,082	4,182,766	2,965,716
	1,230,241	1,128,274	1,408,206	1,158,849	1,016,690
	622,005	889,335	854,710	1,552,428	1,362,884
	8,526,318	6,145,098	5,260,626	5,556,082	5,430,091
	2,638,807	2,204,185	2,110,449	2,128,268	1,856,838
	2,186,641	2,188,411	2,563,524	2,012,513	1,031,254
	2,214,583	2,264,765	2,049,519	2,234,997	2,073,818
	1,970,225	2,044,491	1,970,052	2,009,458	761,998
	828,974	1,024,745	841,864	820,869	1,535,079
	738,373	731,366	750,139	743,655	791,317
	<u>71,665,462</u>	<u>68,452,561</u>	<u>67,416,069</u>	<u>69,563,493</u>	<u>63,624,240</u>

- Continued

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Program revenues					
Governmental activities:					
Charges for services:					
Instruction:					
Regular	\$ 607,444	\$ 962,952	\$ 910,453	\$ 946,546	\$ 963,519
Special	310,264	98,381	290,731	293,289	298,376
Adult/continuing	140,236	108,431	87,068	1,249	4,161
Support services:					
Pupil	-	-	-	-	-
Instructional staff	60,718	51,386	48,975	-	-
Administration	-	-	-	-	-
Business	-	-	-	-	-
Operations and maintenance	13,902	19,393	10,932	30,006	28,372
Pupil transportation	58,225	50,328	52,697	47,028	63,446
Central	-	1,775	3,069	-	-
Operation of non-instructional services:					
Food service operations	163,268	185,020	198,906	202,213	287,831
Extracurricular activities	272,681	240,098	231,916	257,316	296,779
Operating grants and contributions:					
Instruction:					
Regular	401,083	494,423	513,940	937,181	618,874
Special	8,020,058	8,281,269	8,472,937	7,783,471	5,341,400
Vocational	712,088	463,334	576,181	455,759	510,647
Adult/continuing	255,321	232,877	233,305	289,327	251,861
Other	856	119,128	44,395	70,626	150,444
Support services:					
Pupil	135,889	207,791	195,144	229,418	160,293
Instructional staff	227,225	243,266	296,136	285,646	855,434
Administration	364,431	327,391	233,807	219,332	345,018
Fiscal	164,510	49,410	57,930	51,121	44,775
Business	-	-	-	-	-
Operations and maintenance	2,314	8,911	10,711	-	21,160
Pupil transportation	316,111	317,957	292,318	36,767	43,416
Central	1,019,023	1,019,579	653,360	671,073	742,970
Operation of non-instructional services:					
Food service operations	1,845,630	1,890,026	1,938,247	1,949,152	1,954,971
Other non-instructional services	721,320	713,190	660,059	673,313	629,730
Extracurricular activities	31,427	15,035	6,400	34,293	18,291
Capital grants and contributions:					
Support services:					
Operations and maintenance	225	4	2	4,300	3,801
Pupil transportation	-	45	-	-	-
Central	-	-	14	-	-
Total governmental program revenues	<u>15,844,249</u>	<u>16,101,400</u>	<u>16,019,633</u>	<u>15,468,426</u>	<u>13,635,569</u>
Net (expense)/revenue					
Governmental activities	<u>\$ (46,692,948)</u>	<u>\$ (42,458,845)</u>	<u>\$ (43,243,175)</u>	<u>\$ (49,335,818)</u>	<u>\$ (55,472,616)</u>

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$	899,295	\$ 767,643	\$ 685,572	\$ 1,726,719	\$ 1,900,434
	184,052	51,366	101,214	79,290	371,052
	2,421	165,423	182,375	97,699	96,117
	-	-	268	1,801	21,690
	-	-	709	-	13,226
	-	-	20	-	5,606
	-	-	-	-	-
	14,065	8,361	8,347	5,645	14,285
	47,679	74,852	71,304	93,783	79,802
	-	-	19	-	-
	314,672	321,429	344,888	399,632	453,372
	308,750	339,358	257,393	266,284	281,580
	762,979	1,474,314	3,461,489	4,736,668	4,174,617
	5,551,809	6,544,371	825,514	5,065,374	3,947,169
	504,216	513,716	566,467	577,910	802,141
	160,546	144,069	156,261	200,235	165,925
	21,820	586,983	349,805	214,035	958,450
	673,356	772,730	521,083	205,106	81,582
	916,381	971,663	717,293	1,304,748	1,900,774
	273,471	668,548	453,817	633,138	475,529
	36,906	391,252	612,575	77,714	67,574
	-	81,894	150,005	266,096	-
	114,175	-	9,551	9,010	11,087
	225,431	207,680	65,231	288,118	263,504
	917,648	1,421,091	1,712,966	468,406	48,428
	1,886,561	1,770,160	1,791,360	1,826,842	1,777,405
	665,685	662,688	655,368	612,549	627,754
	150	12,571	6,222	3,815	-
	95,985	-	-	-	-
	-	-	-	57,697	27,754
	-	-	-	-	-
	<u>14,578,053</u>	<u>17,952,162</u>	<u>13,707,116</u>	<u>19,218,314</u>	<u>18,566,857</u>
\$	<u>(57,087,409)</u>	<u>(50,500,399)</u>	<u>(53,708,953)</u>	<u>(50,345,179)</u>	<u>(45,057,383)</u>

