

**CITY OF MANSFIELD
RICHLAND COUNTY, OHIO**

AUDIT REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2012**

James G. Zupka, CPA, Inc.
Certified Public Accountants



Dave Yost • Auditor of State

City Council
City of Mansfield
30 North Diamond Street
Mansfield, Ohio 44902

We have reviewed the *Independent Auditor's Report* of the City of Mansfield, Richland County, prepared by James G. Zupka, CPA, Inc., for the audit period January 1, 2012 through December 31, 2012. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Mansfield is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost
Auditor of State

September 6, 2013

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**CITY OF MANSFIELD
RICHLAND COUNTY, OHIO
AUDIT REPORT
FOR THE YEAR ENDED DECEMBER 31, 2012**

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Members of City Council
City of Mansfield, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Mansfield, Richland County, Ohio (the City), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City of Mansfield, Ohio's basic financial statements, and have issued our report thereon dated June 20, 2013, wherein we noted that the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, and restated its December 31, 2011 fund balance and net position of governmental and business-type activities due to a change in income tax allocation, loans receivable not recorded in the prior year, establishment of new funds, and to correct receipts recorded in the incorrect fund. We also noted the City is in fiscal emergency.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Mansfield, Ohio's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Mansfield, Ohio's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Mansfield, Ohio's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified a certain deficiency in internal control over financial reporting that we consider to be a material weakness.

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 correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency **Finding 2012-001** described in the accompanying Schedule of Findings and Questioned Costs to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Mansfield, Ohio's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Mansfield, Ohio's Response to Findings

The City of Mansfield, Ohio's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The City of Mansfield, Ohio's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Mansfield, Ohio's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Mansfield, Ohio's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


James G. Zupka, CPA, Inc.
Certified Public Accountants

June 20, 2013

JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND
REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133**

To the Members of City Council
City of Mansfield, Ohio

Report on Compliance for Each Major Federal Program

We have audited the City of Mansfield, Richland County, Ohio's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City of Mansfield, Ohio's major federal programs for the year ended December 31, 2012. The City of Mansfield, Ohio's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Mansfield, Ohio's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Mansfield, Ohio's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Mansfield, Ohio's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Mansfield, Ohio, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2012.

Report on Internal Control Over Compliance

Management of the City of Mansfield, Ohio, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Mansfield, Ohio's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Mansfield, Ohio'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, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *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 type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

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

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Mansfield, Ohio, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City of Mansfield, Ohio's basic financial statements. We issued our report thereon dated June 20, 2013, which contained unmodified opinions on those financial statements. Our opinion also explained that the City of Mansfield, Ohio, adopted Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, and restated its December 31, 2011 fund balance and net position of governmental and business-type activities due a change in income tax allocation, loans receivable not recorded in the prior year, establishment of new funds, and to correct receipts recorded in the incorrect fund. We also noted the City is in fiscal emergency. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.


James G. Zupka, CPA, Inc.
Certified Public Accountants

June 20, 2013

**CITY OF MANSFIELD
 RICHLAND COUNTY, OHIO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2012**

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Federal Expenditures
<u>U.S. Department of Housing and Urban Development</u>			
<u>Direct Programs</u>			
<i>Community Development Block Grant Cluster</i>			
Community Development Block Grants - Entitlement Grants	14.218	CB-03-MC-39-0017	\$ 2,646
Community Development Block Grants - Entitlement Grants	14.218	CB-05-MC-39-0017	316
Community Development Block Grants - Entitlement Grants	14.218	CB-06-MC-39-0017	45,934
Community Development Block Grants - Entitlement Grants	14.218	CB-07-MC-39-0017	50,302
Community Development Block Grants - Entitlement Grants	14.218	CB-08-MC-39-0017	37,526
Community Development Block Grants - Entitlement Grants	14.218	CB-09-MC-39-0017	111,280
Community Development Block Grants - Entitlement Grants	14.218	CB-10-MC-39-0017	65,964
Community Development Block Grants - Entitlement Grants	14.218	CB-11-MC-39-0017	135,720
Community Development Block Grants - Entitlement Grants	14.218	CB-08-MC-39-0017	366,224
ARRA - Community Development Block Grant - Entitlement Grants - CDBG-R - Recovery Act Funded	14.253	CB-08-MC-39-0017	<u>97,001</u>
<i>Total Community Development Block Grant Cluster</i>			<u>912,913</u>
Neighborhood Stabilization Program Grant	14.228	A-Z-08-288-1	<u>115,079</u>
HOME Investment Partnerships Program	14.239	M-03-MC-39-0221	9,362
HOME Investment Partnerships Program	14.239	M-05-MC-39-0221	5,815
HOME Investment Partnerships Program	14.239	M-06-MC-39-0221	14,762
HOME Investment Partnerships Program	14.239	M-07-MC-39-0221	7,167
HOME Investment Partnerships Program	14.239	M-08-MC-39-0221	40,109
HOME Investment Partnerships Program	14.239	M-09-MC-39-0221	88,941
HOME Investment Partnerships Program	14.239	M-10-MC-39-0221	144,338
HOME Investment Partnerships Program	14.239	M-11-MC-39-0221	150,195
HOME Investment Partnerships Program	14.239	M-12-MC-39-0221	<u>9,320</u>
<i>Total CFDA #14.239</i>			<u>470,009</u>
Total U.S. Department of Housing and Urban Development			<u>1,498,001</u>
<u>U.S. Department of Agriculture</u>			
<u>Passed Through the Ohio Department of Education</u>			
National School Lunch Program	10.555	not available	12,950
National School Lunch Program	10.555	not available	<u>2,075</u>
Total U.S. Department of Agriculture			<u>15,025</u>

(Continued)

**CITY OF MANSFIELD
RICHLAND COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012
(CONTINUED)**

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Federal Expenditures
<u>U.S. Department of Justice</u>			
<u>Direct Programs</u>			
Violence Against Women Formula Grants	16.588	2011-WF-VA2-8854	44,992
Bulletproof Vest Partnership Program	16.607	2007BUBX07039001	7,767
ARRA - Public Safety Partnership and Community Policing Grants	16.710	2009RKWX0667	238,206
Total Direct Programs			290,965
<u>Passed Through the National Association of Police Athletic League, Inc.</u>			
National PAL Mentoring Grant	16.726	2010-JU-FX-0025	950
National PAL Mentoring Grant	16.726	2011-JU-FX-0015	6,956
<i>Total CFDA #16.726</i>			7,906
<u>Passed Through the Ohio Bureau of Criminal Identification and Investigation, Office of the Attorney General</u>			
Crime Laboratory Improvement: Combined Offender DNA Index System Backlog Reduction	16.564	2010-DN-BX-K046	125,031
Crime Laboratory Improvement: Combined Offender DNA Index System Backlog Reduction	16.564	2011-DN-BX-K446	100,789
<i>Total CFDA #16.564</i>			225,820
<u>Passed Through the Ohio Attorney General's Office</u>			
Crime Victim Assistance	16.575	2012-VAGENE019	34,048
Crime Victim Assistance	16.575	2012-SAGENE019	3,939
Crime Victim Assistance	16.575	2013-VAGENE019	6,872
Crime Victim Assistance	16.575	2013SAGENE019	351
<i>Total CFDA #16.575</i>			45,210
<u>Passed Through the Office of Criminal Justice Services</u>			
<u>Justice Assistance Grant (JAG) Program Cluster</u>			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	10-JG-A01-6404	5,474
Edward Byrne Memorial Justice Assistance Grant Program	16.738	11-JG-A01-6404	139,534
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2009-JG-A0V-V6211	228
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2011-JG-C01-6919	34,907
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2010-DL-LEF-5808	24,651
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2011-DL-LEF-5808	146,963
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Program - Grants to Units of Local Government - Recovery Act Funded	16.804	2009-BC-B9-0091	10,754
Total Justice Assistance Grant (JAG) Program Cluster			362,511
Paul Coverdell Forensic Science Improvement Grants	16.742	2010-PC-NFS-7809	31
Paul Coverdell Forensic Science Improvement Grants	16.742	2011-PC-NFS-7809	16,549
<i>Total CFDA #16.742</i>			16,580
<u>Passed Through the Office of Criminal Justice Services - Passed Through Kent State University</u>			
PSN Crime Analysis	84.002	2010-PS-PSN-366	8,031
Total Passed Through Programs			666,058
Total U.S. Department of Justice			957,023

(Continued)

**CITY OF MANSFIELD
 RICHLAND COUNTY, OHIO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2012
 (CONTINUED)**

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Federal Expenditures
<u>U.S. Department of Health and Human Services</u>			
<u>Passed Through the Ohio Department of Mental Health</u>			
Substance Abuse and Mental Health Service Projects	93.243	VET-12-100-08-02	63,840
Substance Abuse and Mental Health Service Projects	93.243	VET-13-100-08-02	15,354
Total U.S. Department of Health and Human Services			<u>79,194</u>
<u>U.S. Department of Transportation</u>			
<u>Direct Programs</u>			
Airport Improvement Program	20.106	3-39-0049-2510	7,445
Airport Improvement Program	20.106	3-39-0049-2611	574,147
<i>Total CFDA #20.106</i>			<u>581,592</u>
Total Direct Programs			<u>581,592</u>
<u>Passed Through the Ohio Department of Transportation</u>			
National Transportation Act/Locally Administered Project	20.205	79052	3,210,886
<u>Passed Through the Ohio Department of Public Safety - The Governor's Highway Safety Office</u>			
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	2012-70-00-00-00568-00	26,556
Total Passed-Through Programs			<u>3,237,442</u>
Total U.S. Department of Transportation			<u>3,819,034</u>
<u>U.S. Department of Energy</u>			
<u>Direct Program</u>			
ARRA - Energy Efficiency and Conservation Block Grant Program	81.128	DE-EE0001551	22,939
Total U.S. Department of Energy			<u>22,939</u>
<u>U.S. Department of Commerce</u>			
<u>Direct Program</u>			
Economic Development Administration - Public Works Assistance	11.300	06-01-05499	617,104
Economic Development Administration - Public Works Assistance	11.300	06-01-05499	18,581
Total U.S. Department of Commerce			<u>635,685</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 7,026,901</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

**CITY OF MANSFIELD
RICHLAND COUNTY, OHIO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012**

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards and Expenditures Schedule (the Schedule) reports the City of Mansfield's (the City's) federal award programs' and disbursement. The schedule has been prepared on the cash basis of accounting.

NOTE 2: SUBRECIPIENTS

The City passes certain federal awards received from the U.S. Department of Housing and Urban Development to other governments or not-for-profit agencies (subrecipients). As Note A describes, the City reports expenditures of Federal awards to subrecipients when paid in cash.

As a subrecipient, the City has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

NOTE 3: CHILD NUTRITION CLUSTER

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

**CITY OF MANSFIELD
 RICHLAND COUNTY, OHIO
 NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2011
 (CONTINUED)**

NOTE 4: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS

The City has a revolving loan fund (RFL) program to provide low-interest loans to businesses to create jobs for low to moderate income persons and also to lend money to eligible persons to rehabilitate homes. The federal Department of Housing and Urban Development (HUD) grants money for these loans to the City. The Schedule reports loans made and administrative costs as disbursements on the Schedule. Subsequent loans are subject to the same compliance requirements imposed by HUD as the initial loans.

These loans are collateralized by mortgages on the property.

Activity in the CDBG revolving loan fund during 2012 is as follows:

Beginning loans receivable balance as of January 1, 2012	\$ 2,208,107
Loans made	719,900
Loan Principal repaid	(274,970)
Loan Principal Write-offs	(304,443)
Ending loans receivable balance as of December 31, 2012	<u>\$ 2,348,594</u>
Cash balance on hand in the revolving loan fund as of December 31, 2012	<u>\$ 382,898</u>

The table above reports gross loans receivable. Of the loans receivable as of December 31, 2012, the City estimates \$965,906 to be uncollectible. The January 1, 2012 balance presented in the footnote was restated.

NOTE 5: MATCHING REQUIREMENTS

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

**CITY OF MANSFIELD
 RICHLAND COUNTY, OHIO
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 OMB CIRCULAR A-133 & §.505
 DECEMBER 31, 2012**

1. SUMMARY OF AUDITOR'S RESULTS

2012(i)	Type of Financial Statement Opinion	Unmodified
2012(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	Yes
2012(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2012(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2012(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2012(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
2012(v)	Type of Major Programs' Compliance Opinions	Unmodified
2012(vi)	Are there any reportable findings under .510?	No
2012(vii)	Major Programs (list): HOME Investment Partnerships Program - CFDA #14.239 National Transportation Act/Locally Administered Project - CFDA #20.205 Economic Development Administration - Public Works Assistance - CFDA #11.300	
2012(viii)	Dollar Threshold: A/B Programs	Type A: \$300,000 Type B: All Others
2012(ix)	Low Risk Auditee?	No

**CITY OF MANSFIELD
RICHLAND COUNTY, OHIO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 & §.505
DECEMBER 31, 2012
(CONTINUED)**

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

Finding 2012-001 - Material Weakness - Internal Controls over Financial Reporting

Condition/Criteria

Financial reporting is the responsibility of the City's Finance Department and is essential to ensure the information provided to the readers of the financial statements is complete and accurate.

During the annual financial statement preparation process, management identified the following errors to the financial statements:

1. Restatement of fund balances and net position at December 31, 2011, for income taxes levied for general purposes being allocated to funds other than the General Fund;
2. Restatement of fund balances and net position at December 31, 2011, for new loans issued in 2011 which were not recorded as loans receivable;
3. Restatement of fund balance at December 31, 2011, to record the posting of a receipt to the correct fund;
4. Understatement of revenues and expenditures as a result of the City not recording payments made directly to vendors on behalf of the City by the Ohio Department of Transportation;
5. Understatement of loans receivable of \$579,238 for new mortgages issued by the City that were not included with the receivables;
6. Understatement of accrued interest receivable of \$1,468 for interest earned on the new mortgages;
7. Understatement of capital assets of \$9,000 for new vehicles being recorded net of the trade-in value of old vehicles used in their purchase;
8. Understatement of assets held for resale of \$163,834 for assets purchased and improved upon that the City intends to resell to individuals; and
9. Overstatement of capital assets of \$75,970 for land purchased with the intent to resell.

As a result, audit adjustments have been prepared and made to correct the financial activity for 2012.

Cause/Effect

The changes in financial presentation resulted in a prior period adjustment to the various funds as noted above. Additionally, lack of controls over financial reporting can result in errors and irregularities that may go undetected and decrease the reliability of financial data at year-end.

Recommendation

We recommend that the City implement controls and procedures related to financial reporting that enables management to identify, prevent, detect, and correct potential mis-statements in the financial statements and footnotes.

**CITY OF MANSFIELD
RICHLAND COUNTY, OHIO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 & §.505
DECEMBER 31, 2012
(CONTINUED)**

2. FINDING RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

Finding 2012-001 - Material Weakness - Internal Controls over Financial Reporting
(Continued)

Client Response

The City needed to restate fund balances and net position at December 31, 2011, due to a change in accounting procedures. Based on a recommendation from the Auditor of State in accordance with ORC 5705.14, the City decided that the 1 percent income tax levy should be deposited directly into the General Fund and then transferred to the other funds as needed. As a result, beginning balance adjustments were made to cash and income taxes receivable in the affected funds. This change to accounting principles will result in a better presentation of the City's collection and distribution of income taxes.

The City needed to restate fund balances at December 31, 2011, for other various purposes. First, accrued interest and loans receivable were restated to correct the omission of new loans issued in 2011 by the Community Development Department. Secondly, a restatement was needed to correct a prior year receipt inadvertently deposited into the General Fund. As a result, better controls and procedures are being implemented to identify and prevent potential mis-statements in the future.

During 2012, the City had expenditures exceed appropriations in the Grant Fund as a result of grant dollars being paid directly to a vendor. An adjustment was made to reflect the activity correctly in the financial statements. Although this was an isolated instance and the Fund did not experience a negative fund balance, the City has implemented better controls and procedures to prevent this incident from occurring in the future.

Capital assets were originally understated by \$9,000 because new EMT trucks were inadvertently recorded net of trade-in value. Although this amount is immaterial, an adjustment was made to reflect the activity correctly in the financial statements. Better controls and procedures are being implemented to identify and prevent potential mis-statements in the future.

During the financial statement preparation it was determined that loans receivable and accrued interest receivable were understated due to the omission of new mortgages issued by the Community Development Department. In addition, properties purchased for the purpose of resale were inadvertently booked as capital assets. Adjustments were made to reflect this activity correctly in the financial statements. Better controls and procedures are being implemented to identify and prevent potential mis-statements in the future.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

**CITY OF MANSFIELD
 RICHLAND COUNTY, OHIO
 SCHEDULE OF PRIOR FINDINGS AND RECOMMENDATIONS
 FOR THE YEAR ENDED DECEMBER 31, 2012**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain.
2010-001	Noncompliance Citation - Ohio Revised Section 5705.39(B) - The City had appropriations exceeding estimated resources.	Yes	Corrected.

Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

City of Mansfield, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2012

Prepared By
Department of Finance

Linn Steward, CPA
Director of Finance

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CITY OF MANSFIELD, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2012

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City of Mansfield, Ohio

Linn Steward CPA, Finance Director

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Mansfield, Ohio 44902

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email: Lsteward@ci.mansfield.oh.us

June 28, 2013

Citizens of Mansfield
Mayor Timothy Theaker
Members of Council
City of Mansfield, Ohio

As the Finance Director for the City of Mansfield (the “City”), I am pleased to present the Comprehensive Annual Financial Report (CAFR) of Mansfield, Ohio for the year ended December 31, 2012. The report has been prepared for the citizens of Mansfield, the elected officials, bondholders, the investment community, rating agencies, and all persons interested in the financial affairs of the City. This report includes the City’s implementation of accounting principles generally accepted in the United States of America (GAAP) set forth by the Governmental Accounting Standards Board (GASB) and other authoritative sources, and the guidelines set by the Government Finance Officers Association (GFOA). GASB No. 14 was used in evaluating how to define the City for financial reporting purposes. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations which have a significant relationship with the City that by excluding them would cause the financial statements to be misleading. Note 2A further discusses the reporting entity.

Responsibility for the accuracy of all data presented and its completeness and fairness of presentation rests with the Finance Director. To the best of my knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City of Mansfield.

OVERVIEW AND INTRODUCTION TO THE CITY

The City of Mansfield is located in Richland County in north central Ohio, approximately 65 miles northeast of the City of Columbus and 75 miles southwest of the City of Cleveland. It has a population of 47,821, is the county seat, and is the county’s largest city. The City is an important industrial and marketing center located strategically between Cleveland and Columbus. It is the largest populated city between the two cities off Interstate 71 making it a desirable crossroads for business.

The Miss Ohio Pageant is held in Mansfield each June. The pageant is a source of community wide support and pride, from the Miss Ohio festival, parade, and to the crowning of Miss Ohio at the historic grand Renaissance Theater, a 1920’s grand baroque theater.

The downtown Richland Carousel Park provides entertainment for children and adults. Other local entertainment options include theatrical productions at the Mansfield Playhouse, shows at the Mansfield Art Center, and classes at the Richland Academy of Arts and Sciences. The Mansfield Motorsports Speedway, north of town, is a fast half-mile asphalt racetrack where fans can enjoy great racing. Mansfield has 34 parks covering 435 acres. Those looking for exercise can try bicycling or in-line skating on the 18 mile B&O Bike Trail, which begins at North Lake Park in the City, running south through Lexington. Mansfield is also home to North Central State College and a branch campus of The Ohio State University. The two schools share the campus in Mansfield.

ECONOMIC CONDITION AND OUTLOOK

Staying with an aggressive economic development position, Mansfield again focused efforts in 2012 to development possibilities. The City was able to assist five companies in 2012 from revolving loan funds totaling \$120,000. These loans leveraged approximately \$675,000 in additional investments. Loan recipients project the retention of 12 full time jobs and six part time jobs. An additional 10 full time jobs and eight part time jobs are also projected over the next two years.

The Enterprise Zone program was utilized to assist one company during 2012. Investment in the project was approximately \$500,000. The company will create five full time jobs as a result of the project.

Phase III of the Reid Industrial Park project was completed in June 2012 opening up 170 acres of industrial park space. The total project cost of \$7,115,404 was funded by a combination of grants from the state and federal government, a loan from the Ohio Water Development Authority, and local funds.

Environmental remediation of the former Mansfield Foundry property moved forward during 2012 and is approximately 95% complete as of December 31, 2012. The balance of the project will by the end of June 2013. The projected cost of the remediation is \$4,000,000 and is covered by an insurance claim with ACE Insurance.

A total of fourteen projects are either complete or will be complete within the City of Mansfield. The direct result is \$41,000,000 invested in new construction, renovations, machinery and equipment. The companies involved project the creation of 228 full time jobs and 35 part time jobs.

The top three project highlights from 2012 are as follows:

- 1) Hyundai Ideal Electric completed the expansion of their First Street facility. The total investment of \$9,500,000 created 75 new full time jobs.
- 2) The Ashland University School of Nursing completed construction of their new facility on Trimble Road. The total investment of \$16,000,000 created 20 new full time jobs.
- 3) Expansion of Long View Steel continued in 2012. The total projected investment of \$5,000,000 will result in the creation of 30 new full time jobs.

MAJOR INITIATIVES

The revitalization of our community will continue in 2013. The City received a grant from the Ohio Attorney General's Office in the amount of \$741,454 to participate in the Moving Ohio Forward Demolition Grant Program. Funds from this program will be used to revitalize neighborhoods by demolishing blighted properties. An additional \$50,000 was received from The Richland County Foundation for similar demolition purposes.

FINANCIAL INFORMATION

Basis of Accounting

Except for budgetary purposes, the basis of accounting used by the City conforms to GAAP as applicable to governmental units and is consistent with GASB Cod. Sec. 1600, *Basis of Accounting*. All governmental funds are accounted for using a current financial resources-current asset and current liabilities-measurement focus.

The modified accrual basis of accounting is utilized for governmental funds. Revenues are recognized when they are susceptible to accrual (both measurable and available). Expenditures are recognized when the related liability is incurred, except for interest on long-term debt which is recorded when due.

The measurement focus on the City's proprietary funds is on the flow of total economic resources (all assets and liabilities). The accrual basis of accounting (revenues are recognized when earned and expenses when incurred) is utilized by the City in its proprietary and agency funds.

The City's basis of accounting for budgetary purposes differs from GAAP in that revenues are recognized when received, rather than when susceptible to accrual (measurable and available for governmental funds), and encumbrances are included as expenditures in the budgetary statements.

The City complies with GASB Statement Number 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. The government-wide financial statements, including governmental activities, in order to comply with GASB Statement Number 34, are presented on the full accrual basis of accounting. As part of this reporting model, management is responsible for preparing a management's discussion and analysis. This discussion follows the independent accountants' report, providing an assessment of the City's finances for 2012. Accounting policies are further explained in Note 2 to the basic financial statements.

Internal Controls

Development of the City's accounting system included consideration of the internal control structure. The internal control structure is designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or deposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes the cost of a control should not exceed the benefits likely to be derived from its implementation and that the evaluation of costs and benefits requires estimates and judgments by management.

Budgetary Controls

Budgetary control is maintained by the encumbrance of purchase amounts prior to the release of purchase orders to vendors. Purchase orders are not issued when insufficient appropriations preclude the encumbrance of the amount of the purchase. Each department manager is furnished a monthly report showing the status of the budget account for which he/she is responsible. The report details monthly transactions and summarizes the budget balance available to be spent for goods and services.

INDEPENDENT AUDIT

An audit team from James G. Zupka, C.P.A., Inc. has performed the City's 2012 audit. The results of their audit are disclosed in the Independent Accountants' Report included in the Financial Section. James G. Zupka, C.P.A., Inc. has expressed an unmodified opinion on the Basic Financial Statements. The City also had a "single audit", which includes all federally funded programs administered by the City, performed for 2012 by James G. Zupka, C.P.A., Inc. Congressional legislation made the "single audit" program mandatory for most local governments, including the City of Mansfield. This mandate began in 1985 and was amended in 1996 as a requirement for federal funding eligibility. Information related to this audit, including the Schedule of Receipts and Expenditures of Federal Awards and the combined report on internal control and compliance, are published in a separate report package.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Mansfield, Ohio, for its Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2011. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR). The contents of this report must conform to

program standards and must satisfy both Generally Accepted Accounting Principles (GAAP) and applicable legal requirements.

A Certificate of Achievement is valid for one year only. The City of Mansfield has received a Certificate of Achievement for the last twenty-seven years (years ended 1985-2011). We believe our current report continues to conform to Certificate of Achievement program requirements, and we are submitting it to the Government Finance Officers Association of the United States and Canada (GFOA) to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

I would like to give a special thank you to Scott Arnett who prepared the CAFR for 2012. I would also like to thank all of the Finance and Income Tax office staff whose dedicated effort makes this report possible.

Finally, I would like to send my appreciation to the City administration, department heads, and employees who have contributed in the effort to achieve excellence in financial reporting.

A handwritten signature in black ink that reads "Linn Steward". The signature is written in a cursive style with a large, sweeping flourish over the name.

Linn Steward, CPA
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Mansfield
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2011

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



Christopher P. Moivell

President

Jeffrey R. Enow

Executive Director

CITY OF MANSFIELD, OHIO

**PRINCIPAL OFFICIALS
DECEMBER 31, 2012**

ELECTED OFFICIALS

EXECUTIVE:

Mayor Timothy L. Theaker
Director of Finance Linn D. Steward
Director of Law John R. Spon
Municipal Court Judge Frank Ardis
Municipal Court Judge..... Jerry E. Ault
Clerk of Court Daniel F. Smith

LEGISLATIVE:

President of Council Phillip E. Scott
Council Members
 Ward 1 Michael N. Hill
 Ward 2 Jeffrey W. Rock
 Ward 3 Scott E. Hazen
 Ward 4 Sammie J. Dunn Jr.
 Ward 5 Ethel M. (Pat) Hightower
 Ward 6 Garnetta Pender
 At Large Ellen K. Haring
 At Large Clifford Mears Jr.

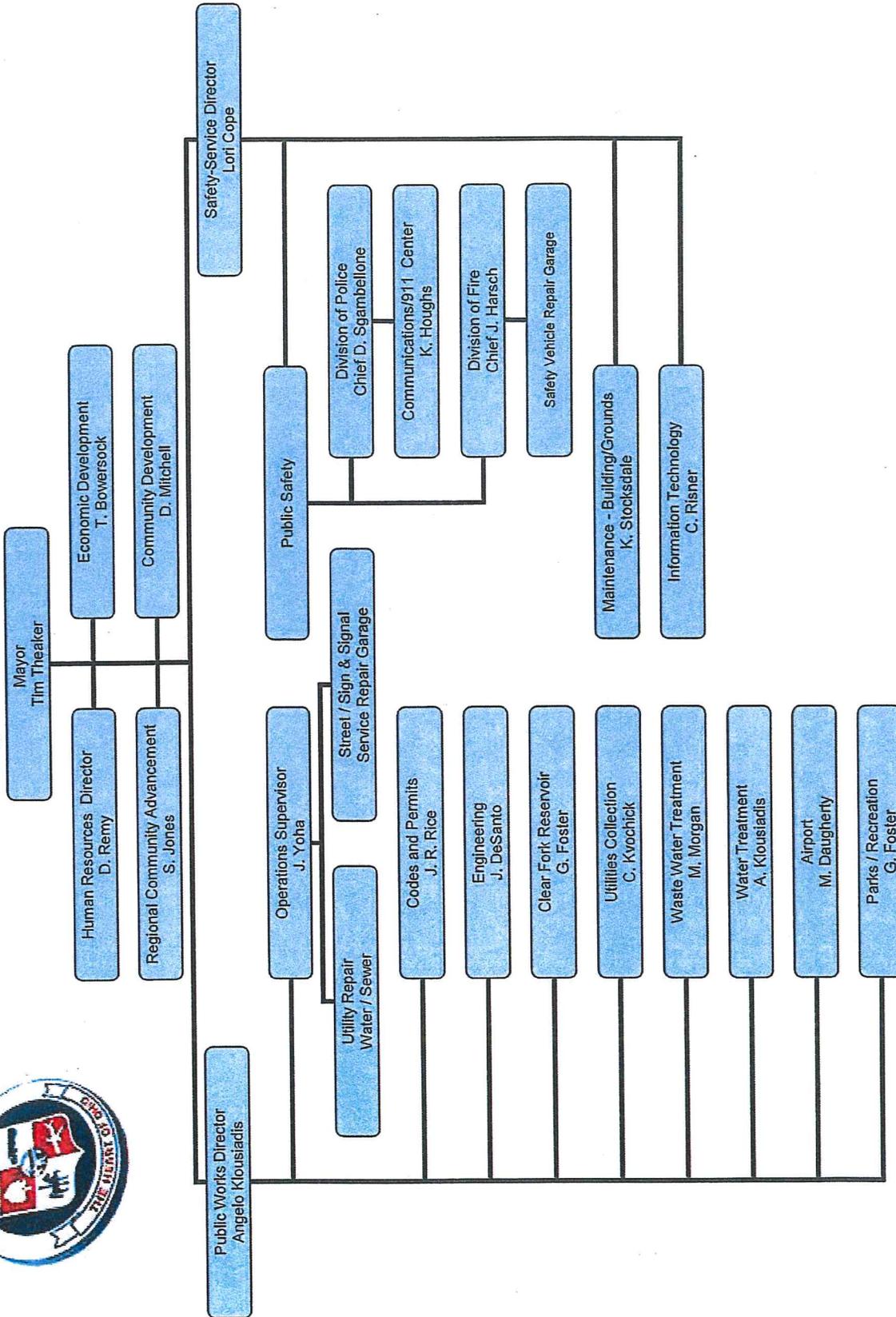
APPOINTED OFFICIALS

Director of Service Safety..... Lori A. Cope
Director of Public Works..... Angelo N. Klousiadis
Director of Human Resources..... Dave L. Remy
Director of Industrial Development..... Timothy R. Bowersock
Director of Community Development..... Donnie D. Mitchell
Director of Regional Community Advancement..... Sherri R. Jones
Chief of Police..... Dino P. Sgambellone
Chief of Fire..... John C. Harsch

The present terms of the executive branch and the President of Council will expire November 30, 2015. The present terms of the legislative branch will expire November 30, 2013, or November 30, 2015. All members of Council serve a four year term. All appointed officials serve at the pleasure of the Mayor.



Office of the Mayor Mansfield Organizational Structure



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JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of City Council
City of Mansfield, Ohio

The Honorable David Yost
Auditor of State
State of Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Mansfield, Richland County, Ohio (the City), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Mansfield, Ohio, as of December 31, 2012, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, the Community Development Fund, the Safety Services Fund, and the Grant Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 25 to the financial statements, the City has suffered recurring losses from operations and has a fund balance deficiency. Note 25 describes Management's plans regarding these matters. In addition, on August 19, 2010 the Auditor of State determined a fiscal emergency existed, and a financial planning and supervision commission assumed certain management responsibilities for the duration of the emergency pursuant to Chapter 118 of the Ohio Revised Code. The financial statements do not include any adjustment that might result from the outcome of this uncertainty.

As described in Note 9 to the financial statements, during 2012 the City adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, and restated its December 31, 2011 fund balance and net position of governmental and business-type activities due to a change in income tax allocation, loans receivable not recorded in the prior year, establishment of new funds, and to correct receipts recorded in the incorrect fund. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Mansfield, Ohio's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2013, on our consideration of the City of Mansfield, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion 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 City of Mansfield, Ohio's internal control over financial reporting and compliance.


James G. Zupka, CPA, Inc.
Certified Public Accountants

June 20, 2013

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CITY OF MANSFIELD, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2012 UNAUDITED

The discussion and analysis of the City of Mansfield's (the "City") financial statements provides an overall review of the City's financial activities for the year ended December 31, 2012. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, the basic financial statements, and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2012 are as follows:

- The total net position of the City increased \$9,525,617. Net position of governmental activities increased \$4,905,248 or 6.85% from 2011 and net position of business-type activities increased \$4,620,369 or 7.28% from 2011.
- General revenues accounted for \$28,399,100 of total governmental activities revenue. Program specific revenues accounted for \$19,717,547 or 40.98% of total governmental activities revenue.
- The City had \$37,877,706 in expenses related to governmental activities; \$19,717,547 of these expenses were offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$18,160,159 were offset by general revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$28,399,100.
- The City's major governmental funds are the general fund, community development fund, safety services fund and grant fund. The general fund had revenues and other financing sources of \$22,357,490 in 2012. This represents an increase of \$12,431,600 from 2011. The expenditures and other financing uses of the general fund, which totaled \$21,588,239 in 2012, increased \$14,241,749 from 2011. The net increase in fund balance for the general fund was \$762,456 or 16.10%.
- The community development fund had revenues and other financing sources of \$1,529,443 in 2012. The expenditures and other financing uses of the community development fund totaled \$1,324,106 in 2012. The net increase in fund balance for the community development fund was \$205,337 or 12.42%.
- The safety services fund had revenues of \$20,608,477 in 2012. The expenditures and other financing uses for the safety services fund totaled \$19,973,466 in 2012. The net increase in fund balance for the safety services fund was \$638,848.
- The grant fund had revenues and other financing sources of \$5,748,851 in 2012. The expenditures for the grant fund totaled \$5,497,870 in 2012. The net increase in fund balance for the grant fund was \$243,097 or 127.36%.
- Net position for the business-type activities, which are made up of the water, sewer and airport operating enterprise funds, increased in 2012 by \$4,620,369.
- In the general fund, the actual revenues came in \$569,676 higher than they were in the final budget and actual expenditures were \$971,977 less than the amount in the final budget. These positive variances are the result of the City's conservative revenue estimates and expenditure reductions. Budgeted revenues increased \$80,985 from the original to the final budget. Budgeted expenditures decreased \$205,888 from the original to the final budget primarily because of a decrease in anticipated income tax refunds.

CITY OF MANSFIELD, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012
UNAUDITED**

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to these statements. These statements are organized so the reader can understand the City 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 City as a whole, presenting both an aggregate view of the City'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 City's most significant funds with all other nonmajor funds presented in total in one column.

Reporting the City as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2012?" The statement of net position and the statement of activities answer this question. These statements include all assets and liabilities (except fiduciary funds) using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's net position and changes in those assets. This change in net position is important because it tells the reader that, for the City as a whole, the financial position of the City 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 City's property and income tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required community programs and other factors.

In the statement of net position and the statement of activities, the City is divided into two distinct kinds of activities:

Governmental activities - Most of the City's programs and services are reported here including police, fire and rescue, street maintenance, capital improvements and general administration. These services are funded primarily by property and income taxes and intergovernmental revenues including federal and state grants and other shared revenues.

Business-type activities - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The City's water, sewer, and airport operations are reported here.

Reporting the City's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

CITY OF MANSFIELD, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012
UNAUDITED**

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. The analysis of the City's major governmental and proprietary funds begins on page 12.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental funds are the general fund, community development fund, safety services fund, and grant fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 24-34 of this report.

Proprietary Funds

The City maintains two different types of proprietary funds, enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, and airport functions. The City's major enterprise funds are the water and sewer funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The basic proprietary fund financial statements can be found on pages 35-38 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Agency funds are the City's only fiduciary fund type. The basic fiduciary fund financial statement can be found on page 39 of this report.

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. These notes to the basic financial statements can be found on pages 41-76 of this report.