- Continued

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

CHANGES IN NET POSITION (CONCLUDED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General revenues and other changes in net position					
Governmental activities:					
Property taxes levied for:					
General purposes	\$ 14,074,730	\$ 15,662,706	\$ 17,411,176	\$ 14,803,535	\$ 13,788,844
Classroom facilities maintenance	116,451	57,392	75,741	-	-
Special revenue	-	-	-	-	121,936
Debt service	1,126,363	239,549	314,777	49,584	348,474
Capital outlay	774,137	806,785	843,781	428,565	1,089,744
Grants and entitlements not restricted to specific programs	34,227,010	34,087,756	34,232,213	31,343,049	30,697,183
Investment earnings	90,899	122,688	16,636	21,337	16,273
Miscellaneous	405,375	332,100	592,400	1,401,925	1,383,271
Special item - Refund to OSFC	-	-	-	-	-
Special item - Sale of Capital assets	-	-	-	-	-
Total governmental activities	<u>50,814,965</u>	<u>51,308,976</u>	<u>53,486,724</u>	<u>48,047,995</u>	<u>47,445,725</u>
Change in net position					
Governmental activities	<u>\$ 4,122,017</u>	<u>\$ 8,850,131</u>	<u>\$ 10,243,549</u>	<u>\$ (1,287,823)</u>	<u>\$ (8,026,891)</u>

Source: District financial records.

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 16,556,416	\$ 14,373,048	\$ 15,799,838	\$ 18,475,788	\$ 18,609,820
-	-	-	-	-
181,513	149,398	184,372	171,794	203,035
754,501	680,036	825,389	685,809	1,256,496
873,114	752,595	888,128	857,835	979,707
30,886,092	30,502,993	34,010,921	27,947,576	26,863,911
61,726	160,063	384,336	533,509	739,165
1,481,768	1,358,998	1,589,150	404,211	729,090
(1,124,525)	-	-	-	-
-	-	-	-	996,726
<u>49,670,605</u>	<u>47,977,131</u>	<u>53,682,134</u>	<u>49,076,522</u>	<u>50,377,950</u>
<u>\$ (7,416,804)</u>	<u>\$ (2,523,268)</u>	<u>\$ (26,819)</u>	<u>\$ (1,268,657)</u>	<u>\$ 5,320,567</u>

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General fund:					
Nonspendable	\$ 199,638	\$ 113,794	\$ 72,906	\$ 66,788	\$ 112,651
Restricted	-	-	4,982	4,982	4,982
Committed	591,465	332,369	60,134	-	-
Assigned	1,605,831	1,366,625	660,809	-	-
Unassigned (deficit)	11,296,161	8,730,030	2,653,463	(5,154,707)	(3,287,051)
Reserved	-	-	-	-	-
Unreserved (deficit)	-	-	-	-	-
Total general fund	<u>\$ 13,693,095</u>	<u>\$ 10,542,818</u>	<u>\$ 3,452,294</u>	<u>\$ (5,082,937)</u>	<u>\$ (3,169,418)</u>
All other governmental funds:					
Nonspendable	\$ 11,122	\$ 6,108	\$ 5,241	\$ 26,115	\$ 38,889
Restricted	3,461,296	3,427,296	4,288,062	5,017,263	7,160,618
Unassigned (deficit)	(636,224)	(222,992)	(51,479)	(12,795)	(186,951)
Reserved	-	-	-	-	-
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Total all other governmental funds	<u>\$ 2,836,194</u>	<u>\$ 3,210,412</u>	<u>\$ 4,241,824</u>	<u>\$ 5,030,583</u>	<u>\$ 7,012,556</u>

Source: District financial records.

Note: The District implemented GASB Statement No. 54 in fiscal year 2011. Descriptions of the GASB Statement No. 54 fund balance classifications can be found in Note 2.M. of the basic financial statements. Prior to fiscal year 2011, fund balance was classified as either reserved or unreserved. Reserved fund balance indicates that portion of fund balance which is not available for current appropriation or is legally segregated for a specific use. Any fund balance not classified as reserved was classified as unreserved.

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 173,740	\$ 213,183	\$ -	\$ -	\$ -
4,982	4,982	-	-	-
-	-	-	-	-
-	937,095	-	-	-
(345,011)	(660,876)	-	-	-
-	-	2,425,325	3,505,168	3,476,415
-	-	(3,588,072)	(4,378,208)	(4,728,795)
<u>\$ (166,289)</u>	<u>\$ 494,384</u>	<u>\$ (1,162,747)</u>	<u>\$ (873,040)</u>	<u>\$ (1,252,380)</u>
\$ 29,015	\$ 45,956	\$ -	\$ -	\$ -
11,937,812	16,360,554	-	-	-
(135,439)	(53,805)	-	-	-
-	-	9,812,725	11,087,470	11,814,985
-	-	2,680,334	2,000,965	2,215,809
-	-	5,777,544	5,540,346	5,678,647
<u>\$ 11,831,388</u>	<u>\$ 16,352,705</u>	<u>\$ 18,270,603</u>	<u>\$ 18,628,781</u>	<u>\$ 19,709,441</u>

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Revenues				
From local sources:				
Taxes	\$ 17,859,629	\$ 17,158,140	\$ 18,579,455	\$ 15,266,128
Tuition	1,289,935	1,015,660	1,159,934	1,152,781
Transportation fees	58,225	50,328	52,697	47,028
Earnings on investments	98,374	97,217	17,073	22,931
Charges for services	163,213	184,421	201,906	199,213
Extracurricular	272,681	235,374	221,626	257,316
Classroom materials and fees	45,331	47,448	44,319	37,297
Rental income	13,902	19,393	10,932	30,006
Contributions and donations	55,328	33,770	28,425	37,370
Contract services	-	-	-	50,131
Other local revenues	718,142	573,199	795,122	1,067,259
Intergovernmental - state	40,545,836	40,629,814	40,563,364	37,659,515
Intergovernmental - federal	6,937,784	7,911,167	7,376,847	7,599,427
Total revenues	<u>68,058,380</u>	<u>67,955,931</u>	<u>69,051,700</u>	<u>63,426,402</u>
Expenditures				
Current:				
Instruction:				
Regular	15,944,372	14,228,676	14,881,787	16,256,393
Special	8,831,463	9,134,746	8,969,160	9,728,331
Vocational	1,244,291	1,247,282	1,270,190	1,215,017
Adult/continuing	348,709	381,215	313,554	347,678
Other	14,363,271	12,951,937	12,100,515	13,405,458
Support services:				
Pupil	3,217,924	3,144,484	3,172,320	3,225,582
Instructional staff	733,979	748,277	736,809	719,479
Board of education	20,738	21,046	17,119	18,037
Administration	3,742,915	3,185,139	3,145,876	2,992,216
Fiscal	1,485,735	1,359,083	1,245,976	1,089,738
Business	544,374	452,164	708,896	630,604
Operations and maintenance	4,280,376	4,072,918	3,923,290	5,254,796
Pupil transportation	2,517,135	2,678,110	2,635,419	2,595,038
Central	2,132,718	2,392,313	2,492,954	1,906,572
Operation of non-instructional services:				
Food service operations	2,003,828	1,926,035	1,971,489	2,045,405
Other non-instructional services	978,285	912,326	944,233	2,236,247
Extracurricular activities	488,101	825,980	779,318	782,641
Facilities acquisitions and construction	715,504	475,255	172,286	163,701
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	930,528	1,435,000	1,490,000	1,262,978
Interest and fiscal charges	303,603	329,688	348,603	362,066
Bond and note issuance costs	-	-	-	-
Accreted interest on capital appreciation bonds	454,472	-	-	-
Total expenditures	<u>65,282,321</u>	<u>61,901,674</u>	<u>61,319,794</u>	<u>66,237,977</u>
Excess of revenues over (under) expenditures	\$ 2,776,059	\$ 6,054,257	\$ 7,731,906	\$ (2,811,575)

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 15,208,811	\$ 17,880,029	\$ 17,292,754	\$ 16,425,069	\$ 20,265,804	\$ 20,492,752
1,175,359	988,323	671,862	636,957	680,129	846,872
63,446	47,679	74,852	71,304	93,783	50,290
25,733	87,452	147,218	393,606	522,182	726,302
287,831	314,672	307,809	331,150	385,379	439,657
296,779	308,750	333,235	246,021	265,935	297,945
49,814	42,358	75,306	66,108	189,596	192,920
28,372	14,065	10,041	8,347	5,645	-
61,027	42,036	40,236	30,120	30,085	-
40,883	55,087	93,718	78,245	121,310	-
1,385,277	1,582,891	1,495,342	1,814,729	1,390,551	2,138,570
34,950,817	35,396,352	35,042,525	35,807,852	36,918,170	35,541,510
7,165,414	8,771,082	11,409,982	9,984,156	7,545,268	7,097,735
<u>60,739,563</u>	<u>65,530,776</u>	<u>66,994,880</u>	<u>65,893,664</u>	<u>68,413,837</u>	<u>67,824,553</u>
17,317,838	16,223,824	15,966,069	16,729,467	18,843,742	19,548,971
8,583,967	7,802,569	8,531,886	7,563,013	7,283,746	6,711,841
1,060,909	1,198,020	1,119,805	1,281,876	1,544,632	1,477,659
400,447	341,772	295,197	313,123	273,010	256,417
12,843,993	12,232,827	12,188,902	11,500,234	11,303,065	9,842,994
3,099,018	3,622,806	3,706,421	3,862,432	3,443,362	2,728,403
2,870,004	2,871,437	2,629,904	2,308,291	2,865,935	3,253,569
23,502	20,509	21,212	41,808	26,558	17,688
3,445,104	3,012,596	3,050,322	3,901,169	3,952,766	2,925,994
1,042,136	1,218,504	1,119,133	1,398,341	1,129,321	1,067,605
518,132	617,901	907,449	850,630	1,544,304	1,360,372
8,499,648	8,054,822	6,321,614	5,586,576	6,003,517	5,287,242
2,234,377	2,534,144	2,150,835	2,091,547	1,909,023	1,753,816
2,420,556	2,153,507	2,186,164	2,562,382	1,944,535	1,044,591
2,092,465	2,133,889	1,975,699	1,997,209	2,172,780	2,075,146
2,306,823	1,931,080	2,215,737	1,936,900	1,944,697	1,535,775
804,359	839,698	999,124	790,056	786,506	728,684
-	9,506	-	-	251,955	3,209
-	-	52,302	-	-	-
1,197,833	1,232,879	1,236,189	1,232,225	1,275,000	1,270,000
449,554	509,762	546,954	603,100	625,770	697,845
168,783	-	-	-	-	-
-	-	-	-	-	-
<u>71,379,448</u>	<u>68,562,052</u>	<u>67,220,918</u>	<u>66,550,379</u>	<u>69,124,224</u>	<u>63,587,821</u>
\$ (10,639,885)	\$ (3,031,276)	\$ (226,038)	\$ (656,715)	\$ (710,387)	\$ 4,236,732