CITY OF MANSFIELD, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012
UNAUDITED**

Government-Wide Financial Analysis

The table below provides a summary of the City's net position for 2012 compared to 2011:

	Net Position					
	Governmental	Governmental	Business-Type	Business-Type	Total	Total
	Activities	Activities	Activities	Activities	Total	Total
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
<u>Assets</u>						
Current and other assets	\$ 32,949,978	\$ 28,796,929	\$ 21,971,796	\$ 20,503,199	\$ 54,921,774	\$ 49,300,128
Capital assets	<u>58,990,840</u>	<u>58,709,143</u>	<u>50,575,608</u>	<u>47,923,786</u>	<u>109,566,448</u>	<u>106,632,929</u>
Total assets	<u>91,940,818</u>	<u>87,506,072</u>	<u>72,547,404</u>	<u>68,426,985</u>	<u>164,488,222</u>	<u>155,933,057</u>
<u>Liabilities</u>						
Long-term liabilities	10,905,080	10,879,582	3,943,834	4,508,913	14,848,914	15,388,495
Other liabilities	<u>2,829,726</u>	<u>3,350,902</u>	<u>540,707</u>	<u>475,577</u>	<u>3,370,433</u>	<u>3,826,479</u>
Total liabilities	<u>13,734,806</u>	<u>14,230,484</u>	<u>4,484,541</u>	<u>4,984,490</u>	<u>18,219,347</u>	<u>19,214,974</u>
<u>Deferred inflows of resources</u>						
Property taxes	1,659,286	1,634,110	-	-	1,659,286	1,634,110
<u>Net position</u>						
Net investment in capital assets	53,868,750	53,334,491	47,597,321	44,431,737	101,466,071	97,766,228
Restricted	21,877,797	21,247,684	3,247,764	3,512,498	25,125,561	24,760,182
Unrestricted	<u>800,179</u>	<u>(2,940,697)</u>	<u>17,217,778</u>	<u>15,498,260</u>	<u>18,017,957</u>	<u>12,557,563</u>
Total net position	<u>\$ 76,546,726</u>	<u>\$ 71,641,478</u>	<u>\$ 68,062,863</u>	<u>\$ 63,442,495</u>	<u>\$ 144,609,589</u>	<u>\$ 135,083,973</u>

Over time, net position can serve as a useful indicator of a government's financial position. At December 31, 2012, the City's assets exceeded liabilities and deferred inflows of resources by \$144,609,589. The City's net position was \$76,546,726 and \$68,062,863 for the governmental activities and the business-type activities, respectively.

Capital assets reported on the government-wide statements represent the largest portion of the City's net position. At year-end, capital assets represented 64.16% of total assets. Capital assets include land, buildings, improvements other than buildings (IOTB), machinery and equipment, construction in progress (CIP) and infrastructure. Capital assets, net of related debt to acquire the assets, were \$53,868,750 and \$47,597,321 in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City'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.

As of December 31, 2012, the City is able to report positive balances in all three categories of net position for the business-type activities.

A portion of the City's net position, \$25,125,561 represents resources that are subject to external restriction on how they may be used.

The next table shows the changes in net position for fiscal year 2012 and 2011.

CITY OF MANSFIELD, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
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Changes in Net Position

	Governmental Activities <u>2012</u>	Governmental Activities <u>2011</u>	Business-Type Activities <u>2012</u>	Business-Type Activities <u>2011</u>	Total <u>2012</u>	Total <u>2011</u>
Revenues						
Program revenues:						
Charges for services	\$ 7,828,356	\$ 7,903,517	\$ 13,758,225	\$ 17,719,201	\$ 21,586,581	\$ 25,622,718
Operating grants and contributions	7,355,011	7,540,551	-	-	7,355,011	7,540,551
Capital grants and contributions	<u>4,534,180</u>	<u>1,721,169</u>	-	<u>7,650</u>	<u>4,534,180</u>	<u>1,728,819</u>
Total program revenues	<u>19,717,547</u>	<u>17,165,237</u>	<u>13,758,225</u>	<u>17,726,851</u>	<u>33,475,772</u>	<u>34,892,088</u>
General revenues:						
Property taxes	1,946,887	1,473,652	-	-	1,946,887	1,473,652
Income taxes	23,607,159	22,891,311	-	306,338	23,607,159	23,197,649
Unrestricted grants and entitlements	2,402,217	3,225,813	35,962	22,810	2,438,179	3,248,623
Investment earnings	193,855	310,072	5,265	10,530	199,120	320,602
Gain on sale of capital assets	91,557	225,027	141,877	-	233,434	225,027
Miscellaneous	<u>157,425</u>	<u>135</u>	<u>27,865</u>	<u>5,116</u>	<u>185,290</u>	<u>5,251</u>
Total general revenues	<u>28,399,100</u>	<u>28,126,010</u>	<u>210,969</u>	<u>344,794</u>	<u>28,610,069</u>	<u>28,470,804</u>
Total revenues	<u>48,116,647</u>	<u>45,291,247</u>	<u>13,969,194</u>	<u>18,071,645</u>	<u>62,085,841</u>	<u>63,362,892</u>
Program expenses:						
General government	12,660,014	12,370,223	-	-	12,660,014	12,370,223
Public safety	20,546,576	21,292,633	-	-	20,546,576	21,292,633
Public health and welfare	2,850	3,006	-	-	2,850	3,006
Transportation	2,371,804	3,385,047	-	-	2,371,804	3,385,047
Community environment	1,770,384	1,897,869	-	-	1,770,384	1,897,869
Leisure time activities	270,695	328,411	-	-	270,695	328,411
Interest and fiscal charges	255,383	266,520	-	-	255,383	266,520
Water	-	-	5,951,358	6,105,309	5,951,358	6,105,309
Sewer	-	-	8,102,780	7,960,497	8,102,780	7,960,497
Airport operating	-	-	628,380	600,011	628,380	600,011
Total program expenses	<u>37,877,706</u>	<u>39,543,709</u>	<u>14,682,518</u>	<u>14,665,817</u>	<u>52,560,224</u>	<u>54,209,526</u>
Excess (Deficiency) before transfers	10,238,941	5,747,538	(713,324)	3,405,828	9,525,617	9,153,366
Transfers	<u>(5,333,693)</u>	-	<u>5,333,693</u>	-	-	-
Change in net position	4,905,248	5,747,538	4,620,369	3,405,828	9,525,617	9,153,366
Net position, January 1 (restated)	<u>71,641,478</u>	<u>65,893,940</u>	<u>63,442,494</u>	<u>60,036,667</u>	<u>135,083,972</u>	<u>125,930,607</u>
Net position, December 31	<u>\$ 76,546,726</u>	<u>\$ 71,641,478</u>	<u>\$ 68,062,863</u>	<u>\$ 63,442,495</u>	<u>\$ 144,609,589</u>	<u>\$ 135,083,973</u>

CITY OF MANSFIELD, OHIO
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012
UNAUDITED

Governmental Activities

Governmental activities net position increased \$4,905,248 in 2012. This increase is the result of an increase in capital grants.

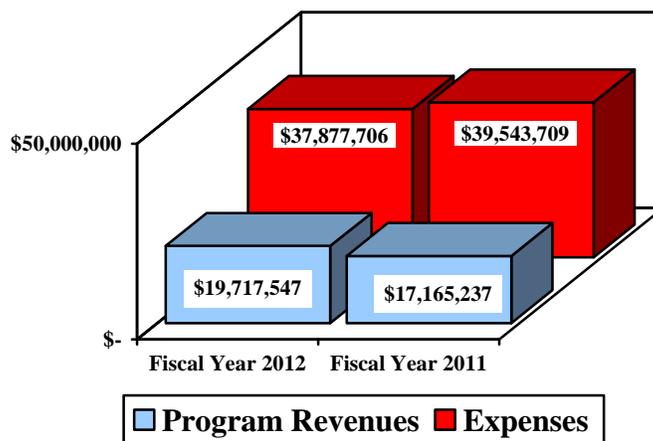
Public safety, which primarily supports the operations of the police and fire departments accounted for \$20,546,576 of the total expenses of the City. These expenses were partially funded by \$2,277,353 in direct charges to users of the services, and \$1,028,327 in operating grants and contributions. Transportation expenses totaled \$2,371,804. Transportation expenses were funded by \$20,924 in direct charges to users of the services, \$3,551,382 in operating grants and contributions, and \$793,830 in capital grants and contributions.

The state and federal government contributed to the City a total of \$7,355,011 in operating grants and contributions and \$4,534,180 in capital grants and contributions. These revenues are restricted to a particular program or purpose.

General revenues totaled \$28,399,100 and amounted to 59.02% of total governmental revenues. These revenues primarily consist of property and income tax revenue of \$25,554,046. The other primary source of general revenues is grants and entitlements not restricted to specific programs, including local government funds making up \$2,402,217.

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 and Federal grants and entitlements. As can be seen in the graph below, the City is highly dependent upon property and income taxes as well as unrestricted grants and entitlements to support its governmental activities.

Governmental Activities – Program Revenues vs. Total Expenses



CITY OF MANSFIELD, OHIO

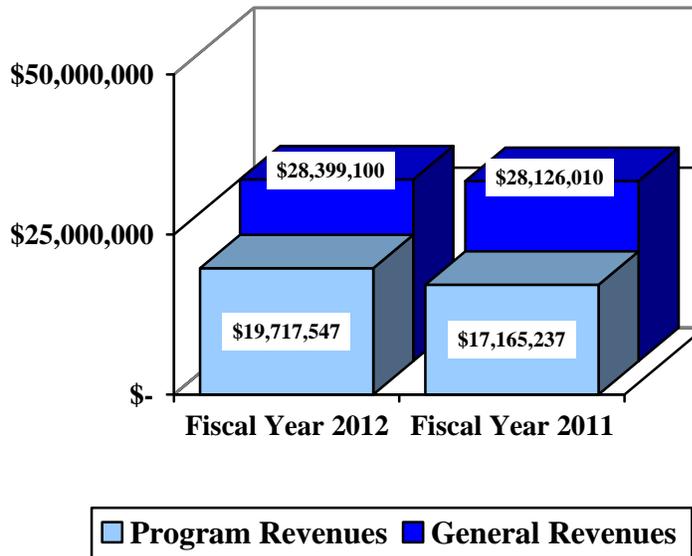
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012
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Governmental Activities

	Total Cost of Services <u>2012</u>	Net Cost of Services <u>2012</u>	Total Cost of Services <u>2011 (Restated)</u>	Net Cost of Services <u>2011 (Restated)</u>
Program Expenses:				
General government	\$ 12,660,014	\$ 2,382,737	\$ 12,370,223	\$ 2,412,978
Public safety	20,546,576	17,240,896	21,292,633	17,526,266
Public health and welfare	2,850	2,850	3,006	(7,353)
Transportation	2,371,804	(1,994,332)	3,385,047	(596,086)
Community environment	1,770,384	22,737	1,897,869	206,840
Leisure time activities	270,695	249,888	328,411	316,221
Interest and fiscal charges	<u>255,383</u>	<u>255,383</u>	<u>266,520</u>	<u>266,520</u>
Total	<u>\$ 37,877,706</u>	<u>\$ 18,160,159</u>	<u>\$ 39,543,709</u>	<u>\$ 20,125,386</u>

The dependence upon general revenues for governmental activities is apparent, with 47.94% of expenses supported through taxes and other general revenues.

Governmental Activities – General and Program Revenues

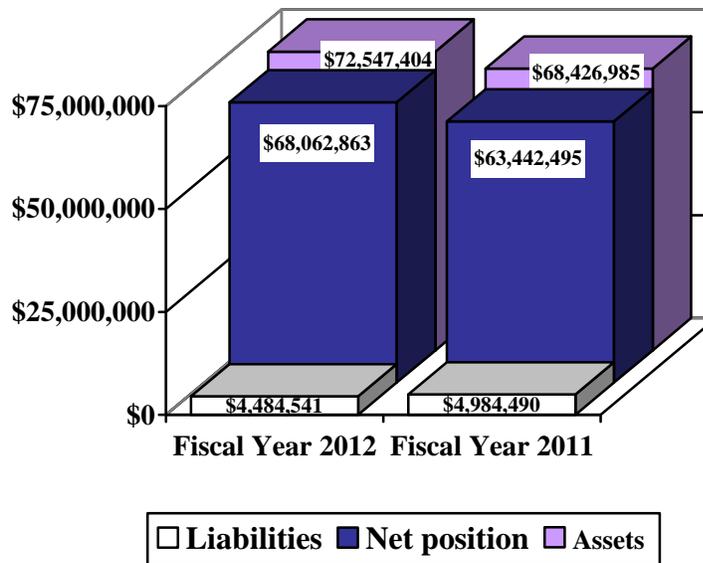


CITY OF MANSFIELD, OHIO
MANAGEMENT’S DISCUSSION AND ANALYSIS
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Business-Type Activities

Business-type activities include the water, sewer, and airport enterprise funds. These programs had program revenues of \$13,758,225, general revenues of \$210,969 and expenses of \$14,682,518 for 2012. The graph below shows the business-type activities assets, liabilities and net position at year-end.

Net Position in Business – Type Activities



Financial Analysis of the City’s Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financing requirements. In particular, unreserved fund balance may serve as a useful measure of the City’s net resources available for spending at year-end.

The City’s governmental funds (as presented on the balance sheet on page 24-25) reported a combined fund balance of \$16,221,511 which is \$3,365,652 above last year’s total of \$12,855,859.

CITY OF MANSFIELD, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
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The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2012 and December 31, 2011 for all major and nonmajor governmental funds.

	<u>Fund Balances</u> <u>12/31/12</u>	<u>Fund Balances</u> <u>12/31/11</u>	<u>Increase</u> <u>(Decrease)</u>
Major funds:			
General	\$ 5,499,462	\$ 4,737,006	\$ 762,456
Community development	1,858,511	1,653,174	205,337
Safety services	(1,154,520)	(1,793,368)	638,848
Grant fund	433,969	190,872	243,097
Other nonmajor governmental funds	<u>9,584,089</u>	<u>8,068,175</u>	<u>1,515,914</u>
Total	<u>\$ 16,221,511</u>	<u>\$ 12,855,859</u>	<u>\$ 3,365,652</u>

General Fund

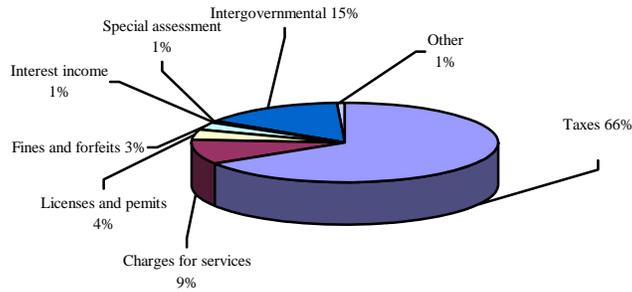
The following table assists in illustrating the revenues of the general fund.

	<u>2012</u> <u>Amount</u>	<u>2011</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<u>Revenues</u>			
Taxes	\$ 14,713,666	\$ 2,024,191	626.89 %
Charges for services	2,268,007	2,327,040	(2.54) %
Licenses, permits and fees	912,450	958,037	(4.76) %
Fines and forfeitures	666,154	1,501,738	(55.64) %
Investment income	140,107	203,848	(31.27) %
Special assessments	22,569	31,769	(28.96) %
Intergovernmental	3,374,427	4,938,141	(31.67) %
Other	<u>177,553</u>	<u>99,271</u>	<u>78.86 %</u>
Total	<u>\$ 22,274,933</u>	<u>\$ 12,084,035</u>	<u>84.33 %</u>

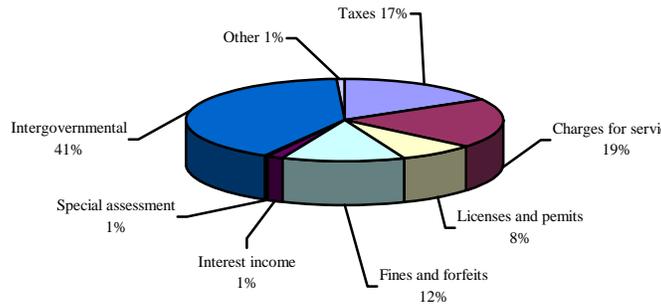
Tax revenue, which is a combination of property and income tax, represents 66.05% of all general fund revenue. Tax revenue increased by 626.89% from the prior year because of a change in accounting procedures. Beginning in 2012, the 1% permanent income tax levy is deposited into the general fund and then transferred to other funds. Prior to 2012, the 1% income tax levy was deposited into a holding account and then transferred to other funds. A decrease in the amount of late fees received by utility collections resulted in a decrease in fines and forfeitures. Interest income declined in 2012 as a result of lower interest rates and the timing of investment maturities. A decline in delinquent assessment collections led to a decrease in overall special assessment revenue. Intergovernmental revenue, which represents 15.15% of all general fund revenue, decreased 31.67% because of significant decreases in estate tax receipts and local government funding. Other income increased in 2012 as the result of an increase in unclaimed money deposits.

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Revenues – Fiscal Year 2012



Revenues – Fiscal Year 2011



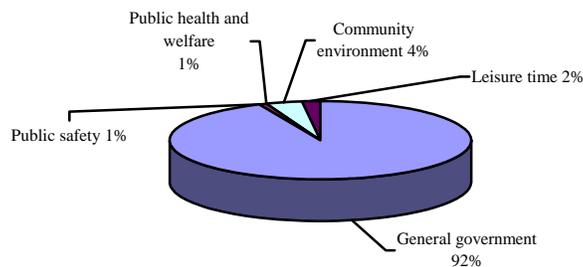
The following table assists in illustrating the expenditures of the general fund.

	<u>2012</u> <u>Amount</u>	<u>2011</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<u>Expenditures</u>			
General government	\$ 9,244,699	\$ 8,878,743	4.12 %
Public safety	11,013	7,064	55.90 %
Public health and welfare	600	3,445	(82.58) %
Community environment	394,873	408,183	(3.26) %
Leisure time activities	<u>188,096</u>	<u>283,280</u>	<u>(33.60) %</u>
Total	<u>\$ 9,839,281</u>	<u>\$ 9,580,715</u>	<u>2.70 %</u>

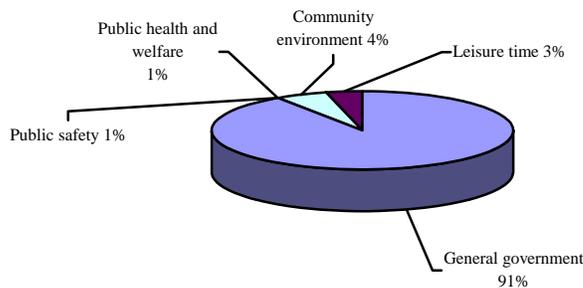
CITY OF MANSFIELD, OHIO
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An increase in the City's safety town costs led to an increase in public safety expenditures. Decreases in expenditures within public health and welfare and leisure time activities are the result of departmental reorganizations and cost reductions.

Expenditures – Fiscal Year 2012



Expenditures – Fiscal Year 2011



Community Development Fund

In 2012, the community development fund had revenues of \$1,529,443 and expenditures of \$1,074,106. The net increase in fund balance of \$205,337 for the community development fund is attributable to the timing of receipts from the U.S. Department of Housing and Urban Development.

Safety Services Fund

The safety services fund had revenues of \$8,892,890 and expenditures of \$19,600,561 in 2012. The net increase in fund balance for the safety services fund was \$638,848. Transfers from the general fund and proceeds from a capital lease led to an increase in the safety services fund balance.

Grant Fund

In 2012, the grant fund had revenues of \$5,697,170 and expenditures of \$5,497,870. The net increase in fund balance of \$243,097 is primarily due to the timing of receipts from the various federal awards and local matches.

CITY OF MANSFIELD, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012
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Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, but in more detail. The only difference between the amounts reported as business-type activities and the amounts reported in the proprietary fund statements are interfund eliminations between proprietary funds and internal balances due to governmental activities for internal service activities. The only interfund activity reported in the government-wide financial statements are those between business-type activities and governmental activities (reported as internal balances and transfers) whereas interfund amounts between various enterprise funds are reported in the proprietary fund statements. The water enterprise fund had operating revenues of \$6,605,686 which was more than operating expenses of \$5,915,598 by \$690,088. The sewer enterprise fund had operating revenues of \$7,057,826 which was less than operating expenses of \$7,953,611 by \$895,785.

Budgeting Highlights

The City's budgeting process is prescribed by the Ohio Revised Code (ORC). Essentially, the budget is the City's appropriations which are restricted by the amounts of anticipated resources certified by the Budget Commission in accordance with the ORC. Therefore, the City's plans or desires cannot be totally reflected in the original budget. If budgeted resources are adjusted due to actual activity then the appropriations can be adjusted accordingly.

Budgetary information is presented for the general fund, community development fund, safety services fund, and grant fund. For the general fund, actual revenues of \$23,102,391 exceeded final budgeted revenues by \$569,676 because of a conservative estimate. Actual expenditures came in \$971,977 lower than the final budgeted amounts because of cost cutting methods implemented by the City's department heads. Budgeted revenues increased \$80,985 from the original to the final budget. Budgeted expenditures decreased \$205,888 from the original to the final budget due to a decrease in anticipated income tax refunds.

Capital Assets and Debt Administration

Capital Assets

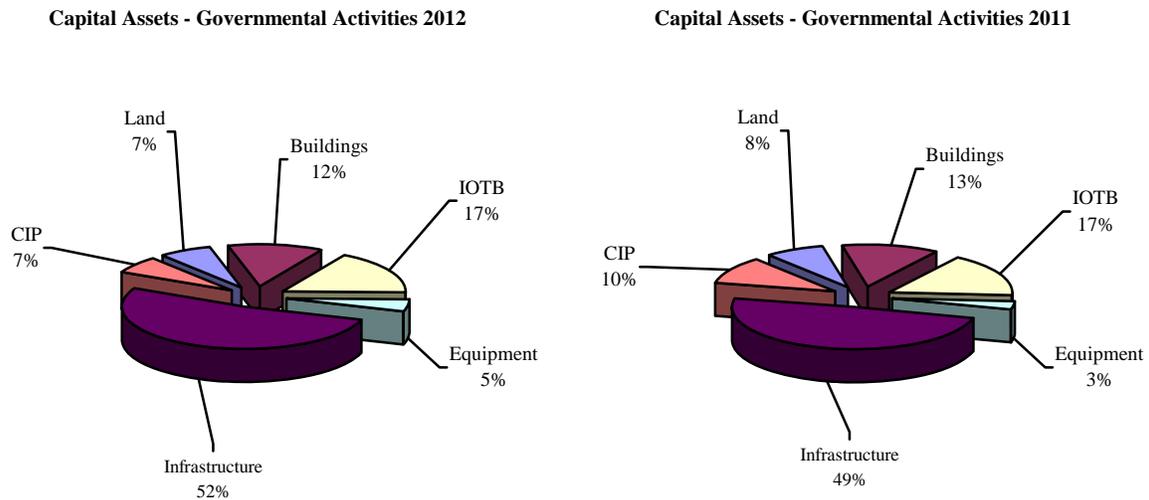
As of December 31, 2012, the City had \$109,566,448 (net of accumulated depreciation) invested in land, buildings, improvements other than buildings (IOTB), machinery and equipment, infrastructure and construction in progress (CIP). Of this total, \$58,990,840 was reported in governmental activities and \$50,575,608 was reported in business-type activities. For additional information regarding capital assets, see Note 11. The following table shows fiscal 2012 balances compared to 2011:

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Capital Assets at December 31
(Net of Depreciation)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Land	\$ 4,137,954	\$ 4,503,193	\$ 1,964,508	\$ 1,964,508	\$ 6,102,462	\$ 6,467,701
Buildings	7,313,705	7,616,863	5,245,782	5,551,507	12,559,487	13,168,370
IOTB	10,083,698	9,692,971	15,151,654	8,434,219	25,235,352	18,127,190
Machinery & Equipment	2,715,285	1,887,446	1,205,053	1,178,395	3,920,338	3,065,841
Infrastructure	30,780,348	28,853,801	27,008,611	28,372,214	57,788,959	57,226,015
CIP	<u>3,959,850</u>	<u>6,154,869</u>	<u>-</u>	<u>2,422,943</u>	<u>3,959,850</u>	<u>8,577,812</u>
Totals	<u>\$ 58,990,840</u>	<u>\$ 58,709,143</u>	<u>\$ 50,575,608</u>	<u>\$ 47,923,786</u>	<u>\$ 109,566,448</u>	<u>\$ 106,632,929</u>

The following graphs show the breakdown of governmental activities capital assets by category for 2012 and 2011.

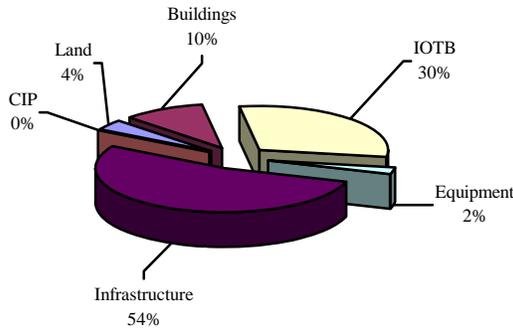


The City's largest capital asset category is infrastructure which includes roads, bridges, and traffic signals. These items are immovable and of value only to the City, however, the annual cost of purchasing these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 52% of the City's total governmental activities capital assets.

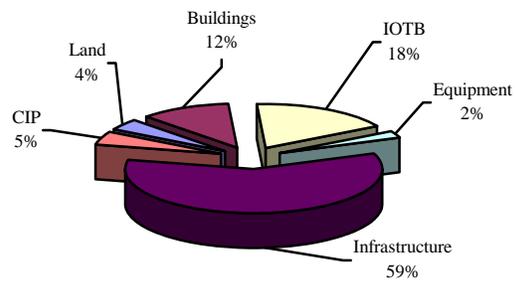
The following graphs show the breakdown of business-type activities capital assets by category for 2012 and 2011.

CITY OF MANSFIELD, OHIO
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Capital Assets - Business-Type Activities 2012



Capital Assets - Business-Type Activities 2011



The City's largest business-type activities capital asset category is infrastructure that primarily includes water lines, sanitary sewer lines, and storm sewers. These items play a vital role in the income producing ability of the business-type activities. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 53% of the City's total business-type activities capital assets.

Debt Administration

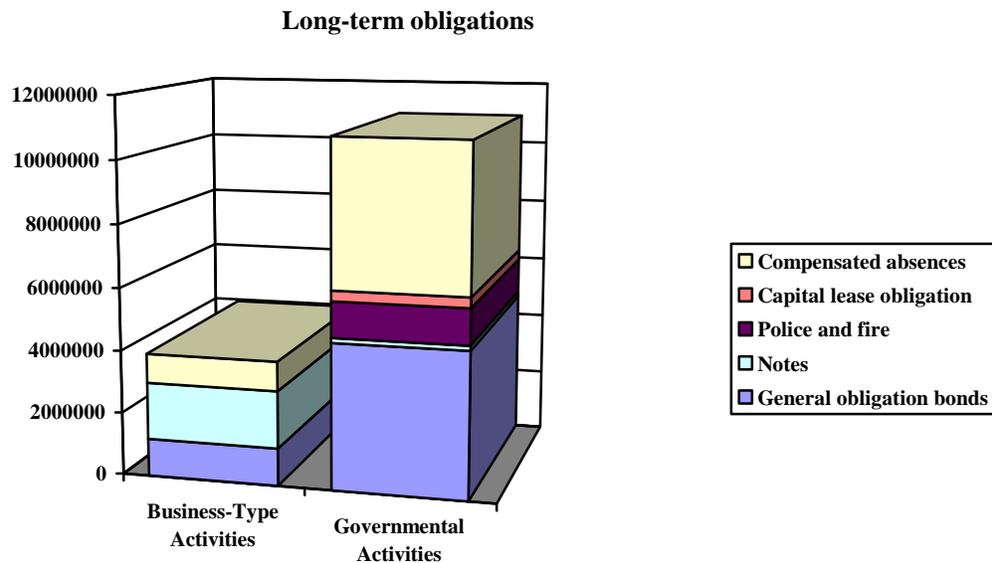
The City had the following long-term obligations outstanding at December 31, 2012 and 2011:

	Governmental Activities	
	<u>2012</u>	<u>2011</u>
General obligation bonds	\$ 4,635,000	\$ 5,010,000
Notes payable	160,000	230,000
Police and fire pension liability	1,128,399	1,157,978
Capital lease obligation	327,090	-
Compensated absences	<u>4,654,591</u>	<u>4,481,604</u>
Total long-term obligations	<u>\$ 10,905,080</u>	<u>\$ 10,879,582</u>
	Business-type Activities	
	<u>2012</u>	<u>2011</u>
General obligation bonds	\$ 1,200,000	\$ 1,650,000
Compensated absences	925,547	1,021,245
Notes payable	<u>1,818,287</u>	<u>1,837,668</u>
Total long-term obligations	<u>\$ 3,943,834</u>	<u>\$ 4,508,913</u>

CITY OF MANSFIELD, OHIO

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012
UNAUDITED**

A comparison of the long-term obligations by category is depicted in the chart below. For additional information regarding long-term obligations, see Note 15.



Economic Factors and Next Year's Budgets and Rates

The annual unemployment rate for the City in 2012 was 8.3%, which decreased from an annual rate of 10.3% in 2011. This rate exceeds the state's average unemployment rate of 7.2% and the national average of 8.1%.

Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the City's budget for the 2013 fiscal year. At the end of the 2012 fiscal year, the budgetary basis fund balance of the general fund was \$4,030,381. This balance takes into consideration encumbrances for 2012 activity.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Linn Steward, CPA, Finance Director, City of Mansfield, 30 North Diamond Street, Mansfield, Ohio 44902.

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CITY OF MANSFIELD, OHIO

STATEMENT OF NET POSITION
DECEMBER 31, 2012

	Governmental Activities	Business-Type Activities	Total
Assets:			
Equity in pooled cash and cash equivalents	\$ 13,838,920	\$ 15,561,980	\$ 29,400,900
Receivables (net of allowances for uncollectibles):			
Taxes	6,371,672	-	6,371,672
Accounts	712,312	2,265,625	2,977,937
Accrued interest	88,234	-	88,234
Special assessments	199,719	-	199,719
Loans	2,487,790	-	2,487,790
Internal balances	(290,809)	290,809	-
Due from other governments	9,041,577	416,050	9,457,627
Materials and supplies inventory	336,729	189,568	526,297
Assets held for resale	163,834	-	163,834
Restricted assets:			
Cash and cash equivalents with fiscal agents	-	3,247,764	3,247,764
Capital assets:			
Land and construction in progress	8,097,804	1,964,508	10,062,312
Depreciable capital assets, net	50,893,036	48,611,100	99,504,136
Total capital assets, net	58,990,840	50,575,608	109,566,448
Total assets	<u>91,940,818</u>	<u>72,547,404</u>	<u>164,488,222</u>
Liabilities:			
Accounts payable	311,829	190,066	501,895
Contracts payable	98,130	-	98,130
Accrued wages and benefits	509,054	164,074	673,128
Due to other governments	1,347,970	181,658	1,529,628
Accrued interest payable	34,004	4,909	38,913
Claims payable	528,739	-	528,739
Long-term liabilities:			
Due within one year	2,636,942	808,233	3,445,175
Due in more than one year	8,268,138	3,135,601	11,403,739
Total liabilities	<u>13,734,806</u>	<u>4,484,541</u>	<u>18,219,347</u>
Deferred inflows of resources:			
Property taxes	1,659,286	-	1,659,286
Net position:			
Net investment in capital assets	53,868,750	47,597,321	101,466,071
Restricted for:			
Debt service	167,476	-	167,476
Capital projects	4,046,633	-	4,046,633
Community development	5,844,025	-	5,844,025
Transportation projects	3,819,401	-	3,819,401
Grants	2,612,641	-	2,612,641
Public safety	4,435,033	-	4,435,033
Replacement and improvement	-	3,247,764	3,247,764
Other purposes	952,588	-	952,588
Unrestricted	800,179	17,217,778	18,017,957
Total net position	<u>\$ 76,546,726</u>	<u>\$ 68,062,863</u>	<u>\$ 144,609,589</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF MANSFIELD, OHIO

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 12,660,014	\$ 5,248,431	\$ 1,288,496	\$ 3,740,350
Public safety	20,546,576	2,277,353	1,028,327	-
Public health and welfare	2,850	-	-	-
Transportation	2,371,804	20,924	3,551,382	793,830
Community environment.	1,770,384	260,841	1,486,806	-
Leisure time activities	270,695	20,807	-	-
Interest and fiscal charges	255,383	-	-	-
Total governmental activities	<u>37,877,706</u>	<u>7,828,356</u>	<u>7,355,011</u>	<u>4,534,180</u>
Business-type activities:				
Water	5,951,358	6,605,686	-	-
Sewer	8,102,780	7,057,826	-	-
Airport	628,380	94,713	-	-
Total business-type activities	<u>14,682,518</u>	<u>13,758,225</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 52,560,224</u>	<u>\$ 21,586,581</u>	<u>\$ 7,355,011</u>	<u>\$ 4,534,180</u>

General revenues:

Property taxes levied for:

 General purposes

 Special purposes

Income taxes levied for:

 General purposes

 Special purposes

 Capital projects

Grants and entitlements not restricted to specific programs

Investment earnings

Gain on sale of capital assets.

Miscellaneous

Total general revenues.

Transfers

Total general revenues and transfers

Change in net position

Net position at beginning of year (restated)

Net position at end of year

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (2,382,737)	\$ -	\$ (2,382,737)
(17,240,896)	-	(17,240,896)
(2,850)	-	(2,850)
1,994,332	-	1,994,332
(22,737)	-	(22,737)
(249,888)	-	(249,888)
(255,383)	-	(255,383)
<u>(18,160,159)</u>	<u>-</u>	<u>(18,160,159)</u>
-	654,328	654,328
-	(1,044,954)	(1,044,954)
-	(533,667)	(533,667)
<u>-</u>	<u>(924,293)</u>	<u>(924,293)</u>
(18,160,159)	(924,293)	(19,084,452)
1,593,457	-	1,593,457
353,430	-	353,430
13,473,707	-	13,473,707
6,755,692	-	6,755,692
3,377,760	-	3,377,760
2,402,217	35,962	2,438,179
193,855	5,265	199,120
91,557	141,877	233,434
157,425	27,865	185,290
<u>28,399,100</u>	<u>210,969</u>	<u>28,610,069</u>
<u>(5,333,693)</u>	<u>5,333,693</u>	<u>-</u>
<u>23,065,407</u>	<u>5,544,662</u>	<u>28,610,069</u>
4,905,248	4,620,369	9,525,617
<u>71,641,478</u>	<u>63,442,494</u>	<u>135,083,972</u>
<u>\$ 76,546,726</u>	<u>\$ 68,062,863</u>	<u>\$ 144,609,589</u>

CITY OF MANSFIELD, OHIO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2012

	<u>General</u>	<u>Community Development</u>	<u>Safety Services</u>
Assets:			
Equity in pooled cash and cash equivalents	\$ 3,794,714	\$ 382,898	\$ 144,556
Receivables (net of allowance for uncollectibles):			
Taxes	4,246,215	-	1,548,108
Accounts	332,449	-	14,723
Accrued interest	38,563	8,684	-
Loans	-	1,382,688	-
Special assessments	196,972	-	-
Due from other governments	1,584,397	3,906,262	37,881
Loans to other funds	469,279	-	-
Assets held for resale	-	163,834	-
Materials and supplies inventory	42,725	227	51,803
Total assets	<u>\$ 10,705,314</u>	<u>\$ 5,844,593</u>	<u>\$ 1,797,071</u>
Liabilities:			
Accounts payable	\$ 100,906	\$ 5,873	\$ 29,860
Contracts payable	-	6,175	89,429
Accrued wages and benefits	72,344	8,970	358,998
Matured compensated absences payable	48,346	32,497	-
Loans from other funds	-	-	469,279
Due to other governments	188,432	26,305	896,264
Total liabilities	<u>410,028</u>	<u>79,820</u>	<u>1,843,830</u>
Deferred inflows of resources:			
Property taxes	1,379,936	-	279,350
Unavailable revenue	3,415,888	3,906,262	828,411
Total deferred inflows of resources	<u>4,795,824</u>	<u>3,906,262</u>	<u>1,107,761</u>
Fund balances:			
Nonspendable	42,725	227	51,803
Restricted	129,750	1,858,284	-
Committed	4,659	-	-
Assigned	999,514	-	-
Unassigned	4,322,814	-	(1,206,323)
Total fund balances	<u>5,499,462</u>	<u>1,858,511</u>	<u>(1,154,520)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,705,314</u>	<u>\$ 5,844,593</u>	<u>\$ 1,797,071</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Grant Fund	Other Governmental Funds	Total Governmental Funds
\$ 469,638	\$ 7,969,937	\$ 12,761,743
-	577,349	6,371,672
-	64,252	411,424
-	40,987	88,234
-	1,105,102	2,487,790
-	2,747	199,719
2,260,670	1,252,367	9,041,577
-	-	469,279
-	-	163,834
28,960	201,486	325,201
<u>\$ 2,759,268</u>	<u>\$ 11,214,227</u>	<u>\$ 32,320,473</u>
\$ 25,617	\$ 104,998	\$ 267,254
2,526	-	98,130
9,959	31,829	482,100
-	-	80,843
-	-	469,279
79,565	108,465	1,299,031
<u>117,667</u>	<u>245,292</u>	<u>2,696,637</u>
-	-	1,659,286
<u>2,207,632</u>	<u>1,384,846</u>	<u>11,743,039</u>
<u>2,207,632</u>	<u>1,384,846</u>	<u>13,402,325</u>
28,960	201,486	325,201
405,009	7,567,968	9,961,011
-	1,825,711	1,830,370
-	-	999,514
-	(11,076)	3,105,415
<u>433,969</u>	<u>9,584,089</u>	<u>16,221,511</u>
<u>\$ 2,759,268</u>	<u>\$ 11,214,227</u>	<u>\$ 32,320,473</u>

CITY OF MANSFIELD, OHIO

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2012

Total governmental fund balances \$ 16,221,511

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

Capital assets used in governmental activities (excluding internal service funds capital assets)
are not financial resources and therefore are not reported in the funds. 58,173,335

Other long-term assets are not available to pay for current period expenditures and therefore
are deferred in the funds.