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (CONCLUDED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Other financing sources (uses)				
Transfers in	\$ 200,000	\$ -	\$ -	\$ -
Transfers (out)	(200,000)	-	-	(1,163,000)
Sale of assets	-	4,855	14,566	79,083
Payment to refunded bond escrow agent	-	-	-	-
Sale of refunding bonds	-	-	-	-
Premium on bonds sold	-	-	-	-
Issuance of notes	-	-	-	-
Capital lease transaction	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>4,855</u>	<u>14,566</u>	<u>(1,083,917)</u>
Special item				
Refund to OSFC	-	-	-	-
Sale of capital assets	-	-	-	-
Net change in fund balances	<u>\$ 2,776,059</u>	<u>\$ 6,059,112</u>	<u>\$ 7,746,472</u>	<u>\$ (3,895,492)</u>
Debt service as a percentage of noncapital expenditures	2.62%	2.93%	3.04%	2.56%

Source: District financial records.

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 7,400,000	\$ 1,833,036	\$ 15,000	\$ 37,279	\$ -	\$ 2,224
(7,650,000)	(2,979,036)	(105,000)	(37,279)	-	(2,224)
27,422	119,811	2,969	8,830	9,067	-
(8,857,567)	-	-	-	-	-
8,204,995	-	-	-	-	-
791,355	-	-	-	-	-
2,901,719	-	-	-	-	-
-	-	52,302	-	-	-
<u>2,817,924</u>	<u>(1,026,189)</u>	<u>(34,729)</u>	<u>8,830</u>	<u>9,067</u>	<u>-</u>
-	(1,124,525)	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,079,253</u>
<u>\$ (7,821,961)</u>	<u>\$ (5,181,990)</u>	<u>\$ (260,767)</u>	<u>\$ (647,885)</u>	<u>\$ (701,320)</u>	<u>\$ 5,315,985</u>
2.40%	2.68%	2.68%	2.79%	2.79%	3.10%

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS

Collection Year	Real Property (a)		Public Utility (b)	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2017	\$ 354,167,310	\$ 1,011,906,600	\$ 26,923,980	\$ 76,925,657
2016	351,591,290	1,004,546,543	26,923,980	76,925,657
2015	360,110,700	1,028,887,714	23,510,350	67,172,429
2014	372,944,460	1,065,555,600	21,043,790	60,125,114
2013	380,359,140	1,086,740,400	19,237,530	54,964,371
2012	390,790,960	1,116,545,600	17,844,260	50,983,600
2011	417,208,800	1,192,025,143	17,279,810	49,370,886
2010	424,496,510	1,212,847,171	16,436,770	46,962,200
2009	429,686,820	1,227,676,629	15,646,420	44,704,057
2008	433,832,730	1,239,522,086	15,442,550	44,121,571

Source: Richland County Fiscal Office

(a) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the State Tax Commissioner.

(b) Assumes public utilities are assessed at true value which is 35%.

Total			
Assessed Value	Estimated Actual Value	%	Total Direct Tax Rate
\$ 381,091,290	\$ 1,088,832,257	35.00%	\$ 74.25
378,515,270	1,081,472,200	35.00%	71.25
383,621,050	1,096,060,143	35.00%	70.85
393,988,250	1,125,680,714	35.00%	70.45
399,596,670	1,141,704,771	35.00%	59.95
408,635,220	1,167,529,200	35.00%	71.35
434,488,610	1,241,396,029	35.00%	69.95
440,933,280	1,259,809,371	35.00%	68.65
445,333,240	1,272,380,686	35.00%	68.65
449,275,280	1,283,643,657	35.00%	69.25

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

DIRECT AND OVERLAPPING PROPERTY TAX RATES
(RATE PER \$1,000 OF ASSESSED VALUE)
LAST TEN YEARS

Tax Year/ Collection Year	Overlapping Rates		Direct Rates			
	Richland County	City of Mansfield	Voted		Unvoted	Total
			General	Bond		
2016/2017	\$ 10.43	\$ 3.47	\$ 69.15	\$ 0.70	\$ 4.40	\$ 74.25
2015/2016	10.36	3.47	66.15	0.70	4.40	71.25
2014/2015	10.32	3.47	65.75	0.70	4.40	70.85
2013/2014	9.72	3.47	65.35	0.70	4.40	70.45
2012/2013	9.71	3.47	54.85	0.70	4.40	59.95
2011/2012	9.63	3.47	65.05	1.90	4.40	71.35
2010/2011	8.73	3.47	63.65	1.90	4.40	69.95
2009/2010	9.09	3.47	62.35	1.90	4.40	68.65
2008/2009	9.22	3.47	62.35	1.90	4.40	68.65
2007/2008	8.21	3.47	62.35	2.50	4.40	69.25

Source: Richland County Fiscal Office

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

PRINCIPAL PROPERTY TAX PAYERS
DECEMBER 31, 2016 AND DECEMBER 31, 2007

December 31, 2016			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value
Kurt Stimens	\$ 8,521,220	1	1.62%
Newman Technology	4,180,400	2	0.80%
Gorman Rupp Company	3,422,200	3	0.65%
SSI Mansfield LLC	2,655,920	4	0.51%
Walmart Real Estate	2,275,000	5	0.43%
Jay Industries, Incorporated	2,250,600	6	0.43%
Richland Real Estate LLC	1,921,430	7	0.37%
Armco	1,756,500	8	0.33%
Canam PO LP	1,449,160	9	0.28%
Johnny Applesced Center	1,436,090	10	0.27%
Total	\$ 29,868,520		5.69%
Total Real Property Assessed Valuation	\$ 524,905,750		

December 31, 2007			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value
Newman Technology	\$ 4,924,430	1	0.80%
Walmart Real Estate	2,938,920	2	0.48%
SSI Mansfield LLC	2,818,420	3	0.46%
Jay Industries, Inc.	2,786,280	4	0.46%
City of Mansfield	2,562,810	5	0.42%
Armco	2,310,070	6	0.38%
Willard Rental Properties	2,288,720	7	0.37%
Mansfield Commerce Center	1,798,380	8	0.29%
Therm-O-Disc	1,619,280	9	0.26%
Johnny Applesced Center	1,575,000	10	0.26%
Total	\$ 25,622,310		4.18%
Total Real Property Assessed Valuation	\$ 612,365,730		

Source: Richland County Fiscal Office

Note: Information is available on a calendar year basis only.

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**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Tax Year/ Collection Year	Current Tax Levy (1)*	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (2)#	Total Tax Collections	Percent of Current Total Tax Collections to Current Tax Levy
2016/2017	\$ 24,724,486	\$ 20,024,133	80.99%	\$ 1,432,816	\$ 21,456,949	86.78%
2015/2016	23,505,215	19,194,275	81.66%	1,470,276	20,664,551	87.91%
2014/2015	24,164,942	17,866,960	73.94%	1,545,070	19,412,030	80.33%
2013/2014	23,940,464	14,629,036	61.11%	1,042,001	15,671,037	65.46%
2012/2013	21,491,130	18,227,880	84.82%	1,232,245	19,460,125	90.55%
2011/2012	24,404,691	17,746,580	72.72%	1,232,245	18,978,825	77.77%
2010/2011	24,221,547	16,675,491	68.85%	780,478	17,455,969	72.07%
2009/2010	23,736,370	17,829,255	75.11%	1,902,257	19,731,512	83.13%
2008/2009	23,391,765	17,332,396	74.10%	760,230	18,092,626	77.35%
2007/2008	23,669,768	16,911,671	71.45%	928,880	17,840,551	75.37%

(1) Does not include adders and remitters done during the year.

(2) Penalties and interest are included, since by Ohio law they become part of the tax obligation as assessment occurs.

Note: The County is aware of the requirement to report delinquent tax collections by tax year. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. Penalties and interest are applied to the total outstanding delinquent balance. The presentation will be updated as new information becomes available.

* - Includes Homestead and Rollback

- Includes Interest

Source: Richland County Auditor

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities					(a) Total Primary Government	(b) Per Capita	(b) Percentage of Personal Income	(b) Per ADM
	General Obligation Bonds	Energy Conservation Notes	Tax Anticipation Notes	Capital Lease Obligations	State Solvency Loan				
2017	\$ 7,365,000	\$ 2,376,719	\$ 805,000	\$ -	\$ -	\$ 10,546,719	\$ 221	1.270%	\$ 3,317
2016	8,903,643	2,551,719	1,320,000	-	-	12,775,362	267	1.496%	3,713
2015	9,872,882	2,726,719	1,815,000	-	1,842,500	16,257,101	340	1.958%	4,472
2014	10,780,810	2,901,719	2,290,000	-	3,685,000	19,657,529	411	2.368%	5,330
2013	11,677,771	2,901,719	2,500,000	12,978	-	17,092,468	357	2.059%	4,769
2012	11,784,301	-	-	30,811	-	11,815,112	247	1.423%	3,377
2011	12,768,631	-	-	46,860	-	12,815,491	268	1.544%	3,483
2010	13,811,030	-	-	-	-	13,811,030	289	1.664%	3,824
2009	14,890,677	-	-	-	-	14,890,677	289	1.628%	3,874
2008	16,042,072	-	-	-	-	16,042,072	311	1.754%	3,889

Sources:

(a) See notes to the financial statements regarding the District's outstanding debt information.

(b) See schedule " Demographic and Economic Statistic, Last Ten Years" for personal income, population and enrollment information.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Net Bonded Debt Per Capita
	General Obligation Bonds	Debt Service Available Balance	Net Bonded Debt		
2017	\$ 7,365,000	\$ 1,566,419	\$ 5,798,581	1.52%	\$ 121
2016	8,903,643	1,548,343	7,355,300	1.94%	154
2015	9,872,882	2,281,581	7,591,301	1.98%	159
2014	10,780,810	3,030,001	7,750,809	1.97%	162
2013	11,677,771	3,827,465	7,850,306	1.96%	164
2012	11,784,301	8,496,962	3,287,339	0.80%	69
2011	12,768,631	8,955,151	3,813,480	0.88%	80
2010	13,811,030	9,436,614	4,374,416	0.99%	91
2009	14,890,677	9,951,204	4,939,473	1.11%	96
2008	16,042,072	10,399,463	5,642,609	1.26%	109

Source: District financial records.