Property taxes	670,944	
Income taxes	2,405,064	
Special assessments	199,719	
Intergovernmental revenues	<u>8,467,312</u>	
Total		11,743,039

Internal service funds are used by management to charge the costs of the repair garage,
information technology, utility collections, health insurance, OML self-insurance, workers'
compensation and benefit fund to individual funds. The assets and liabilities of the internal
service funds are included in governmental activities on the statement of net position. 1,036,332

Long-term liabilities are not due and payable in the current period and therefore are not
reported in the funds. The long-term liabilities (excluding amounts reported in the internal
service funds) are as follows:

Accrued interest payable	(34,004)	
Notes payable	(160,000)	
Compensated absences	(4,342,998)	
Police and fire pension liability	(1,128,399)	
Capital lease obligation	(327,090)	
General obligation bonds	<u>(4,635,000)</u>	
Total		<u>(10,627,491)</u>

Net position of governmental activities \$ 76,546,726

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF MANSFIELD, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>General</u>	<u>Community Development</u>	<u>Safety Services</u>
Revenues:			
Municipal income taxes	\$ 13,247,026	\$ -	\$ 6,642,395
Property and other taxes	1,466,640	-	333,775
Charges for services	2,268,007	-	1,587,464
Licenses, permits and fees	912,450	6,600	96,017
Fines and forfeitures	666,154	-	44,888
Intergovernmental	3,374,427	1,436,806	97,484
Special assessments	22,569	-	-
Investment income	140,107	34,085	-
Other	177,553	51,952	90,867
Total revenues	<u>22,274,933</u>	<u>1,529,443</u>	<u>8,892,890</u>
Expenditures:			
Current:			
General government	9,244,699	-	-
Public safety	11,013	-	19,561,660
Public health and welfare	600	-	-
Transportation	-	-	-
Community environment	394,873	1,074,106	-
Leisure time activities	188,096	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	36,404
Interest and fiscal charges	-	-	2,497
Total expenditures	<u>9,839,281</u>	<u>1,074,106</u>	<u>19,600,561</u>
Excess (deficiency) of revenues over (under) expenditures	<u>12,435,652</u>	<u>455,337</u>	<u>(10,707,671)</u>
Other financing sources (uses):			
Proceeds from sale of capital assets	82,557	-	-
Transfers in	-	-	11,352,093
Transfers out	(11,748,958)	(250,000)	(372,905)
Inception of capital lease	-	-	363,494
Total other financing sources (uses)	<u>(11,666,401)</u>	<u>(250,000)</u>	<u>11,342,682</u>
Net change in fund balances	769,251	205,337	635,011
Fund balances (deficit) at beginning of year (restated)	4,737,006	1,653,174	(1,793,368)
Increase (decrease) in inventory balances	<u>(6,795)</u>	<u>-</u>	<u>3,837</u>
Fund balances (deficit) at end of year	<u>\$ 5,499,462</u>	<u>\$ 1,858,511</u>	<u>\$ (1,154,520)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Grant Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 3,321,197	\$ 23,210,618
-	-	1,800,415
96,800	3,494	3,955,765
-	286,281	1,301,348
-	1,251,690	1,962,732
5,549,281	4,805,620	15,263,618
-	2,849	25,418
-	19,663	193,855
51,089	211,632	583,093
<u>5,697,170</u>	<u>9,902,426</u>	<u>48,296,862</u>
4,371,364	2,504,412	16,120,475
1,112,207	158,820	20,843,700
2,250	-	2,850
-	2,668,509	2,668,509
12,049	-	1,481,028
-	-	188,096
-	3,105,163	3,105,163
-	445,000	481,404
-	253,294	255,791
<u>5,497,870</u>	<u>9,135,198</u>	<u>45,147,016</u>
<u>199,300</u>	<u>767,228</u>	<u>3,149,846</u>
-	-	82,557
51,681	839,924	12,243,698
-	(125,635)	(12,497,498)
-	-	363,494
<u>51,681</u>	<u>714,289</u>	<u>192,251</u>
250,981	1,481,517	3,342,097
190,872	8,068,175	12,855,859
(7,884)	34,397	23,555
<u>\$ 433,969</u>	<u>\$ 9,584,089</u>	<u>\$ 16,221,511</u>

CITY OF MANSFIELD, OHIO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012

Net change in fund balances - total governmental funds \$ 3,342,097

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays (\$8,919,846) exceeded depreciation expense (\$2,930,777) in the current period. Both amounts are exclusive of internal service fund activity. 5,989,069

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins and donations) is to decrease net position. (5,670,645)

Governmental funds report expenditures for inventory when purchased. However, in the statement of activities they are reported as an expense when consumed. 23,555

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (283,377)

The issuance of long-term debt (i.e., bonds, leases) provides current financial resources to governmental funds, while the repayment of bonds, leases and police and fire pension liability principal consumes the current financial resources of governmental funds. 510,983

In the statement of activities, interest is accrued on outstanding bonds, notes and the police and fire pension liability, whereas in governmental funds, an interest expenditure is reported when due. 408

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. These expenses are exclusive of internal service funds activity. (512,321)

Internal service funds are used by management to charge the costs of the repair garage, information technology, utility collections, health insurance, property/liability insurance and the workers' compensation fund to individual funds and are not reported in the government-wide statement of activities. Governmental fund expenditures and the related internal service funds revenue are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities. 1,505,479

Change in net position of governmental activities \$ 4,905,248

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF MANSFIELD, OHIO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 14,901,357	\$ 14,901,357	\$ 14,801,482	\$ (99,875)
Charges for services	2,249,332	2,261,354	2,268,007	6,653
Licenses, permits and fees	796,150	796,150	912,450	116,300
Fines and forfeitures	1,288,400	1,288,400	1,316,993	28,593
Intergovernmental	2,991,391	2,991,391	3,429,932	438,541
Special assessments	40,000	40,000	22,569	(17,431)
Investment income	145,000	145,000	167,897	22,897
Other	40,100	109,063	183,061	73,998
Total revenues	<u>22,451,730</u>	<u>22,532,715</u>	<u>23,102,391</u>	<u>569,676</u>
Expenditures:				
Current:				
Public safety	12,724	12,724	10,796	1,928
Public health and welfare	17,144	17,144	600	16,544
Community environment	446,316	444,448	402,434	42,014
Leisure time activities	259,294	333,557	196,369	137,188
General government	<u>10,353,063</u>	<u>10,074,780</u>	<u>9,300,477</u>	<u>774,303</u>
Total expenditures	<u>11,088,541</u>	<u>10,882,653</u>	<u>9,910,676</u>	<u>971,977</u>
Excess of revenues over expenditures	<u>11,363,189</u>	<u>11,650,062</u>	<u>13,191,715</u>	<u>1,541,653</u>
Other financing sources (uses):				
Loan to other funds	-	-	-	-
Payment on loan from other funds	(270,000)	(270,000)	(270,000)	-
Sale of assets	70,000	70,000	82,557	12,557
Transfers out	<u>(11,870,558)</u>	<u>(12,051,784)</u>	<u>(11,748,958)</u>	<u>302,826</u>
Total other financing sources (uses)	<u>(12,070,558)</u>	<u>(12,251,784)</u>	<u>(11,936,401)</u>	<u>315,383</u>
Net change in fund balance	(707,369)	(601,722)	1,255,314	1,857,036
Fund balance (deficit) at beginning of year . .	2,728,353	2,728,353	2,728,353	-
Prior year encumbrances appropriated	<u>46,714</u>	<u>46,714</u>	<u>46,714</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 2,067,698</u>	<u>\$ 2,173,345</u>	<u>\$ 4,030,381</u>	<u>\$ 1,857,036</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF MANSFIELD, OHIO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 COMMUNITY DEVELOPMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 3,889,592	\$ 3,889,592	\$ 1,475,788	\$ (2,413,804)
Licenses, permits and fees	-	-	6,600	6,600
Investment income	34,300	34,300	52,767	18,467
Other	185,000	189,200	330,230	141,030
Total revenues.	<u>4,108,892</u>	<u>4,113,092</u>	<u>1,865,385</u>	<u>(2,247,707)</u>
Expenditures:				
Current:				
Community environment	4,130,800	4,123,700	1,506,445	2,617,255
Total expenditures	<u>4,130,800</u>	<u>4,123,700</u>	<u>1,506,445</u>	<u>2,617,255</u>
Excess (deficiency) of revenues over (under) expenditures	(21,908)	(10,608)	358,940	369,548
Other financing uses:				
Transfers out	(250,000)	(250,000)	(250,000)	-
Total other financing uses	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
Net change in fund balance	(271,908)	(260,608)	108,940	369,548
Fund balance at beginning of year	260,108	260,108	260,108	-
Prior year encumbrances appropriated	11,850	11,850	11,850	-
Fund balance at end of year.	<u>\$ 50</u>	<u>\$ 11,350</u>	<u>\$ 380,898</u>	<u>\$ 369,548</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF MANSFIELD, OHIO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 SAFETY SERVICES FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 7,000,775	\$ 7,000,775	\$ 7,001,197	\$ 422
Licenses, permits and fees	90,110	90,110	96,017	5,907
Charges for services	1,562,000	1,562,000	1,587,464	25,464
Fines and forfeitures	30,000	30,000	42,892	12,892
Intergovernmental	46,300	46,300	46,636	336
Other	113,600	113,600	134,211	20,611
Total revenues	<u>8,842,785</u>	<u>8,842,785</u>	<u>8,908,417</u>	<u>65,632</u>
Expenditures:				
Current:				
Public safety	19,892,793	20,043,693	19,241,898	801,795
Total expenditures	<u>19,892,793</u>	<u>20,043,693</u>	<u>19,241,898</u>	<u>801,795</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,050,008)</u>	<u>(11,200,908)</u>	<u>(10,333,481)</u>	<u>867,427</u>
Other financing sources (uses):				
Transfers in	11,190,074	11,361,503	11,352,093	(9,410)
Transfers out	<u>(372,905)</u>	<u>(372,905)</u>	<u>(372,905)</u>	-
Total other financing sources (uses)	<u>10,817,169</u>	<u>10,988,598</u>	<u>10,979,188</u>	<u>(9,410)</u>
Net change in fund balance	(232,839)	(212,310)	645,707	858,017
Fund balance at beginning of year	(1,176,172)	(1,176,172)	(1,176,172)	-
Prior year encumbrances appropriated	<u>61,411</u>	<u>61,411</u>	<u>61,411</u>	-
Fund balance at end of year.	<u>\$ (1,347,600)</u>	<u>\$ (1,327,071)</u>	<u>\$ (469,054)</u>	<u>\$ 858,017</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF MANSFIELD, OHIO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 54,013	\$ 54,013	\$ 96,800	\$ 42,787
Intergovernmental	3,323,624	4,490,914	5,782,224	1,291,310
Other	-	50,000	51,081	1,081
Total revenues	<u>3,377,637</u>	<u>4,594,927</u>	<u>5,930,105</u>	<u>1,335,178</u>
Expenditures:				
Current:				
Public safety	1,648,022	1,661,028	1,138,722	522,306
Community environment	-	791,454	11,081	780,373
General government	1,704,723	2,021,172	4,376,416	(2,355,244)
Total expenditures	<u>3,352,745</u>	<u>4,473,654</u>	<u>5,526,219</u>	<u>(1,052,565)</u>
Excess of revenues over expenditures	24,892	121,273	403,886	282,613
Other financing sources:				
Transfers in	41,885	51,681	51,681	-
Total other financing sources	<u>41,885</u>	<u>51,681</u>	<u>51,681</u>	<u>-</u>
Net change in fund balance	66,777	172,954	455,567	282,613
Fund balance at beginning of year	<u>(194,477)</u>	<u>(194,477)</u>	<u>(194,477)</u>	<u>-</u>
Prior year encumbrances appropriated	<u>130,150</u>	<u>130,150</u>	<u>130,150</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,450</u>	<u>\$ 108,627</u>	<u>\$ 391,240</u>	<u>\$ 282,613</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF MANSFIELD, OHIO

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 DECEMBER 31, 2012

	Business-Type Activities -Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Other Enterprise	Total	
Assets:					
Current assets:					
Equity in pooled cash and cash equivalents	\$ 8,522,942	\$ 7,008,118	\$ 30,920	\$ 15,561,980	\$ 1,077,177
Receivables (net of allowance for uncollectibles)					
Accounts	1,188,769	1,074,910	1,946	2,265,625	300,888
Due from other governments	-	416,050	-	416,050	-
Materials and supplies inventory	138,250	25,914	25,404	189,568	11,528
Restricted Assets:					
Equity in pooled cash and cash equivalents.	-	3,247,764	-	3,247,764	-
Total current assets	<u>9,849,961</u>	<u>11,772,756</u>	<u>58,270</u>	<u>21,680,987</u>	<u>1,389,593</u>
Noncurrent assets:					
Capital assets:					
Land and construction in progress	340,234	200,355	1,423,919	1,964,508	-
Depreciable capital assets, net	<u>14,359,730</u>	<u>30,753,510</u>	<u>3,497,860</u>	<u>48,611,100</u>	<u>817,505</u>
Total capital assets, net	<u>14,699,964</u>	<u>30,953,865</u>	<u>4,921,779</u>	<u>50,575,608</u>	<u>817,505</u>
Total assets	<u>24,549,925</u>	<u>42,726,621</u>	<u>4,980,049</u>	<u>72,256,595</u>	<u>2,207,098</u>
Liabilities:					
Current liabilities:					
Accounts payable	99,095	66,506	24,465	190,066	44,575
Accrued wages and benefits	95,393	63,545	5,136	164,074	26,954
Due to other governments	90,129	79,112	12,417	181,658	48,939
Claims payable	-	-	-	-	528,739
Current portion of compensated absences	256,458	242,621	34,463	533,542	81,122
Current portion of notes payable	9,691	-	-	9,691	-
Current portion of bonds	225,000	40,000	-	265,000	-
Accrued interest payable	656	4,253	-	4,909	-
Total current liabilities	<u>776,422</u>	<u>496,037</u>	<u>76,481</u>	<u>1,348,940</u>	<u>730,329</u>
Long-term liabilities:					
General obligation bonds	-	935,000	-	935,000	-
Notes payable	675,629	1,132,967	-	1,808,596	-
Compensated absences	<u>151,723</u>	<u>232,502</u>	<u>7,780</u>	<u>392,005</u>	<u>149,628</u>
Total long-term liabilities	<u>827,352</u>	<u>2,300,469</u>	<u>7,780</u>	<u>3,135,601</u>	<u>149,628</u>
Total liabilities	<u>1,603,774</u>	<u>2,796,506</u>	<u>84,261</u>	<u>4,484,541</u>	<u>879,957</u>
Net position:					
Net investment in capital assets	13,789,644	28,885,898	4,921,779	47,597,321	817,505
Restricted for replacement and improvement	-	3,247,764	-	3,247,764	-
Unrestricted (deficit)	<u>9,156,507</u>	<u>7,796,453</u>	<u>(25,991)</u>	<u>16,926,969</u>	<u>509,636</u>
Total net position	<u>\$ 22,946,151</u>	<u>\$ 39,930,115</u>	<u>\$ 4,895,788</u>	<u>67,772,054</u>	<u>\$ 1,327,141</u>
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds:				290,809	
Net position of business-type activities				<u>\$ 68,062,863</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF MANSFIELD, OHIO

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Other Enterprise	Total	
Operating revenues:					
Charges for services	\$ 6,605,686	\$ 7,057,826	\$ 94,713	\$ 13,758,225	\$ 10,375,371
Total operating revenues	6,605,686	7,057,826	94,713	13,758,225	10,375,371
Operating expenses:					
Personal services	1,518,947	1,662,691	152,048	3,333,686	1,035,984
Fringe benefits	933,929	1,002,300	137,467	2,073,696	633,675
Contractual services	1,741,337	2,407,479	103,634	4,252,450	2,746,610
Materials and supplies	613,355	304,178	42,278	959,811	714,930
Depreciation	677,340	2,222,291	157,213	3,056,844	55,227
Utilities	430,690	354,672	31,251	816,613	18,623
Claims expense	-	-	-	-	3,822,268
Total operating expenses	5,915,598	7,953,611	623,891	14,493,100	9,027,317
Operating income (loss)	690,088	(895,785)	(529,178)	(734,875)	1,348,054
Nonoperating revenues (expenses):					
Other nonoperating revenue	8,594	19,079	192	27,865	157,425
Other nonoperating expenses	(9,223)	(11,293)	(4,489)	(25,005)	-
Interest Income	-	5,265	-	5,265	-
Gain on sale of fixed assets	-	-	141,877	141,877	-
Loss on disposal of assets	-	(111,419)	-	(111,419)	-
Intergovernmental	35,962	-	-	35,962	-
Transfers in	-	-	253,800	253,800	-
Interest expense and fiscal charges	(26,537)	(64,729)	-	(91,266)	-
Total nonoperating revenues (expenses)	8,796	(163,097)	391,380	237,079	157,425
Income (loss) before capital contributions	698,884	(1,058,882)	(137,798)	(497,796)	1,505,479
Capital contributions	382,810	2,637,101	2,171,401	5,191,312	-
Changes in net position	1,081,694	1,578,219	2,033,603	4,693,516	1,505,479
Net position (deficit) at beginning of year (restated)	<u>21,864,457</u>	<u>38,351,896</u>	<u>2,862,185</u>		<u>(178,338)</u>
Net position at end of year	<u>\$ 22,946,151</u>	<u>\$ 39,930,115</u>	<u>\$ 4,895,788</u>		<u>\$ 1,327,141</u>
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds.				(73,147)	
Changes in net position of business-type activities:				<u>\$ 4,620,369</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF MANSFIELD, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Business-Type Activities - Enterprise Funds				Governmental
	Water	Sewer	Other Enterprise	Total	Activities - Internal Service Funds
Cash flows from operating activities:					
Cash received from customers	\$ 8,176,067	\$ 7,478,634	\$ 98,481	\$ 15,753,182	\$ 10,375,371
Cash received from other operating revenues.	8,594	19,079	142,069	169,742	157,425
Cash payments to employees.	(1,558,654)	(1,630,558)	(176,903)	(3,366,115)	(991,524)
Cash payments to suppliers	(2,816,377)	(3,075,793)	(145,962)	(6,038,132)	(3,460,254)
Cash payments for claims expense.	-	-	-	-	(4,617,767)
Cash payments for other operating expenses.	(959,191)	(1,015,848)	(146,141)	(2,121,180)	(628,608)
Net cash provided by (used in) operating activities	<u>2,850,439</u>	<u>1,775,514</u>	<u>(228,456)</u>	<u>4,397,497</u>	<u>834,643</u>
Cash flows from noncapital financing activities:					
Receipts on loans to other funds	-	270,000	-	270,000	-
Intergovernmental	35,962	-	-	35,962	-
Transfers in	-	-	253,800	253,800	-
Net cash provided by noncapital financing activities	<u>35,962</u>	<u>270,000</u>	<u>253,800</u>	<u>559,762</u>	<u>-</u>
Cash flows from capital and related financing activities:					
Acquisition of capital assets.	(159,798)	(468,975)	-	(628,773)	(39,427)
Principal paid on general obligation debt	(415,000)	(35,000)	-	(450,000)	-
Interest paid on general obligation debt.	(22,400)	(52,431)	-	(74,831)	-
Principal paid on notes	(19,381)	-	-	(19,381)	-
Interest paid on notes.	(5,348)	(12,414)	-	(17,762)	-
Net cash used in capital and related financing activities	<u>(621,927)</u>	<u>(568,820)</u>	<u>-</u>	<u>(1,190,747)</u>	<u>(39,427)</u>
Cash flows from investing activities:					
Cash received from interfund loan interest	-	5,265	-	5,265	-
Net increase in cash and cash equivalents	2,264,474	1,481,959	25,344	3,771,777	795,216
Cash and cash equivalents at beginning of year	<u>6,258,468</u>	<u>8,773,923</u>	<u>5,576</u>	<u>15,037,967</u>	<u>281,961</u>
Cash and cash equivalents at end of year	<u>\$ 8,522,942</u>	<u>\$ 10,255,882</u>	<u>\$ 30,920</u>	<u>\$ 18,809,744</u>	<u>\$ 1,077,177</u>

(continued)

CITY OF MANSFIELD, OHIO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Business-Type Activities - Enterprise Funds</u>				<u>Governmental Activities - Internal Service Funds</u>
	<u>Water</u>	<u>Sewer</u>	<u>Other Enterprise</u>	<u>Total</u>	
Reconciliation of operating income (loss) to net cash used for operating activities:					
Operating income (loss)	\$ 690,088	\$ (895,785)	\$ (529,178)	\$ (734,875)	\$ 1,348,054
Adjustments:					
Depreciation.	677,340	2,222,291	157,213	3,056,844	55,227
Other nonoperating expenses	(9,223)	(11,293)	(4,489)	(25,005)	-
Other nonoperating revenues	8,594	19,079	142,069	169,742	157,425
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	1,570,381	456,079	3,769	2,030,229	(300,888)
(Increase) decrease in inventory of supplies	(36,355)	(8,279)	5,327	(39,307)	1,185
Decrease in due from other governments	-	(35,271)	-	(35,271)	-
Increase (decrease) in accounts payable	(414)	(1,142)	21,266	19,710	18,724
(Decrease) in contracts payable	-	(43)	-	(43)	-
Increase (decrease) in accrued wages and benefits	48,246	15,033	(12)	63,267	7,543
Increase (decrease) in due to other governments	(10,265)	(2,255)	423	(12,097)	5,067
Increase (decrease) in compensated absences payable	(87,953)	17,100	(24,844)	(95,697)	36,917
(Decrease) in claims payable	-	-	-	-	(494,611)
Net cash provided by (used in) operating activities	<u>\$ 2,850,439</u>	<u>\$ 1,775,514</u>	<u>\$ (228,456)</u>	<u>\$ 4,397,497</u>	<u>\$ 834,643</u>

During the year, land developers and governmental activities contributed capital assets to the proprietary funds. The contribution of the related assets totaled \$5,191,312.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF MANSFIELD, OHIO

STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
DECEMBER 31, 2012

	<u>Agency</u>
Assets:	
Equity in pooled cash and cash equivalents	\$ 720,826
Cash and cash equivalents with fiscal agent	180,892
Receivables:	
Taxes	12,839
Accounts	4,649
	<hr/>
Total assets.	<u>\$ 919,206</u>
Liabilities:	
Due to other governments	\$ 196,016
Accounts payable	166,104
Due to individuals	245,262
Undistributed monies	311,824
	<hr/>
Total liabilities	<u>\$ 919,206</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 1 - DESCRIPTION OF THE CITY

The City of Mansfield (the "City") was incorporated as a city in 1857 under the laws of the State of Ohio. In 1982 the voters of Mansfield adopted a charter, which was amended in 1988, 1992, 1996, 2000, 2004, 2008, and again in 2009 to govern the operations of the City. The charter provides for an elected mayor, council (6 wards, 2 at-large and a president), finance director, and law director. In addition, 2 judges and a clerk of the municipal court are elected. Council members serve 4 year, staggered terms; the president of council, the mayor, finance director, clerk of courts, and law director serve 4 year terms, and judicial officials serve 6 year terms.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City's significant accounting policies are described below.

A. Reporting Entity

For financial reporting purposes, the City's basic financial statements include all funds, agencies, boards, commissions, and departments for which the City is financially accountable. Financial accountability, as defined by the GASB, exists if the City appoints a voting majority of an organization's governing board and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on, the City. The City may also be financially accountable for governmental organizations with a separately elected governing board, a governing board appointed by another government, or a jointly appointed board that is fiscally dependent on the City. The City also took into consideration other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's basic financial statements to be misleading or incomplete.

Component units are organizations for which the City, as the primary government, is financially accountable. To be considered financially accountable, the organization must be fiscally dependent on the City or the City must appoint a majority of the board of the organization and either 1) be able to impose its will on the organization or 2) the relationship must have the potential for creating a financial benefit or imposing a financial burden of the City. Based on these criteria, there are no component units for the City.

The City provides various services and consists of many different activities and smaller accounting entities. Among those included are a police force, a fire fighting force, a municipal court system, a sewage treatment plant, a water treatment plant, an airport, a street maintenance force, a park and recreation system, and a staff to provide the necessary support to these service providers. Each of these activities and entities is under the direct control of City Council, which appropriates for, and finances, their operation. Each is therefore included as part of the reporting entity.

B. Basis of Presentation

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

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

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

Government-wide Financial Statements - The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activities of the internal service funds are eliminated to avoid “doubling up” revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City’s governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental or business-type activity is self-financing or draw from the general revenues of the City.

Fund Financial Statements - During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service funds are presented in a single column on the face of the proprietary fund financial statements. Fiduciary funds are reported by type.

C. Fund Accounting

The City 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 and liabilities is reported as fund balance. The following are the City's major governmental funds:

General Fund - To account for all financial resources except those required to be accounted for in another fund.

Community Development Fund - To account for monies received from the Federal Government under the Community Development Block Grant Program, the Home Grant Program, and the Economic Development Loan Repayment Program.

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

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

Safety Services Fund - To account for monies collected for police and fire department operations.

Grant Fund - To account for federal, state, and/or local grants received by the City.

Other governmental funds of the City are used to account for (a) the accumulation of resources for, and payment of, general long-term debt principal, interest and related costs; (b) financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary funds; and (c) for grants and other resources whose use is restricted to a particular purpose.

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating revenues, changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

Enterprise Funds - The enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

Water Fund - To account for the City's provision of water treatment and distribution to the residential and commercial users of the City.

Sewer Fund - To account for the City's provision of sanitary sewer service to the residents and commercial users of the City.

The other enterprise fund of the City is used to account for the operations of the City's airport facility.

Internal Service Funds - The internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service funds report on the operations of garage services, information technology, utility collections, health insurance, property and liability insurance, and workers' compensation.

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 City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's only fiduciary funds are agency funds. They report on the assets and liabilities of Ohio State Patrol (OSP) fines, sewer and street openings, building security, payroll, municipal court, transient occupancy tax and board of standards assessments.

D. Measurement Focus and Basis of Accounting

Government-wide Financial Statements - The government-wide financial statements are prepared using the full accrual economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net position. The Statement of Activities presents increases (i.e. revenues) and decreases (i.e. expenses) in total net position.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

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

(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 financial statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

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 revenues of the City's proprietary funds are charges for services. Operating expenses for the enterprise funds include personnel and other expenses related to the operations of the enterprise activities and operating expenses for the internal service funds include personnel costs, claims and administrative expenses. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

Agency funds do not report a measurement focus as they do not report operations.

E. 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 agency funds also use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources and in the presentation of expenses versus expenditures.

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

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned (see Note 7). Revenue from property taxes is recognized in the year for which the taxes are levied (see Note 7).

Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

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

requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income taxes withheld by employers, interest on investments, state levied locally shared taxes (including motor vehicle license fees, gasoline tax, and local government assistance), and reimbursements due from federally funded projects for which corresponding expenditures have been made.

Deferred Inflows of Resources – In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2012, but which were levied to finance fiscal year 2013 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. 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 City, unavailable revenue includes delinquent property taxes, income taxes, special assessments and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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.

F. Budgetary Process

An annual appropriated budget is legally required to be prepared on the budgetary basis for all funds of the City other than agency funds. However, only general fund and major special revenue funds are required to be reported in the basic financial statements. The following are the procedures used by the City in establishing the budgetary data reported in the basic financial statements.

Tax Budget - A budget of estimated cash receipts is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

Estimated Resources - The County Budget Commission determines if the budget substantiates a need to levy the full amount of authorized tax rates and reviews revenue estimates. The commission certifies its actions to the City by September 1. As part of this certification, the City receives the Official Certificate of Estimated Resources which states the projected revenue of each fund. Prior to December 31, the City

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

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

must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount stated in the Certificate of Estimated Resources. On or about January 1, the Certificate is amended to include any unencumbered balances from the preceding year. The revised budget then serves as the basis for the appropriation measure. The Certificate of Estimated Resources may be further amended during the year if the Finance Director determines and the Budget Commission agrees that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statements reflect the amounts from the original and final amended Certificates of Estimated Resources issued in 2012.

Appropriations - A temporary appropriation measure to control expenditures may be passed on or about January 1 of each year for the period from January 1 to March 31. The annual appropriation ordinance must be passed by Council by April 1 of each year for the period January 1 to December 31. The appropriation ordinance may be supplemented during the year only by action of Council as new information becomes available, but fund appropriations may not exceed estimated resources. Supplemental appropriation measures were legally enacted during 2012.

Budgeted Level of Expenditures - Appropriations are made by fund, function or department and object, including personal services, contract services, materials and supplies, capital outlay, debt service, and other. Funds appropriated may not be expended for purposes other than those designated in the appropriation measure.

Only Council may alter amounts allocated to various departments and objects during the year as the need arises by adopting modifications to the appropriation measure. Amounts shown in the budgetary financial statements represent the original and final amounts appropriated for 2012.

Encumbrances - Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary control.

Lapsing of Appropriations - At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and is not reappropriated.

G. Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the City's records. Each fund's interest in the pool is presented as "Equity in pooled cash and cash equivalents" on the balance sheet and statement of net position. Investments are in accordance with the City's Investment Policy.

During 2012, investments were limited to repurchase agreements, federal agency securities, certificates of deposit, and commercial paper.

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

CITY OF MANSFIELD, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

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

Money held on behalf of the City by a fiscal and escrow agent represents money earmarked for retainage for construction projects, payroll withholdings, or payment of state shared road project costs. These amounts have been reported as “Cash and cash equivalents with fiscal agent” on the balance sheet and statement of net position.

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 2012 amounted to \$140,107 which includes \$124,261 assigned from other City funds.

For purposes of the statement of cash flows and for presentation on the balance sheet and statement of net position, investments with an original maturity of three months or less and investments of the cash management pool are considered to be cash equivalents. Investments with an original maturity of more than three months are reported as investments.

An analysis of the City’s investment accounts at year-end is provided in Note 5.

H. Inventories of Materials and Supplies

On the government-wide financial statements, inventories are presented at cost.

On the fund financial statements, inventories of governmental and proprietary funds are stated at cost. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Inventories of the proprietary funds are expensed when used.

I. Restricted Assets

The City, in accordance with bond indentures, federal regulations, and state statutes, has restricted assets within enterprise funds for replacement and improvement of its capital assets. Monies which represent debt proceeds are also restricted for use in constructing enterprise fund assets. As of December 31, 2012, the total restricted cash in the enterprise funds was \$3,247,764. It is in the Sewer fund and is a result of the City receiving construction grant monies for the Wastewater Treatment Plant. A separate account was established to receive and disburse these monies for replacement and improvement purchases of major equipment at the Wastewater Treatment Plant. The funds can never be used to offset deficits or shortfalls in the sewer user charge system. Per the consulting engineer’s estimate, the City has sufficient funds in the Reserved for Replacement and Improvement account to meet current needs.

J. Prepays

Amounts recorded for prepaid items represent the unamortized portion of insurance policies that expire in 2013 or later. Governmental funds use the purchase method of accounting whereby insurance is recognized as an expenditure when purchased. Proprietary funds recognize insurance expense as it is consumed. There were no material prepaid assets to report at December 31, 2012.

K. Assets Held for Resale

Assets held for resale represent property purchased by the City which will be rehabilitated and sold as part of the City’s community development program.

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

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

L. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally 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. Capital assets utilized by the enterprise funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and disposals during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$5,000. The City's governmental activities infrastructure consists of streets, bridges, and traffic signals. The City's business-type activities infrastructure consists of water lines, sanitary sewer lines, and storm sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized for business-type activities. During fiscal 2012, no interest capitalization occurred.

M. Depreciation

As used in this section, the term depreciation (and related forms of the term) includes amortization of intangible assets. All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Buildings	50 years	50 years
Improvements other than buildings:		
Land improvements	7 - 50 years	7 - 50 years
Machinery and equipment	5 - 20 years	5 - 50 years
Infrastructure:		
Streets	34 years	-
Bridges	50 years	-
Traffic signals	12 years	-
Storm sewer	-	50 years
Water and sewer lines	-	50 years

N. Compensated Absences

Compensated absences of the City consist of vacation leave, sick leave, and compensatory time to the extent that payment 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 City and the employee.

In conformity with GASB Statement No. 16, "Accounting for Compensated Absences", as interpreted by Interpretation No. 6 of the GASB, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements", vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services

CITY OF MANSFIELD, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

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

already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at December 31 by those employees who are currently eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future. The liability includes the employees who are currently eligible to receive termination benefits and the employees who are at least 40 years old with at least 20 years of service and will reach full retirement eligibility in the future.

The total liability for vacation leave, sick leave, and compensatory time has been calculated using the pay rates in effect at the balance sheet date, and reduced to the maximum payment allowed by labor contract and/or statute, plus applicable additional salary related payments. City employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation, compensatory time and sick leave at various rates.

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

On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. For proprietary funds, the entire amount of compensated absences is reported as a fund liability.

O. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund 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 that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year.

P. Interfund Balances

On the fund financial statements, long-term interfund loans are classified as "loans to/from other funds" on the governmental balance sheet and proprietary statement of net position. These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Q. Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

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

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 and after nonoperating revenues/expenses in proprietary 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.

R. Fund Balance

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

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

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

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party—such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by the highest level formal action (ordinance or resolution, as both are equally binding) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. 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 City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by City Council. In the general fund, assigned amounts represent intended uses established by City Council or a City

CITY OF MANSFIELD, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

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

official delegated that authority by City Charter or ordinance, or by State Statute. State statute authorizes the Finance Director to assign fund balance for purchases on order, provided such amounts have been lawfully appropriated. City Council assigned fund balance to cover a gap between estimated revenue and appropriations in the 2013 appropriated budget.

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 used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are 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.

S. 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.

T. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, grants restricted for capital construction, donations by developers, contributions made by the City and assets whose construction was financed through special assessments. Capital contributions are reported as revenue in the proprietary fund financial statements.

U. Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments, or pursuant to bond indenture and federal grant requirements for replacement and improvement of facilities. Net position restricted for other purposes included activities related to municipal court costs, probation, court computerization, indigent drivers, industrial development, and regional community advancement.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

NOTE 3 – ACCOUNTABILITY

Deficit Fund Balances/Net Position

The following funds had deficit fund balances/net position at December 31, 2012:

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 3 – ACCOUNTABILITY – (Continued)

	<u>Deficit Balance</u>
Governmental funds:	
Safety-Services	\$ 1,154,520
Separation	11,076
Internal service funds:	
Garage Operating	107,439

The deficits in these funds are caused by the application of generally accepted accounting principles (GAAP). The general fund is liable for any deficit in these funds and provides transfers/loans when cash is required, not when accruals occur.

NOTE 4 – 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, disbursements, and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis) are presented in the basic financial statements for the General Fund and Major Special Revenue Funds. The major differences between the budget basis and 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).
- C. Outstanding year end encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance for governmental fund types (GAAP basis).

Adjustments necessary to convert the results of operations at the end of the year on the GAAP basis to the Budget basis are as follows:

	General	Community Development	Safety Services	Grant Fund
GAAP Basis	\$769,251	\$205,337	\$635,011	\$250,981
Adjustments:				
Revenue accruals	827,458	335,942	(347,967)	232,935
Expenditure accruals	(341,395)	(432,339)	358,663	(28,349)
Budget Basis	\$1,255,314	\$108,940	\$645,707	\$455,567

CITY OF MANSFIELD, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

NOTE 5 - DEPOSITS AND INVESTMENTS

The City has chosen to follow State statutes and classify monies held by the City into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash by the City 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 monies 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 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 monies to be deposited or invested shall be in accordance with the City's Investment Policy. This policy, in conjunction with the City Charter, and the ordinances adopted by the City Council, will govern the investments and the investment activities of the City. It is reviewed periodically for compliance and to assure the flexibility necessary to effectively manage the interim monies.

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 securities listed above;
4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations;
7. The State Treasurer's investment pool (STAR OHIO); and
8. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 25 percent of the interim monies available for investment at any one time.