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2017

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Direct:			
Mansfield City School District	\$ 10,546,719	100.00%	\$ 10,546,719
Overlapping debt:			
Richland County	28,498,511	18.84%	5,369,119
City of Mansfield	12,118,894	63.75%	7,725,795
Total overlapping debt	<u>40,617,405</u>		<u>13,094,914</u>
Total direct and overlapping debt	<u>\$ 51,164,124</u>		<u>\$ 23,641,633</u>

Source: Ohio Municipal Advisory Council

Note: Percent applicable to Mansfield City School District is calculated using assessed valuation of the District area value contained within the noted governmental unit divided by assessed valuation of the governmental unit.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Fiscal Year	Unvoted Debt Limit	Voted Debt Limit	Total Debt Applicable to Limit	Debt Service Available Balance	Net Debt Applicable to Limit	Voted Legal Debt Margin	Energy Conservation Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2017	\$ 381,091	\$ 34,298,216	\$ 8,170,000	\$ 1,566,419	\$ 6,603,581	\$ 27,694,635	\$ 1,053,103	19.25%
2016	378,515	34,066,374	9,440,528	1,548,343	7,892,185	26,174,189	854,918	23.17%
2015	383,621	34,525,895	9,872,882	2,281,581	7,591,301	26,934,594	725,870	21.99%
2014	393,988	35,458,943	10,780,810	3,030,001	7,750,809	27,708,134	644,175	21.86%
2013	399,597	35,963,700	11,677,771	3,827,465	7,850,306	28,113,394	694,651	21.83%
2012	408,635	36,777,170	11,784,301	8,496,962	3,287,339	33,489,831	3,677,717	8.94%
2011	434,489	39,103,975	12,768,631	8,955,151	3,813,480	35,290,495	3,910,397	9.75%
2010	440,933	39,683,995	13,811,030	9,436,614	4,374,416	35,309,579	3,968,400	11.02%
2009	445,333	40,079,992	14,890,677	9,951,204	4,939,473	35,140,519	4,007,999	12.32%
2008	449,275	40,434,775	16,042,072	10,399,463	5,642,609	34,792,166	4,043,478	13.95%

Source: Richland County Fiscal Office and District financial records

Note: Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt.

Note: Voted Debt Margins are determined without reference to applicable monies in the District's debt service fund.

Note: Total debt applicable to limit does not include premiums.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

<u>Year</u>	<u>Population (1)</u>	<u>Per Capita Personal Income (3)</u>	<u>Total Personal Income</u>	<u>Median Age (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rates (3)</u>		
						<u>City</u>	<u>Ohio</u>	<u>United States</u>
2017	47,821	\$ 17,361	\$ 830,220,381	N/A	3,180	6.4%	5.4%	4.5%
2016	47,821	17,852	853,700,492	38.0	3,441	5.3%	5.0%	4.9%
2015	47,821	17,361	830,220,381	37.8	3,635	5.4%	4.8%	5.3%
2014	47,821	17,361	830,220,381	37.7	3,688	6.4%	5.7%	6.1%
2013	47,821	17,361	830,220,381	37.5	3,584	8.9%	7.4%	7.5%
2012	47,821	17,361	830,220,381	37.4	3,499	8.4%	7.3%	8.2%
2011	47,821	17,361	830,220,381	37.3	3,679	11.2%	9.0%	9.1%
2010	47,821	17,361	830,220,381	37.2	3,612	11.6%	10.1%	9.4%
2009	51,600	17,726	914,661,600	36.8	3,844	13.5%	10.7%	9.5%
2008	51,600	17,726	914,661,600	36.9	4,125	7.0%	6.4%	5.5%

Sources:

- (1) Suburban Statistics
- (2) District records
- (3) State Department of Labor

N/A - Information not available

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

PRINCIPAL EMPLOYERS
DECEMBER 31, 2016 AND DECEMBER 31, 2007

Employer	December 31, 2016		
	Employees	Rank	Percentage of Total City Employment
Ohio Health MedCentral Health Systems	2,400	1	4.76%
Jay Industries	1,150	2	2.28%
Newman Technology	1,100	3	2.18%
Richland County Government	1,006	4	1.99%
StarTek, Inc.	875	5	1.73%
Mansfield City School District	848	6	1.68%
Century Link, Inc.	800	7	1.59%
Mansfield Correctional Institute	680	8	1.35%
Therm-O-Disc, Inc.	625	9	1.24%
Gorman Rupp Company	540	10	1.07%
Total	10,024		19.87%
Total City Employment	50,434		

Employer	December 31, 2007		
	Employees	Rank	Percentage of Total City Employment
MedCentral Health Systems	2,400	1	4.10%
Richland County Government	1,474	2	2.52%
Mansfield City School District	1,178	3	2.01%
Newman Technology	1,100	4	1.88%
Jay Industries, Inc.	943	5	1.61%
Gorman Rupp Company	809	6	1.38%
Embarq	800	7	1.37%
Therm-O-Disc, Inc.	721	8	1.23%
Mansfield Correctional Institution	621	9	1.06%
City of Mansfield	588	10	1.00%
Total	10,634		18.16%
Total City Employment	58,534		

Source: The District and City of Mansfield

Note: Information is available on a calendar year basis only.

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**STAFFING STATISTICS
FULL TIME EQUIVALENTS (FTE) BY TYPE
LAST TEN FISCAL YEARS**

Type	2017	2016	2015	2014	2013	2012	2011
Professional staff:							
Educational Staff:							
General Education K-12	156	148	147	174	174	173	173
Special Education K-12	32	35	40	44	46	51	51
Art/Music/Phys Ed	24	25	25	25	27	27	26
Career Tech	13	13	11	15	15	16	16
Tutors	8	8	9	7	7	7	7
Preschool	5	4	5	5	5	3	2
Librarians	-	-	-	2	2	2	2
Counselors	12	8	6	6	7	7	10
Others	70	73	66	76	73	66	71
Other Professional:							
Nurses	7	5	4	5	5	5	5
Speech	3	3	4	5	5	6	5
Psychologists	-	-	-	-	3	3	4
Other	5	4	7	6	6	8	8
Administrative							
Administrators	21	20	18	18	21	21	21
Board members	5	5	5	5	5	5	5
Other							
Support staff:							
Bookkeeping	5	5	6	5	6	6	6
Clerical	23	22	19	23	26	26	27
Paraprofessionals	57	47	44	57	60	56	51
Security	-	-	-	6	6	7	5
Cooks	41	41	41	31	30	30	31
Custodial	28	26	29	32	32	30	28
Groundskeeping	1	1	1	3	3	3	3
Maintenance	4	4	4	5	6	9	9
Vehicle Operator (bus)	34	31	29	29	29	26	30
Other Operative	5	6	6	6	3	3	2
Other	11	10	7	11	17	16	21
Extracurricular	260	188	212	-	-	-	-
Total	830	731	745	602	618	613	618

Source: School District records

<u>2010</u>	<u>2009</u>	<u>2008</u>
194	205	182
52	54	50
31	34	30
18	18	16
5	44	19
1	1	-
2	2	3
11	11	10
76	87	76
5	5	4
5	4	3
5	4	3
9	8	10
25	33	26
5	5	5
7	7	5
32	39	35
48	54	40
5	7	-
32	33	37
32	35	35
3	3	3
9	10	10
27	30	26
2	1	1
20	20	20
-	-	-
<u>661</u>	<u>753</u>	<u>650</u>

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	2017	2016	2015	2014	2013	2012
Instruction:						
Regular and special						
Enrollment (students)	3,180	3,441	3,635	3,688	3,584	3,499
Graduates	165	165	157	197	232	222
Support services:						
Board of education						
Regular meetings per year	12	12	12	15	21	15
Special meetings per year	6	15	8	13	5	5
Administration						
Student attendance rate	93.9%	94.9%	94.5%	94.1%	93.7%	94.3%
Fiscal						
Nonpayroll checks issued	4,080	3,954	3,654	3,651	4,790	5,249
Pupil transportation						
Avg. students transported daily	2,093	2,233	2,201	2,238	2,130	2,146
Food service operations:						
Meals served to students	393,027	419,920	429,935	438,170	459,506	460,876
Percentage of students receiving reduced cost or free lunches	82.8%	83.3%	82.2%	82.4%	84.9%	83.6%

Source: District records

2011	2010	2009	2008
3,679 216	3,612 198	3,844 226	4,125 268
15 12	27 14	23 28	12 36
94.5%	94.0%	93.7%	94.1%
4,811	5,491	5,540	5,295
2,061	2,172	2,523	2,475
455,007	457,508	498,764	452,157
82.3%	79.1%	81.5%	81.7%

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

**CAPITAL ASSET STATISTICS
LAST TEN FISCAL YEARS**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Governmental activities:					
Land	\$ 4,935,051	\$ 4,935,051	\$ 4,935,051	\$ 4,935,051	\$ 4,935,051
Land improvements	1,564,969	1,728,443	1,809,284	2,048,836	1,491,340
Buildings and improvements	39,969,517	41,033,197	42,010,451	43,136,578	40,329,758
Furniture and equipment	1,260,956	1,149,409	786,242	1,152,611	1,199,547
Vehicles	1,414,644	1,545,617	1,026,487	644,263	287,515
Textbooks	-	-	-	-	-
Construction in progress	-	-	-	-	2,916,254
Total governmental activities capital assets, net	<u>\$ 49,145,137</u>	<u>\$ 50,391,717</u>	<u>\$ 50,567,515</u>	<u>\$ 51,917,339</u>	<u>\$ 51,159,465</u>

Source: District financial records.

Note: Amounts above are presented net of accumulated depreciation.

2012	2011	2010	2009	2008
\$ 4,935,051	\$ 5,135,808	\$ 5,135,808	\$ 5,135,808	\$ 5,135,808
1,641,493	1,618,120	1,770,971	1,680,916	1,708,229
41,474,335	44,505,646	46,009,488	47,187,804	47,841,444
1,520,347	1,255,322	1,392,490	1,547,303	1,803,302
396,856	355,620	356,071	344,088	561,960
-	36,318	348,303	479,083	609,863
278,018	504,796	-	-	-
<u>\$ 50,246,100</u>	<u>\$ 53,411,630</u>	<u>\$ 55,013,131</u>	<u>\$ 56,375,002</u>	<u>\$ 57,660,606</u>