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 5 - DEPOSITS AND INVESTMENTS – (Continued)

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 City, 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 qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Cash on Hand

At December 31, 2012, the City had \$156,801 in undeposited cash on hand which is included on the financial statements of the City as part of “Equity in pooled cash and cash equivalents”.

B. Deposits

Custodial credit risk is the risk that in the event of bank failure, the City’s deposits may not be returned to it. Protection of the City’s deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution, by surety company bonds or by a single collateral pool established by the financial institution. In accordance with Chapter 135 of the Ohio Revised Code, any public depository receiving deposits pursuant to an award of City funds shall be required to pledge security for repayment of all public monies. The City has no investment policy dealing with deposit custodial risk beyond the requirement in state statute that requires securities purchased pursuant to this division shall be delivered into the custody of the Finance Director or an agent designated by the Finance Director.

At December 31, 2012, the carrying amount of all City deposits, including certificate of deposits, was \$25,223,823. Based on the criteria described in GASB Statement No. 40 “Deposits and Investment Risk Disclosures”, \$6,490,943 of the City’s bank balance of \$25,241,105 was exposed to custodial risk, while \$18,750,162 was covered by Federal Deposit Insurance Corporation.

C. Investments

As of December 31, 2012, the City had the following investments and maturities:

Investment type	Fair value	Investment Maturities (in years)		
		Less than 1	1 - 2	More than 2
FNMA	\$2,000,400	\$ -	\$ -	\$ 2,000,400
FFCB	4,000,200	-	-	4,000,200
FHLB	2,004,260	1,006,760	-	997,500
REPO	164,898	164,898	-	-
Total	\$8,169,758	\$ 1,171,658	\$ -	\$ 6,998,100

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 5 - DEPOSITS AND INVESTMENTS – (Continued)

Interest Rate Risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The City’s investment policy addresses interest rate risk by requiring that the City’s investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding that need to sell securities on the open market prior to maturity and by investing operating funds primarily in short-term investments. The City investment policy also limits security purchases to those that mature in five years unless specifically matched to a specific cash flow.

Credit Risk is addressed by the City’s investment policy by the requirements that all investments are authorized by Ohio Revised Code and that the portfolio be diversified both by types of investment and issuer. All investments of the City carry a rating AAA and Aaa by Standard & Poor’s and Moody’s Investor Services, respectively. STAR Ohio carries a rating of AAAM by Standard and Poor’s. Ohio law requires that investments in commercial paper are limited to notes rated at the time of purchase to the highest classification established by two nationally recognized standard rating services.

Concentration of Credit Risk: The City’s investment policy requires reasonable diversification among issuers, but places no limit on the amount that may be invested with any one issuer, with the exception of repurchase agreements which are limited to 50% of the total portfolio at the time of purchase in any one institution. The following table includes the percentage of each investment type held by the City at December 31, 2012:

Investment type	Fair value	% of total
FNMA	\$ 2,000,400	24.49%
FFCB	4,000,200	48.96%
FHLB	2,004,260	24.53%
REPO	164,898	2.02%
Total	\$ 8,169,758	100.00%

D. 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 December 31, 2012.

Cash and investments per note		Cash and investments per statement of net position	
Carrying amount of deposits	\$ 25,223,823	Governmental activities	\$ 13,838,920
Investments	8,169,758	Business-type activities	18,809,744
Cash on hand	156,801	Agency funds	901,718
Total	\$ 33,550,382	Total	\$ 33,550,382

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 6 - INTERFUND TRANSACTIONS

A. Interfund transfers

Interfund transfers for the year ended December 31, 2012, consisted of the following, as reported in the fund financial statements:

<u>Transfers to</u>	<u>Transfers from</u>				<u>Total</u>
	<u>General</u>	<u>Community development</u>	<u>Safety services</u>	<u>Other governmental funds</u>	
Safety services	\$ 11,352,093	\$ -	\$ -	\$ -	\$ 11,352,093
Grant fund	21,008	-	14,997	15,676	51,681
Other governmental funds	122,057	250,000	357,908	109,959	839,924
Other enterprise funds	253,800	-	-	-	253,800
Total	\$ 11,748,958	\$ 250,000	\$ 372,905	\$ 125,635	\$ 12,497,498

Transfers are used (1) to move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, (2) to move matching monies to finance the City's share of grant expenses, and (3) as operating transfers from the general fund.

B. Interfund loans

Loans to / from other funds consisted of the following at December 31, 2012, as reported in the fund financial statements:

<u>Loans from other funds</u>	<u>Loans to other funds</u>	
	<u>General</u>	<u>Total</u>
Safety services fund	\$ 469,279	\$ 469,279

In order to cover annual operating expenses, the general fund issued a loan to the safety services fund in the amount of \$469,279. This loan will be repaid in 2013.

NOTE 7 - TAXES

A. Property Tax

Property taxes include amounts levied against all real, public utility and tangible (used in business) property located in the City. Real property taxes received in 2012 are levied after October 1, 2011 on the assessed value listed as of January 1, 2011, the lien date. Assessed values are established by State laws at 35% of appraised market value. All property is required to be revalued every six years. 2012 real property taxes are collected in and intended to finance 2013. Public utility property taxes are assessed on tangible personal property at 100% of true (market) value and on land and improvements at 88% of true value. Public utilities property taxes received in 2012 became a lien December 31, 2010, were levied after October 1, 2011, and were collected in 2012 with real property taxes. The assessed value upon which the 2012 taxes were collected was \$555,161,930. The full tax rate for all City operations for the fiscal year ended December 31, 2012 was \$3.60 per \$1,000 of assessed valuation.

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 7 – TAXES – (Continued)

Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 20; if paid semi-annually, the first payment is due January 20 with the remainder payable by June 20. Under certain circumstances, state statute permits earlier or later payment dates to be established. Tangible personal property taxes are also payable annually or semi-annually. If paid annually, payment is due April 30. If paid semi-annually, the first payment is due April 30 with the remainder payable by September 20. Multi-county corporations may pay the entire tax due in one payment by September 20.

The County Treasurer collects property tax on behalf of all taxing districts within the County. The County Auditor periodically remits the collections to the City. Property taxes receivables represent real and tangible personal property taxes, public utility taxes, and outstanding delinquencies which are measurable as of December 31, 2012. Although total property tax collections for the next fiscal year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31, nor are they intended to finance 2012 operations. The receivable is therefore offset to deferred inflows of resources – property taxes.

B. City Income Tax

The City levies an income tax of 1.75% on substantially all earned income arising from employment, residency or business activities inside the City. The first 1.00% of income tax is a permanent levy. An additional .25% of the income tax for street resurfacing became effective July 1, 1985, and was renewed in November 1988, in May of 1993, in May of 1997, in May 2001, in May 2005, and again in May of 2009. It is scheduled to expire June 30, 2013. Effective April 1, 1988, an additional .50% was levied for police and fire activities and was renewed in November of 1991, in May of 1995, in May of 1999, in May of 2003, in May 2007, and again in May 2011. It is scheduled to expire December 31, 2015.

As of December 31, 2012, the City had income taxes receivable of \$4,041,442 from accrued employer withheld income taxes, individual income tax filings, and business income tax filings. \$405,111 of the income tax receivable was accrued from payment plans for delinquent income taxes. The income taxes receivable was divided between the general fund, safety services fund and street resurfacing fund.

NOTE 8 - RECEIVABLES

Receivables at December 31, 2012, consisted of taxes, accounts (billings for user charged services), special assessments, accrued interest, loans, and intergovernmental receivables arising from grants, entitlements, and shared revenue. All intergovernmental receivables have been classified as “Due from other governments” on the basic financial statements. Receivables have been recorded to the extent that they are both measurable and available at December 31, 2012, as well as intended to finance fiscal 2012 operations.

A summary of the principal items of receivables reported on the Statement of Net Position follows:

<u>Governmental Activities:</u>		<u>Business-Type Activities:</u>	
Taxes	\$ 6,371,672	Accounts	\$ 2,265,625
Accounts	712,312	Due from other governments	416,050
Special assessments	199,719	Total	<u><u>\$ 2,681,675</u></u>
Accrued interest	88,234		
Loans	2,487,790		
Due from other governments	<u>9,041,577</u>		
Total	<u><u>\$ 18,901,304</u></u>		

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 8 – RECEIVABLES – (Continued)

Receivables have been disaggregated on the face of the basic financial statements. Intergovernmental receivables have been further disaggregated in Note 24. The only receivables not expected to be collected within the subsequent year are the special assessments and the loans. The special assessments are collected over the term of the assessment and the loans receivable will be collected annually for a varying number of years. The City has \$196,972 in delinquent special assessments at December 31, 2012. Allowances for uncollectible accounts represent estimates of uncollectible receivables in the accounts classification. An allowance for uncollectible accounts in the amount of \$968,431 and \$22,865 has been reported in the governmental funds and enterprise funds, respectively. These allowances are reflected in the receivable amounts above.

NOTE 9 – CHANGE IN ACCOUNTING PRINCIPLES

For fiscal year 2012, the City has implemented Governmental Accounting Standard Board (GASB) Statement No. 60, "Accounting and Financial Reporting for Service Concession Arrangements," Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements," Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position," Statement No. 64, "Derivative Instruments: Application of Hedge Accounting Termination Provisions – and amendment of GASB Statement No. 53" Fund Balance Reporting and Governmental Fund Type Definitions" and Statement No. 65, "Items Previously Reported as Assets and Liabilities."

GASB Statement No. 60 provides guidance for reporting issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 62 incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in pronouncements on or before November 30, 1989. These changes were incorporated in the City's fiscal year 2012 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related note disclosures. These changes were incorporated in the City's fiscal year 2012 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 64 clarifies whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The implementation of this statement did not result in any change in the City's financial statements.

GASB Statement No. 65 properly classifies certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources or recognizes certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues). These changes were incorporated in the City's fiscal year 2012 financial statements; however, there was no effect on beginning net position/fund balance.

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 10 – RESTATEMENT OF PRIOR YEAR’S FUND BALANCE AND NET POSITION

A. Restatement of Prior Year’s Fund Balance and Net Position – Governmental Activities

	General	Community development	Safety services	Other governmental
Fund Balance at December 31, 2011	\$ 3,425,912	\$ 1,352,793	\$ (478,546)	\$ 8,096,529
Restatement Amount (Income Tax Cash Adjustment)	449,666	-	(508,888)	(41,982)
Restatement Amount (Income Taxes Receivable)	1,788,218	-	(1,644,453)	(1,733)
Restatement Amount (Deferred Revenue)	(917,952)	-	844,153	889
Restatement Amount (Loans/Accrued Interest Receivable)	-	300,381	-	-
Restatement Amount (Establish New Funds)	(6,889)	-	(7,583)	14,472
Restatement Amount (Prior Year Receipt Correction)	(1,949)	-	1,949	-
Adjusted Fund Balance at January 1, 2012	<u>\$ 4,737,006</u>	<u>\$ 1,653,174</u>	<u>\$ (1,793,368)</u>	<u>\$ 8,068,175</u>

	Governmental activities
Net Position at December 31, 2011	\$ 71,300,269
Restatement Amount (Income Tax Cash Adjustment)	(101,204)
Restatement Amount (Income Taxes Receivable)	142,032
Restatement Amount (Loans Receivable)	<u>300,381</u>
Adjusted Net Position at January 1, 2012	<u>\$ 71,641,478</u>

B. Restatement of Prior Year’s Net Position – Business-Type Activities

	Other enterprise	Business-Type activities
Fund Balance/Net Position at December 31, 2011	\$ 3,040,996	\$ 63,621,305
Restatement Amount (Income Tax Cash Adjustment)	(36,779)	(36,779)
Restatement Amount (Income Taxes Receivable)	<u>(142,032)</u>	<u>(142,032)</u>
Adjusted Fund Balance/Net Position at January 1, 2012	<u>\$ 2,862,185</u>	<u>\$ 63,442,494</u>

In previous years, receipts from the 1% permanent income tax levy were deposited into an agency fund entitled the income tax holding fund. These funds were then transferred to other funds based on percentages established in council’s annual appropriation measure. During 2012, based on a recommendation from the Auditor of State, it was determined that the 1% income tax levy should be deposited directly into the general fund and then transferred to the other funds as needed. As a result, beginning balance adjustments were made to cash and income taxes receivable in the affected funds.

During 2012, it was determined that new loans issued in 2011 were not included in loans receivable and therefore were understated by \$363,420 as of December 31, 2011. In addition, accrued interest receivable was overstated by certain non-performing loans in the amount of \$63,039. As a result, beginning balance

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 10 – RESTATEMENT OF PRIOR YEAR’S FUND BALANCE AND NET POSITION – (Continued)

adjustments were made to loans receivable and accrued interest receivable in the community development fund for the net amount of \$300,381.

During 2012, the City received permission from the Auditor of State to create three new special revenue funds to account for specific donations. The three new funds are entitled PAL donations, DARE donations and K9 donations. In prior years these donations were deposited in the safety services fund. Authority to create the boulevard assessment fund and drug enforcement fund existed in sections 5705.09 and 2925.03 of the Ohio Revised Code. Previous collections were deposited in the general fund. As a result, beginning balance adjustments were needed to reflect correct balances in all of the new funds.

During 2012, it was determined a certain receipt was erroneously deposited in the general fund during the prior year. As a result, a beginning balance adjustment was made to reflect this correction.

NOTE 11 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2012 was as follows:

<u>Governmental Activities:</u>	<u>Balance</u> <u>01/01/12</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/12</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 4,503,193	\$ -	\$ (365,239)	\$ 4,137,954
Construction in progress	<u>6,154,869</u>	<u>4,763,043</u>	<u>(6,958,062)</u>	<u>3,959,850</u>
Total capital assets, not being depreciated	<u>10,658,062</u>	<u>4,763,043</u>	<u>(7,323,301)</u>	<u>8,097,804</u>
<i>Capital assets, being depreciated:</i>				
Buildings	15,876,554	223,605	(223,605)	15,876,554
Improvements other than buildings	12,186,838	5,876,712	(4,991,672)	13,071,878
Machinery and equipment	13,890,277	1,800,496	(705,509)	14,985,264
Infrastructure	<u>123,387,290</u>	<u>3,232,552</u>	<u>(199,640)</u>	<u>126,420,202</u>
Total capital assets, being depreciated	<u>165,340,959</u>	<u>11,133,365</u>	<u>(6,120,426)</u>	<u>170,353,898</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(8,259,691)	(415,344)	112,186	(8,562,849)
Improvements other than buildings	(2,493,867)	(494,313)	-	(2,988,180)
Machinery and equipment	(12,002,831)	(969,982)	702,834	(12,269,979)
Infrastructure	<u>(94,533,489)</u>	<u>(1,106,365)</u>	<u>-</u>	<u>(95,639,854)</u>
Total accumulated depreciation	<u>(117,289,878)</u>	<u>(2,986,004)</u>	<u>815,020</u>	<u>(119,460,862)</u>
Total capital assets, being depreciated, net	<u>48,051,081</u>	<u>8,147,361</u>	<u>(5,305,406)</u>	<u>50,893,036</u>
Governmental activities capital assets, net	<u>\$ 58,709,143</u>	<u>\$ 12,910,404</u>	<u>\$ (12,628,707)</u>	<u>\$ 58,990,840</u>

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 11 - CAPITAL ASSETS – (Continued)

<u>Business-Type Activities:</u>	Balance <u>01/01/12</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>12/31/12</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 1,964,508	\$ -	\$ -	\$ 1,964,508
Construction in progress	<u>2,422,943</u>	<u>438</u>	<u>(2,423,381)</u>	<u>-</u>
Total capital assets, not being depreciated	<u>4,387,451</u>	<u>438</u>	<u>(2,423,381)</u>	<u>1,964,508</u>
<i>Capital assets, being depreciated:</i>				
Buildings	13,324,367	-	(223,605)	13,100,762
Improvements other than buildings	32,938,114	7,609,842	-	40,547,956
Machinery and equipment	10,875,703	309,703	(294,057)	10,891,349
Infrastructure	<u>64,021,438</u>	<u>384,119</u>	<u>-</u>	<u>64,405,557</u>
Total capital assets, being depreciated	<u>121,159,622</u>	<u>8,303,664</u>	<u>(517,662)</u>	<u>128,945,624</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(7,772,860)	(194,306)	112,186	(7,854,980)
Improvements other than buildings	(24,503,895)	(892,407)	-	(25,396,302)
Machinery and equipment	(9,697,308)	(222,409)	233,421	(9,686,296)
Infrastructure	<u>(35,649,224)</u>	<u>(1,747,722)</u>	<u>-</u>	<u>(37,396,946)</u>
Total accumulated depreciation	<u>(77,623,287)</u>	<u>(3,056,844)</u>	<u>345,607</u>	<u>(80,334,524)</u>
Total capital assets, being depreciated, net	<u>43,536,335</u>	<u>5,246,820</u>	<u>(172,055)</u>	<u>48,611,100</u>
Business-type activities capital assets, net	<u>\$ 47,923,786</u>	<u>\$ 5,247,258</u>	<u>\$ (2,595,436)</u>	<u>\$ 50,575,608</u>

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 11 - CAPITAL ASSETS – (Continued)

Depreciation expense was charged to functions/programs of the City as follows:

Governmental activities:

General government	\$ 895,215
Public safety	709,518
Public health and welfare	-
Transportation	1,265,476
Community environment	2,324
Leisure time activities	58,244

Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	55,227
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Total depreciation expense - governmental activities	\$ 2,986,004
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Business -type activities:

Water	\$ 677,340
Sewer	2,222,291
Other enterprise fund	157,213

Total depreciation expense - business-type activities	\$ 3,056,844
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NOTE 12 - COMPENSATED ABSENCES

A. Accumulated Unpaid Vacation

City employees earn vacation leave at varying rates based upon length of service. For sworn police and fire personnel, vacation leave is accrued on January 1 of every year regardless of employee's anniversary date. Vacation time valued at \$266,245 will accrue on January 1, 2013 and is not reflected in the financial statements. For sworn police officers, vacation balances unused at December 31 can be carried over and accumulated for up to three years, upon request. Any unused vacation in excess of three years is lost. For all other City employees (except fire personnel), vacation leave is accrued on their anniversary date and the vacation earned may be carried over and accumulated for up to three years. Any unused vacation in excess of three years is lost. These amounts are reflected in the basic financial statements. Upon separation from the City, the employee (or their estate) is paid for their accumulated unused vacation leave balance.

B. Accumulated Unpaid Sick Leave

All City employees, excluding firefighters, earn .05769 hours of sick leave for each non-overtime hour in active pay status. Firefighters, except the fire chief and assistant fire chiefs, earn .0769 hours of sick leave for each non-overtime hour in active pay status (excluding paid sick leave). The fire chief earns .05769 and the assistant fire chiefs earn .0928 hours of sick leave for each non-overtime hour in active pay status. Employees may accrue and carry over all sick leave earned with no limits.

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 12 - COMPENSATED ABSENCES – (Continued)

Upon separation from the City, employees with at least eight years of service are paid a pro-rata amount of their accumulated unused sick leave. The pro-rata amount is determined in each negotiated work agreement with the City. Portions of sick leave for eligible employees are accrued within the year of eligibility. Otherwise the cost of sick leave is recorded at the time it is used.

NOTE 13 - OPERATING LEASES

The City is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, and therefore the results of the lease agreements are not reflected in the City’s basic financial statements. Total costs for such leases were \$100,462 for the year ended December 31, 2012. The following is a schedule by year of future minimum rental payments required under operating leases that have initial or remaining noncancellable lease terms as of December 31, 2012:

<u>Year Ended December 31</u>	<u>Amount</u>
2013	\$ 43,346
2014	33,668
2015	<u>4,628</u>
Total minimum payments required	<u>\$ 81,642</u>

NOTE 14 – CAPITAL LEASES – LESSEE DISCLOSURE

In July 2012, the City entered into a \$363,494 capitalized lease for three equipped EMS trucks. This lease met the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 “Accounting for Leases”, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. The equipment acquired by the capital lease has been capitalized in the City’s governmental activities capital assets at the present value of the future minimum lease payments at lease inception. A corresponding liability has been reported in the governmental activities statement of net position. Future minimum lease payments are as follows:

<u>Year Ended December 31,</u>	<u>Amount</u>
2013	\$ 77,802
2014	77,802
2015	77,801
2016	77,800
2017	<u>38,900</u>
Total minimum payments required	350,105
Less: amount representing interest at 2.90%	<u>(23,015)</u>
Present value of future minimum lease payments	<u><u>327,090</u></u>

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 15 - LONG-TERM OBLIGATIONS

A. Governmental activities long-term obligations

During 2012, the following changes occurred in the City's long-term obligations:

<i>Governmental Activities:</i>	<u>Interest</u> <u>Rate</u>	<u>Maturity</u> <u>Date</u>	<u>Balance</u> <u>1/1/12</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/12</u>	<u>Due in</u> <u>One Year</u>
<u>General Obligation Bonds</u>							
Series 2002 Various Purpose Bonds	2.05-5.00%	2022	\$ 2,560,000	\$ -	\$ (285,000)	\$ 2,275,000	\$ 180,000
Series 2009 Various Purpose Bonds	4.00-6.00%	2029	<u>2,450,000</u>	<u>-</u>	<u>(90,000)</u>	<u>2,360,000</u>	<u>90,000</u>
Total general obligation bonds			<u>5,010,000</u>	<u>-</u>	<u>(375,000)</u>	<u>4,635,000</u>	<u>270,000</u>
<u>Other Long-Term Obligations</u>							
Notes payable	0.64-2.78%	2011-2015	230,000	-	(70,000)	160,000	70,000
Capital lease obligation			-	363,494	(36,404)	327,090	69,052
Police and Fire Pension Liability	4.30%	2035	1,157,978	-	(29,579)	1,128,399	30,849
Compensated absences			<u>4,481,604</u>	<u>2,051,058</u>	<u>(1,878,071)</u>	<u>4,654,591</u>	<u>2,197,041</u>
Total other long-term obligations			<u>5,869,582</u>	<u>2,414,552</u>	<u>(2,014,054)</u>	<u>6,270,080</u>	<u>2,366,942</u>
Total governmental activities long-term obligations			<u>\$ 10,879,582</u>	<u>\$ 2,414,552</u>	<u>\$ (2,389,054)</u>	<u>\$ 10,905,080</u>	<u>\$ 2,636,942</u>

The voted general obligation bond issues will be paid through the debt service fund from general property tax revenue. The unvoted general obligation bond issues will be paid from available income tax revenue and community development block grant revenue. The police and fire pension liability is paid through the police and fire special revenue fund using unvoted general property tax revenue. The compensated absences liability will be paid from the general, street construction, regional community advancement, community development, safety services, industrial development, repair garage, information technology and utility collections funds.

The Various Purpose Bonds issued in 2002 in the amount of \$4,565,000 were to pay the costs of issuance and to pay and retire outstanding notes issued in anticipation of bonds for the following purposes: furnishing and equipping fire stations, acquiring fire equipment, fire trucks and emergency squad vehicles; constructing, furnishing and equipping a building for the Service Departments; constructing a new fire station; paying costs of constructing water and sewer lines in the Piper Road Industrial Park; and constructing three public streets in and around the Airport Industrial Complex, including grading, draining, paving, constructing curbs, water, storm sewer and sanitary sewer lines. These bonds are being repaid from the safety services, community development, and street construction maintenance and repair funds.

The Various Purpose Bonds issued in 2009 in the amount of \$2,620,000 were to pay the costs of issuance and to pay and retire outstanding notes issued in anticipation of bonds for the following purposes: constructing, furnishing and equipping the new fire station and improving the City's courtroom security system. These bonds are being repaid from the safety services and court costs funds.

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 15 - LONG-TERM OBLIGATIONS – (Continued)

The City issued \$1,000,000 in Section 108 Improvement Project notes in 1999. The notes are paid from the community development fund.

Principal and interest requirements to retire the long-term obligations outstanding at December 31, 2012 are as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>Police and Fire Pension Liability</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 30,849	\$ 47,633	\$ 78,482
2014	32,174	46,308	78,482
2015	33,556	44,926	78,482
2016	34,998	43,484	78,482
2017	36,501	41,981	78,482
2018 - 2022	207,411	184,998	392,409
2023 - 2027	255,949	136,462	392,411
2028 - 2032	315,844	76,564	392,408
2033 - 2035	<u>181,117</u>	<u>11,561</u>	<u>192,678</u>
Total	<u>\$ 1,128,399</u>	<u>\$ 633,917</u>	<u>\$ 1,762,316</u>

<u>Year Ended</u> <u>December 31,</u>	<u>Notes Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 70,000	\$ 2,638	\$ 72,638
2014	70,000	1,700	71,700
2015	<u>20,000</u>	<u>440</u>	<u>20,440</u>
Total	<u>\$ 160,000</u>	<u>\$ 4,778</u>	<u>\$ 164,778</u>

<u>Year Ended</u> <u>December 31,</u>	<u>General Obligation Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 270,000	\$ 234,464	\$ 504,464
2014	285,000	223,125	508,125
2015	295,000	210,868	505,868
2016	315,000	198,069	513,069
2017	330,000	184,208	514,208
2018 - 2022	1,910,000	659,569	2,569,569
2023 - 2027	830,000	253,425	1,083,425
2028 - 2029	<u>400,000</u>	<u>33,275</u>	<u>433,275</u>
Total	<u>\$ 4,635,000</u>	<u>\$ 1,997,003</u>	<u>\$ 6,632,003</u>

At December 31, 2012, the City's legal voted and unvoted debt margin was \$53,803,841 and \$26,045,744, respectively.

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 15 - LONG-TERM OBLIGATIONS – (Continued)

B. Business-Type activities long-term obligations

The following changes occurred in the City’s business-type activities long-term obligations during 2012:

<i>Business-Type Activities:</i>	<u>Interest</u> <u>Rate</u>	<u>Maturity</u> <u>Date</u>	<u>Balance</u> <u>1/1/12</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/12</u>	<u>Due in</u> <u>One Year</u>
<u>General Obligation Bonds:</u>							
Series 2008 Waterworks Refunding	3.50%	2013	\$ 640,000	\$ -	\$ (415,000)	\$ 225,000	\$ 225,000
Series 2009 Various Purpose Bonds	4.00-6.00%	2029	<u>1,010,000</u>	<u>-</u>	<u>(35,000)</u>	<u>975,000</u>	<u>40,000</u>
Total general obligation bonds			<u>1,650,000</u>	<u>-</u>	<u>(450,000)</u>	<u>1,200,000</u>	<u>265,000</u>
<u>Other long-term obligations:</u>							
Notes payable	0.00%-1.00%	2017	1,837,668	-	(19,381)	1,818,287	9,691
Compensated absences			<u>1,021,245</u>	<u>319,799</u>	<u>(415,497)</u>	<u>925,547</u>	<u>533,542</u>
Total other long-term obligations			<u>2,858,913</u>	<u>319,799</u>	<u>(434,878)</u>	<u>2,743,834</u>	<u>543,233</u>
Total business-type activities long-term obligations			<u>\$ 4,508,913</u>	<u>\$ 319,799</u>	<u>\$ (884,878)</u>	<u>\$ 3,943,834</u>	<u>\$ 808,233</u>

The 2008 Waterworks Bonds were issued in the amount of \$2,230,000 to pay the cost of issuance and refund the outstanding bonds issued in 1992 and 1993 for the following purposes: installation of instrumentation facilities, construction of an elevated water storage reservoir and other improvements at the water treatment plant. These bonds are being repaid from the City’s water fund.

The 2009 Various Purpose Bonds were issued in the amount of \$1,080,000 to pay and retire outstanding notes issued in anticipation of bonds for the purpose of improving the City’s wastewater treatment plant. These bonds are being repaid from the City’s sewer fund.

In 1997, the City issued \$187,620 in Ohio Public Works Commission Notes for the North Wells water line replacement. In 2008, the City issued \$200,000 in Ohio Public Works Commission Notes for the Bowman Street and Cairns Road water lines. These notes are being repaid from the water fund.

In 2010 and 2011, the City issued \$1,621,072 in Ohio Water Development Authority (OWDA) notes for water and sewer line extensions at the new Reid Industrial Park. Repayments of these notes are interest only until January 1, 2016. These notes will be repaid from the water and sewer funds.

Principal and interest requirements to retire the long-term obligations outstanding at December 31, 2012 are as follows:

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 15 - LONG-TERM OBLIGATIONS – (Continued)

Year Ended December 31,	General Obligation Bonds		
	Principal	Interest	Total
2013	\$ 265,000	\$ 58,907	\$ 323,907
2014	40,000	49,431	89,431
2015	40,000	47,831	87,831
2016	45,000	46,231	91,231
2017	45,000	44,431	89,431
2018 - 2022	260,000	188,669	448,669
2023 - 2027	340,000	104,350	444,350
2028 - 2029	165,000	13,750	178,750
Total	<u>\$ 1,200,000</u>	<u>\$ 553,600</u>	<u>\$ 1,753,600</u>

Year Ended December 31,	Notes Payable		
	Principal	Interest	Total
2013	\$ 9,691	\$ 8,106	\$ 17,797
2014	19,381	16,211	35,592
2015	19,381	16,211	35,592
2016	174,309	15,824	190,133
2017	175,862	14,271	190,133
2018 - 2022	856,253	47,508	903,761
2023 - 2027	553,410	8,846	562,256
2028	10,000	-	10,000
Total	<u>\$ 1,818,287</u>	<u>\$ 126,977</u>	<u>\$ 1,945,264</u>

NOTE 16 – INSURANCE AND RISK MANAGEMENT

A. Shared Risk Pool

The City is a participant in the Public Entities Pool of Ohio (the “PEP Pool”). The PEP Pool was established in 1987 and is administered under contract by the American Risk Pooling Company of Ohio (ARPCO) to provide a program of property and casualty insurance for its member organizations throughout the State of Ohio. The Pool’s general objectives are to provide broader coverage than is available in the conventional insurance marketplace and provide coverage on a basis that will allow members to level costs and accurately budget over a long period of time. Members of the pool may withdraw coverage upon 60 days written notice to ARPCO prior to their renewal date by certified return receipt mail. Each participant makes an annual “contribution” to the pool using anticipated and actual results of operation for the various coverage’s provided. During 2012, the City made contributions to the pool in the amount of \$362,441.

The City obtained insurance coverage from the Pool for losses relating to general liability, law enforcement liability, public officials liability, auto liability/physical damage, and property coverage.

To protect the pool against the unexpected, the pool has joined with other entity pools as a participant in the American Public Entity Excess Pool. This contractual relationship spreads the effects of any loss in excess of \$350,000 for casualty claims and \$150,000 for property losses and additionally guarantees funds to the pool in the unlikely event that the pool’s funds are exhausted in any year. This joint reinsurance arrangement currently has assets in excess of \$49,500,000.

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 16 – INSURANCE AND RISK MANAGEMENT – (Continued)

The joint reinsurance arrangement that the pool has entered into is well structured and has adequate funds to meet the needs of the pool. Property coverage's are reinsured by The Travelers.

The City carries additional insurance coverage for other risks including aviation liability.

Settled claims have not exceeded insurance coverage in any of the past three years and there has been no significant reduction in coverage from the prior year.

Workers' compensation claims are covered through the City's participation in the State of Ohio's program. The City pays the State Workers' Compensation System a premium based on accident history and administrative costs. The City also pays unemployment claims to the State of Ohio as incurred.

B. Self Insurance

The City has elected to provide Medical, Dental, and Life Insurance as benefits to all full-time employees. A \$25,000 Life, Accidental Death and Dismemberment policy is carried on the employees under the union contracts (AFSCME, FOP, and IAFF). The remaining non-bargaining employees are carried on a policy at an amount equal to their annual salary rounded to the nearest thousand. This policy is effective one month from the date of hire, at no cost to the employee. This coverage is provided by One America.

Medical and Dental insurance is provided through a self-insured program. An internal service fund was established to account for and finance this program. This plan provides medical coverage with a \$200 single deductible, \$400 family deductible, and a dental plan that pays 100% preventive maintenance costs for employees only. The City pays into the self-insurance internal service fund an amount equal to \$609 single coverage and \$1,486 family coverage per employee per month. A portion of the amount paid into the self-insurance internal service fund is paid by the employees through payroll deduction. The amount depends on the employee's type of coverage. Each fund is billed monthly based upon the number of eligible employees receiving health and dental benefits with adjustments made for prior claims and administrative costs.

The liability for unpaid claims costs of \$528,739 reported in the internal service fund at December 31, 2012 is based on the requirements of GASB Statement No. 10. This statement requires that a liability for claims be reported if information prior to the issuance of the combined financial statements indicates that it is probable that a liability has been incurred at the date of the combined financial statements and the amount of the loss can be reasonably estimated. Estimates for unpaid claims are based on available information.

Changes in the self-insurance fund's claims liability amount for 2011 and 2012 were as follows:

	<u>Balance at</u> <u>Beginning of Year</u>	<u>Current Year</u> <u>Claims</u>	<u>Claim</u> <u>Payments</u>	<u>Balance at</u> <u>End of Year</u>
2012	\$ 1,023,350	\$ 4,094,668	\$ (4,589,279)	\$ 528,739
2011	680,861	6,001,463	(5,658,974)	1,023,350

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 17 - CONTINGENCIES

A. Grants

The City has received Federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the City believes such disallowances, if any, will not have a material adverse effect on the City's financial position.

B. Litigation

The City is a defendant in several lawsuits, the outcome of which cannot be determined. It is the opinion of the City's Law Director that any judgment against the City would not have a material adverse effect on the City's financial position.

NOTE 18 – POLLUTION REMEDIATION ACTIVITIES

As of December 31, 2012, environmental remediation of the former Mansfield Foundry property is approximately 95% complete. The balance of the project will be completed by June 2013. The projected cost of the remediation is \$4,000,000 and is covered by an insurance claim with ACE Insurance.

NOTE 19 – CONTRACTUAL COMMITMENTS

At December 31, 2012 the City's significant contractual commitments consisted of:

Project	Contract Amount	Amount Paid	Remaining on Contract
Middle Bellville Road Improvements	\$ 895,916	\$ 704,132	\$ 191,784
Engineering Services	85,924	44,832	41,092
Utility Relocation	23,063	-	23,063
State Route 13 Resurfacing	550,000	476,765	73,235
Storm Sewer Replacement	20,500	-	20,500
Trimble Road at US 30 Traffic Signals	18,398	-	18,398
Software	12,500	-	12,500
Totals	<u>\$ 1,606,301</u>	<u>\$ 1,225,729</u>	<u>\$ 380,572</u>

NOTE 20 – BUDGETARY NONCOMPLIANCE

At December 31, 2012, contrary to Ohio Revised Code Section 5705.41(B), the City had actual expenditures exceed appropriations in the grant fund by \$2,355,244.

NOTE 21 – FUND BALANCE

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

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 21 – FUND BALANCE – (Continued)

Fund Balances	General	Community Development	Safety Services	Grant	Other Governmental	Total
<u>Nonspendable:</u>						
Inventory	\$ 42,725	\$ 227	\$ 51,803	\$ 28,960	\$ 201,486	\$ 325,201
<i>Total Nonspendable</i>	<u>42,725</u>	<u>227</u>	<u>51,803</u>	<u>28,960</u>	<u>201,486</u>	<u>325,201</u>
<u>Restricted for:</u>						
Unclaimed money	129,750	-	-	-	-	129,750
Glenwood/Parkwood Development	-	-	-	-	4,382	4,382
	-	1,858,284	-	-	194,278	2,052,562
Donations	-	-	-	-	12,602	12,602
Court operations	-	-	-	-	449,464	449,464
Debt service	-	-	-	-	146,838	146,838
Grants	-	-	-	405,009	56,357	461,366
Transportation	-	-	-	-	6,341,899	6,341,899
Safety services	-	-	-	-	362,148	362,148
<i>Total Restricted</i>	<u>129,750</u>	<u>1,858,284</u>	<u>-</u>	<u>405,009</u>	<u>7,567,968</u>	<u>9,961,011</u>
<u>Committed for:</u>						
Safety town	4,652	-	-	-	-	4,652
Shade tree	7	-	-	-	-	7
Alarm monitoring	-	-	-	-	19,145	19,145
Police equipment	-	-	-	-	30,739	30,739
Regional comm adv. Development	-	-	-	-	115,989	115,989
	-	-	-	-	1,251,908	1,251,908
Court operations	-	-	-	-	401,853	401,853
Walmart project	-	-	-	-	6,077	6,077
<i>Total Committed</i>	<u>4,659</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,825,711</u>	<u>1,830,370</u>
<u>Assigned to:</u>						
Adopt-a-park	4,842	-	-	-	-	4,842
2013 appropriations	857,401	-	-	-	-	857,401
General government	137,271	-	-	-	-	137,271
<i>Total Assigned</i>	<u>999,514</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>999,514</u>
Unassigned:	<u>4,322,814</u>	<u>-</u>	<u>(1,206,323)</u>	<u>-</u>	<u>(11,076)</u>	<u>3,105,415</u>
Total Fund Balance	<u><u>\$ 5,499,462</u></u>	<u><u>\$ 1,858,511</u></u>	<u><u>\$ (1,154,520)</u></u>	<u><u>\$ 433,969</u></u>	<u><u>\$ 9,584,089</u></u>	<u><u>\$ 16,221,511</u></u>

CITY OF MANSFIELD, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

NOTE 22 - DEFINED BENEFIT PENSION PLANS

All employees of the City are required to participate in one of two pension plans administered and controlled by the State of Ohio. The majority of City employees participate in the statewide Ohio Public Employees Retirement System (OPERS). Police officers and firefighters participate in the statewide Ohio Police and Fire Pension Fund (OP&F). Both OPERS and OP&F are cost-sharing, multiple-employer defined benefit public employee retirement systems.

A. Ohio Public Employees Retirement System

OPERS has provided the following disclosures in accordance with GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers* (GASB 27).

OPERS administers three separate pension plans as described below:

- The Traditional Plan – a cost sharing, multiple-employer defined pension plan.
- The Member-Directed Plan – a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings.
- The Combined Plan – a cost sharing, multiple-employer defined pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost-of living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits.

Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 800-222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2012, member and employer contribution rates were consistent across all three plans. Members in the state and local divisions may participate in all three plans. The 2012 member contribution rates were 10.00% for members in state and local classifications. The 2012 employer contribution rates were 14.00% of covered payroll.

The City's contributions to OPERS for the years ending December 31, 2012, 2011 and 2010 were \$1,629,712, \$1,610,174, and \$1,770,305, respectively. The full amount has been contributed for 2010 and 2011, and 92.85% has been contributed for 2012 with the remainder being reported as a liability in the respective funds.

B. Ohio Police and Fire Pension Fund

OP&F has provided the following disclosures in accordance with GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers* (GASB 27).

CITY OF MANSFIELD, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

NOTE 22 - DEFINED BENEFIT PENSION PLANS – (Continued)

OP&F provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries.

Authority to establish and amend benefits is provided by state statute per Chapter 742 of the Ohio Revised Code.

OP&F issues a stand alone financial report. Interested parties may obtain a copy by making a written request to OP&F at: 140 East Town Street, Columbus, Ohio 43215-5164 or by calling (614)228-2975.

The Ohio Revised Code provides statutory authority for employee and employer contributions. Plan members are required to contribute 10.00% of their annual salary, while employers are required to contribute 19.50% and 24.00% respectively for police officers and firefighters.

Contributions by the City to the OP&F for police officers for the year ended December 31, 2012, 2011, and 2010 were \$886,799, \$891,281 and \$950,627, respectively, and for firefighters the contributions were \$1,231,015, \$1,269,233, and \$1,443,540, respectively. The full amount has been contributed for 2010 and 2011. For police officers and firefighters, 74.30% and 75.74%, respectively, have been contributed for 2012 with the remainder being reported as a liability in the respective funds.

In addition to current contributions, the City pays installments on the accrued liability incurred when the State of Ohio established the statewide pension system for police officers and firefighters in 1967. As of December 31, 2012, the unfunded liability of the City was \$1,128,399 payable in semi-annual payments through the year 2035. This is an accounting liability of the City which will not vary. The liability is reported as a component of governmental activities long-term obligations.

NOTE 23 - POSTEMPLOYMENT BENEFIT PLANS

In addition to the pension benefits described previously, both OPERS and OP&F provide post-retirement health care coverage commonly referred to as OPEB. The health care coverage provided is considered an OPEB under GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits other than Pension* (GASB 45). For both systems, the Ohio Revised Code provides the authority for public employers to fund post-retirement health care through their contributions.

A. Ohio Public Employees Retirement System

1. Plan Description

OPERS maintains a cost sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit

CITY OF MANSFIELD, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

NOTE 23 - POSTEMPLOYMENT BENEFIT PLANS – (Continued)

recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

The Ohio Revised Code permits, but does not mandate, the OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

2. Funding Policy

The Ohio Revised Code provides the statutory authority requiring public employers to fund post retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post retirement health care benefits.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2012, state and local employers contributed at a rate of 14.00% of covered payroll. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14.00% of covered payroll for state and local employer units. Active members do not make contributions to the OPEB Plan.

OPERS' Post Employment Health Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post employment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 4.0% during 2012. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05% during 2012. The OPERS Board of Trustees is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

3. Contributions

The City's total contributions to OPERS for the years ended December 31, 2012, 2011, and 2010 were \$1,629,712, \$1,610,174, and \$1,770,305 respectively, of which \$465,609, \$460,027, and \$642,257 respectively, was allocated to the healthcare plan. The full amount has been contributed for 2010 and 2011, and 92.85% has been contributed for 2012.

4. Health Care Preservation Plan

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 19, 2012, with a transition plan commencing January 1, 2014. With the recent passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate four percent of the employer contributions toward the health care fund after the end of the transition period.

B. Ohio Police and Fire Pension Fund

1. Plan Description

The City of Mansfield contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored health care program, a cost-sharing multiple-employer defined post-employment health care plan

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 23 - POSTEMPLOYMENT BENEFIT PLANS – (Continued)

administered by OP&F. OP&F provides healthcare benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

The Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants, and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

2. Funding Policy

The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.50% and 24.00% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administered as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2012, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

3. Contributions

The City of Mansfield's contributions to the OP&F for police officers for the years ended December 31, 2012, 2011, and 2010 were \$886,799, \$891,281, and \$950,627 respectively, of which \$306,832, \$308,383, and \$328,917 was allocated to the healthcare plan. Total contributions by the City to the OP&F for firefighters for the year ended December 31, 2012, 2011, and 2010 were \$1,231,015, \$1,269,233, and \$1,443,540 respectively, of which \$345,915, \$356,654, and \$405,635 respectively, was allocated to the healthcare plan. The full amount has been contributed

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 23 - POSTEMPLOYMENT BENEFIT PLANS – (Continued)

for 2010 and 2011. For police officers and firefighters, 74.30% and 75.74%, respectively, have been contributed for 2012.

NOTE 24 - INTERGOVERNMENTAL RECEIVABLES

A summary of the intergovernmental receivables as reported on the fund financial statements as “Due from other governments” are as follows:

Sewer fund:	
City of Ontario sewer agreement	\$ 172,032
Richland County sewer agreement	<u>244,018</u>
Total Sewer fund	<u>\$ 416,050</u>
General fund:	
Cigarette licenses	\$ 527
Court apportionment	7,800
Estate and inheritance tax	528,075
Homestead/Rollback	110,000
Local government funds	580,406
Personal property tax	80
Public defenders reimbursement	35,182
Richland County share of judges salaries	174,499
State liquor permit fees	57,672
State shared revenue	<u>90,156</u>
Total General fund	<u>\$ 1,584,397</u>
Safety Services fund:	
Homestead/Rollback	\$ 22,500
Personal property tax	16
Police fees	<u>15,365</u>
Total Safety Services fund	<u>\$ 37,881</u>
Community Development fund:	
CDBG and HOME grants	<u>\$ 3,906,262</u>
Total Community Development fund	<u>\$ 3,906,262</u>
Other governmental funds:	
Gasoline tax	\$ 780,458
Indigent drivers treatment	12,408
Motor vehicle registration	320,630
Ohio Department of Development grants	1,787
Regional Community Advancement contracts	66,921
Richland County share of judges salaries	<u>70,163</u>
Total other governmental funds	<u>\$ 1,252,367</u>

CITY OF MANSFIELD, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 24 - INTERGOVERNMENTAL RECEIVABLES – (Continued)

Grant fund:	
Airport improvement grant	\$ 205,864
Bulletproof vest grant	7,350
Community corrections grant	49,124
Crime victims grant	38,855
Drug prevention grant	15,773
Family violence grant	10,484
Forensic science grants	370,338
Innovation grant	63,000
JAG grant	22,469
Metrich grant (and agency matches)	16,947
Moving Ohio forward grant	741,454
PAL mentoring grant	8,781
Safe routes to school grant	73,055
SAFER grant	530,235
Veterans court grant	<u>106,941</u>
Total Grant fund	<u>\$ 2,260,670</u>

NOTE 25 – FISCAL EMERGENCY

On August 19, 2010, the Auditor of State declared the City of Mansfield to be in a state of fiscal emergency in accordance with section 118.03 of the Ohio Revised Code. The declaration resulted in the establishment of a financial planning and supervision commission. The commission is comprised of a representative of the Office of Budget and Management, a representative of the Treasurer of State, the mayor, president of city council, and three individuals appointed by the Governor who are residents of the City and meet certain criteria.

In accordance with Section 118.06 of the Ohio Revised Code, the City is required to submit to the Commission a financial recovery plan for the City which outlines the measures to be taken to eliminate the fiscal emergency conditions. The City adopted its initial financial recovery plan in February 2011. This plan was subsequently updated in June 2012.

The more significant steps taken by the City to alleviate the fiscal emergency conditions include staff reductions, voluntary and involuntary furlough days, union contract concessions, implementation of a license plate fee and the installation of a net based software system. The City also hopes to stabilize safety forces personnel by passing an additional one quarter of one percent income tax levy.

As of December 31, 2012, the City has not determined when the situation will be resolved.

NOTE 26 – SUBSEQUENT EVENTS

On February 26, 2013 the City issued bonds in the amount of \$2,355,000 for the purpose of refunding bonds issued in May 2002. The City anticipates saving \$251,984 as a result of this refunding.

On May 7, 2013 the additional .25% income tax for street resurfacing was renewed. It is scheduled to expire June 30, 2017.

CITY OF MANSFIELD, OHIO

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

FUND DESCRIPTIONS

Nonmajor Special Revenue Funds

To account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. The following are the nonmajor special revenue funds which the City of Mansfield operates:

Street Construction Maintenance and Repair:

To account for state-levied and controlled gasoline tax and vehicle license fees remitted to the City for routine street maintenance.

State Highway:

To account for state-levied and controlled gasoline tax and vehicle license fees for routine maintenance of state highways within the City.

Alarm Monitoring:

To account for monies received for monitoring residential and commercial alarm systems.

Regional Community Advancement:

To account for grants and other miscellaneous contracts used in the operation of the City's Regional Community Advancement building on Bowman Street.

Drug Enforcement:

To account for the deposit and expenditure of mandatory fines received from the prosecution of misdemeanor drug offenses.

Drug Law Enforcement:

To account for the deposit and expenditure of mandatory fines for drug trafficking offenses.

Law Enforcement:

To account for monies collected from the sale of contraband.

Permissive Sales Tax:

To account for distribution of sales tax collected by Richland County. Monies are to be used solely for road improvements on state highways, county roads entering the City, or streets with a common border with another entity.

Industrial Development:

To account for the activities associated with the promotion and development of the local industrial environment.

Indigent Drivers Alcohol Treatment:

To account for monies received through the enforcement and implementation of Ohio traffic laws governing operation of a motor vehicle while under the influence of alcohol.

Court Computerization:

To account for an increase in court fees for the purpose of funding the acquisition and maintenance of computerized legal research services for the courts.

Local Law Enforcement Block Grant:

To account for monies received from the federal government under the Local Law Enforcement Block Grant program. The purpose is to underwrite projects to reduce crime and improve public safety.

Probation Services:

To account for monies received by the Municipal Court Department of Probation for monthly probation supervision fees.

Court Costs:

To account for additional fees and costs imposed by the Mansfield Municipal Court to assist in improvements and maintenance of the City's court facilities.

CITY OF MANSFIELD, OHIO

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

FUND DESCRIPTIONS

Boulevard Assessments:

To account for the receipt and use of special assessments levied against properties in the Glenwood and Parkwood Boulevard areas to pay for the improvement of the lawn strips in the middle of these boulevards.

PAL Donation:

To account for private donations received to pay for miscellaneous operating expenses of the local Police Athletic League (PAL) program.

DARE Donation:

To account for private donations received to pay for miscellaneous operating expenses of the local Drug Abuse Resistance Education (DARE) program.

K-9 Donation:

To account for private donations received to pay for miscellaneous operating expenses of the City's K-9 program.

Donations Against Injection Wells:

To account for private donations received to pay for professional services associated with the opposition to the construction of injection wells.

Separation:

To accumulate resources for the payment of sick leave, vacation leave, and compensatory time off upon retirement.

Nonmajor Debt Service Fund

Debt Service:

To account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest.

Nonmajor Capital Projects Funds

To account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of major capital facilities, other than those financed by the proprietary or permanent funds. The following is a description of all the City's nonmajor capital projects funds:

Street Resurfacing:

To account for the extra one quarter percent income tax collections used solely for the resurfacing of City streets.

Ohio Public Works Commission:

To account for grant money received from the Ohio Public Works Commission for construction and improvement projects.

Reid Industrial Park Project:

To account for loan proceeds and grant funds from the Ohio Department of Development and the Ohio Air National Guard for infrastructure improvements to a new industrial park near the Mansfield Lahm Airport.

Police Capital Equipment:

To account for transfers from the general fund as part of the Selective Traffic Enforcement Program (STEP) for the purchase of police equipment.

CITY OF MANSFIELD, OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2012

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and cash equivalents	\$ 4,328,838	\$ 146,838	\$ 3,494,261	\$ 7,969,937
Receivables (net of allowances of uncollectibles):				
Taxes	-	-	577,349	577,349
Accounts	60,277	-	3,975	64,252
Accrued interest	40,987	-	-	40,987
Loans	1,105,102	-	-	1,105,102
Special assessments	2,747	-	-	2,747
Due from other governments	1,250,580	-	1,787	1,252,367
Materials and supplies inventory	201,486	-	-	201,486
Total assets	<u>\$ 6,990,017</u>	<u>\$ 146,838</u>	<u>\$ 4,077,372</u>	<u>\$ 11,214,227</u>
Liabilities:				
Accounts payable	\$ 104,998	\$ -	\$ -	\$ 104,998
Accrued wages and benefits	31,829	-	-	31,829
Due to other governments	108,465	-	-	108,465
Total liabilities	<u>245,292</u>	<u>-</u>	<u>-</u>	<u>245,292</u>
Deferred inflows of resources:				
Unavailable revenue	<u>1,039,478</u>	<u>-</u>	<u>345,368</u>	<u>1,384,846</u>
Fund balances:				
Nonspendable	201,486	-	-	201,486
Restricted	3,719,865	146,838	3,701,265	7,567,968
Committed	1,794,972	-	30,739	1,825,711
Unassigned	<u>(11,076)</u>	<u>-</u>	<u>-</u>	<u>(11,076)</u>
Total fund balances	<u>5,705,247</u>	<u>146,838</u>	<u>3,732,004</u>	<u>9,595,165</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,950,539</u>	<u>\$ 146,838</u>	<u>\$ 3,732,004</u>	<u>\$ 9,840,457</u>

CITY OF MANSFIELD, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2012

	Street Construction Maintenance and Repair	State Highway	Alarm Monitoring	Regional Community Advancement
Assets:				
Equity in pooled cash and cash equivalents.	\$ 1,253,519	\$ 57,019	\$ 19,231	\$ 117,966
Receivables (net of allowances of uncollectibles):				
Accounts	-	-	-	-
Accrued interest.	-	-	-	-
Loans	-	-	-	-
Special assessments	-	-	-	-
Due from other governments	1,018,464	82,623	-	66,922
Materials and supplies inventory	182,492	-	-	-
Total assets.	<u>\$ 2,454,475</u>	<u>\$ 139,642</u>	<u>\$ 19,231</u>	<u>\$ 184,888</u>
Liabilities:				
Accounts payable.	\$ 69,258	\$ -	\$ 86	\$ 4,627
Accrued wages and benefits	9,680	-	-	7,111
Due to other governments	19,246	-	-	27,898
Total liabilities.	<u>98,184</u>	<u>-</u>	<u>86</u>	<u>39,636</u>
Deferred inflows of resources:				
Unavailable revenue	855,489	69,408	-	29,263
Fund balances:				
Nonspendable	182,492	-	-	-
Restricted	1,312,233	70,234	-	-
Committed	6,077	-	19,145	115,989
Unassigned	-	-	-	-
Total fund balances	<u>1,500,802</u>	<u>70,234</u>	<u>19,145</u>	<u>115,989</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,454,475</u>	<u>\$ 139,642</u>	<u>\$ 19,231</u>	<u>\$ 184,888</u>

Drug Enforcement	Drug Law Enforcement	Law Enforcement	Permissive Sales Tax	Industrial Development	Indigent Drivers Alcohol Treatment
\$ 3,033	\$ 10,549	\$ 159,587	\$ 1,467,247	\$ 127,388	\$ 196,490
-	-	-	-	-	2,456
-	-	-	-	40,987	-
-	-	-	-	1,105,102	-
-	-	-	-	-	-
-	-	-	-	-	12,408
-	-	-	-	-	-
<u>\$ 3,033</u>	<u>\$ 10,549</u>	<u>\$ 159,587</u>	<u>\$ 1,467,247</u>	<u>\$ 1,273,477</u>	<u>\$ 211,354</u>
\$ -	\$ 330	\$ 7,454	\$ 14,802	\$ -	\$ 2,045
-	-	-	-	1,608	-
-	-	138	-	19,961	-
-	330	7,592	14,802	21,569	2,045
-	-	-	-	-	12,408
-	-	-	-	-	-
3,033	10,219	151,995	1,452,445	-	196,901
-	-	-	-	1,251,908	-
-	-	-	-	-	-
<u>3,033</u>	<u>10,219</u>	<u>151,995</u>	<u>1,452,445</u>	<u>1,251,908</u>	<u>196,901</u>
<u>\$ 3,033</u>	<u>\$ 10,549</u>	<u>\$ 159,587</u>	<u>\$ 1,467,247</u>	<u>\$ 1,273,477</u>	<u>\$ 211,354</u>

(continued)

CITY OF MANSFIELD, OHIO

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
DECEMBER 31, 2012

	<u>Court Computerization</u>	<u>Local Law Enforcement Block Grant</u>	<u>Probation Services</u>	<u>Court Costs</u>
Assets:				
Equity in pooled cash and cash equivalents.	\$ 312,915	\$ 56,357	\$ 128,814	\$ 401,739
Receivables (net of allowances of uncollectibles):				
Accounts	14,285	-	10,726	32,810
Accrued interest.	-	-	-	-
Loans	-	-	-	-
Special assessments	-	-	-	-
Due from other governments	-	-	-	70,163
Materials and supplies inventory	10,608	-	1,948	6,438
Total assets.	<u>\$ 337,808</u>	<u>\$ 56,357</u>	<u>\$ 141,488</u>	<u>\$ 511,150</u>
Liabilities:				
Accounts payable.	\$ 5,941	\$ -	\$ -	\$ 455
Accrued wages and benefits	1,113	-	2,854	9,463
Due to other governments	2,052	-	5,316	22,778
Total liabilities.	<u>9,106</u>	<u>-</u>	<u>8,170</u>	<u>32,696</u>
Deferred inflows of resources:				
Unavailable revenue	-	-	-	70,163
Fund balances:				
Nonspendable	10,608	-	1,948	6,438
Restricted	318,094	56,357	131,370	-
Committed	-	-	-	401,853
Unassigned	-	-	-	-
Total fund balances	<u>328,702</u>	<u>56,357</u>	<u>133,318</u>	<u>408,291</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 337,808</u>	<u>\$ 56,357</u>	<u>\$ 141,488</u>	<u>\$ 511,150</u>

Boulevard Assessments	PAL Donation	DARE Donation	K-9 Donation	Donations Against Injection Wells	Separation Fund	Total
\$ 4,382	\$ 2,478	\$ 4,499	\$ 1,560	\$ 4,065	\$ -	\$ 4,328,838
-	-	-	-	-	-	60,277
-	-	-	-	-	-	40,987
-	-	-	-	-	-	1,105,102
2,747	-	-	-	-	-	2,747
-	-	-	-	-	-	1,250,580
-	-	-	-	-	-	201,486
<u>\$ 7,129</u>	<u>\$ 2,478</u>	<u>\$ 4,499</u>	<u>\$ 1,560</u>	<u>\$ 4,065</u>	<u>\$ -</u>	<u>\$ 6,990,017</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 104,998
-	-	-	-	-	-	31,829
-	-	-	-	-	11,076	108,465
-	-	-	-	-	11,076	245,292
2,747	-	-	-	-	-	1,039,478
-	-	-	-	-	-	201,486
4,382	2,478	4,499	1,560	4,065	-	3,719,865
-	-	-	-	-	-	1,794,972
-	-	-	-	-	(11,076)	(11,076)
<u>4,382</u>	<u>2,478</u>	<u>4,499</u>	<u>1,560</u>	<u>4,065</u>	<u>(11,076)</u>	<u>5,705,247</u>
<u>\$ 7,129</u>	<u>\$ 2,478</u>	<u>\$ 4,499</u>	<u>\$ 1,560</u>	<u>\$ 4,065</u>	<u>\$ -</u>	<u>\$ 5,950,539</u>

CITY OF MANSFIELD, OHIO

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2012

	<u>Street Resurfacing</u>	<u>Reid Industrial Park Project</u>	<u>Police Capital Equipment</u>	<u>Total</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ 3,269,244	\$ 194,278	\$ 30,739	\$ 3,494,261
Receivables (net of allowances of uncollectibles):				
Taxes	577,349	-	-	577,349
Accounts	3,975	-	-	3,975
Due from other governments	-	1,787	-	1,787
Total assets	<u>\$ 3,850,568</u>	<u>\$ 196,065</u>	<u>\$ 30,739</u>	<u>\$ 4,077,372</u>
Deferred inflows of resources:				
Unavailable revenue	<u>343,581</u>	<u>1,787</u>	<u>-</u>	<u>345,368</u>
Fund Balances:				
Restricted	3,506,987	194,278	-	3,701,265
Committed	<u>-</u>	<u>-</u>	<u>30,739</u>	<u>30,739</u>
Total fund balances	<u>3,506,987</u>	<u>194,278</u>	<u>30,739</u>	<u>3,732,004</u>
Total deferred inflows of resources and fund balances	<u>\$ 3,850,568</u>	<u>\$ 196,065</u>	<u>\$ 30,739</u>	<u>\$ 4,077,372</u>

CITY OF MANSFIELD, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Municipal income taxes	\$ -	\$ -	\$ 3,321,197	\$ 3,321,197
Charges for services	3,494	-	-	3,494
Licenses, permits and fees	286,281	-	-	286,281
Fines and forfeitures	1,251,690	-	-	1,251,690
Intergovernmental	4,584,322	-	221,298	4,805,620
Investment income	19,660	3	-	19,663
Special assessments	2,849	-	-	2,849
Other	184,132	27,500	-	211,632
Total revenues	<u>6,332,428</u>	<u>27,503</u>	<u>3,542,495</u>	<u>9,902,426</u>
Expenditures:				
Current:				
General government	2,504,412	-	-	2,504,412
Public safety	158,820	-	-	158,820
Transportation	2,668,509	-	-	2,668,509
Capital outlay	-	-	3,105,163	3,105,163
Debt service:				
Principal retirement	-	445,000	-	445,000
Interest and fiscal charges	-	253,294	-	253,294
Total expenditures	<u>5,331,741</u>	<u>698,294</u>	<u>3,105,163</u>	<u>9,135,198</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,000,687</u>	<u>(670,791)</u>	<u>437,332</u>	<u>767,228</u>
Other financing sources (uses):				
Transfers in	91,318	717,867	30,739	839,924
Transfers out	(125,635)	-	-	(125,635)
Total other financing sources (uses)	<u>(34,317)</u>	<u>717,867</u>	<u>30,739</u>	<u>714,289</u>
Net change in fund balances	966,370	47,076	468,071	1,481,517
Fund balances at beginning of year (restated)	4,704,480	99,762	3,263,933	8,068,175
Increase (decrease) in inventory balances	<u>34,397</u>	<u>-</u>	<u>-</u>	<u>34,397</u>
Fund balances at end of year	<u><u>\$ 5,705,247</u></u>	<u><u>\$ 146,838</u></u>	<u><u>\$ 3,732,004</u></u>	<u><u>\$ 9,584,089</u></u>

CITY OF MANSFIELD, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Street Construction Maintenance and Repair	State Highway	Alarm Monitoring	Regional Community Advancement
Revenues:				
Charges for services	\$ -	\$ -	\$ -	\$ 3,494
Licenses, permits and fees	975	-	20,320	-
Fines and forfeitures	-	-	-	-
Intergovernmental	2,180,869	176,747	-	875,771
Investment income	2,336	284	-	-
Special assessments	-	-	-	-
Other	19,949	-	-	947
Total revenues	<u>2,204,129</u>	<u>177,031</u>	<u>20,320</u>	<u>880,212</u>
Expenditures:				
Current:				
General government	-	-	-	898,513
Public safety	-	-	1,175	-
Transportation	1,521,081	152,143	-	-
Total expenditures	<u>1,521,081</u>	<u>152,143</u>	<u>1,175</u>	<u>898,513</u>
Excess (deficiency) of revenues over (under) expenditures	<u>683,048</u>	<u>24,888</u>	<u>19,145</u>	<u>(18,301)</u>
Other financing uses:				
Transfers in	-	-	-	-
Transfers out	(84,640)	-	-	-
Total other financing uses	<u>(84,640)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	598,408	24,888	19,145	(18,301)
Fund balances at beginning of year (restated) .	875,892	45,346	-	134,290
Decrease in inventory balances	26,502	-	-	-
Fund balances at end of year	<u>\$ 1,500,802</u>	<u>\$ 70,234</u>	<u>\$ 19,145</u>	<u>\$ 115,989</u>

Drug Enforcement	Drug Law Enforcement	Law Enforcement	Permissive Sales Tax	Industrial Development	Indigent Drivers Alcohol Treatment
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
432	8,734	193,725	-	-	49,050
-	-	-	1,193,766	61,603	29,530
-	-	-	-	17,040	-
-	-	-	-	-	-
-	-	-	-	150,073	-
<u>432</u>	<u>8,734</u>	<u>193,725</u>	<u>1,193,766</u>	<u>228,716</u>	<u>78,580</u>
-	-	-	-	353,488	-
-	25,823	113,031	-	-	15,619
-	-	-	995,285	-	-
<u>-</u>	<u>25,823</u>	<u>113,031</u>	<u>995,285</u>	<u>353,488</u>	<u>15,619</u>
<u>432</u>	<u>(17,089)</u>	<u>80,694</u>	<u>198,481</u>	<u>(124,772)</u>	<u>62,961</u>
-	-	-	-	91,318	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>91,318</u>	<u>-</u>
432	(17,089)	80,694	198,481	(33,454)	62,961
2,601	27,308	71,301	1,253,964	1,285,362	133,940
-	-	-	-	-	-
<u>\$ 3,033</u>	<u>\$ 10,219</u>	<u>\$ 151,995</u>	<u>\$ 1,452,445</u>	<u>\$ 1,251,908</u>	<u>\$ 196,901</u>

(continued)

CITY OF MANSFIELD, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2012

	Court Computerization	Local Law Enforcement Block Grant	Probation Services	Court Costs
Revenues:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Licenses, permits and fees	-	-	257,222	7,764
Fines and forfeitures	306,478	-	-	693,271
Intergovernmental	-	-	-	66,036
Investment income	-	-	-	-
Special assessments	-	-	-	-
Other	-	-	4,972	-
Total revenues.	<u>306,478</u>	<u>-</u>	<u>262,194</u>	<u>767,071</u>
Expenditures:				
Current:				
General government	191,548	-	216,698	830,334
Public safety	-	-	-	-
Transportation	-	-	-	-
Total expenditures	<u>191,548</u>	<u>-</u>	<u>216,698</u>	<u>830,334</u>
Excess (deficiency) of revenues over (under) expenditures.	<u>114,930</u>	<u>-</u>	<u>45,496</u>	<u>(63,263)</u>
Other financing sources:				
Transfers in	-	-	-	-
Transfers out	-	-	-	(40,995)
Total other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>(40,995)</u>
Net change in fund balances	114,930	-	45,496	(104,258)
Fund balances at beginning of year	211,961	56,357	88,176	506,111
Decrease in inventory balances	1,811	-	(354)	6,438
Fund balances at end of year.	<u>\$ 328,702</u>	<u>\$ 56,357</u>	<u>\$ 133,318</u>	<u>\$ 408,291</u>

Boulevard Assessments	PAL Donation	DARE Donation	K-9 Donation	Donations Against Injection Wells	Separation	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,494
-	-	-	-	-	-	286,281
-	-	-	-	-	-	1,251,690
-	-	-	-	-	-	4,584,322
-	-	-	-	-	-	19,660
2,849	-	-	-	-	-	2,849
-	-	2,100	2,026	4,065	-	184,132
<u>2,849</u>	<u>-</u>	<u>2,100</u>	<u>2,026</u>	<u>4,065</u>	<u>-</u>	<u>6,332,428</u>
2,755	-	-	-	-	11,076	2,504,412
-	1,873	-	1,299	-	-	158,820
-	-	-	-	-	-	2,668,509
<u>2,755</u>	<u>1,873</u>	<u>-</u>	<u>1,299</u>	<u>-</u>	<u>11,076</u>	<u>5,331,741</u>
94	(1,873)	2,100	727	4,065	(11,076)	1,000,687
-	-	-	-	-	-	91,318
-	-	-	-	-	-	(125,635)
-	-	-	-	-	-	(34,317)
94	(1,873)	2,100	727	4,065	(11,076)	966,370
4,288	4,351	2,399	833	-	-	4,704,480
-	-	-	-	-	-	34,397
<u>\$ 4,382</u>	<u>\$ 2,478</u>	<u>\$ 4,499</u>	<u>\$ 1,560</u>	<u>\$ 4,065</u>	<u>\$ (11,076)</u>	<u>\$ 5,705,247</u>

CITY OF MANSFIELD, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Street Resurfacing	Ohio Public Works Commission	Reid Industrial Park Project	Police Capital Equipment
Revenues:				
Municipal income taxes	\$ 3,321,197	\$ -	\$ -	\$ -
Intergovernmental	2,667	142,620	76,011	-
Total revenues	<u>3,323,864</u>	<u>142,620</u>	<u>76,011</u>	<u>-</u>
Expenditures:				
Capital outlay	2,925,737	142,620	36,806	-
Total expenditures	<u>2,925,737</u>	<u>142,620</u>	<u>36,806</u>	<u>-</u>
Excess of revenues over expenditures	398,127	-	39,205	-
Other financing sources:				
Transfers in	-	-	-	30,739
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,739</u>
Net change in fund balances	398,127	-	39,205	30,739
Fund balances at beginning of year (restated) .	<u>3,108,860</u>	<u>-</u>	<u>155,073</u>	<u>-</u>
Fund balances at end of year	<u><u>\$ 3,506,987</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 194,278</u></u>	<u><u>\$ 30,739</u></u>

Total

\$	3,321,197
	<u>221,298</u>
	3,542,495
	<u>3,105,163</u>
	<u>3,105,163</u>
	437,332
	<u>30,739</u>
	<u>30,739</u>
	468,071
	<u>3,263,933</u>
\$	<u><u>3,732,004</u></u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Taxes	\$ 14,901,357	\$ 14,901,357	\$ 14,801,482	\$ (99,875)
Charges for services	2,249,332	2,261,354	2,268,007	6,653
Licenses, permits and fees.	796,150	796,150	912,450	116,300
Fines and forfeitures.	1,288,400	1,288,400	1,316,993	28,593
Intergovernmental	2,991,391	2,991,391	3,429,932	438,541
Special assessments	40,000	40,000	22,569	(17,431)
Investment income	145,000	145,000	167,897	22,897
Other	40,100	109,063	183,061	73,998
	<u>22,451,730</u>	<u>22,532,715</u>	<u>23,102,391</u>	<u>569,676</u>
Expenditures:				
Current:				
Public safety				
Safety town				
Personal services.	7,717	7,900	7,860	40
Fringe benefits	1,374	1,456	1,420	36
Materials and supplies	3,633	3,368	1,516	1,852
	<u>12,724</u>	<u>12,724</u>	<u>10,796</u>	<u>1,928</u>
Total public safety				
Public health and welfare				
Human relations				
Other.	17,144	17,144	600	16,544
	<u>17,144</u>	<u>17,144</u>	<u>600</u>	<u>16,544</u>
Total public health and welfare.				
Leisure time activities				
Parks and Recreation				
Personal services	90,921	90,921	48,962	41,959
Fringe benefits	78,186	78,186	35,366	42,820
Materials and supplies	28,440	41,703	11,535	30,168
Contractual services	11,158	72,158	67,656	4,502
Utilities	41,200	41,200	31,900	9,300
Capital outlay	3,000	3,000	-	3,000
Other.	1,000	1,000	300	700
Adopt-a-park				
Other.	5,389	5,389	650	4,739
	<u>259,294</u>	<u>333,557</u>	<u>196,369</u>	<u>137,188</u>
Total leisure time activities.				