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Newman Elementary (1950)						
Square feet	-	36,500	36,500	36,500	36,500	36,500
Capacity (students)	-	-	-	475	475	475
Enrollment	-	-	Closed	215	213	208
Prospect Elementary (1950)						
Square feet	34,000	34,000	34,000	34,000	34,000	34,000
Capacity (students)	475	475	475	475	475	475
Enrollment	233	272	263	296	258	259
Sherman Elementary (1961)						
Square feet	90,300	90,300	90,300	90,300	90,300	90,300
Capacity (students)	975	975	975	975	975	975
Enrollment	496	568	578	561	523	485
Spanish Immersion/Brinkerhoff Elementary (1950)						
Square feet	39,600	39,600	39,600	39,600	39,600	39,600
Capacity (students)	325	325	325	325	325	325
Enrollment	182	302	276	168	182	120
Springmill Elementary (1961)						
Square feet	43,700	43,700	43,700	43,700	43,700	43,700
Capacity (students)	500	500	500	500	500	500
Enrollment	28	-	-	-	-	-
Woodland Elementary (1936)						
Square feet	42,360	42,360	42,360	42,360	42,360	42,360
Capacity (students)	375	375	375	375	375	375
Enrollment	234	248	257	264	289	242
Malabar Intermediate/Malabar Middle (1962)						
Square feet	245,900	245,900	245,900	245,900	245,900	245,900
Capacity (students)	1,200	1,200	1,200	1,200	1,200	1,200
Enrollment	715	720	733	702	781	787
Mansfield Senior High/Middle School (2004)						
Square feet	346,000	346,000	346,000	346,000	346,000	346,000
Capacity (students)	3,600	3,600	3,600	3,600	3,600	3,600
Enrollment-High School Students	810	841	940	777	809	861
Enrollment-Middle School Students	446	444	485	499	469	436
Enrollment-Total	1,256	1,285	1,425	1,276	1,278	1,297
Alternative School/Hedges Elementary (1899)						
Square feet	55,493	55,493	55,493	55,493	55,493	55,493
Capacity (students)	650	650	650	650	650	650
Enrollment	36	46	38	115	130	150
Raemelton Central Office/Spanish Immersion (1961)						
Square feet	29,280	29,280	29,280	29,280	29,280	29,280
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A
West Fifth-Maintenance/Alt School (1950)						
Square feet	47,600	47,600	47,600	47,600	47,600	47,600
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A
Transportation (1968)						
Square feet	24,000	24,000	24,000	24,000	24,000	24,000

Source: District records

Note: Year of original construction is in parentheses. Increases in square footage and capacity are the result of renovations and additions. Capacity is the "program" capacity and decreases are the result of changes in federal, state or local standards.

2011	2010	2009	2008
36,500	36,500	36,500	36,500
475	475	475	475
226	205	233	229
34,000	34,000	34,000	34,000
475	475	475	475
258	277	292	347
90,300	90,300	90,300	90,300
975	975	975	975
506	562	560	610
39,600	39,600	39,600	39,600
325	325	325	325
97	295	294	285
43,700	43,700	43,700	43,700
500	500	500	500
-	264	282	327
42,360	42,360	42,360	42,360
375	375	375	375
229	265	281	277
245,900	245,900	245,900	245,900
1,200	1,200	1,200	1,200
759	463	581	621
346,000	346,000	346,000	346,000
3,600	3,600	3,600	3,600
887	917	908	1,064
430	-	-	-
1,317	917	908	1,064
55,493	55,493	55,493	55,493
650	650	650	650
81	234	266	299
29,280	29,280	29,280	29,280
N/A	300	300	300
N/A	125	60	N/A
47,600	47,600	47,600	47,600
81	57	57	66
24,000	24,000	24,000	24,000

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	General Government		Governmental Activities		Enrollment
	Expenditures (1)	Cost per pupil	Expenses (1)	Cost per pupil	
2017	\$ 63,593,718	\$ 19,998	\$ 61,970,690	\$ 19,488	3,180
2016	60,136,986	17,477	57,909,258	16,829	3,441
2015	59,481,191	16,363	58,499,416	16,093	3,635
2014	64,612,933	17,520	64,042,754	17,365	3,688
2013	69,563,278	19,409	68,217,464	19,034	3,584
2012	66,819,411	19,097	70,927,089	20,271	3,499
2011	65,437,775	17,787	67,721,195	18,408	3,679
2010	64,715,054	17,590	66,665,930	18,121	3,679
2009	67,223,454	17,779	68,819,838	18,201	3,781
2008	61,619,976	14,205	62,832,923	14,484	4,338

Source: District records

(1) Debt service totals have been excluded.

Percent Change	Teaching Staff	Pupil/Teacher Ratio	Student Attendance Percentage
-7.59%	291	10.93	93.90%
-5.34%	300	11.47	94.90%
-1.44%	309	11.75	94.50%
2.90%	355	10.39	94.10%
2.43%	352	10.19	93.70%
-4.89%	355	9.85	94.30%
0.00%	357	10.29	94.50%
-2.70%	390	9.43	94.00%
-12.84%	455	8.32	93.70%
-14.81%	386	11.23	94.10%

**MANSFIELD CITY SCHOOL DISTRICT
RICHLAND COUNTY, OHIO**

TEACHER STATISTICS
JUNE 30, 2017

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor's Degree	129	44.33%
Master's Degree	162	55.67%
Ph.D.	<u>0</u>	<u>0.00%</u>
	<u><u>291</u></u>	<u><u>100.00%</u></u>

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 5	42	14.43%
6 - 10	26	8.94%
11 and over	<u>223</u>	<u>76.63%</u>
	<u><u>291</u></u>	<u><u>100.00%</u></u>

Source: District Personnel Records



Dave Yost • Auditor of State

MANSFIELD CITY SCHOOL DISTRICT

RICHLAND 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
FEBRUARY 8, 2018**