(continued)

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Community environment				
Codes and permits				
Personal services	\$ 205,094	\$ 224,573	\$ 224,398	\$ 175
Fringe benefits	189,061	169,582	136,680	32,902
Materials and supplies	4,454	4,454	1,586	2,868
Contractual services	47,207	43,006	37,266	5,740
Other.	500	500	171	329
Capital outlay	-	2,333	2,333	-
Total community environment	446,316	444,448	402,434	42,014
General government				
Council				
Personal services.	148,886	148,886	148,510	376
Fringe benefits	63,898	63,898	60,629	3,269
Materials and supplies	300	300	118	182
Contractual services	4,318	4,285	1,207	3,078
Human resource director				
Personal services.	108,811	107,991	107,976	15
Fringe benefits	71,498	72,338	69,513	2,825
Contractual services	82,211	82,056	73,464	8,592
Materials and supplies	3,466	3,466	471	2,995
Mayor				
Personal services.	128,384	128,384	128,383	1
Fringe benefits	49,786	49,786	47,780	2,006
Materials and supplies	10,950	10,950	2,055	8,895
Contractual services	7,875	7,875	2,079	5,796
Finance director				
Personal services.	562,981	516,711	509,889	6,822
Fringe benefits	324,408	330,909	307,755	23,154
Materials and supplies	13,295	12,095	8,690	3,405
Contractual services	33,960	30,910	11,575	19,335
Capital outlay	11,507	13,170	13,170	-
Law director				
Personal services.	420,707	410,291	410,230	61
Fringe benefits	239,273	240,442	235,360	5,082
Materials and supplies	17,689	18,689	15,163	3,526
Contractual services	29,467	27,491	18,420	9,071
Capital outlay	-	426	243	183
Other.	9,000	9,000	6,353	2,647
Municipal court				
Personal services.	408,488	408,488	398,706	9,782
Fringe benefits	436,059	436,059	410,042	26,017
Contractual services	320,000	320,000	311,001	8,999
Clerk of court				
Personal services.	668,068	668,068	664,768	3,300
Fringe benefits	338,573	338,573	320,508	18,065
Materials and supplies	7,000	10,000	8,963	1,037
Capital outlay	800	800	797	3
Contractual services	87,572	84,194	67,904	16,290

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Civil service commission				
Personal services	\$ 17,550	\$ 17,550	\$ 17,550	\$ -
Fringe benefits	3,205	3,206	3,205	1
Contractual services	29,500	25,462	14,784	10,678
Safety/service director				
Personal services	77,501	77,501	77,501	-
Fringe benefits	32,112	32,112	30,509	1,603
Materials and supplies	2,200	2,200	485	1,715
Contractual services	6,480	6,480	92	6,388
Engineering				
Personal services	308,799	308,799	302,733	6,066
Fringe benefits	164,859	164,859	156,161	8,698
Materials and supplies	7,259	7,259	687	6,572
Contractual services	22,493	21,303	9,039	12,264
Capital outlay	1,200	1,200	-	1,200
City building and public lands				
Personal services	153,545	153,545	145,033	8,512
Fringe benefits	88,156	88,156	83,703	4,453
Materials and supplies	50,746	48,839	41,730	7,109
Capital outlay	35,353	35,264	28,662	6,602
Contractual services	267,460	265,273	176,023	89,250
Income tax administration				
Personal services	233,931	248,784	246,231	2,553
Fringe benefits	204,376	229,292	222,428	6,864
Materials and supplies	4,035	4,335	3,110	1,225
Capital outlay	6,700	10,718	10,718	-
Contractual services	56,877	54,816	41,139	13,677
Non-Departmental				
Fringe benefits	44,821	44,821	44,611	210
Contractual services	2,358,230	2,357,173	2,290,955	66,218
Utilities	776,500	776,500	702,054	74,446
Other	679,633	422,490	288,800	133,690
Unclaimed money				
Other	110,312	110,312	812	109,500
Total general government	10,353,063	10,074,780	9,300,477	774,303
Total expenditures	11,088,541	10,882,653	9,910,676	971,977
Excess of revenues over expenditures	11,363,189	11,650,062	13,191,715	1,541,653
Other financing sources (uses):				
Payment on loan from other funds	(270,000)	(270,000)	(270,000)	-
Sale of assets	70,000	70,000	82,557	12,557
Transfers out	(11,870,558)	(12,051,784)	(11,748,958)	302,826
Total other financing sources (uses)	(12,070,558)	(12,251,784)	(11,936,401)	315,383

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Net change in fund balance	\$ (707,369)	\$ (601,722)	\$ 1,255,314	\$ 1,857,036
Fund balance at beginning of year	2,728,353	2,728,353	2,728,353	-
Prior year encumbrances appropriated	46,714	46,714	46,714	-
Fund balance at end of year	<u>\$ 2,067,698</u>	<u>\$ 2,173,345</u>	<u>\$ 4,030,381</u>	<u>\$ 1,857,036</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 COMMUNITY DEVELOPMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 3,889,592	\$ 3,889,592	\$ 1,475,788	\$ (2,413,804)
Licenses, permits and fees	-	-	6,600	6,600
Investment income	34,300	34,300	52,767	18,467
Other	185,000	189,200	330,230	141,030
	<u>4,108,892</u>	<u>4,113,092</u>	<u>1,865,385</u>	<u>(2,247,707)</u>
Total revenues				
Expenditures:				
Current:				
Community environment				
Personal services.	231,307	237,029	237,029	-
Fringe benefits.	209,408	208,416	158,345	50,071
Materials and supplies	40,000	40,000	957	39,043
Contractual services	3,520,585	3,508,755	1,089,707	2,419,048
Utilities	60,000	60,000	8,950	51,050
Capital outlay	52,000	52,000	-	52,000
Other.	17,500	17,500	11,457	6,043
	<u>4,130,800</u>	<u>4,123,700</u>	<u>1,506,445</u>	<u>2,617,255</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>(21,908)</u>	<u>(10,608)</u>	<u>358,940</u>	<u>369,548</u>
Other financing uses:				
Transfers out	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
Total other financing uses	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
Net change in fund balance	<u>(271,908)</u>	<u>(260,608)</u>	<u>108,940</u>	<u>369,548</u>
Fund balance at beginning of year	<u>260,108</u>	<u>260,108</u>	<u>260,108</u>	<u>-</u>
Prior year encumbrances appropriated	<u>11,850</u>	<u>11,850</u>	<u>11,850</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 50</u>	<u>\$ 11,350</u>	<u>\$ 380,898</u>	<u>\$ 369,548</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 SAFETY SERVICES FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Taxes	\$ 7,000,775	\$ 7,000,775	\$ 7,001,197	\$ 422
Charges for services	1,562,000	1,562,000	1,587,464	25,464
Licenses, permits and fees.	90,110	90,110	96,017	5,907
Fines and forfeitures.	30,000	30,000	42,892	12,892
Intergovernmental	46,300	46,300	46,636	336
Other	113,600	113,600	134,211	20,611
Total revenues	8,842,785	8,842,785	8,908,417	65,632
Expenditures:				
Current:				
Public safety				
Personal services.	10,680,914	10,680,488	10,560,230	120,258
Fringe benefits.	6,430,796	6,435,364	6,136,675	298,689
Materials and supplies	344,022	336,310	293,524	42,786
Contractual services	1,914,261	1,917,974	1,762,416	155,558
Utilities	77,700	77,700	67,600	10,100
Capital outlay	354,100	333,428	247,040	86,388
Other.	11,000	182,429	135,512	46,917
Debt service				
Principal retirement	71,000	71,000	36,404	34,596
Interest and fiscal charges	9,000	9,000	2,497	6,503
Total expenditures	19,892,793	20,043,693	19,241,898	801,795
Deficiency of revenues under expenditures . . .	(11,050,008)	(11,200,908)	(10,333,481)	867,427
Other financing sources (uses):				
Transfers in	11,190,074	11,361,503	11,352,093	(9,410)
Transfers out	(372,905)	(372,905)	(372,905)	-
Total other financing sources (uses)	10,817,169	10,988,598	10,979,188	(9,410)
Net change in fund balance	(232,839)	(212,310)	645,707	858,017
Fund balance at beginning of year	(1,176,172)	(1,176,172)	(1,176,172)	-
Prior year encumbrances appropriated	61,411	61,411	61,411	-
Fund balance at end of year.	\$ (1,347,600)	\$ (1,327,071)	\$ (469,054)	\$ 858,017

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental	\$ 3,323,624	\$ 4,490,914	\$ 5,782,224	\$ 1,291,310
Charges for services	54,013	54,013	96,800	42,787
Other	-	50,000	51,081	1,081
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	3,377,637	4,594,927	5,930,105	1,335,178
Expenditures:				
Current:				
Public safety				
Personal services.	675,778	646,249	365,475	280,774
Fringe benefits	246,330	246,330	200,020	46,310
Materials and supplies	104,257	145,113	103,285	41,828
Contractual services	307,500	310,126	241,201	68,925
Capital outlay	144,472	154,651	113,317	41,334
Other.	169,685	158,559	115,424	43,135
Total public safety	<hr/> 1,648,022	<hr/> 1,661,028	<hr/> 1,138,722	<hr/> 522,306
Community environment				
Personal services.	-	16,396	4,060	12,336
Fringe benefits.	-	14,971	2,366	12,605
Contractual services	-	760,087	4,655	755,432
Total community environment	<hr/> -	<hr/> 791,454	<hr/> 11,081	<hr/> 780,373
General government				
Personal services.	194,661	282,736	211,011	71,725
Fringe benefits	41,639	80,184	45,197	34,987
Materials and supplies	58,638	64,242	21,516	42,726
Capital outlay	1,314,898	1,251,661	3,668,932	(2,417,271)
Contractual services	94,887	342,349	429,760	(87,411)
Total general government	<hr/> 1,704,723	<hr/> 2,021,172	<hr/> 4,376,416	<hr/> (2,355,244)
Total expenditures	<hr/> 3,352,745	<hr/> 4,473,654	<hr/> 5,526,219	<hr/> (1,052,565)
Excess of revenues over expenditures	<hr/> 24,892	<hr/> 121,273	<hr/> 403,886	<hr/> 282,613
Other financing sources:				
Transfers in	<hr/> 41,885	<hr/> 51,681	<hr/> 51,681	<hr/> -
Total other financing sources	<hr/> 41,885	<hr/> 51,681	<hr/> 51,681	<hr/> -
Net change in fund balance	66,777	172,954	455,567	282,613
Fund balance at beginning of year	(194,477)	(194,477)	(194,477)	-
Prior year encumbrances appropriated	130,150	130,150	130,150	-
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balance at end of year.	<u>\$ 2,450</u>	<u>\$ 108,627</u>	<u>\$ 391,240</u>	<u>\$ 282,613</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 STREET CONSTRUCTION MAINTENANCE AND REPAIR FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 235,000	\$ 235,000	\$ 178,625	\$ (56,375)
Intergovernmental	1,881,934	1,881,934	2,003,778	121,844
Lincenses, permits and fees	-	-	975	975
Investment income	-	-	2,336	2,336
Other	10,000	10,000	46,122	36,122
Total revenues	2,126,934	2,126,934	2,231,836	104,902
Expenditures:				
Current:				
Transportation				
Personal services.	386,317	386,317	277,486	108,831
Fringe benefits.	220,307	220,307	182,866	37,441
Materials and supplies	569,810	625,851	600,238	25,613
Utilities	39,224	39,224	25,560	13,664
Capital outlay	106,492	49,047	46,884	2,163
Contractual services	524,495	527,740	456,948	70,792
Total expenditures	1,846,645	1,848,486	1,589,982	258,504
Excess of revenues over expenditures	280,289	278,448	641,854	363,406
Other financing uses:				
Transfers out	(84,640)	(84,640)	(84,640)	-
Total other financing uses	(84,640)	(84,640)	(84,640)	-
Net change in fund balance	195,649	193,808	557,214	363,406
Fund balance at beginning of year	565,984	565,984	565,984	-
Prior year encumbrances appropriated	12,496	12,496	12,496	-
Fund balance at end of year.	\$ 774,129	\$ 772,288	\$ 1,135,694	\$ 363,406

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 STATE HIGHWAY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 19,100	\$ 19,100	\$ 14,483	\$ (4,617)
Investment income	-	-	284	284
Intergovernmental	153,400	153,400	162,468	9,068
	<u>172,500</u>	<u>172,500</u>	<u>177,235</u>	<u>4,735</u>
Total revenues				
Expenditures:				
Current:				
Transportation				
Personal services	81,400	81,400	81,400	-
Materials and supplies	81,550	81,550	70,743	10,807
	<u>162,950</u>	<u>162,950</u>	<u>152,143</u>	<u>10,807</u>
Total expenditures				
Net change in fund balance	9,550	9,550	25,092	15,542
Fund balance at beginning of year	<u>31,927</u>	<u>31,927</u>	<u>31,927</u>	<u>-</u>
Fund balance at end of year	<u>\$ 41,477</u>	<u>\$ 41,477</u>	<u>\$ 57,019</u>	<u>\$ 15,542</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 ALARM MONITORING FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Lincenses, permits and fees	10,000	10,000	20,320	10,320
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>20,320</u>	<u>10,320</u>
Expenditures:				
Current:				
Transportation				
Contractual services	2,500	2,500	-	2,500
Materials and supplies	2,500	2,500	714	1,786
Capital outlay	5,000	5,000	461	4,539
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>1,175</u>	<u>8,825</u>
Net change in fund balance	-	-	19,145	19,145
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,145</u>	<u>\$ 19,145</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 REGIONAL COMMUNITY ADVANCEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 934,317	\$ 934,317	\$ 874,027	\$ (60,290)
Other	1,133	1,133	4,900	3,767
Total revenues	<u>935,450</u>	<u>935,450</u>	<u>878,927</u>	<u>(56,523)</u>
Expenditures:				
Current:				
General government				
Personal services	538,971	538,971	518,590	20,381
Fringe benefits.	203,439	219,201	201,756	17,445
Materials and supplies	76,556	70,522	24,514	46,008
Utilities	55,000	46,375	46,375	-
Contractual services	153,687	150,123	118,167	31,956
Total expenditures	<u>1,027,653</u>	<u>1,025,192</u>	<u>909,402</u>	<u>115,790</u>
Net change in fund balance	<u>(92,203)</u>	<u>(89,742)</u>	<u>(30,475)</u>	<u>59,267</u>
Fund balance at beginning of year	139,867	139,867	139,867	-
Prior year encumbrances appropriated	<u>2,850</u>	<u>2,850</u>	<u>2,850</u>	<u>-</u>
Fund balance at end of year	<u>\$ 50,514</u>	<u>\$ 52,975</u>	<u>\$ 112,242</u>	<u>\$ 59,267</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 DRUG ENFORCEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 200	\$ 200	\$ 432	\$ 232
Total revenues	<u>200</u>	<u>200</u>	<u>432</u>	<u>232</u>
Expenditures:				
Current:				
General government				
Contractual services	<u>2,800</u>	<u>2,800</u>	<u>-</u>	<u>2,800</u>
Total expenditures	<u>2,800</u>	<u>2,800</u>	<u>-</u>	<u>2,800</u>
Net change in fund balance	(2,600)	(2,600)	432	3,032
Fund balance at beginning of year	<u>2,601</u>	<u>2,601</u>	<u>2,601</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 1</u></u>	<u><u>\$ 1</u></u>	<u><u>\$ 3,033</u></u>	<u><u>\$ 3,032</u></u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 DRUG LAW ENFORCEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 3,400	\$ 3,400	\$ 8,734	\$ 5,334
Total revenues	3,400	3,400	8,734	5,334
Expenditures:				
Current:				
Public safety				
Other	30,708	28,023	25,493	2,530
Total expenditures	30,708	28,023	25,493	2,530
Net change in fund balance	(27,308)	(24,623)	(16,759)	7,864
Fund balance at beginning of year	24,623	24,623	24,623	-
Prior year encumbrances appropriated	2,685	2,685	2,685	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ 2,685</u>	<u>\$ 10,549</u>	<u>\$ 7,864</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 LAW ENFORCEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 20,000	\$ 45,140	\$ 193,725	\$ 148,585
Other	2,000	2,000	-	(2,000)
Total revenues	<u>22,000</u>	<u>47,140</u>	<u>193,725</u>	<u>146,585</u>
Expenditures:				
Current:				
Public safety				
Contractual services	11,485	11,485	1,352	10,133
Other.	83,237	108,229	106,070	2,159
Total expenditures	<u>94,722</u>	<u>119,714</u>	<u>107,422</u>	<u>12,292</u>
Net change in fund balance	<u>(72,722)</u>	<u>(72,574)</u>	<u>86,303</u>	<u>158,877</u>
Fund balance at beginning of year	68,809	68,809	68,809	-
Prior year encumbrances appropriated	3,915	3,915	3,915	-
Fund balance at end of year.	<u>\$ 2</u>	<u>\$ 150</u>	<u>\$ 159,027</u>	<u>\$ 158,877</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 PERMISSIVE SALES TAX FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 614,500	\$ 614,500	\$ 1,193,766	\$ 579,266
Total revenues	614,500	614,500	1,193,766	579,266
Expenditures:				
Current:				
Transportation				
Contractual services	442,271	429,924	162,609	267,315
Materials and supplies	66,223	66,223	62,260	3,963
Capital outlay	1,120,278	1,120,128	1,097,963	22,165
Total expenditures	1,628,772	1,616,275	1,322,832	293,443
Net change in fund balance	(1,014,272)	(1,001,775)	(129,066)	872,709
Fund balance at beginning of year	1,161,074	1,161,074	1,161,074	-
Prior year encumbrances appropriated	166,771	166,771	166,771	-
Fund balance at end of year	<u>\$ 313,573</u>	<u>\$ 326,070</u>	<u>\$ 1,198,779</u>	<u>\$ 872,709</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 INDUSTRIAL DEVELOPMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 233,505	\$ 233,505	\$ 200,067	\$ (33,438)
Investment income	9,213	9,213	8,711	(502)
Other	84,673	84,673	65,481	(19,192)
	<u>327,391</u>	<u>327,391</u>	<u>274,259</u>	<u>(53,132)</u>
Expenditures:				
Current:				
General government				
Personal services	69,697	69,697	69,696	1
Fringe benefits.	11,835	11,835	11,834	1
Materials and supplies	17,450	17,450	12,750	4,700
Utilities	2,050	2,050	-	2,050
Contractual services	489,039	393,998	228,765	165,233
Other.	28,400	28,400	21,191	7,209
	<u>618,471</u>	<u>523,430</u>	<u>344,236</u>	<u>179,194</u>
Total expenditures				
Deficiency of revenues under expenditures . . .	(291,080)	(196,039)	(69,977)	126,062
Other financing sources:				
Transfers in	191,037	191,037	91,318	(99,719)
	<u>191,037</u>	<u>191,037</u>	<u>91,318</u>	<u>(99,719)</u>
Total other financing sources				
Net change in fund balance	(100,043)	(5,002)	21,341	26,343
Fund balance at beginning of year	4,006	4,006	4,006	-
Prior year encumbrances appropriated	102,041	102,041	102,041	-
	<u>106,047</u>	<u>106,047</u>	<u>106,047</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 6,004</u>	<u>\$ 101,045</u>	<u>\$ 127,388</u>	<u>\$ 26,343</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 INDIGENT DRIVERS ALCOHOL TREATMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 32,500	\$ 32,500	\$ 47,772	\$ 15,272
Intergovernmental	20,000	20,000	29,530	9,530
Total revenues	<u>52,500</u>	<u>52,500</u>	<u>77,302</u>	<u>24,802</u>
Expenditures:				
Current:				
Public safety				
Contractual services	<u>66,022</u>	<u>65,000</u>	<u>32,125</u>	<u>32,875</u>
Total expenditures	<u>66,022</u>	<u>65,000</u>	<u>32,125</u>	<u>32,875</u>
Net change in fund balance	(13,522)	(12,500)	45,177	57,677
Fund balance at beginning of year	133,269	133,269	133,269	-
Prior year encumbrances appropriated	<u>1,022</u>	<u>1,022</u>	<u>1,022</u>	<u>-</u>
Fund balance at end of year	<u>\$ 120,769</u>	<u>\$ 121,791</u>	<u>\$ 179,468</u>	<u>\$ 57,677</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 COURT COMPUTERIZATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 185,500	\$ 185,500	\$ 306,009	\$ 120,509
Total revenues	185,500	185,500	306,009	120,509
Expenditures:				
Current:				
General government				
Personal services	73,750	73,750	73,715	35
Fringe benefits	18,826	18,826	16,803	2,023
Materials and supplies	18,366	48,366	29,817	18,549
Capital outlay	45,000	45,000	-	45,000
Contractual services	224,231	194,231	73,712	120,519
Total expenditures	380,173	380,173	194,047	186,126
Net change in fund balance	(194,673)	(194,673)	111,962	306,635
Fund balance at beginning of year	195,037	195,037	195,037	-
Fund balance at end of year	<u>\$ 364</u>	<u>\$ 364</u>	<u>\$ 306,999</u>	<u>\$ 306,635</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 LOCAL LAW ENFORCEMENT BLOCK GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Public safety				
Personal services	56,357	56,357	-	56,357
Total expenditures	<u>56,357</u>	<u>56,357</u>	-	<u>56,357</u>
Net change in fund balance	(56,357)	(56,357)	-	56,357
Fund balance at beginning of year	<u>56,357</u>	<u>56,357</u>	<u>56,357</u>	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,357</u>	<u>\$ 56,357</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 PROBATION SERVICES FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 205,000	\$ 205,000	\$ 258,134	\$ 53,134
Other	3,000	3,000	4,972	1,972
Total revenues	<u>208,000</u>	<u>208,000</u>	<u>263,106</u>	<u>55,106</u>
Expenditures:				
Current:				
General government				
Personal services	174,697	175,697	174,465	1,232
Contractual services	13,500	33,500	27,282	6,218
Capital outlay	658	658	658	-
Materials and supplies	18,500	14,500	13,831	669
Total expenditures	<u>207,355</u>	<u>224,355</u>	<u>216,236</u>	<u>8,119</u>
Net change in fund balance	645	(16,355)	46,870	63,225
Fund balance at beginning of year	77,566	77,566	77,566	-
Prior year encumbrances appropriated	658	658	658	-
Fund balance at end of year	<u>\$ 78,869</u>	<u>\$ 61,869</u>	<u>\$ 125,094</u>	<u>\$ 63,225</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 COURT COSTS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Lincenses, permits and fees	\$ 10,000	\$ 10,000	\$ 8,275	\$ (1,725)
Fines and forfeitures.	735,826	735,826	693,271	(42,555)
Intergovernmental	-	-	66,036	66,036
Total revenues	<u>745,826</u>	<u>745,826</u>	<u>767,582</u>	<u>21,756</u>
Expenditures:				
Current:				
General government				
Personal services	583,345	585,345	549,759	35,586
Fringe benefits.	169,158	207,358	186,314	21,044
Contractual services	260,123	219,923	68,458	151,465
Capital outlay	50,000	50,000	480	49,520
Materials and supplies	98,000	98,000	14,532	83,468
Total expenditures	<u>1,160,626</u>	<u>1,160,626</u>	<u>819,543</u>	<u>341,083</u>
Deficiency of revenues under expenditures . . .	<u>(414,800)</u>	<u>(414,800)</u>	<u>(51,961)</u>	<u>362,839</u>
Other financing uses:				
Transfers out	<u>(40,995)</u>	<u>(40,995)</u>	<u>(40,995)</u>	<u>-</u>
Total other financing uses	<u>(40,995)</u>	<u>(40,995)</u>	<u>(40,995)</u>	<u>-</u>
Net change in fund balance	(455,795)	(455,795)	(92,956)	362,839
Fund balance at beginning of year	<u>491,441</u>	<u>491,441</u>	<u>491,441</u>	<u>-</u>
Fund balance at end of year	<u>\$ 35,646</u>	<u>\$ 35,646</u>	<u>\$ 398,485</u>	<u>\$ 362,839</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 BOULEVARD ASSESSMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Special Assessment	\$ 2,800	\$ 2,800	\$ 2,849	\$ 49
Total revenues	<u>2,800</u>	<u>2,800</u>	<u>2,849</u>	<u>49</u>
Expenditures:				
Current:				
General government				
Materials and supplies	500	500	191	309
Contractual services	<u>6,587</u>	<u>6,587</u>	<u>2,564</u>	<u>4,023</u>
Total expenditures	<u>7,087</u>	<u>7,087</u>	<u>2,755</u>	<u>4,332</u>
Net change in fund balance	(4,287)	(4,287)	94	4,381
Fund balance at beginning of year	<u>4,288</u>	<u>4,288</u>	<u>4,288</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 4,382</u>	<u>\$ 4,381</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 PAL DONATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Donations	\$ 1,600	\$ 1,600	\$ -	\$ (1,600)
Total revenues	1,600	1,600	-	(1,600)
Expenditures:				
Current:				
Public safety				
Materials and supplies	5,950	5,950	1,873	4,077
Total expenditures	5,950	5,950	1,873	4,077
Net change in fund balance	(4,350)	(4,350)	(1,873)	2,477
Fund balance at beginning of year	<u>4,351</u>	<u>4,351</u>	<u>4,351</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 2,478</u>	<u>\$ 2,477</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 DARE DONATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Donations	\$ 1,800	\$ 1,800	\$ 2,100	\$ 300
Total revenues	1,800	1,800	2,100	300
Expenditures:				
Current:				
Public safety				
Materials and supplies	4,199	4,199	-	4,199
Total expenditures	4,199	4,199	-	4,199
Net change in fund balance	(2,399)	(2,399)	2,100	4,499
Fund balance at beginning of year	<u>2,399</u>	<u>2,399</u>	<u>2,399</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,499</u>	<u>\$ 4,499</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 K9 DONATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Donations	\$ 2,100	\$ 2,100	\$ 2,026	\$ (74)
Total revenues	2,100	2,100	2,026	(74)
Expenditures:				
Current:				
Public safety				
Materials and supplies	2,932	2,932	1,299	1,633
Total expenditures	2,932	2,932	1,299	1,633
Net change in fund balance	(832)	(832)	727	1,559
Fund balance at beginning of year	<u>833</u>	<u>833</u>	<u>833</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1,560</u>	<u>\$ 1,559</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 DONATIONS AGAINST INJECTION WELL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Donations	\$ 3,916	\$ 3,916	\$ 4,065	\$ 149
Total revenues	<u>3,916</u>	<u>3,916</u>	<u>4,065</u>	<u>149</u>
Expenditures:				
Current:				
General government				
Contractual services	<u>3,916</u>	<u>3,916</u>	<u>-</u>	<u>3,916</u>
Total expenditures	<u>3,916</u>	<u>3,916</u>	<u>-</u>	<u>3,916</u>
Net change in fund balance	-	-	4,065	4,065
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,065</u>	<u>\$ 4,065</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 DEBT SERVICE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment income	\$ -	\$ -	\$ 1	\$ 1
Total revenues	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Expenditures:				
Debt service				
Principal retirement	445,000	445,000	445,000	-
Interest and fiscal charges	<u>253,315</u>	<u>253,315</u>	<u>253,294</u>	<u>21</u>
Total expenditures	<u>698,315</u>	<u>698,315</u>	<u>698,294</u>	<u>21</u>
Deficiency of revenues under expenditures . . .	<u>(698,315)</u>	<u>(698,315)</u>	<u>(698,293)</u>	<u>22</u>
Other financing sources:				
Sale of assets	-	-	27,500	27,500
Transfers in	<u>717,867</u>	<u>717,867</u>	<u>717,867</u>	<u>-</u>
Total other financing sources	<u>717,867</u>	<u>717,867</u>	<u>745,367</u>	<u>27,500</u>
Net change in fund balance	19,552	19,552	47,074	27,522
Fund balance at beginning of year	<u>99,762</u>	<u>99,762</u>	<u>99,762</u>	<u>-</u>
Fund balance at end of year	<u>\$ 119,314</u>	<u>\$ 119,314</u>	<u>\$ 146,836</u>	<u>\$ 27,522</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 STREET RESURFACING FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 3,319,714	\$ 3,319,714	\$ 3,333,711	\$ 13,997
Intergovernmental	-	-	2,667	2,667
Total revenues	<u>3,319,714</u>	<u>3,319,714</u>	<u>3,336,378</u>	<u>16,664</u>
Expenditures:				
Capital outlay	<u>3,820,346</u>	<u>3,804,995</u>	<u>3,109,581</u>	<u>695,414</u>
Total expenditures	<u>3,820,346</u>	<u>3,804,995</u>	<u>3,109,581</u>	<u>695,414</u>
Net change in fund balance	<u>(500,632)</u>	<u>(485,281)</u>	<u>226,797</u>	<u>712,078</u>
Fund balance at beginning of year	<u>2,745,161</u>	<u>2,745,161</u>	<u>2,745,161</u>	<u>-</u>
Prior year encumbrances appropriated	<u>198,846</u>	<u>198,846</u>	<u>198,846</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 2,443,375</u>	<u>\$ 2,458,726</u>	<u>\$ 3,170,804</u>	<u>\$ 712,078</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 OHIO PUBLIC WORKS COMMISSION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 161,573	\$ 161,573	\$ 142,620	\$ (18,953)
Total revenues	161,573	161,573	142,620	(18,953)
Expenditures:				
Capital outlay	161,573	161,573	142,620	18,953
Total expenditures	161,573	161,573	142,620	18,953
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 REID INDUSTRIAL PARK PROJECT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 346,176	\$ 346,176	\$ 189,266	\$ (156,910)
Other	-	-	892	892
Total revenues	<u>346,176</u>	<u>346,176</u>	<u>190,158</u>	<u>(156,018)</u>
Expenditures:				
Capital outlay	<u>497,062</u>	<u>418,511</u>	<u>151,265</u>	<u>267,246</u>
Total expenditures	<u>497,062</u>	<u>418,511</u>	<u>151,265</u>	<u>267,246</u>
Net change in fund balance	(150,886)	(72,335)	38,893	111,228
Fund balance at beginning of year	(46,425)	(46,425)	(46,425)	-
Prior year encumbrances appropriated	<u>197,311</u>	<u>197,311</u>	<u>197,311</u>	<u>-</u>
Fund balance at end of year.	<u>\$ -</u>	<u>\$ 78,551</u>	<u>\$ 189,779</u>	<u>\$ 111,228</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 POLICE CAPITAL EQUIPMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Expenditures:				
Capital outlay	\$ 15,600	\$ 15,600	\$ -	\$ 15,600
Total expenditures	15,600	15,600	-	15,600
Deficiency of revenues under expenditures	(15,600)	(15,600)	-	15,600
Other financing sources:				
Transfers in	15,600	15,600	30,739	15,139
Total other financing sources	15,600	15,600	30,739	15,139
Net change in fund balance	-	-	30,739	30,739
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year.	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,739</u>	<u>\$ 30,739</u>

CITY OF MANSFIELD, OHIO

STATEMENT - NONMAJOR ENTERPRISE FUND

FUND DESCRIPTION

Nonmajor Enterprise Fund

Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs (expenses, including depreciation) of providing services to the general public on a continuing basis be recovered primarily through user charges, or where it has been decided that a periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The following is a description of the City's nonmajor enterprise fund.

Airport Operating:

To account for the operation of the City's airport facility.

CITY OF MANSFIELD, OHIO

STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUND
DECEMBER 31, 2012

	Airport Operating
Assets:	
Equity in pooled cash and cash equivalents	\$ 30,920
Receivables (net of allowances of uncollectibles):	
Accounts	1,946
Materials and supplies inventory.	25,404
Total current assets	58,270
Noncurrent assets:	
Capital assets:	
Land and construction in progress	1,423,919
Depreciable capital assets, net	3,497,860
Total capital assets	4,921,779
Total assets	4,980,049
Liabilities:	
Current liabilities:	
Accounts payable.	24,465
Accrued wages and benefits	5,136
Due to other governments	12,417
Current portion of compensated absences	34,463
Total current liabilities	76,481
Long-term liabilities:	
Compensated absences	7,780
Total long-term liabilities.	7,780
Total liabilities.	84,261
Net position:	
Net investment in capital assets	4,921,779
Unrestricted	(25,991)
Total net position	\$ 4,895,788

CITY OF MANSFIELD, OHIO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012

	Airport Operating
	<u> </u>
Operating revenues:	
Charges for services	\$ 94,713
Total operating revenues	<u>94,713</u>
Operating expenses:	
Personal services	152,048
Fringe benefits	137,467
Contractual services.	103,634
Materials and supplies	42,278
Depreciation	157,213
Utilities	<u>31,251</u>
Total operating expenses	<u>623,891</u>
Operating loss	<u>(529,178)</u>
Nonoperating revenues (expenses):	
Transfers in	253,800
Other nonoperating revenues	192
Other nonoperating expenses	(4,489)
Gain on sale of fixed assets	<u>141,877</u>
Total nonoperating revenues (expenses)	<u>391,380</u>
Loss before capital contributions	(137,798)
Capital contributions	<u>2,171,401</u>
Changes in net position	2,033,603
Net position at beginning of year (restated)	<u>2,862,185</u>
Net position at end of year	<u><u>\$ 4,895,788</u></u>

CITY OF MANSFIELD, OHIO
STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012

	Airport Operating
Cash flows from operating activities:	
Cash received from customers	\$ 98,481
Cash received from other operating revenues	142,069
Cash payments to employees	(176,903)
Cash payments to suppliers	(145,962)
Cash payments for other operating expenses	(146,141)
	(228,456)
 Cash flows from noncapital financing activities:	
Transfers in	253,800
	253,800
 Net increase in cash and cash equivalents	25,344
 Cash and cash equivalents at beginning of year	5,576
Cash and cash equivalents at end of year	\$ 30,920
 Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (529,178)
 Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	157,213
Other non-operating revenues	142,069
Other non-operating expenses	(4,489)
 Changes in assets and liabilities:	
Decrease in accounts receivable	3,769
Decrease in inventory of supplies	5,327
Increase in accounts payable	21,266
(Decrease) in accrued wages and benefits	(12)
Increase in due to other governments	423
(Decrease) in compensated absences payable	(24,844)
	(228,456)
Net cash used in operating activities	\$ (228,456)

CITY OF MANSFIELD, OHIO

**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WATER FUND**

FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 7,752,300	\$ 7,752,300	\$ 8,176,067	\$ 423,767
Intergovernmental	22,000	22,000	35,962	13,962
Other	7,000	7,000	16,522	9,522
Total revenues.	<u>7,781,300</u>	<u>7,781,300</u>	<u>8,228,551</u>	<u>447,251</u>
Expenses:				
Personal services.	1,573,759	1,624,717	1,558,654	66,063
Fringe benefits.	1,094,155	1,024,197	949,968	74,229
Materials and supplies	753,385	767,681	652,356	115,325
Contractual services	2,073,497	2,048,417	1,801,991	246,426
Utilities	586,783	575,783	458,520	117,263
Capital outlay	437,560	438,652	194,814	243,838
Other	28,500	29,172	9,223	19,949
Debt service				
Principal retirement	434,382	434,382	434,381	1
Interest and fiscal charges	27,748	27,748	27,748	-
Total expenses	<u>7,009,769</u>	<u>6,970,749</u>	<u>6,087,655</u>	<u>883,094</u>
Excess of revenues over expenses	<u>771,531</u>	<u>810,551</u>	<u>2,140,896</u>	<u>1,330,345</u>
Fund equity at beginning of year	6,065,900	6,065,900	6,065,900	-
Prior year encumbrances appropriated	<u>201,069</u>	<u>201,069</u>	<u>201,069</u>	<u>-</u>
Fund equity at end of year.	<u>\$ 7,038,500</u>	<u>\$ 7,077,520</u>	<u>\$ 8,407,865</u>	<u>\$ 1,330,345</u>

CITY OF MANSFIELD, OHIO

**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEWER FUND**

FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Charges for services	\$ 7,470,498	\$ 7,470,498	\$ 7,478,634	\$ 8,136
Investment earnings	5,265	5,265	5,265	-
Other	700	700	19,079	18,379
Total revenues.	<u>7,476,463</u>	<u>7,476,463</u>	<u>7,502,978</u>	<u>26,515</u>
Expenses:				
Personal services.	1,578,260	1,648,010	1,630,558	17,452
Fringe benefits.	1,104,210	1,095,410	1,004,555	90,855
Materials and supplies	361,462	436,687	350,911	85,776
Contractual services	3,352,965	3,329,045	2,735,527	593,518
Utilities	646,399	551,299	417,845	133,454
Capital Outlay	2,893,760	2,472,385	622,216	1,850,169
Other	23,000	23,000	11,510	11,490
Debt service				
Principal retirement	35,000	35,000	35,000	-
Interest and fiscal charges	64,845	64,845	64,845	-
Total expenses	<u>10,059,901</u>	<u>9,655,681</u>	<u>6,872,967</u>	<u>2,782,714</u>
Excess (deficiency) of revenues over (under) expenses	<u>(2,583,438)</u>	<u>(2,179,218)</u>	<u>630,011</u>	<u>2,809,229</u>
Other financing sources:				
Payment on loan to other funds	270,000	270,000	270,000	-
Total other financing sources	<u>270,000</u>	<u>270,000</u>	<u>270,000</u>	<u>-</u>
Net change in fund equity	<u>(2,313,438)</u>	<u>(1,909,218)</u>	<u>900,011</u>	<u>2,809,229</u>
Fund equity at beginning of year	8,332,828	8,332,828	8,332,828	-
Prior year encumbrances appropriated	<u>465,212</u>	<u>465,212</u>	<u>465,212</u>	<u>-</u>
Fund equity at end of year.	<u>\$ 6,484,602</u>	<u>\$ 6,888,822</u>	<u>\$ 9,698,051</u>	<u>\$ 2,809,229</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 AIRPORT OPERATING FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 74,218	\$ 74,218	\$ 98,482	\$ 24,264
Other	-	-	192	192
Total revenues.	<u>74,218</u>	<u>74,218</u>	<u>98,674</u>	<u>24,456</u>
Expenses:				
Personal services.	182,518	180,525	176,904	3,621
Fringe benefits.	144,294	146,687	141,652	5,035
Materials and supplies	58,032	53,487	36,496	16,991
Contractual services	96,210	96,206	86,436	9,770
Utilities	53,240	36,240	33,800	2,440
Capital outlay	1,285	21,168	20,100	1,068
Other.	6,800	6,800	4,489	2,311
Total expenses	<u>542,379</u>	<u>541,113</u>	<u>499,877</u>	<u>41,236</u>
Deficiency of revenues under expenditures . . .	(468,161)	(466,895)	(401,203)	65,692
Other financing sources:				
Sale of assets	-	-	141,877	141,877
Transfers in	462,635	463,635	253,800	(209,835)
Total other financing sources	<u>462,635</u>	<u>463,635</u>	<u>395,677</u>	<u>(67,958)</u>
Net change in fund equity	(5,526)	(3,260)	(5,526)	(2,266)
Fund equity at beginning of year	50	50	50	-
Prior year encumbrances appropriated	<u>5,526</u>	<u>5,526</u>	<u>5,526</u>	<u>-</u>
Fund equity at end of year.	<u>\$ 50</u>	<u>\$ 2,316</u>	<u>\$ 50</u>	<u>\$ (2,266)</u>

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CITY OF MANSFIELD, OHIO

COMBINING STATEMENTS - INTERNAL SERVICE FUNDS

FUND DESCRIPTIONS

Internal Service Funds

The internal service funds account for the financing of goods or services provided by one department or agency to other departments of the City of Mansfield on a cost-reimbursement basis. Accounting for these funds is designed to accumulate all of the costs incurred by the internal service funds in providing goods and services to other departments. However, charges to the other departments are not intended to produce a significant profit in the long run, but to recover the total costs of providing goods or services.

Garage Operating:

To account for the operation of the municipal vehicle repair garage for work performed for all departments and for the operation of a vehicle/equipment motor pool.

Information Technology:

To account for the operation of the municipal data processing department for work performed for all departments.

Utility Collections:

To account for the operation of the utility collections department for services provided to the water, sewer, codes and permits, and parking departments. The funds using the utility billing service are charged for the cost of the operation.

Health Insurance:

To account for the expenses incurred in the activity of self insurance by the City for employee health insurance.

Property/Liability Insurance:

To account for the expenses incurred in the activity of liability insurance as a participant in the Public Entities Pool of Ohio (PEP Pool).

Workers' Compensation:

To account for the expenses incurred in the activity of the State Workers' Compensation System.

CITY OF MANSFIELD, OHIO

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2012

	<u>Garage Operating</u>	<u>Information Technology</u>	<u>Utility Collections</u>
Assets:			
Current assets:			
Equity in pooled cash and cash equivalents	\$ 83,520	\$ 84,207	\$ 23,736
Receivables (net of allowances of uncollectibles):			
Accounts.	-	-	-
Materials and supplies inventory	9,488	-	2,040
Total current assets.	<u>93,008</u>	<u>84,207</u>	<u>25,776</u>
Noncurrent assets:			
Capital assets:			
Depreciable capital assets, net	11,145	300,711	505,649
Total capital assets	<u>11,145</u>	<u>300,711</u>	<u>505,649</u>
Total assets	<u>104,153</u>	<u>384,918</u>	<u>531,425</u>
Liabilities:			
Current liabilities:			
Accounts payable.	36,348	4,136	3,888
Accrued wages and benefits	13,216	3,164	10,574
Due to other governments	16,986	4,599	27,354
Claims payable.	-	-	-
Current portion of compensated absences	23,680	-	57,442
Total current liabilities.	<u>90,230</u>	<u>11,899</u>	<u>99,258</u>
Long-term liabilities:			
Compensated absences	121,362	2,531	25,735
Total long-term liabilities.	<u>121,362</u>	<u>2,531</u>	<u>25,735</u>
Total liabilities	<u>211,592</u>	<u>14,430</u>	<u>124,993</u>
Net position:			
Net investment in capital assets	11,145	300,711	505,649
Unrestricted (deficit).	<u>(118,584)</u>	<u>69,777</u>	<u>(99,217)</u>
Total net position (deficit).	<u>\$ (107,439)</u>	<u>\$ 370,488</u>	<u>\$ 406,432</u>

<u>Health Insurance</u>	<u>Property/Liability Insurance</u>	<u>Workers' Compensation</u>	<u>Total</u>
\$ 609,147	\$ 16,786	\$ 259,781	\$ 1,077,177
300,888	-	-	300,888
-	-	-	11,528
<u>910,035</u>	<u>16,786</u>	<u>259,781</u>	<u>1,389,593</u>
-	-	-	817,505
-	-	-	817,505
<u>910,035</u>	<u>16,786</u>	<u>259,781</u>	<u>2,207,098</u>
203	-	-	44,575
-	-	-	26,954
-	-	-	48,939
528,739	-	-	528,739
-	-	-	81,122
<u>528,942</u>	<u>-</u>	<u>-</u>	<u>649,207</u>
-	-	-	149,628
-	-	-	149,628
<u>528,942</u>	<u>-</u>	<u>-</u>	<u>798,835</u>
-	-	-	817,505
<u>381,093</u>	<u>16,786</u>	<u>259,781</u>	<u>509,636</u>
<u>\$ 381,093</u>	<u>\$ 16,786</u>	<u>\$ 259,781</u>	<u>\$ 1,327,141</u>

CITY OF MANSFIELD, OHIO

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Garage Operating</u>	<u>Information Technology</u>	<u>Utility Collections</u>
Operating revenues:			
Charges for services	\$ 1,438,538	\$ 662,879	\$ 1,400,227
Total operating revenues	<u>1,438,538</u>	<u>662,879</u>	<u>1,400,227</u>
Operating expenses:			
Personal services	401,435	121,128	513,421
Fringe benefits	210,636	70,492	352,547
Contractual services	155,052	364,770	484,184
Materials and supplies.	685,462	12,100	17,368
Depreciation.	3,444	19,101	32,682
Utilities	10,293	-	8,330
Claims expense	-	-	-
Total operating expenses	<u>1,466,322</u>	<u>587,591</u>	<u>1,408,532</u>
Operating income (loss)	<u>(27,784)</u>	<u>75,288</u>	<u>(8,305)</u>
Nonoperating revenues:			
Other nonoperating revenue	<u>7,296</u>	<u>-</u>	<u>174</u>
Total nonoperating revenues	<u>7,296</u>	<u>-</u>	<u>174</u>
Changes in net position	(20,488)	75,288	(8,131)
Net position (deficit) at beginning of year	<u>(86,951)</u>	<u>295,200</u>	<u>414,563</u>
Net position (deficit) at end of year	<u>\$ (107,439)</u>	<u>\$ 370,488</u>	<u>\$ 406,432</u>

Health Insurance	Property/Liability Insurance	Workers' Compensation	Total
\$ 5,747,957	\$ 524,057	\$ 601,713	\$ 10,375,371
5,747,957	524,057	601,713	10,375,371
-	-	-	1,035,984
-	-	-	633,675
699,397	478,783	564,424	2,746,610
-	-	-	714,930
-	-	-	55,227
-	-	-	18,623
3,793,780	28,488	-	3,822,268
4,493,177	507,271	564,424	9,027,317
1,254,780	16,786	37,289	1,348,054
149,955	-	-	157,425
149,955	-	-	157,425
1,404,735	16,786	37,289	1,505,479
(1,023,642)	-	222,492	(178,338)
\$ 381,093	\$ 16,786	\$ 259,781	\$ 1,327,141

CITY OF MANSFIELD, OHIO

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Garage Operating</u>	<u>Information Technology</u>	<u>Utility Collections</u>
Cash flows from operating activities:			
Cash received from customers	\$ 1,438,538	\$ 662,879	\$ 1,400,227
Cash received from other operating revenues	7,296	-	174
Cash payments to employees	(344,866)	(119,575)	(527,083)
Cash payments for suppliers	(838,729)	(372,223)	(505,718)
Cash payments for claims expense	-	-	-
Cash payments for other operating expenses	(205,723)	(69,942)	(352,943)
Net cash provided by operating activities	<u>56,516</u>	<u>101,139</u>	<u>14,657</u>
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(7,500)	(31,927)	-
Net cash used in capital and related financing activities	<u>(7,500)</u>	<u>(31,927)</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	49,016	69,212	14,657
Cash and cash equivalents at beginning of year	<u>34,504</u>	<u>14,995</u>	<u>9,079</u>
Cash and cash equivalents at end of year.	<u>\$ 83,520</u>	<u>\$ 84,207</u>	<u>\$ 23,736</u>
Reconciliation of operating income to net cash provided by (used in) operating activities:			
Operating income	\$ (27,784)	\$ 75,288	\$ (8,305)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	3,444	19,101	32,682
Other nonoperating revenues	7,296	-	174
Changes in assets and liabilities:			
(Increase) decrease in inventory of supplies	(1,150)	1,771	564
(Increase) in accounts receivable	-	-	-
Increase (decrease) in accounts payable	13,228	2,876	3,600
Increase (decrease) in accrued wages and benefits	6,530	1,462	(449)
Increase (decrease) in due to other governments	4,913	550	(396)
Increase (decrease) in compensated absences payable	50,039	91	(13,213)
(Decrease) in claims payable	-	-	-
Net cash provided by operating activities	<u>\$ 56,516</u>	<u>\$ 101,139</u>	<u>\$ 14,657</u>

<u>Health Insurance</u>	<u>Property/Liability Insurance</u>	<u>Workers' Compensation</u>	<u>Total</u>
\$ 5,747,957	\$ 524,057	\$ 601,713	\$ 10,375,371
149,955	-	-	157,425
-	-	-	(991,524)
(700,377)	(478,783)	(564,424)	(3,460,254)
(4,589,279)	(28,488)	-	(4,617,767)
-	-	-	(628,608)
<u>608,256</u>	<u>16,786</u>	<u>37,289</u>	<u>834,643</u>
-	-	-	(39,427)
-	-	-	(39,427)
608,256	16,786	37,289	795,216
891	-	222,492	281,961
<u>\$ 609,147</u>	<u>\$ 16,786</u>	<u>\$ 259,781</u>	<u>\$ 1,077,177</u>
\$ 1,254,780	\$ 16,786	\$ 37,289	\$ 1,348,054
-	-	-	55,227
149,955	-	-	157,425
-	-	-	1,185
(300,888)	-	-	(300,888)
(980)	-	-	18,724
-	-	-	7,543
-	-	-	5,067
-	-	-	36,917
(494,611)	-	-	(494,611)
<u>\$ 608,256</u>	<u>\$ 16,786</u>	<u>\$ 37,289</u>	<u>\$ 834,643</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GARAGE OPERATING FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 1,530,915	\$ 1,530,915	\$ 1,438,538	\$ (92,377)
Other	-	-	7,296	7,296
Total revenues.	<u>1,530,915</u>	<u>1,530,915</u>	<u>1,445,834</u>	<u>(85,081)</u>
Expenses:				
Personal services.	338,974	355,074	344,866	10,208
Fringe benefits	232,670	216,570	205,723	10,847
Materials and supplies	761,284	756,109	735,527	20,582
Contractual services	194,725	188,202	166,667	21,535
Capital outlay	13,250	13,250	10,954	2,296
Utilities	<u>24,515</u>	<u>24,515</u>	<u>16,600</u>	<u>7,915</u>
Total expenses	<u>1,565,418</u>	<u>1,553,720</u>	<u>1,480,337</u>	<u>73,383</u>
Net change in fund equity	(34,503)	(22,805)	(34,503)	(11,698)
Fund equity at beginning of year	-	-	-	-
Prior year encumbrances appropriated	<u>34,503</u>	<u>34,503</u>	<u>34,503</u>	<u>-</u>
Fund equity at end of year.	<u>\$ -</u>	<u>\$ 11,698</u>	<u>\$ -</u>	<u>\$ (11,698)</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 INFORMATION TECHNOLOGY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 718,238	\$ 718,238	\$ 662,879	\$ (55,359)
Total revenues.	<u>718,238</u>	<u>718,238</u>	<u>662,879</u>	<u>(55,359)</u>
Expenses:				
Personal services.	125,500	125,500	119,575	5,925
Fringe benefits	74,905	74,905	69,942	4,963
Materials and supplies	17,065	17,060	10,243	6,817
Contractual services	465,433	443,033	412,283	30,750
Capital outlay	50,330	70,330	65,831	4,499
Total expenses	<u>733,233</u>	<u>730,828</u>	<u>677,874</u>	<u>52,954</u>
Net change in fund equity	(14,995)	(12,590)	(14,995)	(2,405)
Fund equity at beginning of year	-	-	-	-
Prior year encumbrances appropriated	<u>14,995</u>	<u>14,995</u>	<u>14,995</u>	<u>-</u>
Fund equity at end of year.	<u>\$ -</u>	<u>\$ 2,405</u>	<u>\$ -</u>	<u>\$ (2,405)</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 UTILITY COLLECTIONS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 1,582,040	\$ 1,582,040	\$ 1,400,227	\$ (181,813)
Other	-	-	174	174
Total revenues.	<u>1,582,040</u>	<u>1,582,040</u>	<u>1,400,401</u>	<u>(181,639)</u>
Expenses:				
Personal services.	551,451	551,451	527,083	24,368
Fringe benefits	392,365	392,365	352,943	39,422
Materials and supplies	24,200	24,410	17,555	6,855
Contractual services	511,691	510,154	442,382	67,772
Capital outlay	106,012	98,975	60,043	38,932
Utilities	<u>5,150</u>	<u>12,075</u>	<u>9,224</u>	<u>2,851</u>
Total expenses	<u>1,590,869</u>	<u>1,589,430</u>	<u>1,409,230</u>	<u>180,200</u>
Net change in fund equity	(8,829)	(7,390)	(8,829)	(1,439)
Fund equity at beginning of year	250	250	250	-
Prior year encumbrances appropriated	<u>8,829</u>	<u>8,829</u>	<u>8,829</u>	<u>-</u>
Fund equity at end of year.	<u>\$ 250</u>	<u>\$ 1,689</u>	<u>\$ 250</u>	<u>\$ (1,439)</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 HEALTH INSURANCE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 5,911,725	\$ 5,947,927	\$ 5,432,948	\$ (514,979)
Other	602,365	602,365	697,678	95,313
Total revenues.	<u>6,514,090</u>	<u>6,550,292</u>	<u>6,130,626</u>	<u>(419,666)</u>
Expenses:				
Contractual services	722,889	722,889	700,622	22,267
Claims expense	<u>5,581,473</u>	<u>5,581,473</u>	<u>4,821,993</u>	<u>759,480</u>
Total expenses	<u>6,304,362</u>	<u>6,304,362</u>	<u>5,522,615</u>	<u>781,747</u>
Net change in fund equity	209,728	245,930	608,011	362,081
Fund equity at beginning of year	<u>891</u>	<u>891</u>	<u>891</u>	<u>-</u>
Fund equity at end of year	<u>\$ 210,619</u>	<u>\$ 246,821</u>	<u>\$ 608,902</u>	<u>\$ 362,081</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 PROPERTY / LIABILITY INSURANCE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 525,000	\$ 525,000	\$ 524,057	\$ (943)
Total revenues.	525,000	525,000	524,057	(943)
Expenses:				
Contractual services	454,700	454,700	478,783	(24,083)
Claims expense	70,300	70,300	28,488	41,812
Total expenses	525,000	525,000	507,271	17,729
Net change in fund equity	-	-	16,786	16,786
Fund equity at beginning of year	-	-	-	-
Fund equity at end of year.	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,786</u>	<u>\$ 16,786</u>

CITY OF MANSFIELD, OHIO

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 WORKERS' COMPENSATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 615,969	\$ 619,089	\$ 601,713	\$ (17,376)
Other	-	-	45,165	45,165
Total revenues.	<u>615,969</u>	<u>619,089</u>	<u>646,878</u>	<u>27,789</u>
Expenses:				
Contractual services	<u>609,589</u>	<u>609,589</u>	<u>609,589</u>	<u>-</u>
Total expenses	<u>609,589</u>	<u>609,589</u>	<u>609,589</u>	<u>-</u>
Net change in fund equity	6,380	9,500	37,289	27,789
Fund equity at beginning of year	<u>222,492</u>	<u>222,492</u>	<u>222,492</u>	<u>-</u>
Fund equity at end of year.	<u>\$ 228,872</u>	<u>\$ 231,992</u>	<u>\$ 259,781</u>	<u>\$ 27,789</u>

CITY OF MANSFIELD, OHIO

COMBINING STATEMENTS - FIDUCIARY FUNDS

FUND DESCRIPTIONS

Fiduciary funds are used to account for assets held by the City in a trustee capacity, or as an agent for individuals, private organizations, other governmental units, and/or funds. These funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results of operations. The following are the City's fiduciary fund types:

Agency Funds

OSP Fines Fund

To account for monies collected through Ohio State Patrol fines that are then distributed to the local Law Library organization.

Sewer and Street Opening Fund

To account for monies deposited with the City by individuals who intend to excavate portions of City streets or sidewalks.

Building Security Fund

To account for deposits received from individuals to guarantee proper demolition and removal of structures damaged by fire.

Payroll Agency Fund

To account for monies aggregated from the various operating funds for payroll and payroll-related liabilities. As a pay period closed, the operating funds record the gross pay as expenditures or expenses; the payroll agency fund simultaneously records the various liabilities.

Municipal Court Fund

To account for monies that flow through the Clerk of Courts office.

Transient Occupancy Tax Fund

To account for collections of local tax on hotel/motel guests. Monies collected go to the Richland County Convention & Visitors Bureau, the local Main Street USA, and other miscellaneous agencies.

Board of Standards Assessments Fund

To account for fees, for the acceptance and approval of building plans.

CITY OF MANSFIELD, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Balance 01/01/12</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/12</u>
OSP Fines				
Assets:				
Equity in pooled cash and cash equivalents	\$ -	\$ 61,581	\$ 61,581	\$ -
Receivables (net of allowances of uncollectibles):				
Accounts	<u>4,445</u>	<u>61,785</u>	<u>61,581</u>	<u>4,649</u>
Total assets	<u>\$ 4,445</u>	<u>\$ 123,366</u>	<u>\$ 123,162</u>	<u>\$ 4,649</u>
Liabilities:				
Due to individuals	<u>\$ 4,445</u>	<u>\$ 61,785</u>	<u>\$ 61,581</u>	<u>\$ 4,649</u>
Total liabilities.	<u>\$ 4,445</u>	<u>\$ 61,785</u>	<u>\$ 61,581</u>	<u>\$ 4,649</u>
Sewer and Street Opening				
Assets:				
Equity in pooled cash and cash equivalents.	<u>\$ 18,768</u>	<u>\$ 14,860</u>	<u>\$ 719</u>	<u>\$ 32,909</u>
Total assets	<u>\$ 18,768</u>	<u>\$ 14,860</u>	<u>\$ 719</u>	<u>\$ 32,909</u>
Liabilities:				
Due to individuals	<u>\$ 18,768</u>	<u>\$ 14,860</u>	<u>\$ 719</u>	<u>\$ 32,909</u>
Total liabilities.	<u>\$ 18,768</u>	<u>\$ 14,860</u>	<u>\$ 719</u>	<u>\$ 32,909</u>
Building Security				
Assets:				
Equity in pooled cash and cash equivalents.	<u>\$ 66,223</u>	<u>\$ 148,978</u>	<u>\$ 51,318</u>	<u>\$ 163,883</u>
Total assets	<u>\$ 66,223</u>	<u>\$ 148,978</u>	<u>\$ 51,318</u>	<u>\$ 163,883</u>
Liabilities:				
Due to individuals	<u>\$ 66,223</u>	<u>\$ 148,978</u>	<u>\$ 51,318</u>	<u>\$ 163,883</u>
Total liabilities.	<u>\$ 66,223</u>	<u>\$ 148,978</u>	<u>\$ 51,318</u>	<u>\$ 163,883</u>
Payroll Agency				
Assets:				
Cash and cash equivalents with fiscal agents	<u>\$ 433,129</u>	<u>\$ 22,215,375</u>	<u>\$ 22,467,612</u>	<u>\$ 180,892</u>
Total assets	<u>\$ 433,129</u>	<u>\$ 22,215,375</u>	<u>\$ 22,467,612</u>	<u>\$ 180,892</u>
Liabilities:				
Accounts payable	\$ 42,959	\$ 388,497	\$ 403,634	\$ 27,822
Due to other governments	270,262	5,704,480	5,851,502	123,240
Due to individuals	<u>119,908</u>	<u>16,122,398</u>	<u>16,212,476</u>	<u>29,830</u>
Total liabilities.	<u>\$ 433,129</u>	<u>\$ 22,215,375</u>	<u>\$ 22,467,612</u>	<u>\$ 180,892</u>

(continued)

CITY OF MANSFIELD, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Balance</u> <u>01/01/12</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/12</u>
Municipal Court				
Assets:				
Equity in pooled cash and cash equivalents.	\$ 715,982	\$ 5,770,370	\$ 5,963,043	\$ 523,309
Total assets	<u>\$ 715,982</u>	<u>\$ 5,770,370</u>	<u>\$ 5,963,043</u>	<u>\$ 523,309</u>
Liabilities:				
Due to other governments	\$ 76,562	\$ 1,155,546	\$ 1,160,057	\$ 72,051
Accounts payable	132,113	2,652,832	2,648,460	136,485
Due to individuals	2,230	54,141	53,422	2,949
Undistributed monies	505,077	1,907,851	2,101,104	311,824
Total liabilities.	<u>\$ 715,982</u>	<u>\$ 5,770,370</u>	<u>\$ 5,963,043</u>	<u>\$ 523,309</u>
Transient Occupancy Tax				
Assets:				
Equity in pooled cash and cash equivalents.	\$ -	\$ 244,794	\$ 244,794	\$ -
Receivables (net of allowances of uncollectibles):				
Taxes	11,423	246,210	244,794	12,839
Total assets	<u>\$ 11,423</u>	<u>\$ 491,004</u>	<u>\$ 489,588</u>	<u>\$ 12,839</u>
Liabilities:				
Accounts payable	\$ 2,658	\$ 34,469	\$ 35,330	\$ 1,797
Due to individuals	8,765	211,741	209,464	11,042
Total liabilities.	<u>\$ 11,423</u>	<u>\$ 246,210</u>	<u>\$ 244,794</u>	<u>\$ 12,839</u>
Board of Standards Assessments				
Assets:				
Equity in pooled cash and cash equivalents.	\$ 504	\$ 2,022	\$ 1,801	\$ 725
Total assets	<u>\$ 504</u>	<u>\$ 2,022</u>	<u>\$ 1,801</u>	<u>\$ 725</u>
Liabilities:				
Due to other governments	\$ 504	\$ 2,022	\$ 1,801	\$ 725
Total liabilities.	<u>\$ 504</u>	<u>\$ 2,022</u>	<u>\$ 1,801</u>	<u>\$ 725</u>

(continued)

CITY OF MANSFIELD, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Balance</u> <u>01/01/12</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/12</u>
Total Agency Funds				
Assets:				
Equity in pooled cash and cash equivalents.	\$ 801,477	\$ 6,242,605	\$ 6,323,256	\$ 720,826
Cash and cash equivalents with fiscal agents	433,129	22,215,375	22,467,612	180,892
Receivables (net of allowances of uncollectibles):				
Taxes	11,423	246,210	244,794	12,839
Accounts	4,445	61,785	61,581	4,649
Total assets	<u>\$ 1,250,474</u>	<u>\$ 28,765,975</u>	<u>\$ 29,097,243</u>	<u>\$ 919,206</u>
Liabilities:				
Due to other governments	\$ 347,328	\$ 6,862,048	\$ 7,013,360	\$ 196,016
Accounts payable	177,730	3,075,798	3,087,424	166,104
Due to individuals	220,339	16,613,903	16,588,980	245,262
Undistributed monies	505,077	1,907,851	2,101,104	311,824
Total liabilities.	<u>\$ 1,250,474</u>	<u>\$ 28,459,600</u>	<u>\$ 28,790,868</u>	<u>\$ 919,206</u>

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Statistical Section

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	150
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax, and the municipal income tax.	160
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	168
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	175
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	177

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

CITY OF MANSFIELD, OHIO

NET POSITION BY COMPONENT
LAST TEN YEARS
(accrual basis of accounting)

	2012	2011	2010	2009
Governmental Activities				
Net investment in capital assets	\$ 53,868,750	\$ 53,334,491	\$ 50,022,359	\$ 45,218,744
Restricted	21,877,797	21,247,684	17,794,871	8,528,084
Unrestricted	800,179	(2,940,697)	(1,923,290)	5,929,372
<i>Total Governmental Activities Net Position</i>	<u>76,546,726</u>	<u>71,641,478</u>	<u>65,893,940</u>	<u>59,676,200</u>
Business-Type Activities				
Net investment in capital assets	47,597,321	44,431,737	46,700,688	38,192,427
Restricted	3,247,764	3,512,498	3,231,968	2,998,376
Unrestricted	17,217,778	15,498,260	10,104,011	6,363,897
<i>Total Business-Type Activities Net Position</i>	<u>68,062,863</u>	<u>63,442,495</u>	<u>60,036,667</u>	<u>47,554,700</u>
Primary Government				
Net investment in capital assets	101,466,071	97,766,228	96,723,047	83,411,171
Restricted	25,125,561	24,760,182	21,026,839	11,526,460
Unrestricted	18,017,957	12,557,563	8,180,721	12,293,269
<i>Total Primary Government Net Position</i>	<u>\$ 144,609,589</u>	<u>\$ 135,083,973</u>	<u>\$ 125,930,607</u>	<u>\$ 107,230,900</u>

	2008	2007	2006	2005	2004	2003
\$	48,572,308	\$ 46,575,580	\$ 45,098,513	\$ 46,367,183	\$ 47,833,128	\$ 48,523,672
	7,647,351	12,085,390	15,824,043	15,521,272	15,950,708	26,640,679
	3,618,921	1,118,449	1,740,055	(413,024)	(1,266,633)	(11,680,081)
	<u>59,838,580</u>	<u>59,779,419</u>	<u>62,662,611</u>	<u>61,475,431</u>	<u>62,517,203</u>	<u>63,484,270</u>
	37,203,838	37,016,539	37,078,689	37,370,730	36,878,972	39,814,666
	4,040,936	3,979,276	3,979,276	3,979,276	4,070,672	1,457,668
	8,637,779	8,911,886	12,340,798	10,362,772	8,135,785	7,912,220
	<u>49,882,553</u>	<u>49,907,701</u>	<u>53,398,763</u>	<u>51,712,778</u>	<u>49,085,429</u>	<u>49,184,554</u>
	85,776,146	83,592,119	82,177,202	83,737,913	84,712,100	88,338,338
	11,688,287	16,064,666	19,803,319	19,500,548	20,021,380	28,098,347
	12,256,700	10,030,335	14,080,853	9,949,748	6,869,152	(3,767,861)
\$	<u>109,721,133</u>	<u>109,687,120</u>	<u>116,061,374</u>	<u>113,188,209</u>	<u>111,602,632</u>	<u>112,668,824</u>

CITY OF MANSFIELD, OHIO

CHANGES IN NET POSITION
LAST TEN YEARS
(accrual basis of accounting)

	2012	2011	2010	2009
Program Revenues				
Governmental Activities:				
Charges for Services:				
General government	\$ 5,248,431	\$ 5,853,092	\$ 4,218,337	\$ 3,354,171
Public safety	2,277,353	1,865,400	1,816,016	1,696,761
Public health and welfare	-	-	9,792	99,625
Transportation	20,924	15,870	147,242	130,933
Community environment	260,841	156,965	125,865	79,013
Leisure time activities	20,807	12,190	17,500	20,050
Operating Grants and Contributions	7,355,011	7,540,551	9,097,678	6,807,761
Capital Grants and Contributions	4,534,180	1,721,169	5,928,197	1,424,961
<i>Total Governmental Activities Program Revenues</i>	<u>19,717,547</u>	<u>17,165,237</u>	<u>21,360,627</u>	<u>13,613,275</u>
Business-Type Activities:				
Charges for Services:				
Water	6,605,686	9,423,857	8,041,727	7,088,115
Sewer	7,057,826	8,219,010	7,301,003	7,816,211
Airport	94,713	76,334	69,590	63,969
Parking Garage	-	-	-	-
Capital Grants and Contributions	-	7,650	1,821,086	1,916,402
<i>Total Business-Type Activities Program Revenues</i>	<u>13,758,225</u>	<u>17,726,851</u>	<u>17,233,406</u>	<u>16,884,697</u>
<i>Total Primary Government Program Revenues</i>	<u>33,475,772</u>	<u>34,892,088</u>	<u>38,594,033</u>	<u>30,497,972</u>
Expenses				
Governmental Activities:				
General government	12,660,014	12,370,223	12,081,564	12,462,297
Public safety	20,546,576	21,292,633	25,028,107	23,263,250
Public health and welfare	2,850	3,006	69,089	110,876
Transportation	2,371,804	3,385,047	2,196,791	8,313,893
Community environment	1,770,384	1,897,869	2,697,080	2,623,592
Leisure time activities	270,695	328,411	215,429	500,889
Interest and fiscal charges	255,383	266,520	292,388	276,828
<i>Total Governmental Activities Expenses</i>	<u>37,877,706</u>	<u>39,543,709</u>	<u>42,580,448</u>	<u>47,551,625</u>
Business-Type Activities:				
Water	5,951,358	6,105,309	4,573,816	7,759,063
Sewer	8,102,780	7,960,497	5,334,940	9,898,811
Airport	628,380	600,011	193,147	683,312
Parking Garage	-	-	-	-
<i>Total Business-Type Activities Expenses</i>	<u>14,682,518</u>	<u>14,665,817</u>	<u>10,101,903</u>	<u>18,341,186</u>
<i>Total Primary Government Expenses</i>	<u>\$ 52,560,224</u>	<u>\$ 54,209,526</u>	<u>\$ 52,682,351</u>	<u>\$ 65,892,811</u>

	2008	2007	2006	2005	2004	2003
\$	2,743,160	\$ 3,581,833	\$ 3,452,357	\$ 3,490,786	\$ 3,608,646	\$ 2,195,188
	1,635,098	1,614,005	1,602,051	1,653,534	928,130	625,619
	-	-	400	380	8,446	9,727
	900,705	166,360	168,545	295,065	209,200	463,892
	188,869	187,974	150,663	258,271	176,753	209,867
	35,048	39,236	182,104	315,728	20,626	21,764
	11,077,411	7,737,309	7,041,641	9,841,045	6,849,290	7,547,321
	1,674,288	1,390,445	1,060,076	70,414	309,775	132,240
	18,254,579	14,717,162	13,657,837	15,925,223	12,110,866	11,205,618
	8,000,336	8,065,907	8,000,960	8,343,947	8,050,000	7,517,166
	8,001,563	8,186,664	8,481,960	8,395,183	8,159,344	6,791,857
	66,965	81,693	84,969	88,611	143,038	154,987
	-	-	33,696	187,696	32,132	44,211
	1,511,417	728,928	1,096,738	1,148,728	629,261	533,827
	17,580,281	17,063,192	17,698,323	18,164,165	17,013,775	15,042,048
	35,834,860	31,780,354	31,356,160	34,089,388	29,124,641	26,247,666
	14,474,385	11,985,745	9,960,681	12,154,838	10,496,931	8,258,059
	23,624,982	24,205,050	22,958,245	23,850,064	21,355,233	20,653,049
	128,164	158,475	141,884	137,328	156,000	260,946
	9,917,676	10,089,697	10,396,560	10,078,954	8,390,900	8,496,196
	1,669,302	1,782,621	1,972,480	1,491,159	2,065,065	2,262,008
	879,341	917,913	1,103,561	488,317	449,412	505,060
	288,073	296,853	253,102	253,405	355,645	689,642
	50,981,923	49,436,354	46,786,513	48,454,065	43,269,186	41,124,960
	7,604,723	9,025,320	8,144,636	7,412,809	7,638,373	7,198,264
	9,821,326	11,075,835	7,695,342	8,158,651	8,211,524	7,240,115
	646,544	1,196,799	774,342	784,276	736,546	733,102
	251,712	165	12,481	230,928	22,301	28,976
	18,324,305	21,298,119	16,626,801	16,586,664	16,608,744	15,200,457
\$	69,306,228	\$ 70,734,473	\$ 63,413,314	\$ 65,040,729	\$ 59,877,930	\$ 56,325,417

(continued)

CITY OF MANSFIELD, OHIO

CHANGES IN NET POSITION
LAST TEN YEARS
(accrual basis of accounting)

	2012	2011	2010	2009
Net (Expense)/Revenue				
Governmental Activities	\$ (18,160,159)	\$ (22,378,472)	\$ (21,219,821)	\$ (33,938,350)
Business-Type Activities	(924,293)	3,061,034	7,131,503	(1,456,489)
<i>Total Primary Government Net Expense</i>	<u>\$ (19,084,452)</u>	<u>\$ (19,317,438)</u>	<u>\$ (14,088,318)</u>	<u>\$ (35,394,839)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Property taxes levied for:				
General purposes	\$ 1,593,457	\$ 1,200,704	\$ 2,024,365	\$ 1,921,449
Debt service	-	-	-	-
Special purposes	353,430	272,948	417,383	382,588
Income taxes levied for:				
General purposes	13,473,707	12,595,608	365,730	339,453
Special purposes	6,755,692	6,863,802	18,211,023	18,035,032
Capital projects	3,377,760	3,431,901	3,050,004	3,089,291
Grants and entitlements not restricted to specific programs	2,402,217	3,225,813	3,719,190	8,094,480
Investment earnings	193,855	310,072	326,473	413,969
Gain on sale of capital assets	91,557	225,027	84,756	167,581
Miscellaneous	157,425	135	1,927	68,484
Transfers	(5,333,693)	-	(763,290)	-
Special item - donation of land	-	-	-	-
<i>Total Governmental Activities</i>	<u>23,065,407</u>	<u>28,126,010</u>	<u>27,437,561</u>	<u>32,512,327</u>
Business-Type Activities:				
Income taxes levied for:				
Airport	-	306,338	257,365	263,384
Grants and entitlements not restricted to specific programs	35,962	22,810	53,198	73,888
Investment earnings	5,265	10,530	15,600	20,670
Gain on sale of capital assets	141,877	-	-	-
Miscellaneous	27,865	5,116	18,366	34,337
Transfers	5,333,693	-	763,290	-
<i>Total Business-Type Activities</i>	<u>5,544,662</u>	<u>344,794</u>	<u>1,107,819</u>	<u>392,279</u>
<i>Total Primary Government</i>	<u>28,610,069</u>	<u>28,470,804</u>	<u>28,545,380</u>	<u>32,904,606</u>
Change in Net Position				
Governmental Activities	4,905,248	5,747,538	6,217,740	(1,426,023)
Business-Type Activities	4,620,369	3,405,828	8,239,322	(1,064,210)
<i>Total Primary Government Change in Net Position</i>	<u>\$ 9,525,617</u>	<u>\$ 9,153,366</u>	<u>\$ 14,457,062</u>	<u>\$ (2,490,233)</u>

2008	2007	2006	2005	2004	2003
\$ (32,727,344)	\$ (34,719,192)	\$ (33,128,676)	\$ (32,528,842)	\$ (31,158,320)	\$ (29,919,342)
(744,024)	(4,234,927)	1,071,522	1,577,501	405,031	(158,409)
<u>\$ (33,471,368)</u>	<u>\$ (38,954,119)</u>	<u>\$ (32,057,154)</u>	<u>\$ (30,951,341)</u>	<u>\$ (30,753,289)</u>	<u>\$ (30,077,751)</u>
\$ 2,119,802	\$ 2,026,704	\$ 2,301,741	\$ 2,520,948	\$ 1,895,024	\$ 1,956,016
-	-	-	1,062	2,522	8,037
422,629	403,991	471,426	784,511	368,905	394,563
309,108	833,459	642,031	714,984	797,061	295,182
20,226,017	18,832,225	20,554,764	19,109,121	18,116,003	19,085,840
4,706,268	4,258,507	2,336,710	3,893,063	3,062,798	3,297,494
3,972,491	4,072,562	6,409,483	2,646,945	5,169,330	5,520,410
932,920	1,259,757	1,548,036	1,029,572	411,338	629,575
-	-	-	-	89,416	18,581
97,270	7,204	51,665	174,500	231,320	134,162
-	-	-	-	-	337,209
-	-	-	-	-	(180,484)
<u>32,786,505</u>	<u>31,694,409</u>	<u>34,315,856</u>	<u>30,874,706</u>	<u>30,143,717</u>	<u>31,496,585</u>
604,380	413,685	421,564	439,395	256,830	271,518
73,888	194,738	86,433	486,715	-	-
25,545	2,658	7,305	-	44,265	48,750
-	-	-	-	-	-
15,063	59,950	99,161	123,738	32,238	19,182
-	-	-	-	-	(337,209)
<u>718,876</u>	<u>671,031</u>	<u>614,463</u>	<u>1,049,848</u>	<u>333,333</u>	<u>2,241</u>
<u>33,505,381</u>	<u>32,365,440</u>	<u>34,930,319</u>	<u>31,924,554</u>	<u>30,477,050</u>	<u>31,498,826</u>
59,161	(3,024,783)	1,187,180	(1,654,136)	(1,014,603)	1,577,243
(25,148)	(3,563,896)	1,685,985	2,627,349	738,364	(156,168)
<u>\$ 34,013</u>	<u>\$ (6,588,679)</u>	<u>\$ 2,873,165</u>	<u>\$ 973,213</u>	<u>\$ (276,239)</u>	<u>\$ 1,421,075</u>

CITY OF MANSFIELD, OHIO

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)

	2012	2011	2010	2009	2008
General Fund					
Nonspendable	\$ 42,725	\$ 49,520	\$ 42,336	N/A	N/A
Restricted	129,750	100,303	26,618	N/A	N/A
Committed	4,659	2,631	8,873	N/A	N/A
Assigned	999,514	556,695	4,288	N/A	N/A
Unassigned	4,322,814	4,027,857	757,213	N/A	N/A
Reserved	N/A	N/A	N/A	2,306,556	439,910
Unreserved	N/A	N/A	N/A	(2,314,562)	984,869
Total General Fund	5,499,462	4,737,006	839,328	(8,006)	1,424,779
All Other Governmental Funds					
Nonspendable	282,476	252,126	304,188	N/A	N/A
Restricted	9,831,261	7,770,075	7,281,498	N/A	N/A
Committed	1,825,711	1,937,986	1,912,080	N/A	N/A
Assigned	-	-	-	N/A	N/A
Unassigned (deficit)	(1,217,399)	(1,841,334)	(1,550,062)	N/A	N/A
Reserved	N/A	N/A	N/A	3,430,572	5,372,506
Unreserved, reported in:					
Special revenue funds	N/A	N/A	N/A	2,281,100	1,418,680
Debt service fund	N/A	N/A	N/A	14,364	-
Capital project funds	N/A	N/A	N/A	2,828,450	(1,650,762)
Total All Other Governmental Funds	10,722,049	8,118,853	7,947,704	8,554,486	5,140,424
Total Governmental Funds	\$ 16,221,511	\$ 12,855,859	\$ 8,787,032	\$ 8,546,480	\$ 6,565,203

Note: The City implemented GASB 54 in 2011.

2007	2006	2005	2004	2003
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
1,116,618	359,737	506,487	727,717	756,972
509,765	2,014,261	(210,543)	(1,213,843)	479,177
1,626,383	2,373,998	295,944	(486,126)	1,236,149
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
7,821,162	5,886,752	6,479,670	6,010,557	7,135,246
1,495,324	3,480,884	3,664,556	2,564,398	1,723,601
-	-	-	-	-
(650,979)	1,335,060	1,698,691	2,056,068	12,997,592
8,665,507	10,702,696	11,842,917	10,631,023	21,856,439
\$ 10,291,890	\$ 13,076,694	\$ 12,138,861	\$ 10,144,897	\$ 23,092,588

CITY OF MANSFIELD, OHIO

**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)**

	2012	2011	2010	2009	2008
Revenues:					
Municipal income taxes	\$ 23,210,618	\$ 22,639,125	\$ 21,595,452	\$ 21,515,827	\$ 24,241,438
Property and other taxes	1,800,415	1,507,537	2,445,489	2,386,719	2,542,983
Charges for services	3,955,765	1,884,773	2,014,192	1,699,492	2,501,935
Licenses, permits and fees	1,301,348	1,059,463	597,049	754,461	1,009,895
Fines and forfeitures	1,962,732	2,508,701	2,830,775	2,317,850	1,819,253
Intergovernmental	15,263,618	14,199,861	18,788,739	12,094,597	17,757,450
Special assessments	25,418	31,769	49,359	56,273	41,680
Investment income	193,855	247,033	326,473	413,969	932,920
Other	583,093	165,725	843,375	552,476	132,868
<i>Total revenues</i>	<u>48,296,862</u>	<u>44,243,987</u>	<u>49,490,903</u>	<u>41,791,664</u>	<u>50,980,422</u>
Expenditures:					
Current:					
General government	16,120,475	9,157,244	8,615,629	9,262,486	10,838,867
Public safety	20,843,700	20,852,533	25,333,268	24,600,304	24,477,914
Public health and welfare	2,850	7,052	76,351	109,486	129,965
Transportation	2,668,509	2,197,989	2,300,961	2,528,206	3,895,775
Community environment	1,481,028	1,895,861	2,778,561	2,573,024	1,654,607
Leisure time activities	188,096	283,280	419,944	460,698	766,628
Capital outlay	3,105,163	5,312,992	8,185,288	3,965,385	12,556,339
Debt service:					
Principal retirement	481,404	425,000	415,000	320,000	310,000
Interest and fiscal charges	255,791	268,236	307,533	292,983	327,285
Bond issuance costs	-	-	-	-	-
<i>Total expenditures</i>	<u>45,147,016</u>	<u>40,400,187</u>	<u>48,432,535</u>	<u>44,112,572</u>	<u>54,957,380</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>3,149,846</u>	<u>3,843,800</u>	<u>1,058,368</u>	<u>(2,320,908)</u>	<u>(3,976,958)</u>
Other financing sources (uses):					
Proceeds from sale of capital assets	82,557	225,027	84,756	167,581	155,939
Proceeds from sale of note premium	-	-	-	-	-
Proceeds of bonds	-	-	-	2,620,000	-
Proceeds from sale of bond premium	-	-	-	64,448	-
Inception of capital lease	363,494	-	-	100,000	-
Transfers in	12,243,698	596,240	1,584,644	1,660,461	766,165
Transfers out	(12,497,498)	(596,240)	(2,347,934)	(1,660,461)	(686,305)
<i>Total other financing sources (uses)</i>	<u>192,251</u>	<u>225,027</u>	<u>(678,534)</u>	<u>2,952,029</u>	<u>235,799</u>
<i>Net change in fund balances</i>	<u>\$ 3,342,097</u>	<u>\$ 4,068,827</u>	<u>\$ 379,834</u>	<u>\$ 631,121</u>	<u>\$ (3,741,159)</u>
Debt Service as a Percentage of Noncapital Expenditures	2.0%	2.0%	2.0%	1.6%	1.6%

	2007	2006	2005	2004	2003
\$	24,369,037	\$ 23,449,356	\$ 23,254,583	\$ 22,444,242	\$ 22,322,290
	2,545,865	2,707,079	3,044,029	2,376,280	2,337,097
	1,747,742	1,456,616	2,055,269	1,239,855	499,903
	898,192	809,274	954,917	1,805,151	975,739
	1,724,413	1,682,073	1,716,546	1,792,353	1,851,684
	14,866,082	12,612,732	14,082,197	11,687,464	12,195,703
	26,093	24,533	148,266	25,415	46,263
	1,259,757	1,441,036	1,029,572	411,338	629,575
	227,968	1,585,563	1,135,627	314,086	288,727
	<u>47,665,149</u>	<u>45,768,262</u>	<u>47,421,006</u>	<u>42,096,184</u>	<u>41,146,981</u>
	10,254,320	9,970,709	10,250,858	9,576,262	9,458,715
	24,230,031	23,679,137	22,892,003	21,695,859	20,501,227
	154,251	140,291	132,170	159,014	166,115
	4,454,990	3,580,149	3,681,798	2,753,622	2,620,323
	1,787,617	1,953,994	1,442,988	2,105,021	2,223,299
	1,231,940	1,061,524	474,764	390,776	527,494
	8,054,070	3,957,967	5,621,233	4,691,108	3,771,501
	305,000	300,430	765,000	11,035,000	10,910,000
	242,972	255,687	256,095	504,235	727,275
	-	-	-	-	-
	<u>50,715,191</u>	<u>44,899,888</u>	<u>45,516,909</u>	<u>52,910,897</u>	<u>50,905,949</u>
	(3,050,042)	868,374	1,904,097	(10,814,713)	(9,758,968)
	110,990	42,471	114,467	89,416	112,981
	-	-	1,303	-	10,260,000
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	93,572	-
	1,833,962	849,352	1,501,262	790,958	3,395,104
	<u>(1,833,962)</u>	<u>(849,352)</u>	<u>(1,501,262)</u>	<u>(790,958)</u>	<u>(3,057,895)</u>
	<u>110,990</u>	<u>42,471</u>	<u>115,770</u>	<u>182,988</u>	<u>10,710,190</u>
\$	<u>(2,939,052)</u>	<u>\$ 910,845</u>	<u>\$ 2,019,867</u>	<u>\$ (10,631,725)</u>	<u>951,222</u>

1.4%

1.4%

2.7%

24.1%

25.7%

CITY OF MANSFIELD, OHIO

**ASSESSED VALUE AND ESTIMATED TRUE VALUE OF TAXABLE PROPERTY
LAST TEN YEARS**

Year	Real Property		Personal Property (1) (5)	
	Assessed	Estimated Actual	Assessed	Estimated Actual
2012 (4)	\$ 555,161,930	\$ 1,586,176,943	-	-
2011	569,038,870	1,625,825,343	-	-
2010	601,577,670	1,718,793,343	-	-
2009 (3)	612,474,640	1,749,927,543	-	-
2008	611,164,890	1,746,185,400	43,950,179	703,202,864
2007	613,362,160	1,752,463,229	58,600,238	468,801,904
2006 (4)	612,365,730	1,749,616,371	110,363,727	588,363,727
2005	615,981,970	1,759,948,486	145,405,712	605,857,133
2004	553,471,750	1,581,347,857	145,331,157	631,874,595
2003 (3)	547,450,210	1,564,143,457	135,796,578	565,819,075

(1) Other than public utility.

(2) Real and tangible personal.

(3) Update year

(4) Reappraisal year

(5) Personal property taxes were phased out.

Source: Richland County Auditor

Public Utility (2)		Totals			Assessed Value as a percent of Estimated Actual Value
Assessed	Estimated Actual	Assessed	Direct Tax Rate	Estimated Actual	
\$ 16,081,610	\$ 45,947,457	\$ 571,243,540	3.60%	\$ 1,632,124,400	35.00%
14,972,140	42,777,543	584,011,010	3.60%	1,668,602,886	35.00%
14,328,390	40,938,257	615,906,060	3.60%	1,759,731,600	35.00%
13,795,680	39,416,229	626,270,320	3.60%	1,789,343,772	35.00%
13,509,070	38,597,343	668,624,139	3.60%	2,487,985,607	26.87%
13,435,490	38,387,114	685,397,888	3.60%	2,259,652,247	30.33%
19,584,030	55,954,371	742,313,487	3.60%	2,393,934,469	31.01%
22,294,140	63,697,543	783,681,822	3.60%	2,429,503,162	32.26%
22,170,430	63,344,086	720,973,337	3.60%	2,276,566,538	31.67%
22,535,120	64,386,057	705,781,908	3.60%	2,194,348,589	32.16%

CITY OF MANSFIELD, OHIO

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUATION)
LAST TEN YEARS (1)

Collection Year	Operating (3)	Police and Fire Pension	Debt Retirement (2)	City of Mansfield	Richland County	Mansfield City School District	Total
2012	\$ 3.00	\$ 0.60	\$ -	\$ 3.60	\$ 12.40	\$ 59.95	\$ 75.95
2011	3.00	0.60	-	3.60	11.70	69.65	84.95
2010	3.00	0.60	-	3.60	12.40	68.65	84.65
2009	3.00	0.60	-	3.60	12.40	68.65	84.65
2008	3.00	0.60	-	3.60	11.40	69.25	84.25
2007	3.00	0.60	-	3.60	11.40	60.55	75.55
2006	3.00	0.60	-	3.60	11.40	60.75	75.75
2005	3.00	0.60	-	3.60	11.40	66.05	81.05
2004	3.00	0.60	-	3.60	11.40	66.05	81.05
2003	3.00	0.60	-	3.60	9.00	66.15	78.75

(1) The above are the rates for recent years at which the City and the overlapping taxing subdivisions levied ad valorem property taxes in that area of the City having the highest overlapping tax rate.

(2) The voted tax levies for "Debt Retirement" continue for the life of the bonds authorized by the electors, in annual amounts sufficient to pay debt service on those bonds as they become due.

(3) Includes Mansfield Township portion.

Source: Richland County Auditor

CITY OF MANSFIELD, OHIO
PRINCIPAL TAXPAYERS
(EXCLUDING PUBLIC UTILITY)
DECEMBER 31, 2012 AND DECEMBER 31, 2003

Name of Taxpayer	December 31, 2012	
	Assessed Valuation	Percentage of Total Assessed Valuation
Kurt Stimens	\$ 5,754,580	1.04%
Newman Technology	5,054,090	0.91%
Wal Mart Real Estate	2,966,180	0.53%
SSI Mansfield LLC	2,655,920	0.48%
Jay Industries	2,250,600	0.41%
Johnny Appleseed Center	2,114,090	0.38%
Willard Rental Properties	1,802,260	0.32%
Armco	1,756,500	0.32%
Graham Chevrolet	1,481,480	0.27%
MedCentral	1,341,990	0.24%
Totals	<u>\$ 27,177,690</u>	<u>4.79%</u>

Name of Taxpayer	December 31, 2003	
	Assessed Valuation	Percentage of Total Assessed Valuation
AK Steel Corporation	\$ 7,230,360	1.32%
Mansfield Square	3,432,800	0.63%
Newman Technology	3,124,830	0.57%
Cambridge Woodbridge	2,913,240	0.53%
Jay Plastics	1,975,800	0.36%
Gorman Rupp	1,814,870	0.33%
Skilken, Morris B.	1,796,130	0.33%
Therm-O-Disc	1,577,270	0.29%
Richland Bank	1,354,330	0.25%
Mansfield Motel	1,270,340	0.23%
Totals	<u>\$ 26,489,970</u>	<u>4.84%</u>

Source: Richland County Auditor

CITY OF MANSFIELD, OHIO

**REAL PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS**

<u>Collection Year</u>	<u>Total Tax Levy (1)</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Levy Collected</u>
2012	\$ 2,427,781	\$ 1,907,952	78.6%	\$ 111,979	\$ 2,019,931	83.2%
2011	2,557,902	2,068,897	80.9%	117,742	2,186,639	85.5%
2010	2,608,552	1,955,101	74.9%	130,546	2,085,647	80.0%
2009	2,181,153	1,856,901	85.1%	113,533	1,970,434	90.3%
2008	2,186,409	2,172,251	99.4%	140,190	2,312,441	105.8%
2007	2,203,918	1,960,848	89.0%	126,437	2,087,285	94.7%
2006	2,208,475	2,060,648	93.3%	140,326	2,200,974	99.7%
2005	2,005,354	1,715,128	85.5%	96,566	1,811,694	90.3%
2004	2,004,286	2,002,840	99.9%	129,888	2,132,728	106.4%
2003	1,900,247	1,715,056	90.3%	110,264	1,825,320	96.1%

Source: Richland County Auditor

(1) Includes collection of current charges, plus current and delinquent additions less current and delinquent abatements.

Note: Amounts collected include state shared taxes provided to the City to offset legislatively granted property tax reductions. These amounts have been classified as intergovernmental revenues on the financial statements.

CITY OF MANSFIELD, OHIO

**INCOME TAX REVENUE BASE AND COLLECTIONS
LAST TEN YEARS**

<u>Tax Year</u>	<u>Tax Rate</u>	<u>Total Collections (1)</u>	<u>Collections From Withholding</u>	<u>Percentage of Taxes From Withholding</u>	<u>Collections From Net Profits</u>	<u>Percentage of Taxes From Net Profits</u>	<u>Collections From Individuals</u>	<u>Percentage of Taxes From Individuals</u>
2012	1.75%	\$ 23,524,296	\$ 18,978,927	80.7%	\$ 3,093,223	13.1%	\$ 1,452,146	6.2%
2011	1.75%	23,740,740	18,569,475	78.2%	3,684,580	15.5%	1,486,685	6.3%
2010	1.75%	23,162,331	18,375,043	79.3%	3,296,900	14.2%	1,490,388	6.5%
2009	1.75%	22,962,928	18,533,033	80.7%	2,914,595	12.7%	1,515,300	6.6%
2008	1.75%	25,100,403	19,618,191	78.2%	3,886,377	15.5%	1,595,835	6.3%
2007	1.75%	25,952,247	20,333,797	78.4%	4,030,366	15.5%	1,588,084	6.1%
2006	1.75%	24,586,419	19,853,408	80.7%	3,214,402	13.1%	1,518,609	6.2%
2005	1.75%	24,229,207	19,233,753	79.4%	3,460,874	14.3%	1,534,580	6.3%
2004	1.75%	22,855,984	18,651,034	81.6%	2,773,583	12.1%	1,431,367	6.3%
2003	1.75%	23,289,856	19,165,146	82.3%	2,634,031	11.3%	1,490,679	6.4%

(1) Total collections include tax, penalty, interest and court costs.

Tax rate of 1.75% consists of a 1% permanent levy, a .25% street resurfacing levy, and an additional .50% safety services levy.

Sources: City of Mansfield Income Tax Division - amounts reflect calendar year collections. Number of filers does not equal total taxpayers due to taxpayers paying city taxes through employer withholding only without filing requirement.

CITY OF MANSFIELD, OHIO

**TOP TEN INCOME TAX WITHHOLDING ACCOUNTS
LAST SIX YEARS**

Tax Year	Company Rank	Amount Paid	Percent of Total Withholding Collections	Tax Year	Company Rank	Amount Paid	Percent of Total Withholding Collections
2012	1	\$ 1,443,900	7.69%	2011	1	\$ 1,448,975	7.80%
2012	2	1,051,007	5.59%	2011	2	1,035,504	5.58%
2012	3	710,210	3.78%	2011	3	701,425	3.78%
2012	4	582,540	3.10%	2011	4	539,267	2.90%
2012	5	532,466	2.83%	2011	5	512,125	2.76%
2012	6	516,574	2.75%	2011	6	473,930	2.55%
2012	7	497,641	2.65%	2011	7	413,655	2.23%
2012	8	474,770	2.53%	2011	8	402,901	2.17%
2012	9	388,506	2.07%	2011	9	381,222	2.05%
2012	10	362,708	1.93%	2011	10	366,206	1.97%
	Total	\$ 6,560,322	34.92%		Total	\$ 6,275,210	34.77%
2010	1	\$ 1,434,242	7.81%	2009	1	\$ 1,460,849	7.97%
2010	2	1,032,882	5.62%	2009	2	1,065,900	5.82%
2010	3	725,392	3.95%	2009	3	736,239	4.02%
2010	4	543,692	2.96%	2009	4	568,663	3.10%
2010	5	517,690	2.82%	2009	5	496,749	2.71%
2010	6	476,933	2.60%	2009	6	493,879	2.70%
2010	7	460,848	2.51%	2009	7	423,830	2.31%
2010	8	444,903	2.42%	2009	8	394,803	2.16%
2010	9	428,300	2.33%	2009	9	358,432	1.96%
2010	10	321,869	1.75%	2009	10	282,799	1.54%
	Total	\$ 6,386,751	34.77%		Total	\$ 6,282,143	34.29%
2008	1	\$ 1,502,047	7.60%	2007	1	\$ 1,496,224	7.56%
2008	2	1,131,253	5.72%	2007	2	1,063,689	5.38%
2008	3	755,505	3.82%	2007	3	734,413	3.71%
2008	4	696,592	3.52%	2007	4	726,067	3.67%
2008	5	544,279	2.75%	2007	5	596,997	3.02%
2008	6	499,176	2.52%	2007	6	532,024	2.69%
2008	7	483,435	2.44%	2007	7	487,347	2.46%
2008	8	458,232	2.32%	2007	8	477,848	2.42%
2008	9	455,986	2.31%	2007	9	472,978	2.39%
2008	10	419,777	2.12%	2007	10	453,490	2.29%
	Total	\$ 6,946,282	35.12%		Total	\$ 7,041,077	35.59%

% Represents percent of total withholding tax collected

Sources: City of Mansfield Income Tax Division - amounts reflect calendar year collections. Company names not provided due to confidentiality regulations.

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CITY OF MANSFIELD, OHIO

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

Year	Governmental Activities			
	General Obligation Bonds	Special Assessment Bonds	Notes	Capital Leases
2012	\$ 4,635,000	\$ -	\$ 160,000	\$ 327,090
2011	5,010,000	-	230,000	-
2010	5,365,000	-	300,000	-
2009	5,710,000	-	370,000	100,000
2008	3,340,000	-	440,000	20,473
2007	3,580,000	-	510,000	39,982
2006	3,815,000	-	580,000	58,582
2005	4,040,000	-	655,430	76,309
2004	4,735,000	3,139	730,862	93,572
2003	5,440,000	3,268	11,066,293	-

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

See Demographic and Economic Statistics for personal income and population data.

Business-type Activities					
General Obligation Bonds		Notes	Total Debt	Percentage of Personal Income	Per Capita
\$	1,200,000	\$ 1,818,287	\$ 8,140,377	0.98%	\$ 170
	1,650,000	1,837,668	8,727,668	1.05%	183
	2,105,000	1,477,574	9,247,574	1.11%	193
	2,550,000	255,358	8,985,358	0.98%	174
	1,865,000	2,259,739	7,925,212	0.87%	154
	2,165,000	2,154,120	8,449,102	0.92%	164
	2,490,000	2,163,501	9,107,083	1.00%	176
	2,805,000	2,732,881	10,547,830	1.15%	204
	3,100,000	2,742,263	11,643,045	1.27%	226
	3,380,000	2,711,644	22,786,561	2.49%	442

CITY OF MANSFIELD, OHIO

RATIO OF NET GENERAL OBLIGATION BONDED DEBT
TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA
LAST TEN YEARS
(DOLLARS IN THOUSANDS)

Year	Population (1)	Assessed Value (3)	Gross General Obligation Bonded Debt (2,4)	Ratio of Net General Bonded Debt to Assessed Value	Net General Bonded Debt Per Capita
2012	47,821	\$ 571,244	\$ 5,835	1.02%	\$ 122.02
2011	47,821	584,011	6,660	1.14%	139.27
2010	47,821	615,906	7,470	1.21%	156.21
2009	51,600	626,270	8,260	1.32%	160.08
2008	51,600	668,624	5,205	0.78%	100.87
2007	51,600	685,398	5,745	0.84%	111.34
2006	51,600	742,313	6,305	0.85%	122.19
2005	51,600	783,682	6,845	0.87%	132.66
2004	51,600	720,973	7,835	1.09%	151.84
2003	51,600	705,782	11,090	1.57%	214.92

(1) Source: U.S. Census Bureau

(2) Includes general obligation bonds supported by enterprise activities because they are backed by the full faith and credit of the City.

(3) Source: Richland County Auditor

(4) Source: City of Mansfield, Ohio; Finance Department

(5) The net general obligation bonded debt is a negative amount because too much tax revenue was collected by the County and given to the City. This inflated the debt service fund balance.

CITY OF MANSFIELD, OHIO

COMPUTATION OF DIRECT AND OVERLAPPING
NET GENERAL OBLIGATION BONDED DEBT
DECEMBER 31, 2012

<u>Political Subdivision</u>	<u>Amount of Debt</u>	<u>Percent Applicable to City (1)</u>	<u>City's Share</u>
Direct:			
City of Mansfield	\$ 4,795,000	100.00%	\$ 4,795,000
Total Direct Debt	4,795,000		4,795,000
Overlapping Debt: (2)			
Richland County	26,110,848	31.58%	8,245,806
Mansfield City School District	11,815,112	65.18%	7,701,090
Crestview Local School District	2,503,370	0.45%	11,265
Madison Local School District	24,260,611	18.62%	4,517,326
Ontario Local School District	14,490,957	0.02%	2,898
Pioneer Career and Technology Center	11,683,058	16.20%	1,892,655
Total Overlapping Debt	90,863,956		22,371,040
Total Direct and Overlapping Debt	\$ 95,658,956		\$ 27,166,040

Source: Richland County Auditor

(1) Calculated by total valuation in respective taxing districts compared to total City valuation.

(2) Debt outstanding for school districts is shown as of June 30, 2012.

CITY OF MANSFIELD, OHIO

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING AND LEGAL DEBT MARGIN
LAST TEN YEARS**

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Assessed Value	\$ 555,161,930	\$ 569,038,870	\$ 601,577,670	\$ 626,270,320
Overall Debt Limitation				
10 1/2 Percent of Assessed Valuation	<u>58,292,003</u>	<u>59,749,081</u>	<u>63,165,655</u>	<u>65,758,384</u>
Total Voted and Unvoted Debt Outstanding at December 31st	5,835,000	6,660,000	7,470,000	8,260,000
Less: Exempt Debt				
Unvoted General Obligation Bonds to be paid from Water and Sewer system revenues	(1,200,000)	(1,650,000)	(2,105,000)	(2,550,000)
Unvoted General Obligation Bonds issued in anticipation of the collection of Special Assessments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Within 10 1/2 Percent Limitation	4,635,000	5,010,000	5,365,000	5,710,000
Less: Debt Service Fund Balance	<u>(146,838)</u>	<u>(99,762)</u>	<u>(201,045)</u>	<u>(86,281)</u>
Net Debt Subject to 10 1/2 Percent Limitation	<u>4,488,162</u>	<u>4,910,238</u>	<u>5,163,955</u>	<u>5,623,719</u>
Legal Debt Margin Within 10 1/2 Percent Limitation	<u>\$ 53,803,841</u>	<u>\$ 54,838,843</u>	<u>\$ 58,001,700</u>	<u>\$ 60,134,665</u>
Legal Debt Margin as a Percentage of the Debt Limit	92.30%	91.78%	91.82%	91.45%
Assessed Value	\$ 555,161,930	\$ 569,038,870	\$ 601,577,670	\$ 626,270,320
Unvoted Debt Limitation				
5 1/2 Percent of Assessed Valuation	<u>30,533,906</u>	<u>31,297,138</u>	<u>33,086,772</u>	<u>34,444,868</u>
Total Unvoted Debt Outstanding at December 31st	5,835,000	6,660,000	7,470,000	8,260,000
Less: Exempt Debt				
Unvoted General Obligation Bonds to be paid from Water and Sewer system revenues	(1,200,000)	(1,650,000)	(2,105,000)	(2,550,000)
Unvoted General Obligation Bonds issued in anticipation of the collection of Special Assessments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Within 5 1/2 Percent Limitation	4,635,000	5,010,000	5,365,000	5,710,000
Less: Debt Service Fund Balance	<u>(146,838)</u>	<u>(99,762)</u>	<u>(201,045)</u>	<u>(86,281)</u>
Net Debt Subject to 5 1/2 Percent Limitation	<u>4,488,162</u>	<u>4,910,238</u>	<u>5,163,955</u>	<u>5,623,719</u>
Legal Debt Margin Within 5 1/2 Percent Limitation	<u>\$ 26,045,744</u>	<u>\$ 26,386,900</u>	<u>\$ 27,922,817</u>	<u>\$ 28,821,149</u>
Legal Debt Margin as a Percentage of the Debt Limit	85.30%	84.31%	84.39%	83.67%

Source: City of Mansfield, Ohio; Finance Department

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 668,624,139	\$ 685,397,888	\$ 742,313,487	\$ 783,681,822	\$ 720,973,337	\$ 705,781,908
<u>70,205,535</u>	<u>71,966,778</u>	<u>77,942,916</u>	<u>82,286,591</u>	<u>75,702,200</u>	<u>74,107,100</u>
5,205,000	5,745,000	6,305,000	6,845,000	7,838,139	11,093,268
(1,865,000)	(2,165,000)	(2,490,000)	(2,805,000)	(3,100,000)	(3,380,000)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,139)</u>	<u>(3,268)</u>
3,340,000	3,580,000	3,815,000	4,040,000	4,735,000	7,710,000
<u>(71,917)</u>	<u>(61,604)</u>	<u>(177,796)</u>	<u>(1,202,435)</u>	<u>(1,945,879)</u>	<u>(2,987,309)</u>
<u>3,268,083</u>	<u>3,518,396</u>	<u>3,637,204</u>	<u>2,837,565</u>	<u>2,789,121</u>	<u>4,722,691</u>
<u>\$ 66,937,452</u>	<u>\$ 68,448,382</u>	<u>\$ 74,305,712</u>	<u>\$ 79,449,026</u>	<u>\$ 72,913,079</u>	<u>\$ 69,384,409</u>
95.34%	95.11%	95.33%	96.55%	96.32%	93.63%
\$ 668,624,139	\$ 685,397,888	\$ 742,313,487	\$ 783,681,822	\$ 720,973,337	\$ 705,781,908
<u>36,774,328</u>	<u>37,696,884</u>	<u>40,827,242</u>	<u>43,102,500</u>	<u>39,653,534</u>	<u>38,818,005</u>
5,205,000	5,745,000	6,305,000	6,845,000	7,358,139	10,118,268
(1,865,000)	(2,165,000)	(2,490,000)	(2,805,000)	(3,100,000)	(3,380,000)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,139)</u>	<u>(3,268)</u>
3,340,000	3,580,000	3,815,000	4,040,000	4,255,000	6,735,000
<u>(71,917)</u>	<u>(61,604)</u>	<u>(177,796)</u>	<u>(1,202,435)</u>	<u>(1,945,879)</u>	<u>(2,987,309)</u>
<u>3,268,083</u>	<u>3,518,396</u>	<u>3,637,204</u>	<u>2,837,565</u>	<u>2,309,121</u>	<u>3,747,691</u>
<u>\$ 33,506,245</u>	<u>\$ 34,178,488</u>	<u>\$ 37,190,038</u>	<u>\$ 40,264,935</u>	<u>\$ 37,344,413</u>	<u>\$ 35,070,314</u>
91.11%	90.67%	91.09%	93.42%	94.18%	90.35%

CITY OF MANSFIELD, OHIO
SPECIAL ASSESSMENT BONDS
PLEDGED REVENUE COVERAGE
LAST TEN YEARS

Year	Special Assessment Collections (1)	Debt Service (2)			Coverage
		Principal	Interest	Total	
2012	\$ 25,418	\$ -	\$ -	\$ -	-
2011	31,770	-	-	-	-
2010	47,852	-	-	-	-
2009	67,654	-	-	-	-
2008	53,316	-	-	-	-
2007	32,941	-	-	-	-
2006	34,109	-	-	-	-
2005	29,714	3,139	-	3,139	9.47
2004	37,359	129	245	374	99.89
2003	61,697	490	282	772	79.92

(1) Source: Richland County Auditor

(2) Source: City of Mansfield, Ohio; Finance Department

CITY OF MANSFIELD, OHIO

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS**

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (2)</u>	<u>Per Capita Personal Income (1)</u>	<u>Median Household Income (1)</u>	<u>Unemployment Rate (3)</u>
2012	47,821	\$ 830,220,381	\$ 17,361	\$ 32,076	8.3%
2011	47,821	830,220,381	17,361	32,076	10.3%
2010	47,821	830,220,381	17,361	32,076	11.8%
2009	51,600	914,661,600	17,726	30,176	12.6%
2008	51,600	914,661,600	17,726	30,176	7.4%
2007	51,600	914,661,600	17,726	30,176	6.5%
2006	51,600	914,661,600	17,726	30,176	6.1%
2005	51,600	914,661,600	17,726	30,176	6.5%
2004	51,600	914,661,600	17,726	30,176	7.2%
2003	51,600	914,661,600	17,726	30,176	7.2%

(1) Source: U.S. Census Bureau

(2) Computation of per capita personal income multiplied by population

(3) Source: U.S. Department of Labor, Bureau of Labor Statistics

CITY OF MANSFIELD, OHIO

PRINCIPAL EMPLOYERS
DECEMBER 31, 2012 AND DECEMBER 31, 2003

2012			
Employer (1)	Rank (1)	Employees (1)	Percentage of Total City Employment (2)
MedCentral Health Systems	1	2,400	4.54%
Richland County Government	2	1,194	2.26%
Jay Industries, Inc.	3	950	1.80%
Newman Technology	4	850	1.61%
StarTek, Inc.	5	800	1.51%
CenturyLink, Inc.	6	750	1.42%
Mansfield Board of Education	7	700	1.33%
Mansfield Correctional Institution	8	680	1.29%
Therm-O-Disc, Inc.	9	575	1.09%
Gorman Rupp Company	10	525	0.99%
	Total	<u>9,424</u>	<u>17.84%</u>
Total employment within the City		<u>52,819</u>	

2003			
Employer (1)	Rank (1)	Employees (1)	Percentage of Total City Employment (2)
MedCentral Health Systems	1	2,700	4.55%
Richland County Government	2	1,475	0.34%
Jay Industries, Inc.	3	1,100	1.85%
Sprint / EMBARQ	4	1,000	1.69%
Newman Technology	5	900	1.52%
Mansfield Board of Education	6	900	1.52%
Therm-O-Disc, Inc.	7	900	1.52%
Mansfield Correctional Institution	8	790	1.33%
City of Mansfield Government	9	600	1.01%
AK Steel	10	600	1.01%
	Total	<u>10,965</u>	<u>16.34%</u>
Total employment within the City		<u>59,328</u>	

(1) Source: City of Mansfield, Ohio, Department of Economic Development - amounts are estimates

(2) Source: U.S. Department of Labor, Bureau of Labor Statistics - total city employment figures

CITY OF MANSFIELD, OHIO

**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN YEARS**

<u>Function/Program</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
General Government:										
Council	11	11	12	12	12	12	11	11	11	11
Administration	3	3	3	4	4	5	4	6	6	6
Finance	15	18	18	17	27	28	26	23	22	20
Law	10	11	12	12	14	13	13	15	14	13
Courts	45	50	50	52	54	54	53	49	54	54
General Government	6	6	7	7	7	8	8	7	7	8
Economic/Community Development	7	6	7	6	6	6	6	8	7	7
Engineering	6	6	6	8	10	11	11	8	8	8
Maintenance	3	3	4	3	4	4	5	4	4	4
Codes/Permits	6	4	6	7	10	9	11	9	9	9
Litter Control	0	0	1	1	2	2	1	2	2	2
Regional Community Advancement	26	26	31	27	26	16	23	24	27	26
Parks/Recreation	1	1	6	6	11	12	9	10	9	12
Street/Highway	6	6	10	14	34	35	35	32	33	33
Police	102	111	121	127	144	150	148	142	139	145
Fire	80	85	96	100	102	98	100	102	95	98
Water	51	58	57	61	68	67	62	54	54	53
Sewer	38	36	38	41	41	40	41	50	56	56
Airport	4	4	4	4	6	5	5	6	6	5
Repair Garage	6	5	5	5	9	9	9	9	9	9
Information Technology	3	3	4	4	4	4	4	3	4	4
Total	429	453	498	518	595	588	585	574	576	583

Source: City of Mansfield, Ohio Payroll Department

CITY OF MANSFIELD, OHIO

**OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS**

<u>Function/Program</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
General Government:										
Building permits issued	287	190	185	164	174	207	231	288	331	332
Code enforcements	2,566	2,155	2,426	3,070	4,633	5,519	4,195	2,922	3,301	3,921
Police										
Calls for service	37,241	35,613	37,352	37,548	42,062	42,072	44,417	43,876	47,328	48,348
Traffic violations	5,398	5,106	6,348	5,616	6,221	6,741	5,958	4,760	7,056	6,104
Parking violations	4,071	4,363	4,957	6,928	7,684	5,896	9,530	9,337	10,639	9,671
Physical arrests	5,198	4,975	5,090	4,364	4,987	4,924	4,840	4,328	4,476	4,269
Fire										
Emergency responses	7,393	6,997	6,608	6,234	6,441	6,109	6,079	6,290	5,787	5,662
Fire responses	1,664	1,556	1,547	1,450	1,653	1,470	1,304	1,543	1,732	1,784
Street/Highway										
Street resurfacing mileage (1)	12	11	8	15	20	19	18	24	26	26
Number of streets resurfaced (1)	60	64	51	104	81	96	95	127	145	143
Tons of salt used	8,167	4,285	8,045	7,742	14,355	6,240	6,498	10,528	7,590	9,647
Leaf removal (cubic yards) (2)	6,024	4,215	1,789	9,170	9,288	11,642	11,438	11,500	11,984	15,536
Water										
Number of customers	18,696	18,652	18,628	19,800	20,448	20,394	20,335	20,329	20,152	20,152
Average daily consumption (thousands of gallons)	9,390	9,190	8,930	7,860	8,920	8,480	9,000	10,000	10,000	10,000
Wastewater										
Average daily sewage treatment (thousands of gallons)	10,010	10,910	9,910	9,809	10,348	9,870	10,360	9,130	9,580	10,520

Sources: Various City departments - some amounts may be estimates

(-) Not available

(1) Funded by income tax dollars only

(2) Leaf removal program was eliminated in 2010 due to budgetary issues. Citizens were allowed to drop off leaves at the Street Department.

CITY OF MANSFIELD, OHIO

**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS**

<u>Function/Program</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Police										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of offices	2	2	2	2	2	2	2	2	2	2
Number of police vehicles	58	73	69	68	62	65	62	58	59	60
Fire										
Number of stations	5	6	6	6	5	5	5	5	5	5
Number of fire trucks	8	8	9	9	9	8	6	6	6	6
Number of rescue squads	6	6	8	8	8	6	6	7	6	6
Streets/Highways										
Mileage	295	295	295	295	295	295	295	295	295	295
Street signs	13,088	13,338	13,330	13,325	13,300	13,270	13,262	13,203	13,147	13,125
Parks/Recreation										
Number of Parks	34	34	34	34	33	33	33	33	33	33
Acreage	435	435	435	435	435	435	435	435	435	435
Playgrounds	21	21	21	21	20	20	20	20	20	20
Swimming pools	4	4	4	4	4	4	4	4	4	4
Water										
Miles of water mains	250	250	250	250	250	250	250	250	250	250
Storage capacity (thousands of gallons)	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500
Wastewater										
Miles of sanitary sewer	200	200	200	200	200	200	200	200	200	200
Treatment capacity (thousands of gallons)	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500

Sources: Various City departments

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Dave Yost • Auditor of State

CITY OF MANSFIELD

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
SEPTEMBER 19, 2013**